

COMMISSION MEETING

DECEMBER 21, 2023

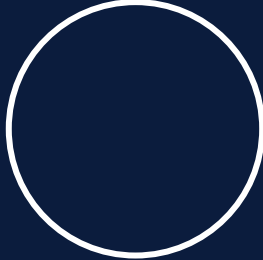
(Public Notice: G.L. C-30A, Sec. 20, December 18, 2023)

	Topic	Speaker	Schedule
I	Minutes, November 16, 2023 (VOTE)	Valerie Sullivan, Chair Andrew Stern, General Counsel	8:30-8:40
II	Executive Director's Report (INFORM)	Matthew Veno, Executive Director	8:40-8:50
III	FY25 Preliminary Cost Increase (INFORM)	Vincent Kane, Senior Director & Actuary – Health and Group Benefits, WTW	8:50-9:30
IV	Proposed Regulatory Amendments (VOTE)	Andrew Stern, General Counsel	9:30-10:00
V	Municipal Insurance Program Update (INFORM)	Michael Berry, Director of Government Affairs	10:00-10:15
VI	Other Business/Adjournment	Valerie Sullivan, Chair Matthew Veno, Executive Director	10:15-10:30

Motion

That the Commission hereby approves the minutes of its meeting held on November 16, 2023 as presented.

- Valerie Sullivan, Chair
- Bobbi Kaplan, Vice-Chair
- Cassandra Roeder (A&F Designee)
- Rebecca Butler (Designee for DOI)
- Elizabeth Chabot
- Edward Tobey Choate
- Tamara Davis
- Jane Edmonds
- Joseph Gentile
- Gerzino Guirand
- Patricia Jennings
- Eileen P. McAnneny
- Melissa Murphy-Rodrigues
- Timothy D. Sullivan
- Anna Sinaiko



II. EXECUTIVE DIRECTOR'S REPORT (INFORM)

Matthew Veno
Executive Director
&
Members of Senior Staff

Projected Fiscal Year 2024 Calendar

2024-2025 Fiscal Year Meeting Schedule											
2024-2025 Fiscal Year Meeting Schedule											
Jul	Aug	Sep 21	Oct 19	Nov 16	Dec 21	Jan 18	Feb 15	Feb 29	Apr	May 16	Jun 20
No Meeting	No Meeting	Plan Audit	Canceled	Vote: Plan Audit Procurement	FY2025 Preliminary Rates	Presentation: FY2025 Plan Design	Vote: FY2025 Plan Design	Vote: FY2025 Rates	No Meeting	Vote: Trust Funds	Report: Annual Enrollment
		CFO End of FY Report		HPC/CHIA presentation (tentative)	Vote: Regulations Amendments		Report: Public Info Sessions			Report: Out of Pocket	
		Municipal Memo			Muni Program Update						
			Fall Health Insurance Buy-out			Public Information Sessions				FY2025 Annual Enrollment	

Note: Topics and meeting dates are subject to change



III. FY25 Preliminary Cost Increase (INFORM)

Vincent Kane

Senior Director & Actuary – Health and Group Benefits,
WTW

III. FY25 Preliminary Cost Increase (INFORM)

Expected FY25 Budget Increase Context Setting

Why are we here today?

- Based on the current medical and pharmacy carriers and plan design offerings, preliminary Fiscal Year 2025 (FY25) full cost premiums were developed for each of the GIC's products (Non-Medicare and Medicare)
- The purpose of this discussion is to present FY25 Medical and Pharmacy preliminary pricing projections prior to incorporating strategic plan design changes. A premium reflects the total sum of money that the product is expected to cost in claims and fees (for medical and pharmacy), including the Commonwealth, municipalities and member portion; typically displayed as a monthly amount

What are premiums?

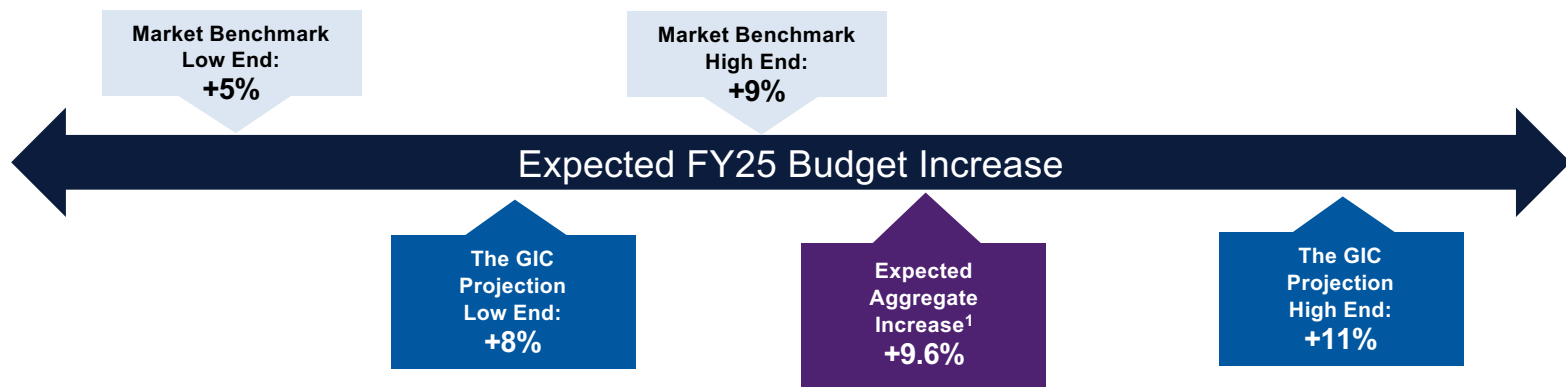
- Out-of-pocket costs at point of service are not included in premiums (e.g., office visit copays)
- The premiums reflected on the following slides reflect the full cost – members only pay a portion of the full cost premium

How were the premiums developed?

- Self-insured (i.e., ASO): Willis Towers Watson actuaries calculate FY25 premiums utilizing claims data, member data, and actuarial assumptions; the individual and family premiums reflect the claims experience and demographics for each product offered (applies to Non-Medicare and Medicare Supplement plans for the GIC)
- Fully-insured: The carriers develop and determine the fully insured FY25 premiums for the GIC (applies to Medicare Advantage medical portion only)

III. FY25 Preliminary Cost Increase (INFORM)

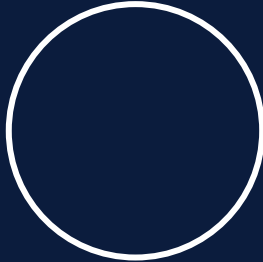
- “Preliminary” = Current plan options, programs, plan design, funding mechanism; no anticipated migration or material changes in member behavior
- 9.6% projected aggregate increase prior to plan changes and finalization of claim adjustments



Next Steps

- Finalize medical trend assumptions provided by vendor partners
- Finalize claims adjustments related to GLP-1 drugs and EGWP reimbursements
- Evaluate and vote on plan design changes, including cost impacts, if any
- Adjust the budget rate increase accordingly

¹ Expected aggregate increase reflects the weighted average across non-Medicare and Medicare plans. Specific plan increases may be outside the stated range.



IV. Proposed Regulatory Amendments (VOTE)

Andrew Stern,
General Counsel

IV. Proposed Regulatory Amendments (VOTE)

Overview: Proposed Regulation Amendments

New Statutory Mandate

- Section 83 of the FY24 Budget states: Notwithstanding any general or special law to the contrary, the group insurance commission, in consultation with the Comptroller and the Executive Office for Administration and Finance, shall offer health insurance coverage to any new employee who is eligible for health insurance benefits. If any such employee opts to receive health insurance benefits provided by the Group Insurance Commission, such health insurance coverage shall be effective as of the employee's start date if the employment start date falls on the first day of the month or as of the first day of the month following the employee's start date if the employment start date falls on any day other than the first day of the month.

Changes

- Multiple changes had to be made to accommodate new employee health insurance eligibility
- Focused on 805 CMR 9.00

Adjustment and clarifications to address

- Clarifying language due to operational necessity and evolving benefit offerings
- Align benefit appeals process with Federal regulations

IV. Proposed Regulatory Amendments (VOTE)

805 CMR

- 805 is the Code of Massachusetts Regulations assigned for all GIC regulations
- Five Chapters
 - 805 CMR 1.00: General provisions
 - 805 CMR 5.00: Miscellaneous
 - 805 CMR 7.00: Retired municipal teachers
 - 805 CMR 8.00: Municipal health coverage
 - 805 CMR 9.00: Eligibility and participation
- “Skipped” chapters indicate repealed chapters or those reserved for future use
- Proposed amendments to 805 CMR 9.00 are before the Commission today

IV. Proposed Regulatory Amendments (VOTE)

Massachusetts' Regulation Process

Proposal	Public Notification	Public Hearing and Comment Period	Promulgation
<ul style="list-style-type: none"> • GIC submits proposed regulations or amendments to the Commission • The Commission votes to authorize staff to move forward with the regulatory process • GIC prepares Small Business Impact Statements 	<ul style="list-style-type: none"> • GIC determines Public Comment Period and Hearing Date • 35 Days prior <ul style="list-style-type: none"> • Notify Mass Municipal Association • 21 Days prior <ul style="list-style-type: none"> • Submit draft proposal to Regulation Division • Advertise hearing in newspaper • 7 days prior <ul style="list-style-type: none"> • Publish proposed or amended Regulations in Mass. Register 	<ul style="list-style-type: none"> • GIC accepts public comments in writing • GIC accepts public comments at a hearing • GIC finalizes the draft proposals or amendments after reviewing public comments 	<ul style="list-style-type: none"> • GIC submits final proposed regulations or amendments to the Commission • The Commission votes to send back or approve the final proposal • GIC files new or amended regulations with Regulations Division

IV. Proposed Regulatory Amendments (VOTE)

Motion

That the Commission authorizes the General Counsel to move forward with the regulatory amendment process for the proposed draft regulatory amendments.

- Valerie Sullivan, Chair
- Bobbi Kaplan, Vice-Chair
- Cassandra Roeder (A&F Designee)
- Rebecca Butler (Designee for DOI)
- Elizabeth Chabot
- Edward Tobey Choate
- Tamara Davis
- Jane Edmonds
- Joseph Gentile
- Gerzino Guirand
- Patricia Jennings
- Eileen P. McAnneny
- Melissa Murphy-Rodrigues
- Timothy D. Sullivan
- Anna Sinaiko



V. Municipal Insurance Program Update (INFORM)

Michael Berry,
Director of Government Affairs

47 GIC Municipalities and Regional Entities: M.G.L. 32B Entities

69,850 total subscribers

- | | | |
|------------------------------|---------------------------------|-----------------------------------|
| • Town of Arlington | • Town of Lynnfield | • Town of Sudbury |
| • Town of Ashland* | • Town of Marblehead* | • Town of Swampscott* |
| • Town of Bedford* | • City of Medford | • Town of Wakefield |
| • Town of Brookline* | • City of Melrose* | • Town of Watertown |
| • Town of East Bridgewater | • Town of Middleborough* | • Town of Weston* |
| • Town of Easton | • Town of Millis* | • Town of Westwood* |
| • Town of Framingham | • Town of Monson | • Town of Weymouth |
| • City of Gloucester | • Town of North Andover* | • Town of Winthrop |
| • Town of Groveland | • City of Northampton | • Mohawk Trail RSD |
| • City of Haverhill | • Town of Norwood | • <u>Hawlemont RSD</u> |
| • Town of Hingham | • Town of Randolph* | • Gill Montague RSD |
| • Town of Holbrook* | • City of Salem | • Blue Hills Regional High School |
| • City of Lawrence | • City of Somerville | • Northeast Regional Vocational* |
| • Town of Lexington | • City of Springfield | • Pentucket RSD |
| • City of Lowell | • Town of Stoneham | • LABB Collaborative |
| • South Essex Sewer District | • South Essex Sewerage District | |

Largest: Springfield, Lowell, Lawrence, Framingham, Brookline

Smallest: Hawlemont Regional School District, Groveland

*Offers GIC retiree dental plan

Bold Italics denotes a Gateway City

100% FISCAL YEAR 2024 RENEWAL

	Entity	Subscribers
1	CITY OF HAVERHILL	2,513
2	GILL-MONTAGUE RSD	313
3	TOWN OF ARLINGTON	1,663
4	TOWN OF ASHLAND	576
5	TOWN OF BEDFORD	722
6	TOWN OF BROOKLINE	2,628
7	TOWN OF EASTON	833
8	TOWN OF HINGHAM	964
9	TOWN OF LEXINGTON	2,081
10	TOWN OF MARBLEHEAD	1,019
11	TOWN OF NORTH ANDOVER	1,089
12	TOWN OF RANDOLPH	974
13	TOWN OF STONEHAM	784
14	TOWN OF SWAMPSCOTT	627
15	TOWN OF WAKEFIELD	1113
16	TOWN OF WESTON	817
17	TOWN OF WESTWOOD	731
18	TOWN OF WEYMOUTH	1,993
TOTAL		21,440

NEW GIC SUBSCRIBER: SHORE EDUCATION COLLABORATIVE (CHELSEA): 227 FTE



OTHER BUSINESS/ADJOURNMENT

Valerie Sullivan,
Chair



FY2023 GIC Commission Meeting Schedule

Unless otherwise announced in the public notice, all meetings take place from 8:30 am - 10:30 am on the 3rd Thursday of the month. Meeting notices and materials including the agenda and presentation are available at mass.gov/gic under Upcoming Events prior to the meeting and under Recent Events after the meeting.

Please note:

- Anyone with Internet access can view the livestream via the MA Group Insurance Commission channel on YouTube. The meeting is recorded, so it can be replayed at any time.

Upcoming Group Insurance Commission Meeting

January

18

Appendix

Commission Members

GIC Leadership Team

GIC Goals

GIC Contact Channels

Commission Members

Valerie Sullivan, Public Member, Chair

Bobbi Kaplan, NAGE, Vice-Chair

Gary Anderson, Commissioner of Insurance

Matthew Gorzkowicz, Secretary of Administration & Finance

Elizabeth Chabot, NAGE

Patricia Jennings, Public Member

Edward Tobey Choate, Public Member

Anna Sinaiko, Health Economist

Tamara P. Davis, Public Member

Timothy D. Sullivan, Massachusetts Teachers Association

Jane Edmonds, Retiree Member

Eileen P. McAnneny, Public Member

Gerzino Guirand, Council 93, AFSCME, AFL-CIO

Melissa Murphy-Rodrigues, Mass Municipal Association

Joseph Gentile, Public Safety Member

GIC Leadership Team

Matthew A. Veno, Executive Director

Erika Scibelli, Deputy Executive Director

Emily Williams, Chief of Staff

James Rust, Chief Financial and Procurement Officer

Paul Murphy, Director of Operations

Stephanie Sutliff, Chief Information Officer

Andrew Stern, General Counsel

Brock Veidenheimer, Director of Human Resources

GIC Goals

1

Provide access to high quality, affordable benefit options for employees, retirees and dependents

2

Limit the financial liability to the state and others (of fulfilling benefit obligations) to sustainable growth rates

3

Use the GIC's leverage to innovate and otherwise favorably influence the Massachusetts healthcare market

4

Evolve business and operational environment of the GIC to better meet business demands and security standards

Contact GIC for Enrollment and Eligibility

- ☐ Enrollment
- ☐ Retirement
- ☐ Premium Payments
- ☐ Qualifying Events
- ☐ Life Insurance
- ☐ Long-Term Disability
- ☐ Information Changes
- ☐ Marital Status Change
- ☐ Other Questions

Online Contact	mass.gov/forms/contact-the-gic	Any time. Specify your preferred method of response from GIC (email, phone, mail)
Email	gicpublicinfo@mass.gov	
Telephone	(617) 727-2310, M-F from 8:45 AM to 5:00 PM	
Office location	1 Ashburton Place, Suite 1619, Boston, MA, Not open for walk-in service	
Correspondence & Paper Forms	P.O. Box 556 Randolph, MA 02368	Allow for processing time. Priority given to requests to retain or access benefits, and to reduce optional coverage during COVID-19.

Contact Your Health Carrier for Product and Coverage Questions

- Finding a Provider
- Accessing tiered doctor and hospital lists
- Determining which programs are available, like telehealth or fitness
- Understanding coverage

Health Insurance Carrier	Telephone	Website
Harvard Pilgrim Health Care	(844) 442-7324	point32health.org/gic
Health New England	(800) 842-4464	hne.com/gic
Tufts Health Plan (THP)	(800) 870-9488	tuftshealthplan.com/gic
THP Medicare Products	(888) 333-0880	
UniCare State Indemnity Plans	(833) 663-4176	unicaremass.com
Medicare Products	(800) 442-9300	
Mass General Brigham Health Plan	(866) 567-9175	massgeneralbrighamhealthplan.com/gic-members

Date: December 18, 2023
To: Group Insurance Commission
From: Matthew Veno, Executive Director
Subject: Executive Director's Report

Purpose: The purpose of this memo is to provide Commissioners with the Executive Director's report in writing. Questions and comments from Commissioners on the content of this memo are welcome during this portion of the agenda.

HUMAN RESOURCES

Commonwealth Salary Increase program

The Commonwealth has approved an FY'24 salary increase program for state employees, and all GIC employees will receive increases through that program. The GIC HR team is working with the Human Resources Division (HRD) on the implementation of the program. The increases will be provided in two steps with a 4% salary increase, retroactive to July 2, 2023, implemented in December and a second 4% salary increase implemented in January 2024.

LEGISLATIVE AND MUNICIPAL AFFAIRS

Legislation

On November 15 the Senate passed S.2499 *An Act relative to pharmaceutical access, costs and transparency*. This legislation is similar to pharmacy/prescription drug benefit legislation passed in prior years. Attention will now shift over to the House of Representatives where they are expected to take up their own version of the bill in 2024.

Municipal

Director of Government Affairs Mike Berry recently presented a "GIC 101" presentation to employees in the Town of Hamilton, who are in the early stages of considering alternatives to their current insurance offerings.

The GIC will be a participant in the 2024 MMA Annual Meeting & Trade Show at the Hynes Convention Center in January. GIC joined this event last year and found it to be a worthwhile way to engage with our members and municipal managers.

COMMUNICATIONS

Annual Enrollment

The GIC has begun the internal planning process for the next Annual Enrollment period, April 3 – May 1, 2024.

Benefit Statements

GIC benefit statements will be mailed in late January to retiree GIC members who are not registered for the MyGICLink member benefits portal. Members registered for the portal have access to information regarding their benefits real-time, 24/7, and will receive an email encouraging them to review their benefits and instructions for ensuring their information is accurate in time for Annual Enrollment, along with an announcement of Annual Enrollment dates, April 1 - May 3, 2024. GIC members not registered for the portal will also receive a similar email, encouraging them to register for the portal.

The GIC continues to promote using the portal to members through the following methods:

- **GIC Coordinators:** Email requesting that they forward to employees in their agency
- **Active Employees:** Email asking those who have not registered for the portal with a valid email address to register and review their benefit information
- **Partnerships with HRD:** News piece on their Commonwealth Connection newsletter to executive employees
- **Mass.gov/GIC Website:** Alert banner and news post during the months where printed benefit statements would have been received
- **GIC social Channels:** LinkedIn and Twitter/X posts
- **Executive Heads/HR Directors:** Email asking them to forward to employees in their agency
- **Public Information Sessions & Recordings:** Reminder to register for MyGICLink and review information prior to Annual Enrollment
- **Commonwealth Social Media Managers Group:** Asking communications staff from other Commonwealth departments to promote the portal via printed and digital materials

Annual Public Information Sessions

Public information sessions are tentatively scheduled and will all be held Virtually via Zoom. We had tremendous success and attendance in hosting these sessions virtually last year and are looking forward to building on that success. The tentative schedule is as follows:

Tuesday, January 23rd at 12 pm
Tuesday, January 23rd at 6 pm
Thursday, January 25th at 9:00 am

As we did last year, each session will be recorded and placed on our website for those who are unable to attend a live session. Commissioners, as always, are welcome to attend. More information, including how to register, will be posted on our website and communicated to members in the coming weeks.

Distribution channels for next year's information sessions are outlined below, with additional methods being discussed:

- Email to active employees from Human Resources Division (HRD)
- Email to retirees from the Massachusetts State Retirement Board
- Email to all GIC coordinators for distribution to their staff
- Social media posts from GIC accounts and public YouTube channel video
- GIC website: Events page, notice banner, news post

Flu Shot Postcards

CVS Caremark sent 65,000 postcards to active employee members reminding them to get their flu shots. These postcards were mailed in mid-November.