




Commonwealth of Massachusetts  
Group Insurance Commission

# COMMISSION MEETING

January 20, 2022

 MA Group Insurance Commission

 Group Insurance Commission

 @MassGIC

## Motion

**That the Commission hereby approves the minutes of its meeting held on December 16, 2021 as presented.**

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

	Topic	Speaker	Schedule
I	<b>Approval of 10/21/2021 Minutes (VOTE)</b>	Valerie Sullivan, Chair	8:30-8:35
II	<b>Executive Director's Report (INFORM)</b>	Matthew Veno, Executive Director  Members of Senior Staff	8:35-8:45
III	<b>FY23 Plan Design (INFORM)</b>	Jim Rust, Chief Financial Officer Matthew Veno, Executive Director	8:45-9:15
IV	<b>Out of Pocket Report (INFORM)</b>	Lauren Makishima, Data Analytics Manager	9:15-10:00
V	<b>Engagement Update (INFORM)</b>	Erika Scibelli, Deputy Executive Director Matthew Veno, Executive Director	10:00-10:15
VI	<b>CFO Update (INFORM)</b>	Jim Rust, Chief Financial Officer	10:15-10:25
VII	<b>Other Business/Adjournment</b>	Valerie Sullivan, Chair Matthew Veno, Executive Director	10:25-10:30



## II. Executive Director's Report (INFORM)

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**Matthew Veno,**  
Executive Director  
&  
**Members of Senior Staff**

- Calendar
- Human Resources
- Communications/Legislation/Municipalities
- Engagement
- COVID-19

## Projected 2022 Calendar\*

Jan 20	Feb 10	Mar 3	Apr 14	May 19	Jun 16	Jul	Aug	Sep 15	Oct 20	Nov 17	Dec 15
Presentation: FY23 Plan Design	Report: Public Listening Sessions	Vote: FY23 Plan Rates	Procurement Update	Behavioral health Update	Report: Annual Enrollment	No Meeting	No Meeting	Plan Audit	Annual Stewardship Meeting Report	FY24 Preliminary Rates	FY24 Preliminary Rates
Engagement Update	Vote: FY23 Plan Design	EAP Procurement Consultant Update	Engagement Update	Vote: Trust Funds	Vote: EAP Procurement Consultant			EAP Procurement Update	Vote: Medical Benefit		Vote: Pharmacy Benefit (PBM)
Report: Out of Pocket	Strategy Update	Engagement Update			EAP Procurement Update				Vote: EAP Procurement		
Public Listening Sessions			FY23 Annual Enrollment								
Stakeholder Engagement			Health Benefit Procurement								

\* Topics and meeting dates are subject to change



### III. FY23 Plan Design (INFORM)

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**James Rust,**  
Chief Financial Officer  
&  
**Matthew Veno,**  
Executive Director

## Proposed Plan Design Changes for FY2023

- The GIC is entering into the fifth and final year of the current health plan contracts on July 1, 2022 (Fiscal Year 2023)
- GIC staff and WTW conducted the annual review of benefits and reviewed current plan designs and is recommending no significant plan design changes for the last contract year
  - This includes no changes in cost sharing and deductibles
- GIC staff proposes changes to the behavioral health benefit, consistent with the strategic priority of improving access to behavioral health services, and to align with recent regulatory changes in the fully-insured commercial market on mental health parity.

## Proposed Plan Design Changes for FY2023

### Changes Related to DOI Bulletin on Mental Health Parity

- In 2018, the Massachusetts Department of Insurance and Department of Mental Health jointly issued a [bulletin](#) outlining several mental health parity coverage requirements for fully insured plans
  - The primary ambition of the legislation was to ensure non-discriminatory coverage for the diagnosis and treatment of child-adolescent mental health disorders, and adequate access to care for such disorders
- Some of these provisions have already been adopted by GIC plans
- The below exhibit outlines the cost of additional changes required to fully align all plans with the provisions of the DOI bulletin:

Plan Name	% of Medical Spend	Aggregate Cost	Impacted Members
AllWays*	0.00%	\$0	0
HNE	0.01%	\$8,000	32
Tufts Navigator	0.09%	\$475,000	290
Tufts Spirit	0.10%	\$49,500	33
HPHC Primary Choice	0.06%	\$87,500	63
HPHC Independence	0.06%	\$202,000	148
Fallon Select**	0.06%	\$32,700	23
Fallon Direct**	0.06%	\$21,400	18
UniCare Basic	0.02%	\$49,500	28
UniCare Plus	0.02%	\$45,600	57
UniCare Community Choice	0.08%	\$160,100	109
<b>Total</b>	<b>0.05%</b>	<b>\$1,131,300</b>	<b>801</b>

\* AllWays responded that DOI bulletin changes had already been implemented in previous years

\*\* Fallon % of medical spend and impacted members estimated using averages from other carriers' responses for plans with changes required (excludes AllWays)





## IV. Out of Pocket Report

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**Lauren Makishima,**  
Data Analytics Manager

- Out-Of-Pocket (OOP) Trends
- High Out-Of-Pocket Households
- Out-Of-Network Utilization
- Pharmacy Penalties & Prescription Drug OOP Costs

### Background Definitions

**Out-of-Pocket (OOP) Costs:** deductibles, copays, and coinsurance (including behavioral health and prescription drug cost-sharing) paid by the member

**Out-of-Pocket (OOP) Max:** after a member reaches their OOP max, the GIC covers 100% of the cost of that member's covered services

All non-Medicare GIC plans have a **\$5,000 individual / \$10,000 family** OOP Max

How could a member's OOP costs **exceed** the policy's OOP max?

#### Out-of-Network provider utilization

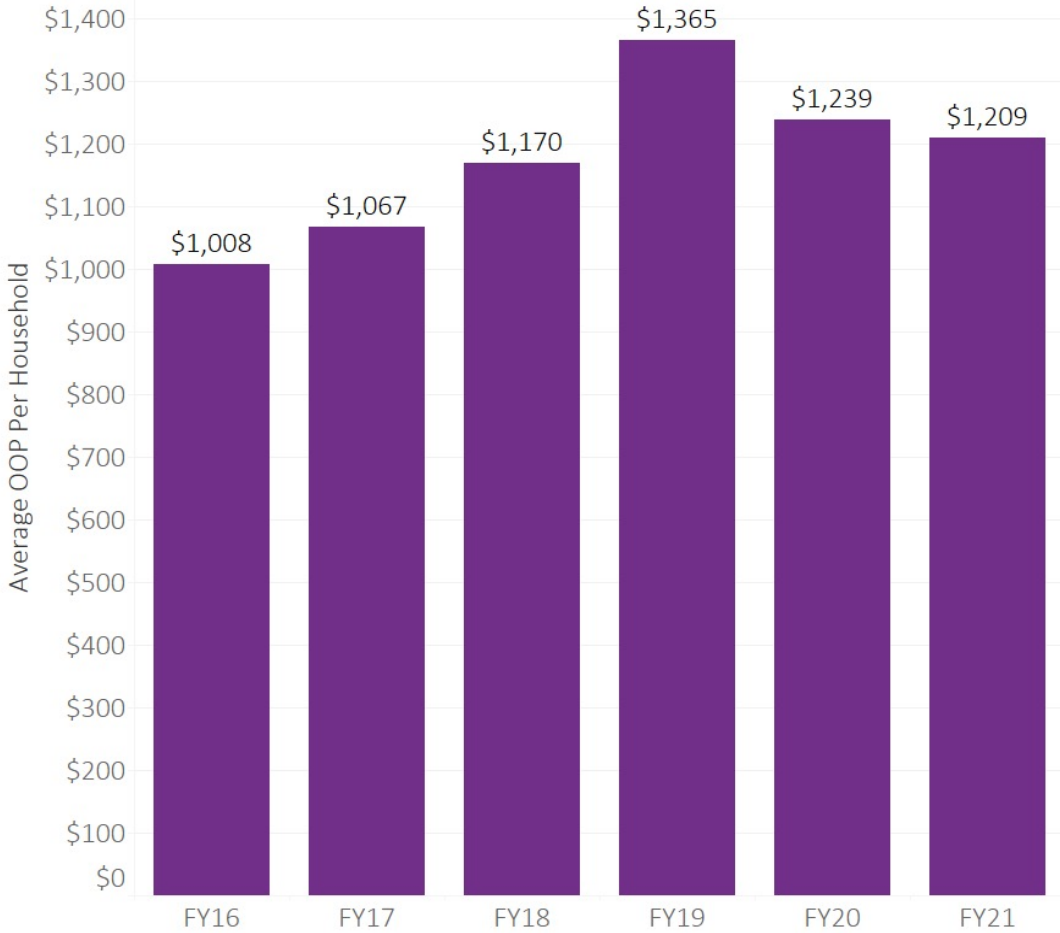
- HMO plans – not covered
- PPO/POS plans – covered, but subject to coinsurance and separate OOP max

#### Prescription drugs

- Product Selection penalties
- Retail Refill penalties

#### Non-covered services

## Average OOP Cost per Household FY16 – FY21

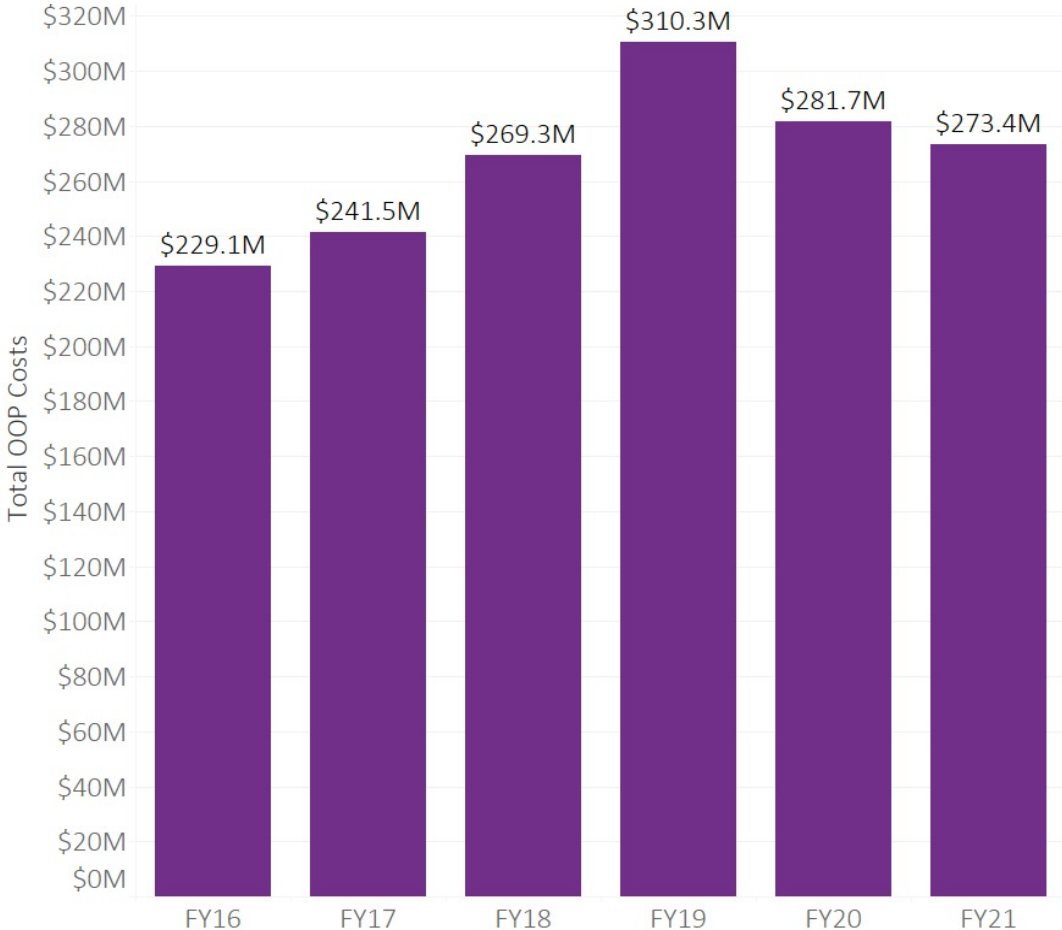


### Key Insights

Due to the waived copay policy implemented during the COVID-19 pandemic, Out-of-Pocket costs per household declined 2.4%, on average, from FY20 to FY21.

\* Includes active and Medicare populations, includes in-network and out-of-network costs; results may vary slightly from previous reports due to differing data sources; FY16-FY18 figures are slightly understated due to data source gaps that are in the process of being resolved

## Total OOP Cost (in Millions) FY16 – FY21

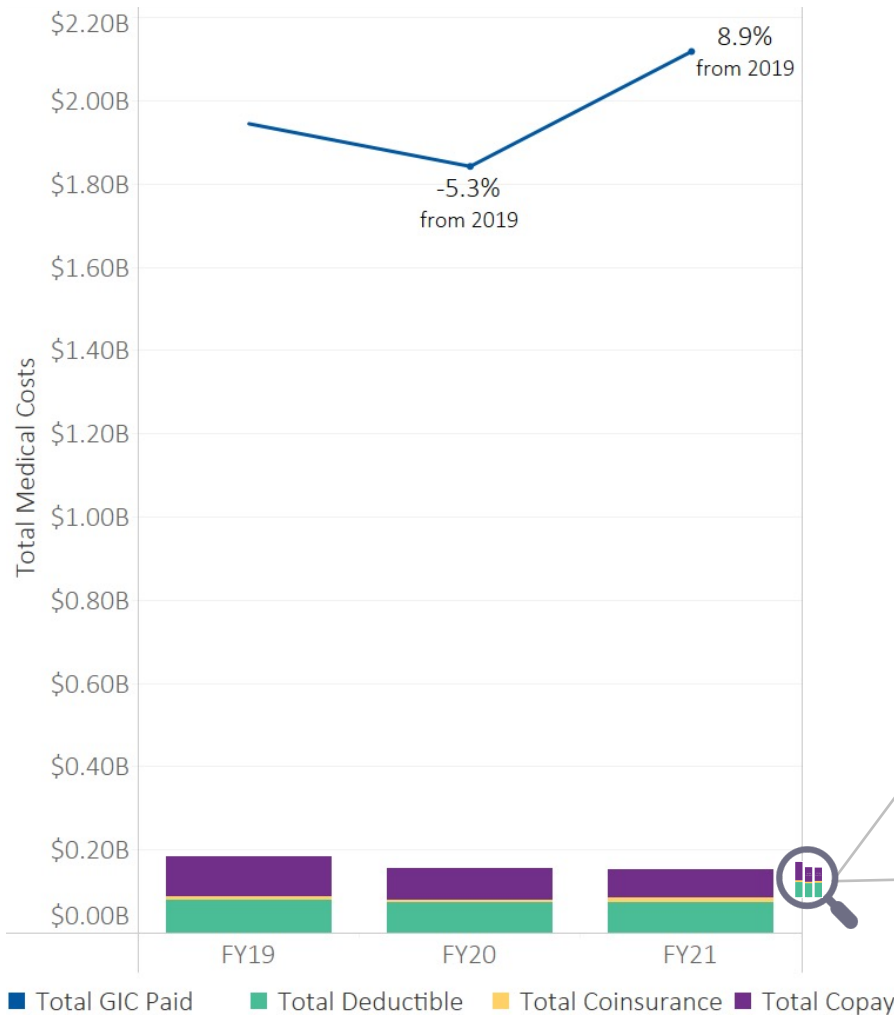


### Key Insights

- Total Out-of-Pocket costs decreased by 2.9% between FY20 and FY21 as the GIC continued to waive copays.
- During the same time period, the GIC-paid healthcare costs increased by 13.9% as deferred care was delivered and utilization rebounded.

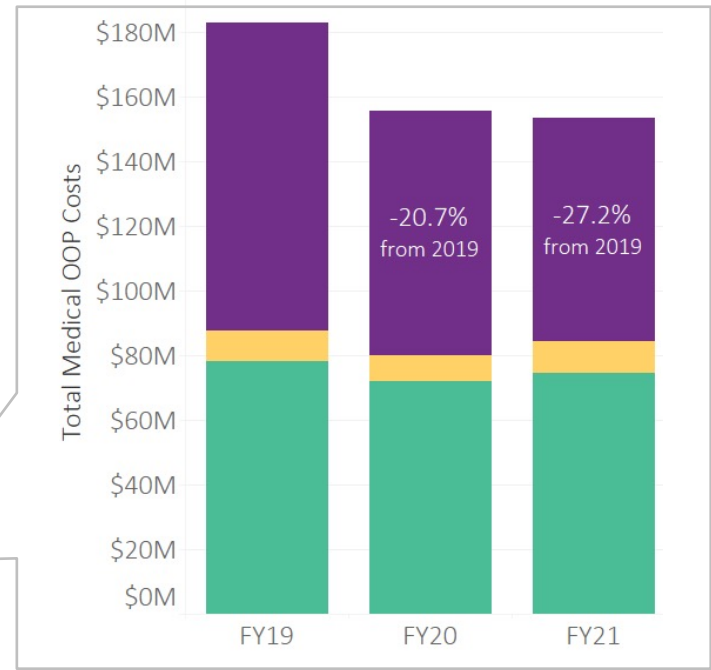
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# COVID-19 Waived Copay Policy Impact on Medical OOP Costs



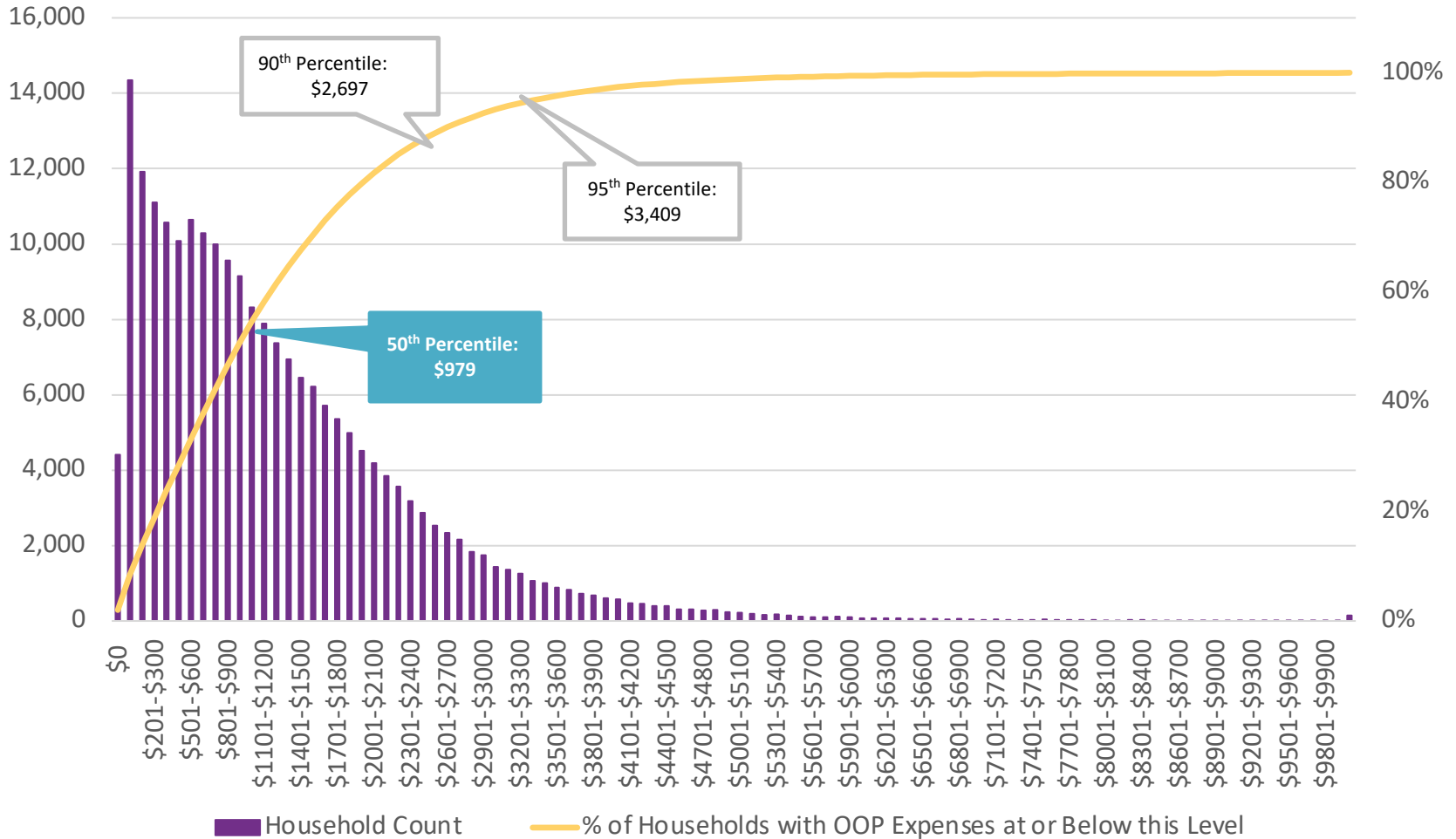
### Key Insights

The waived copay policy depressed member OOP costs below FY19 levels, even as utilization rebounded in FY21.



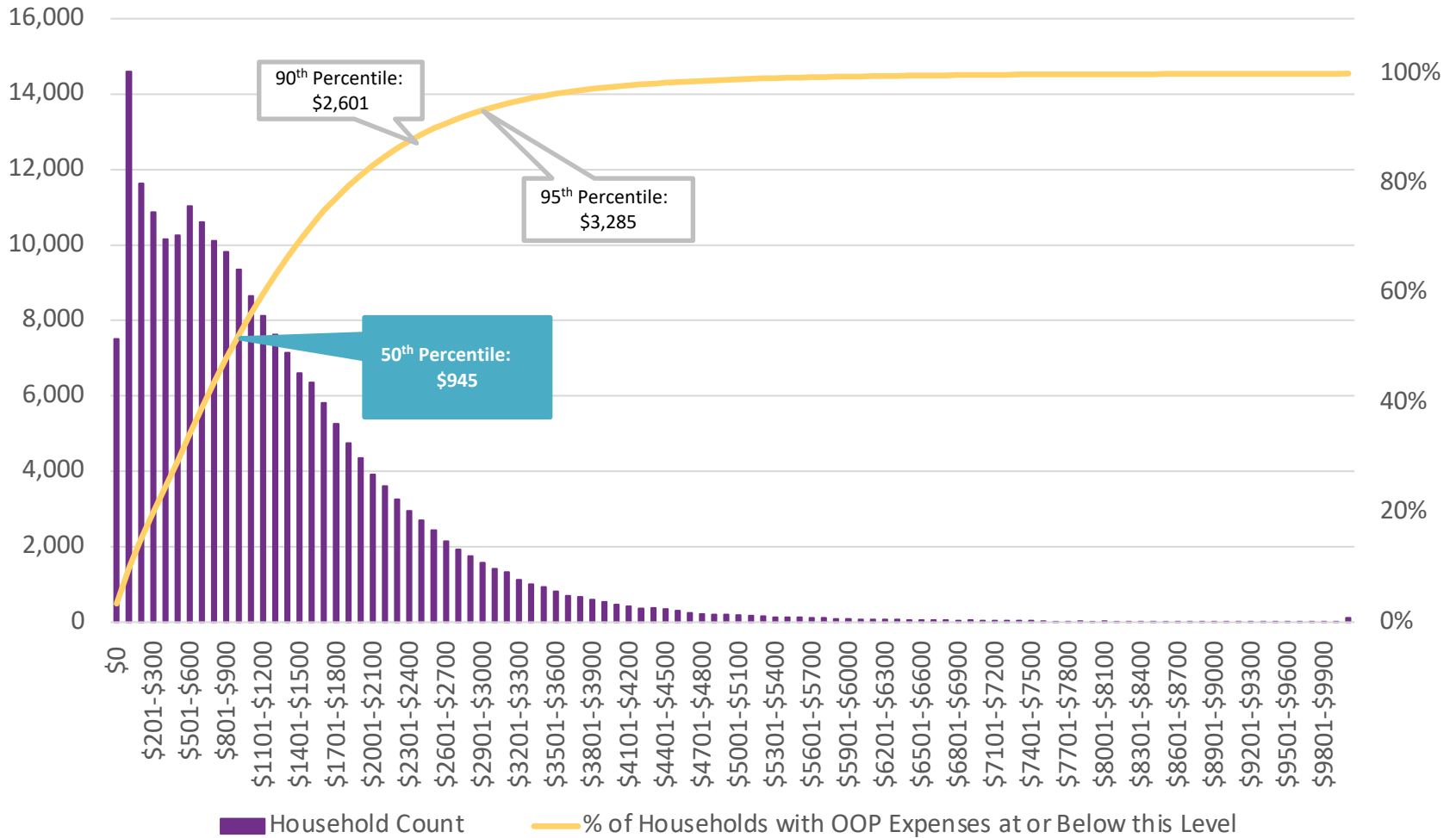
\* Includes active and Medicare populations, includes in-network and out-of-network costs; results may vary slightly from previous reports due to differing data sources

## OOP Cost by Household FY20



\*Includes active and Medicare populations, includes in-network and out-of-network costs; results may vary slightly from previous reports due to differing data sources

# OOP cost by Household FY21



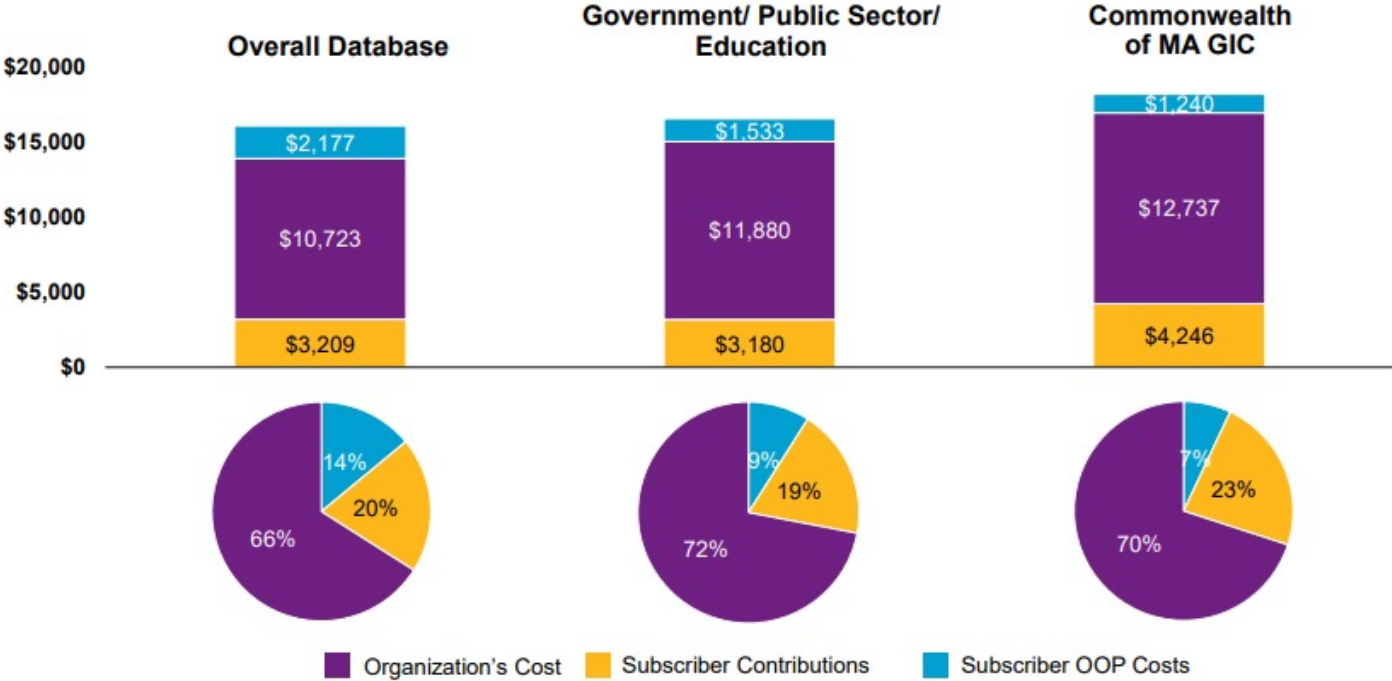
\* Includes active and Medicare populations, includes in-network and out-of-network costs; results may vary slightly from previous reports due to differing data sources

# Benchmarking GIC health benefits

GIC plans have **OOP costs** that are lower than database and industry benchmarks.

**Medical Cost Benchmarks** **Total Cost and Contributions**

**?** How does your subscribers' share of total cost, including contributions and out-of-pocket expenses, compare to benchmarks?



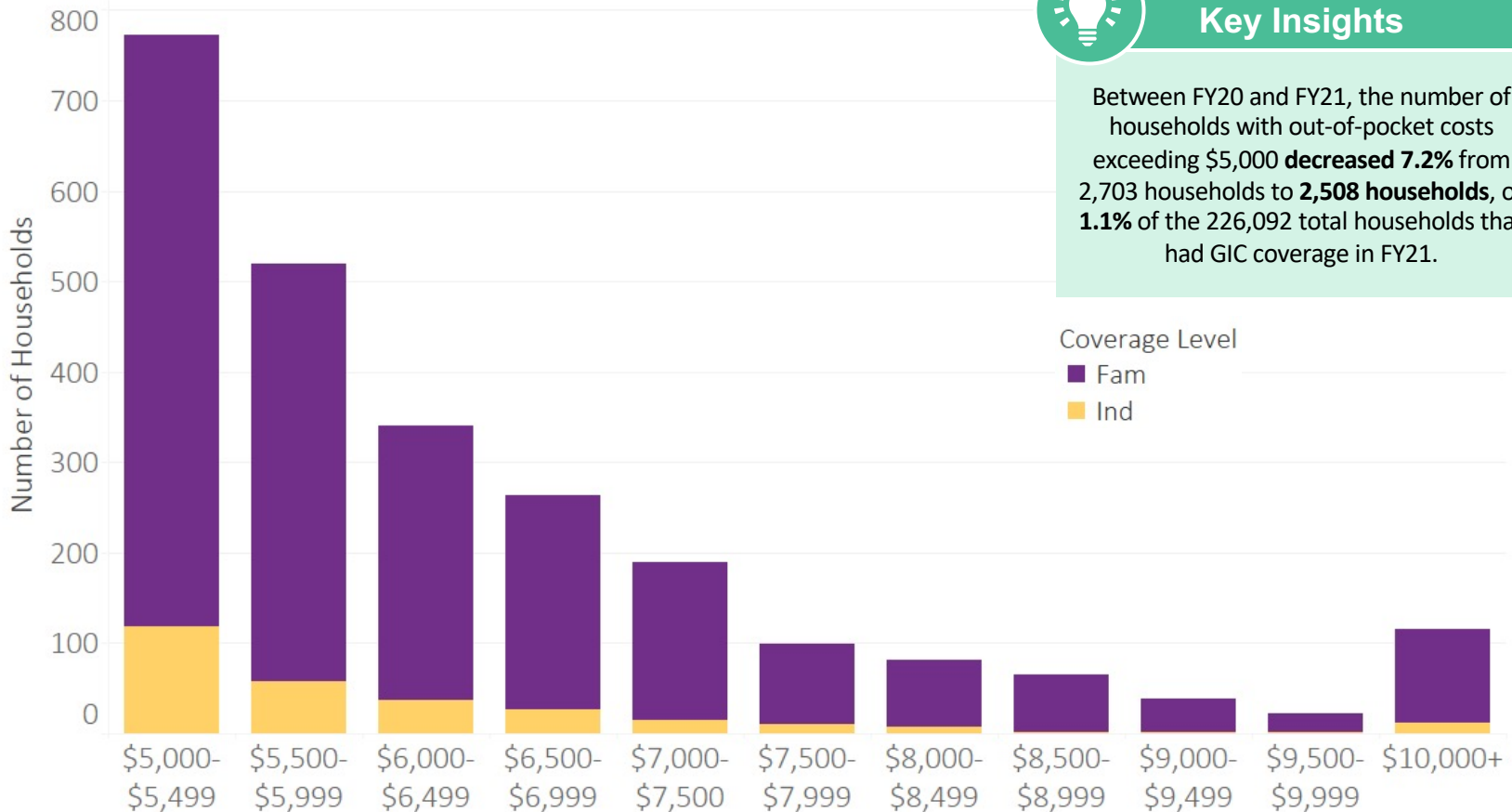
Source: Willis Towers Watson 2021 Financial Benchmarks Survey. Benchmark values are unadjusted. GIC differs from benchmark averages in age/gender, family size, geography, and plan value.



# High FY21 Out-of-Pocket Costs

**Households with OOP costs over \$5,000 in FY21**

## FY21 Household Distribution \$5,000+ By Coverage Level


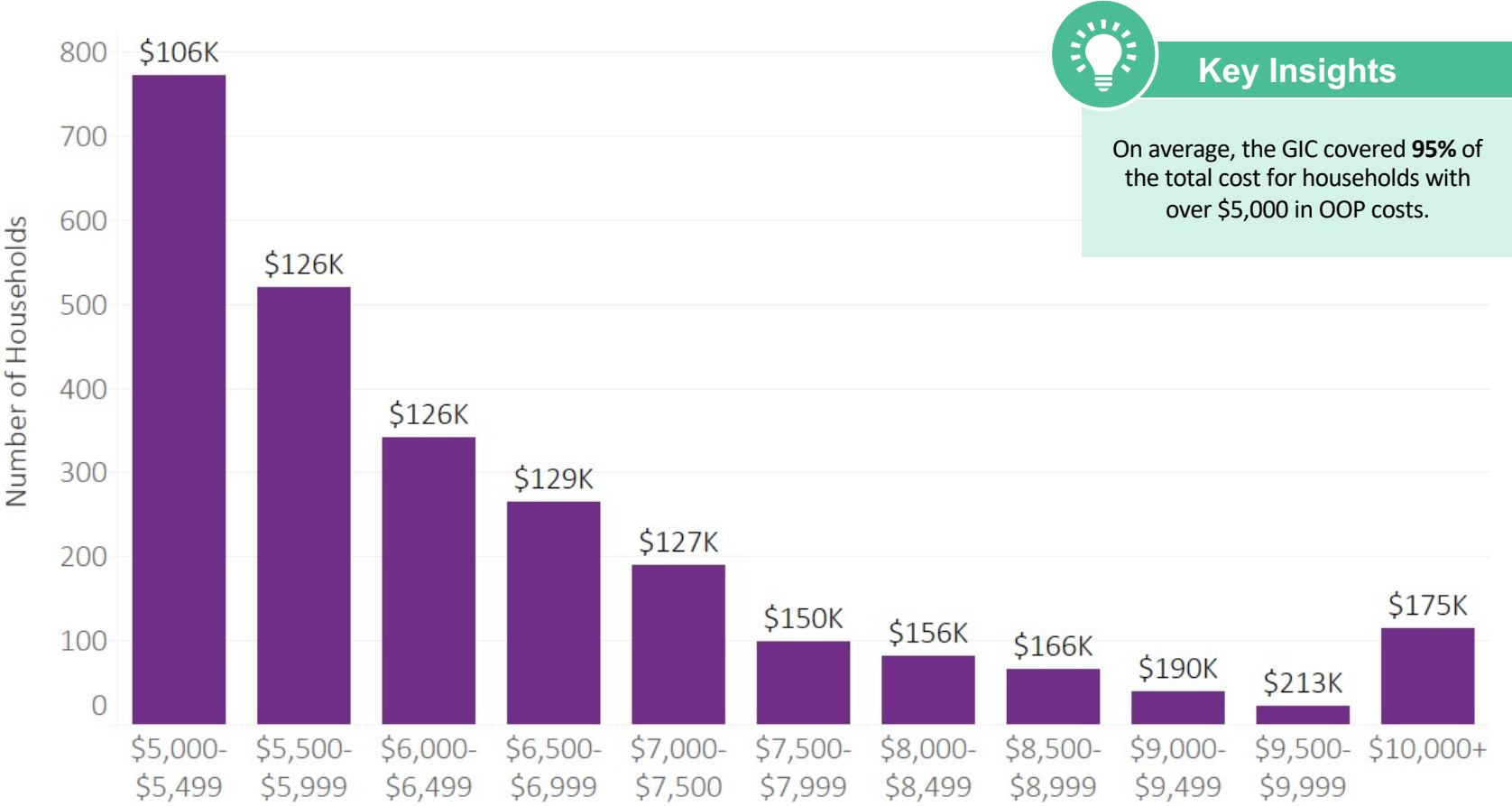


### Key Insights

Between FY20 and FY21, the number of households with out-of-pocket costs exceeding \$5,000 **decreased 7.2%** from 2,703 households to **2,508 households**, or **1.1%** of the 226,092 total households that had GIC coverage in FY21.

Coverage Level  
■ Fam  
■ Ind

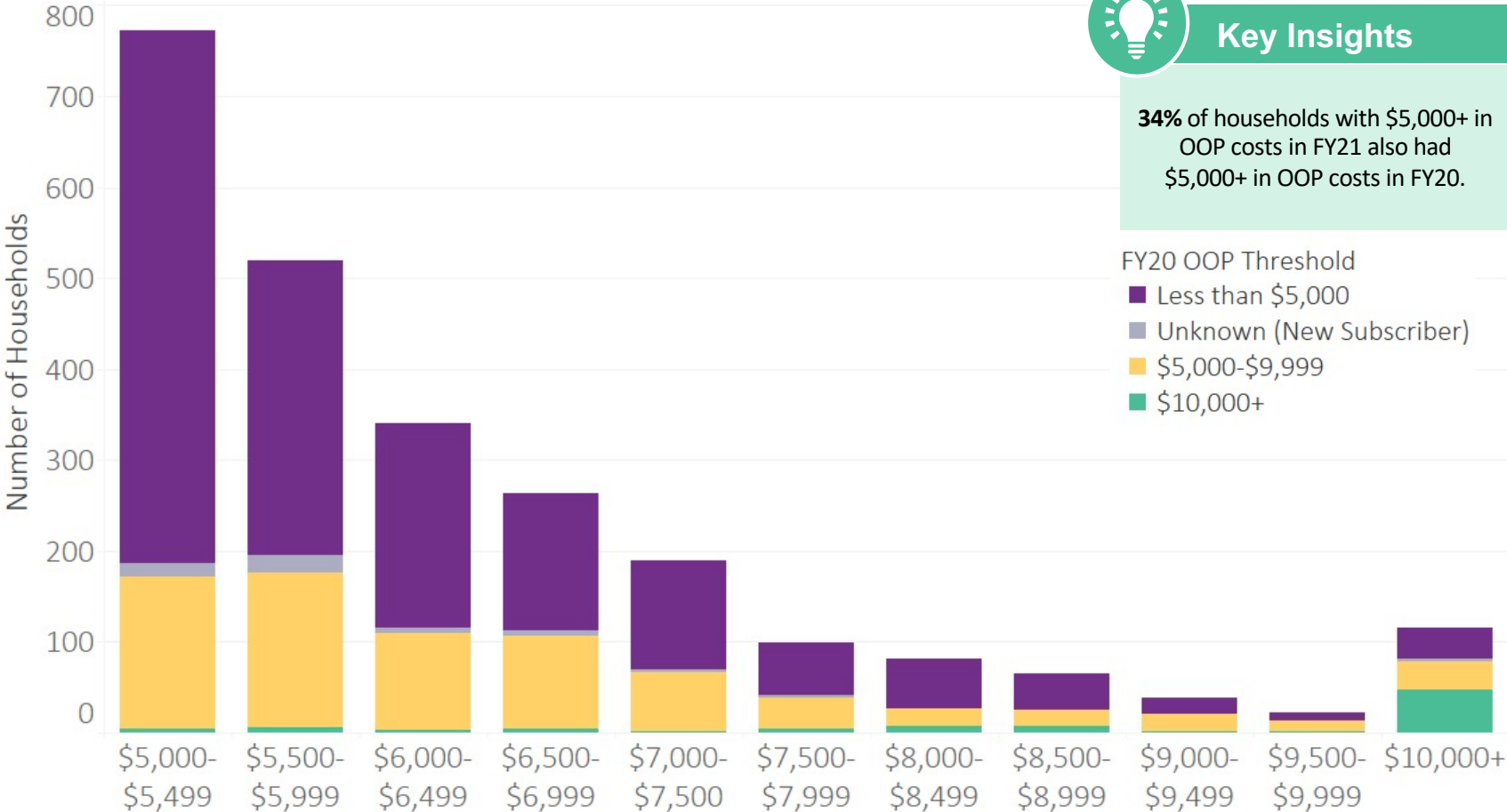
## FY21 Household Distribution \$5,000+ with Average GIC Paid per Household



**Key Insights**

On average, the GIC covered **95%** of the total cost for households with over \$5,000 in OOP costs.

# FY21 Household Distribution \$5,000+ By FY20 Household OOP Cost Bracket



### Key Insights

34% of households with \$5,000+ in OOP costs in FY21 also had \$5,000+ in OOP costs in FY20.

#### FY20 OOP Threshold

- Less than \$5,000
- Unknown (New Subscriber)
- \$5,000-\$9,999
- \$10,000+

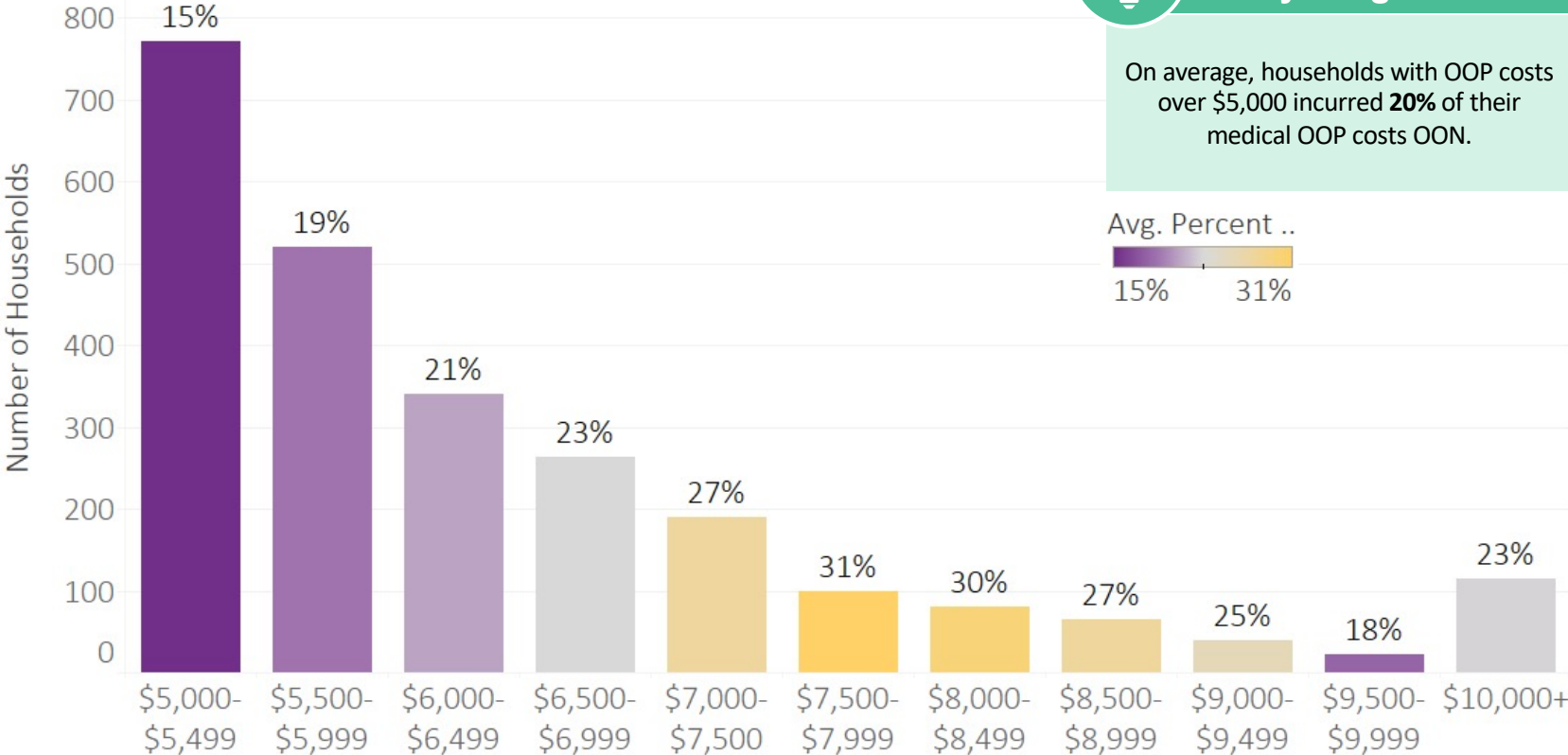
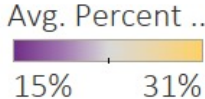
## FY21 Household Distribution \$5,000+

With Average Percent of Medical OOP Costs Incurred Out-of-Network (OON)



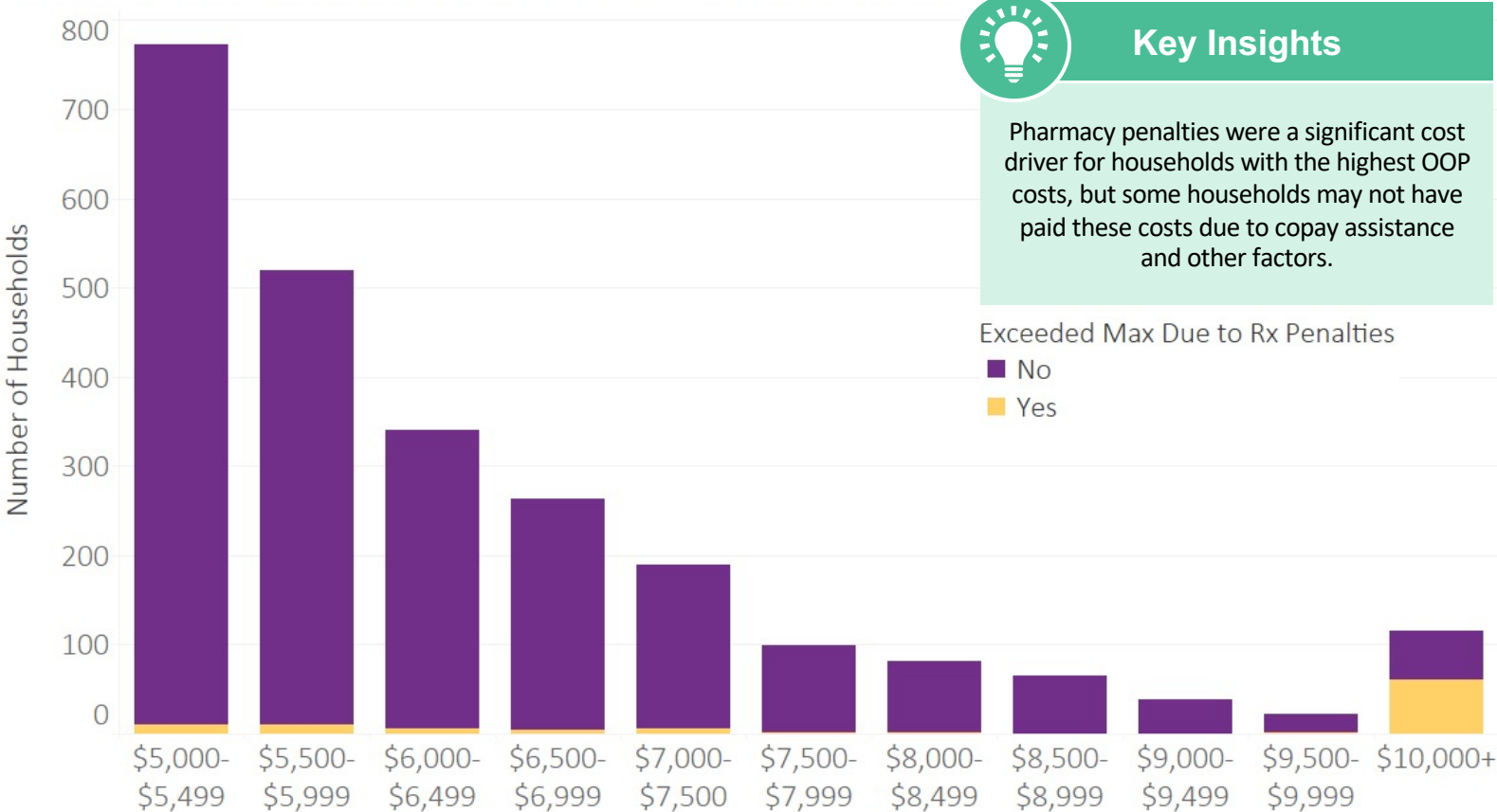
### Key Insights

On average, households with OOP costs over \$5,000 incurred **20%** of their medical OOP costs OON.



# FY21 Household Distribution \$5,000+

Exceeded OOP Max due to Pharmacy Penalties



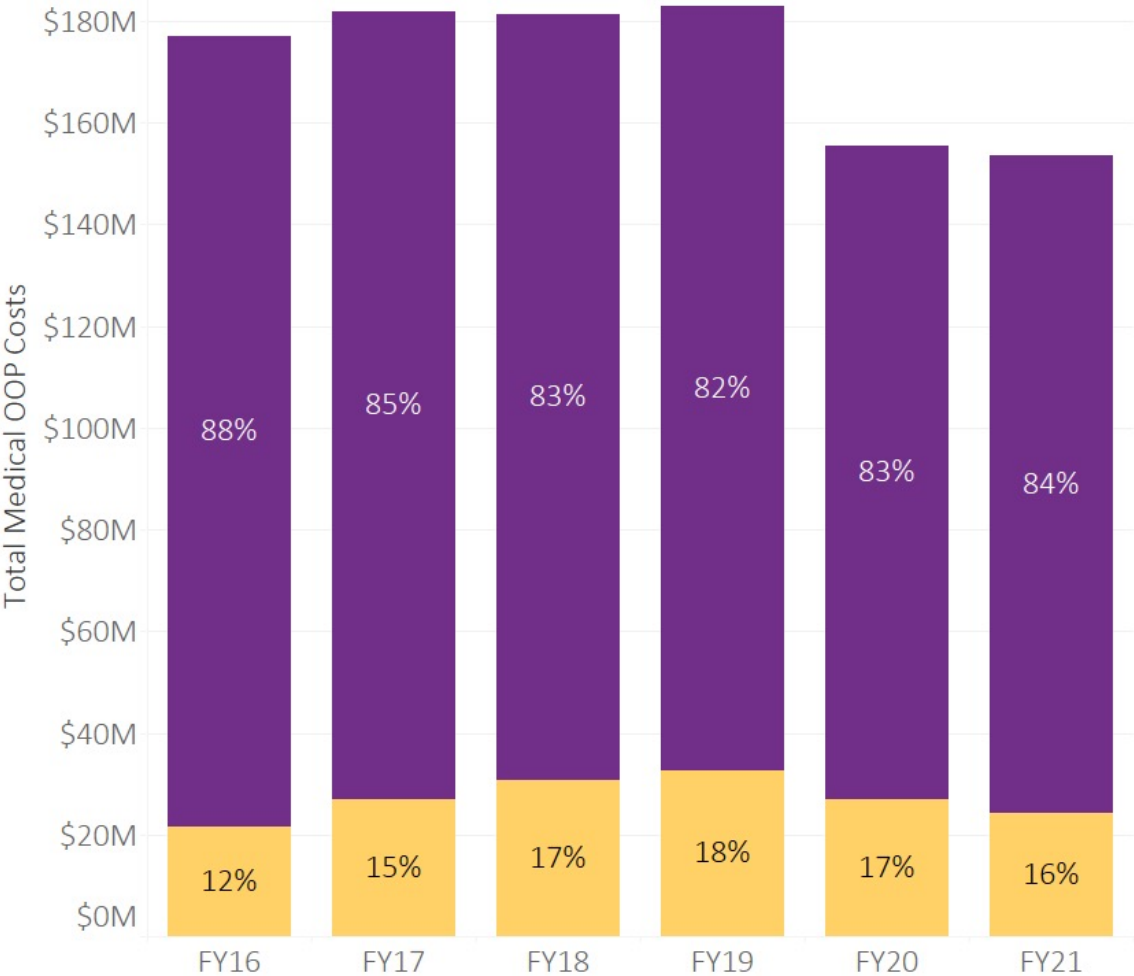
### High OOP Costs - Key Takeaways

- The number of households with \$5,000-\$9,999 in OOP costs **decreased** from 2,561 households in FY20 to **2,393 households** in FY21.
- The number of households with \$10,000 or greater in OOP costs **decreased** from 142 households in FY20 to **115 households** in FY21.
- On average, the GIC covers **95%** of the total medical and pharmacy costs for households with \$5,000+ in OOP costs.
  - For households with \$5,000-\$9,999 in OOP costs, the GIC paid an average of **\$124,755 per household** in claims.
  - For households with \$10,000 or greater in OOP costs, the GIC paid an average of **\$174,713 per household** in claims.
- Utilization outside plan parameters, including Out-of-Network utilization and pharmacy penalties, can cause members to incur high OOP costs.

# Out-of-Network Utilization



# Medical Out-of-Network OOP Cost Trend



## Key Insights

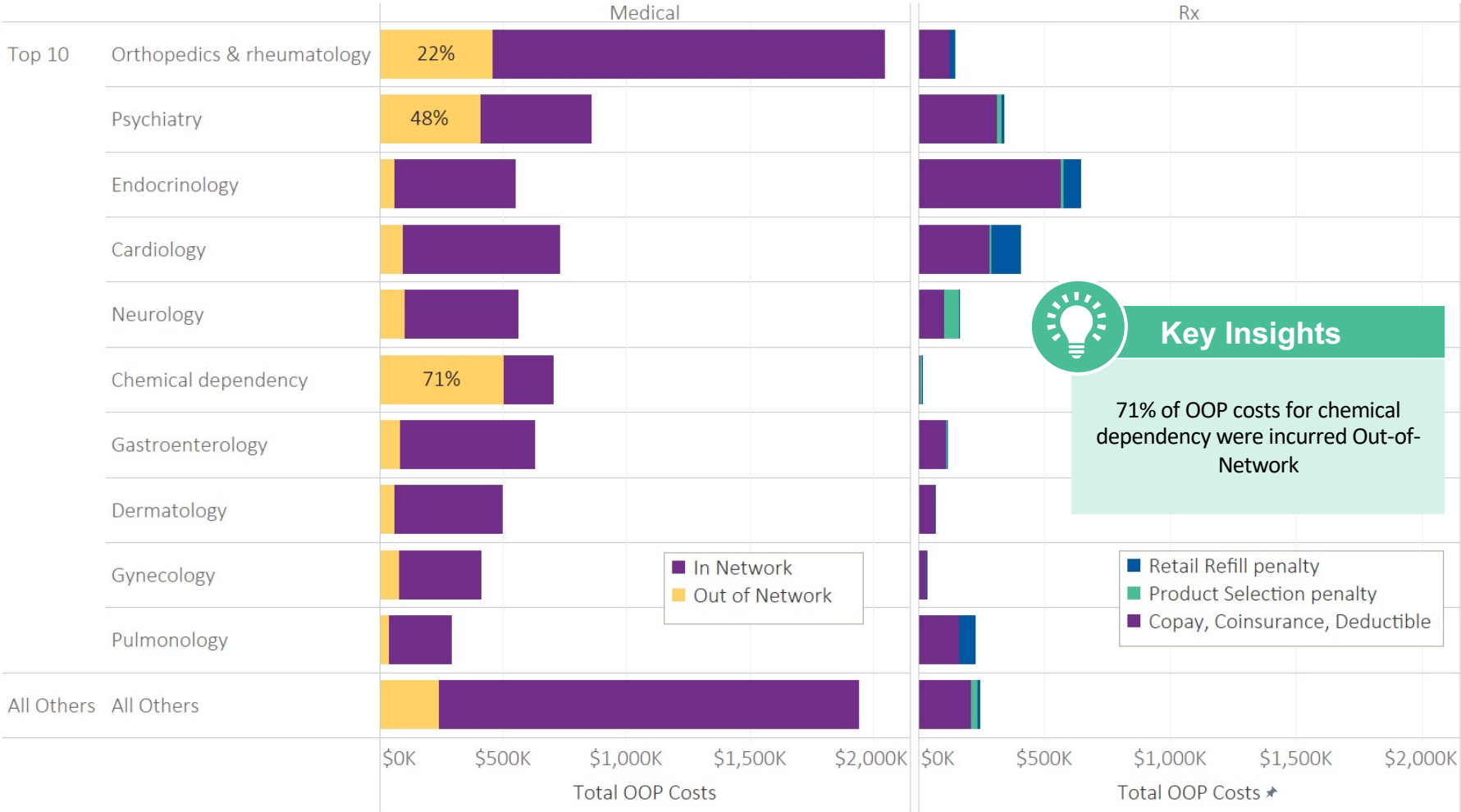
- Out-of-Network spending makes up a consistent portion of total OOP costs and is a main driver of high medical OOP costs for some households.

■ In Network  
 ■ Out of Network

\* Includes active and Medicare populations, includes in-network and out-of-network costs; results may vary slightly from previous reports due to differing data sources; FY16-FY18 figures are slightly understated due to data source gaps that are in the process of being resolved

# Major Diagnostic Category Breakdown

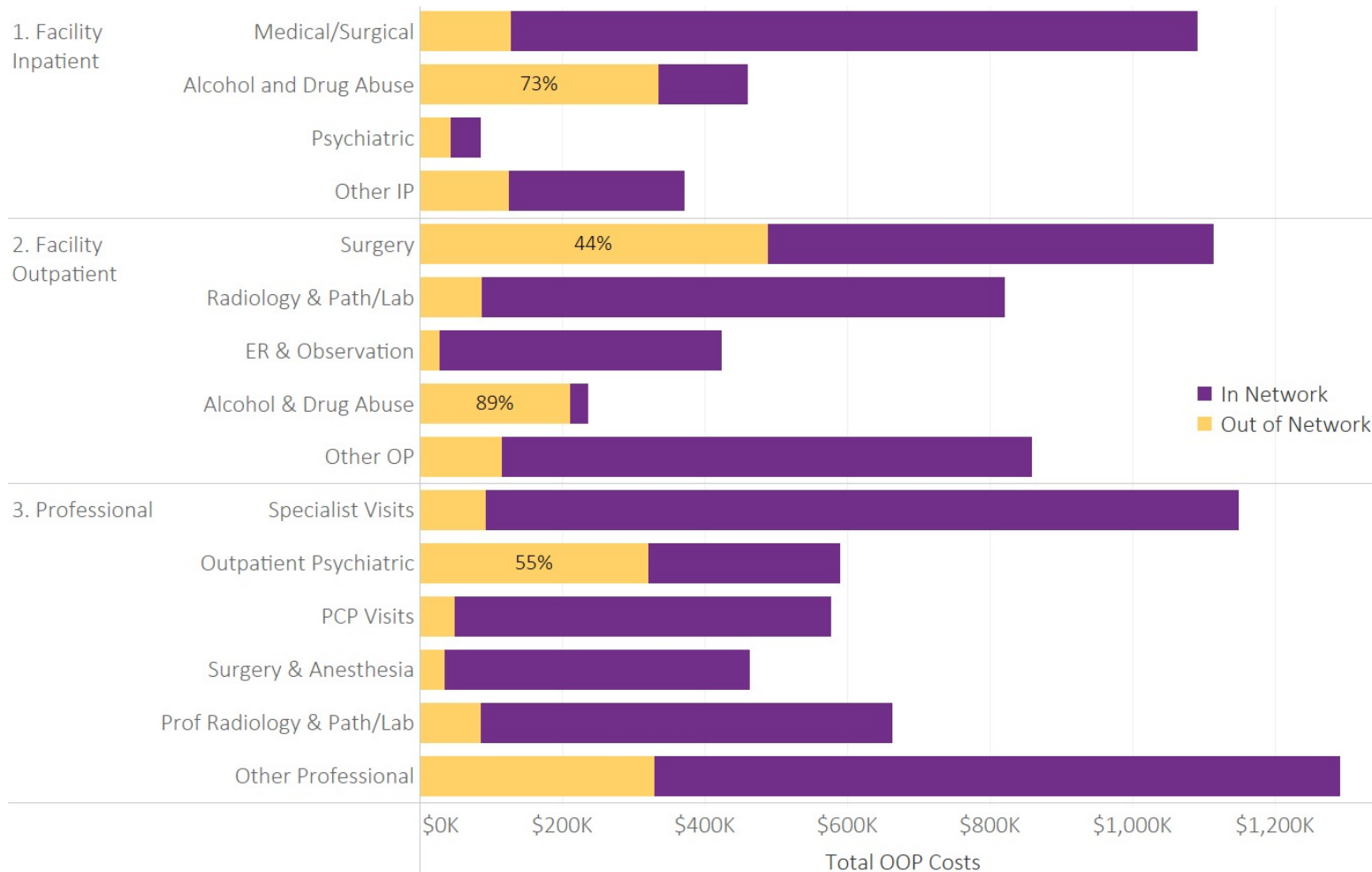
## High Out-of-Pocket Households (\$5,000-\$9,999)



Note: time period for Major Diagnostic Category episodes is Dec 2020 – Nov 2021, which differs from the rest of the report (July 2020 – June 2021), due to the rolling nature of annual chronic episode cut points for the ETG grouper used in MedInsight.

## Medical OOP Costs - Service Category Breakdown

High Out-of-Pocket Households (\$5,000-\$9,999)

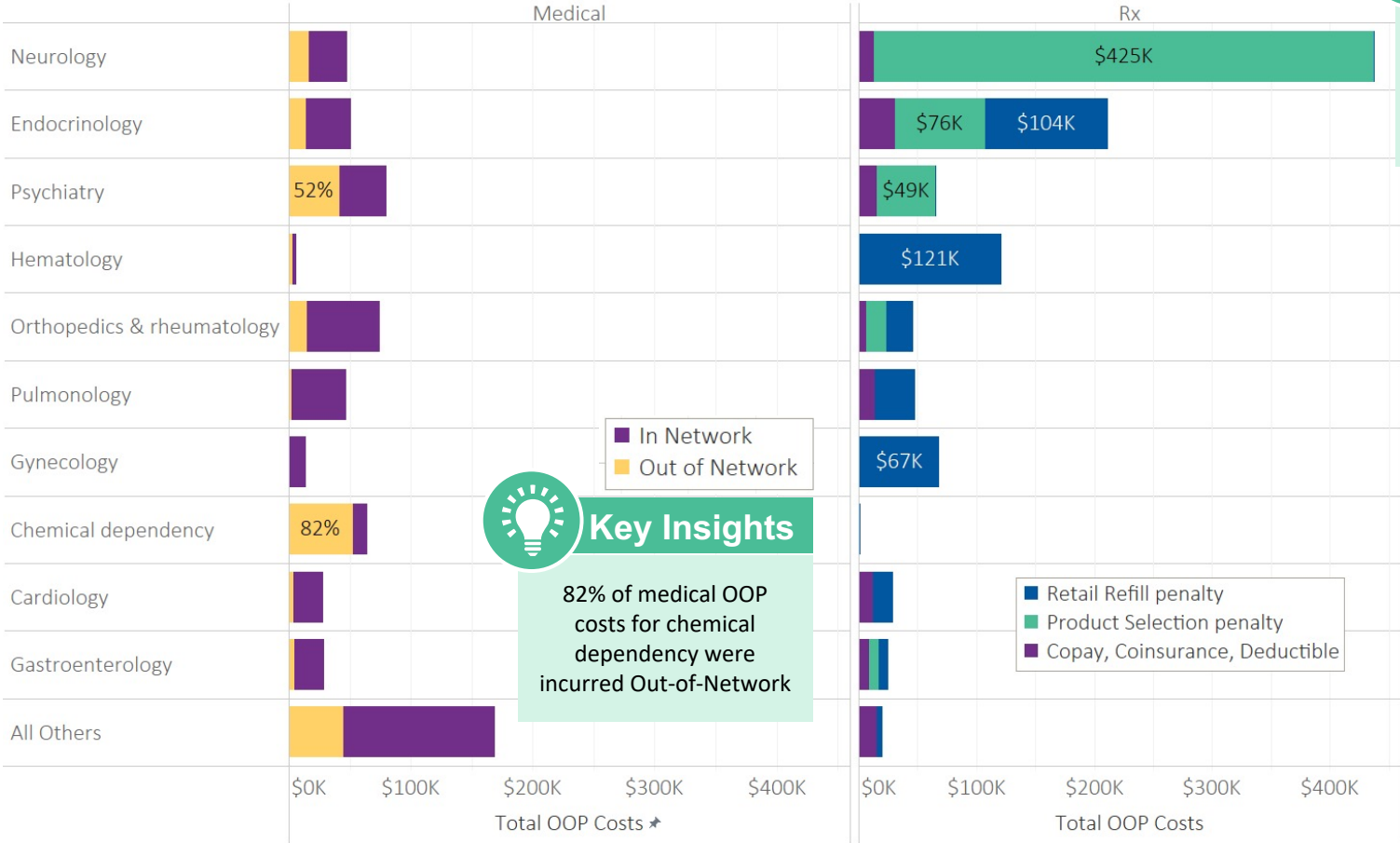


# Major Diagnostic Category Breakdown

## Highest Out-of-Pocket Households (\$10,000+)

### Key Insights

Members with complex seizure conditions incurred high Product Selection penalties for anti-convulsant drugs

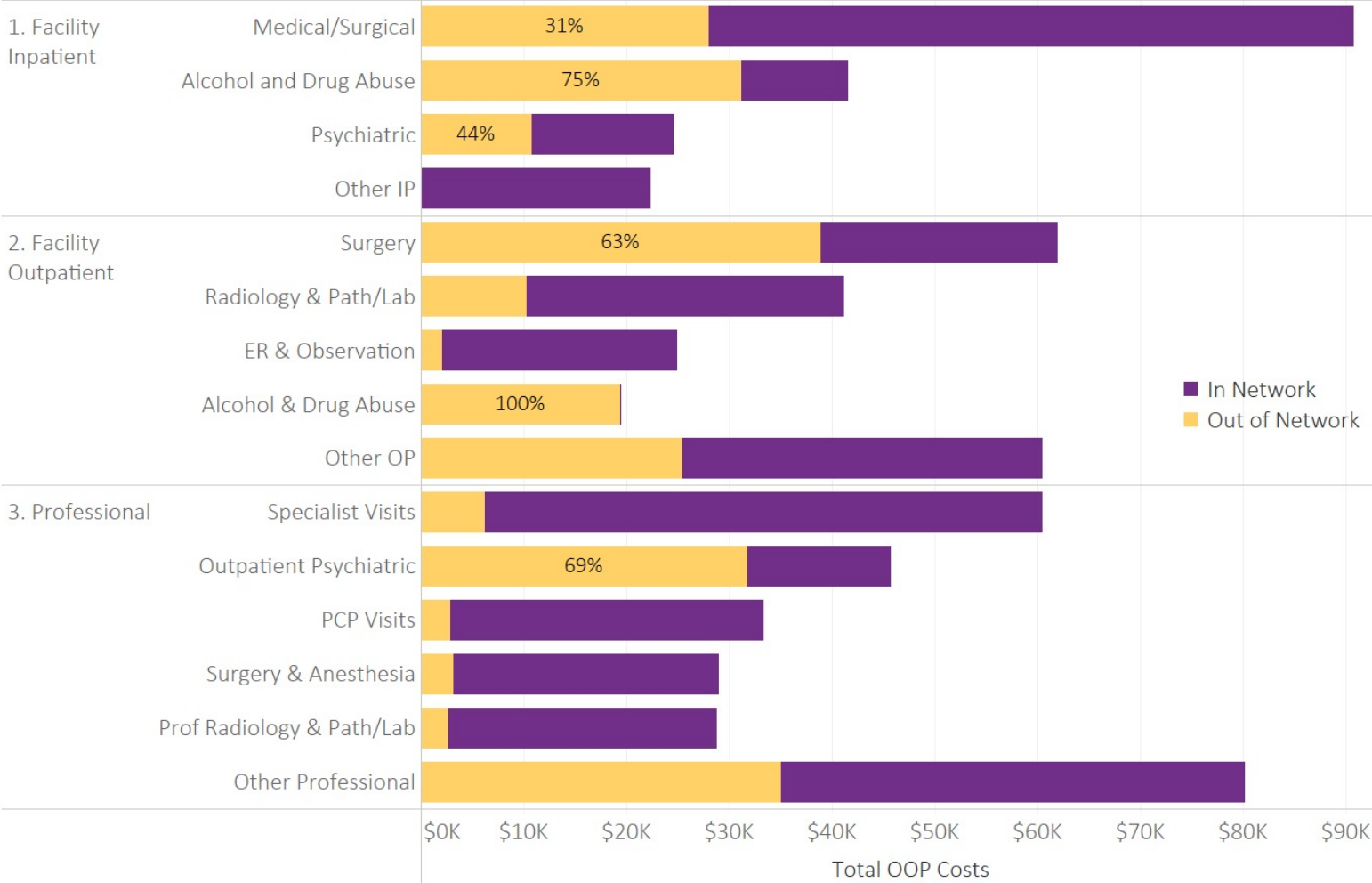


**Key Insights**  
82% of medical OOP costs for chemical dependency were incurred Out-of-Network

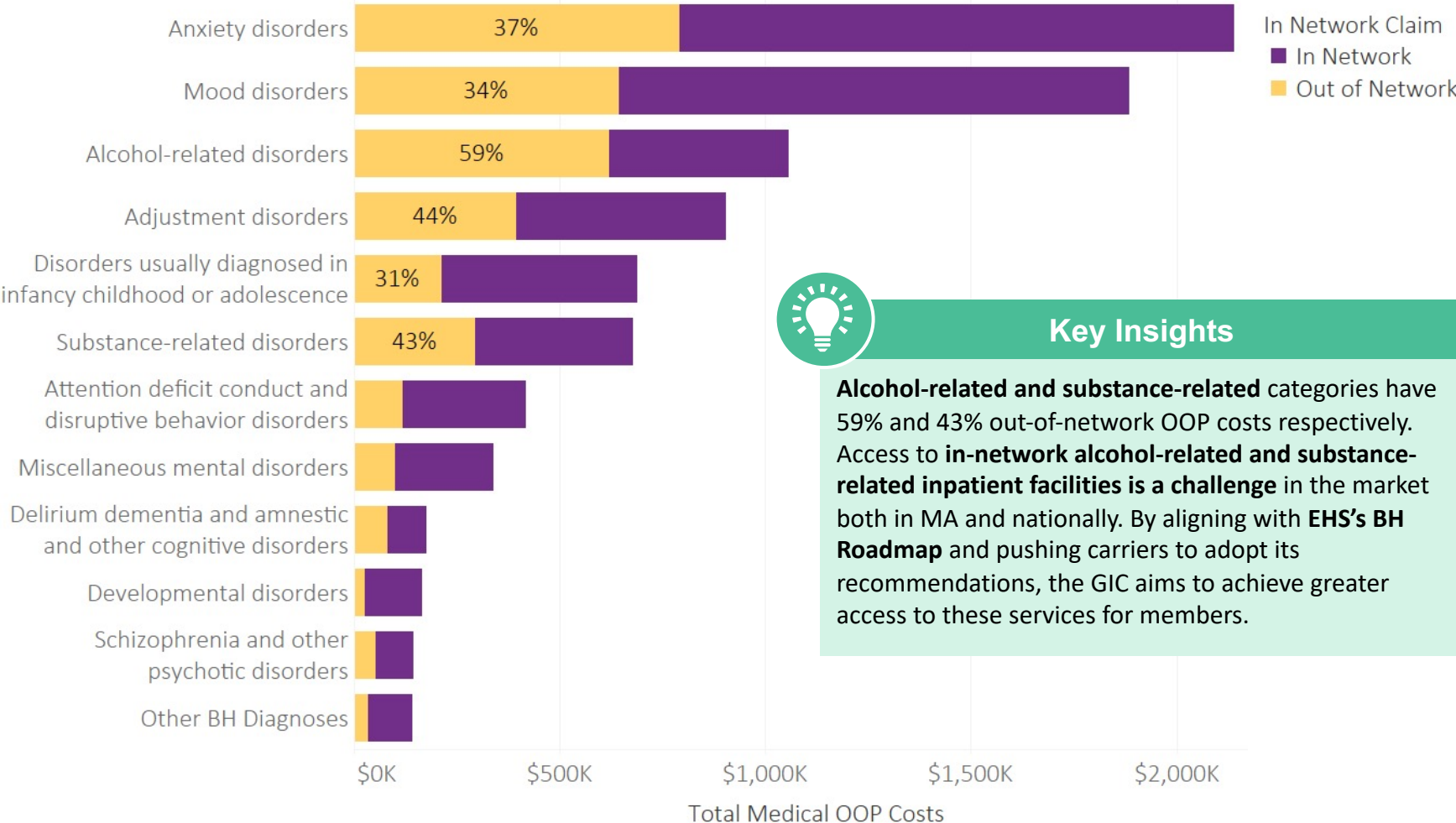
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# Medical OOP Costs - Service Category Breakdown

## Highest Out-of-Pocket Households (\$10,000+)



# FY21 Medical OOP Costs for Claims with a Primary BH Diagnosis Full Membership

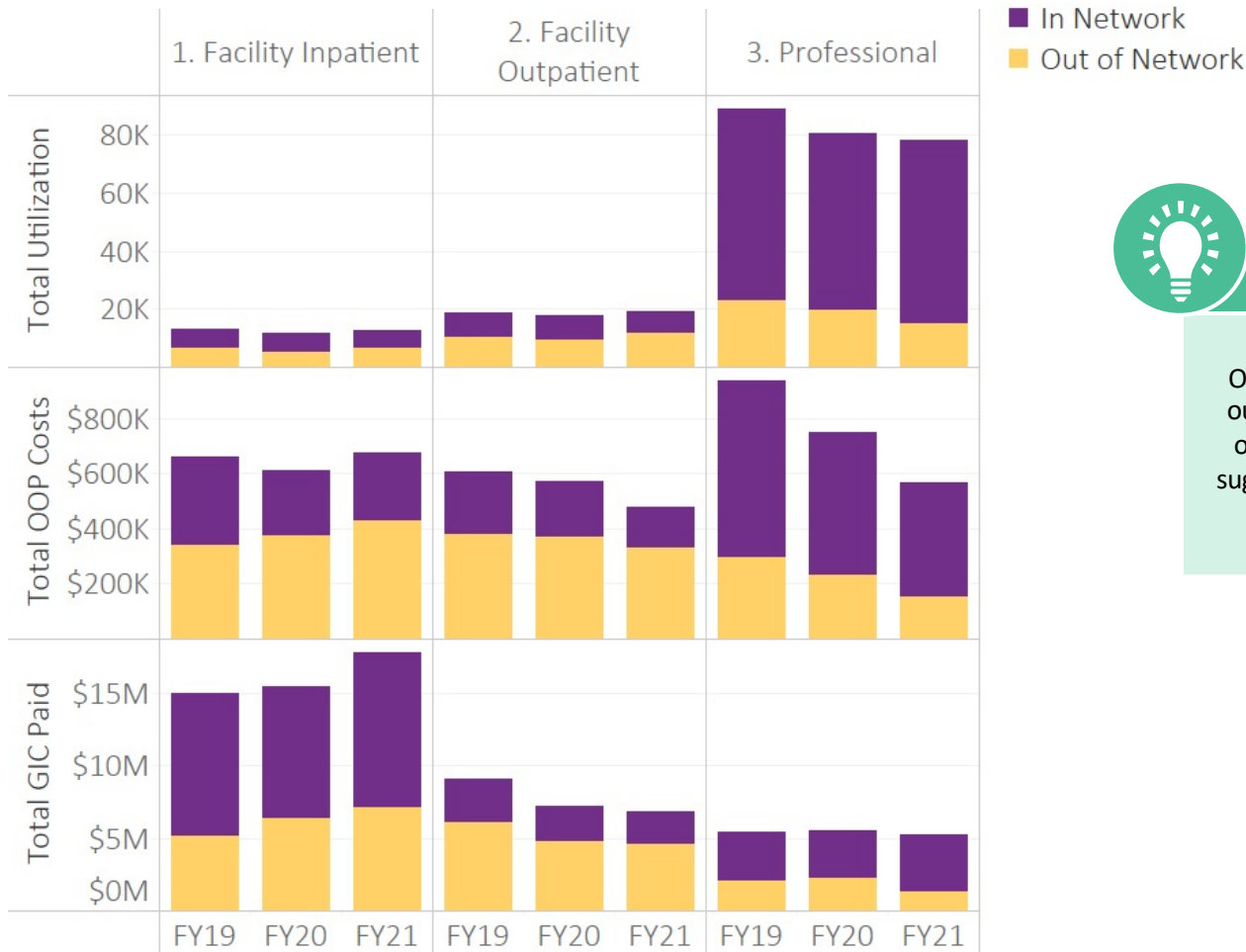


**Key Insights**

**Alcohol-related and substance-related** categories have 59% and 43% out-of-network OOP costs respectively. Access to **in-network alcohol-related and substance-related inpatient facilities is a challenge** in the market both in MA and nationally. By aligning with **EHS's BH Roadmap** and pushing carriers to adopt its recommendations, the GIC aims to achieve greater access to these services for members.

## Behavioral Health OON – FY19-21 Trends

Medical claims with a primary diagnosis of alcohol- or substance-related disorder (Full Membership)

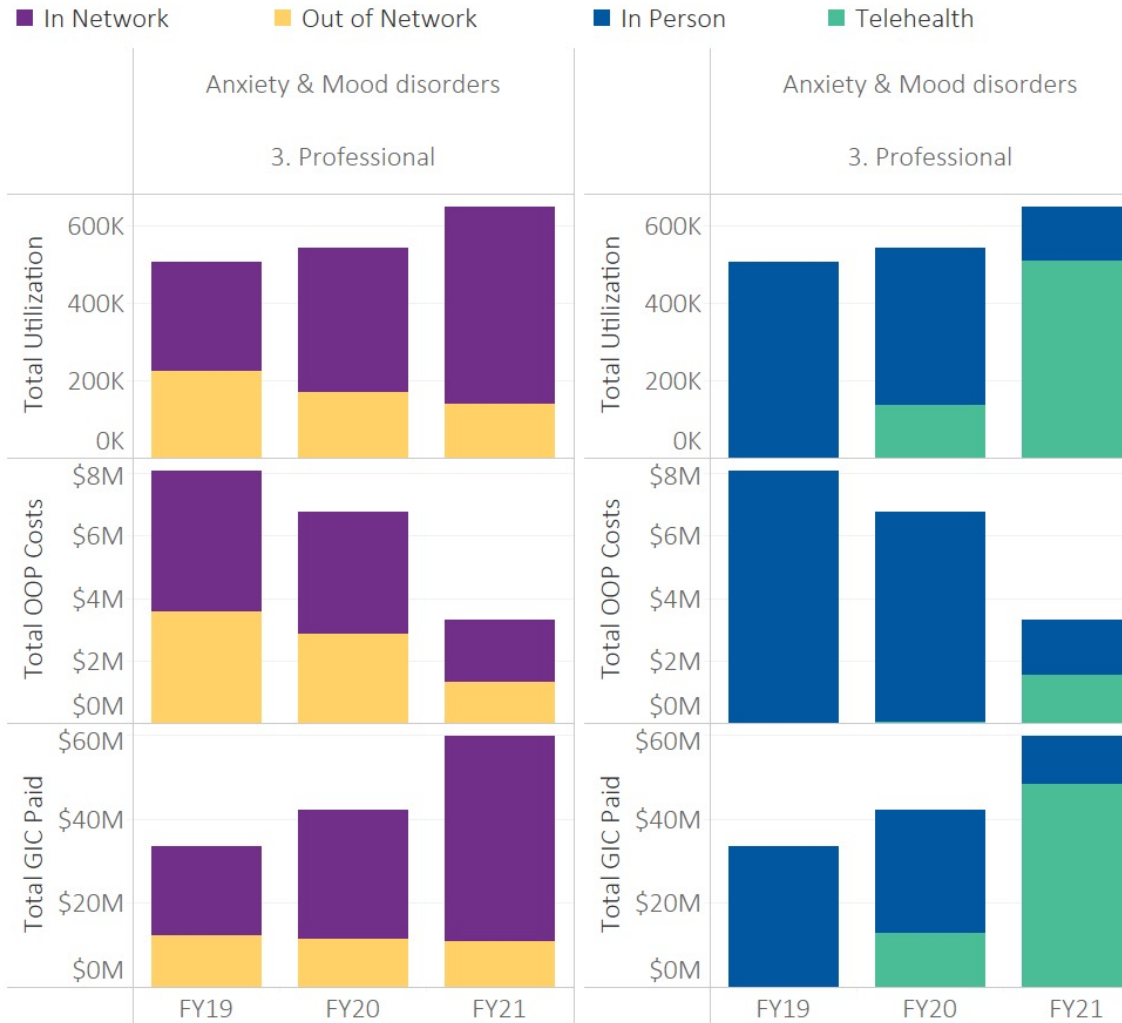


### Key Insights

Over half of inpatient days and outpatient visits occurred OON over the last three plan years, suggesting continuing challenges with network access.

## Behavioral Health OON – FY19-21 Trends

Medical claims with a primary diagnosis of anxiety or mood disorder (Full Membership)



### Key Insights

As the need for mental health treatment has grown throughout the COVID-19 pandemic, waived copays and growing telehealth adoption helped to improve access for GIC members.

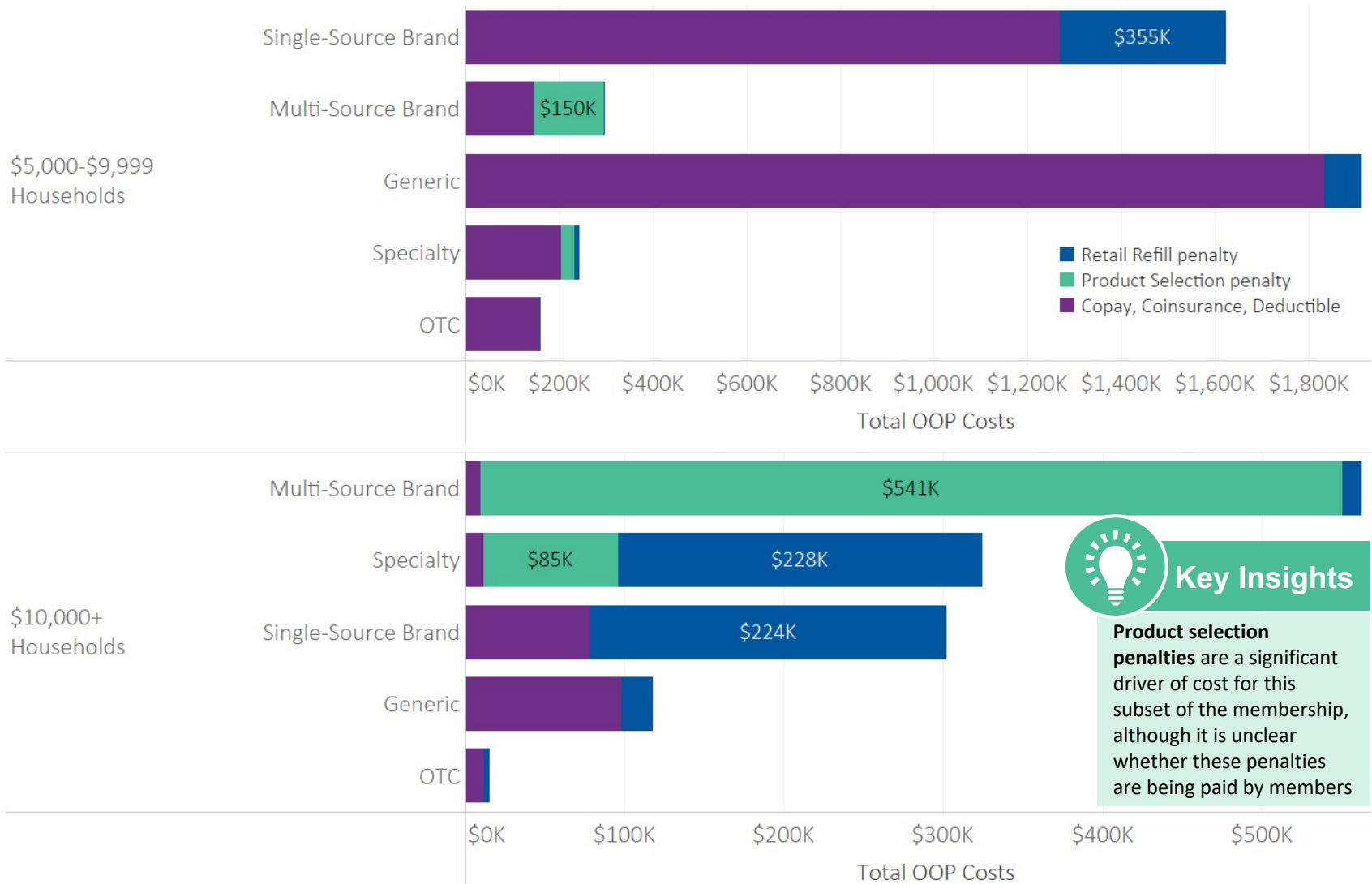


### OON Utilization - Key Takeaways

- OON utilization for BH services is a driver of high OOP costs.
- Members seek OON BH treatment because of a lack of in-network provider availability. This is a structural and system-wide challenge that affects health care consumers both within and outside of the GIC.
- The GIC plans to address these issues by aligning with EOHHS's Behavioral Health Roadmap, which aims to:
  - Integrate the delivery of Mental Health and addiction treatment
  - Expand the number of BH providers who accept insurance
  - Promote cultural competence in BH providers
  - Expand outpatient evaluation and treatment into primary care and community BH centers

# Pharmacy Penalties and Prescription Drug OOP Costs

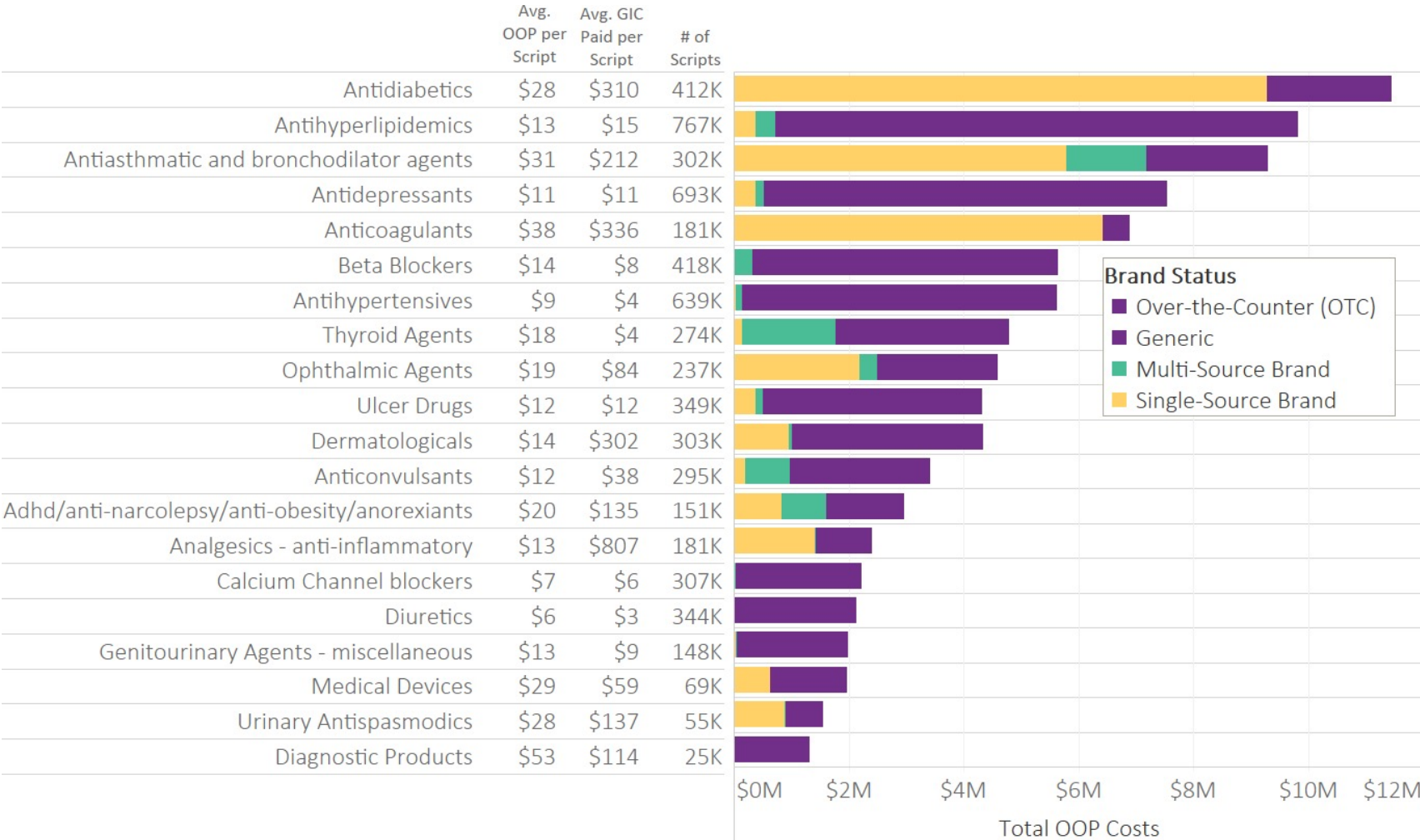
## Prescription Drug – Brand Status



**Key Insights**

**Product selection penalties** are a significant driver of cost for this subset of the membership, although it is unclear whether these penalties are being paid by members

# Prescription Drug OOP Costs for Top 20 Therapeutic Classes Full Membership



### Rx Penalties and OOP Costs - Key Takeaways

- Over half of the households with over \$10,000 in OOP costs exceeded the \$10,000 threshold due to product selection and retail refill penalties.
- There is uncertainty as to whether members actually paid these penalties, as members may have accessed manufacturer copay assistance programs or VA pharmacy coverage.

### Appendix: Data Specifications

**Unless otherwise specified, all data throughout follows the attached specifications:**

- Data is collected from the Milliman MedInsight data warehouse
- Data is based on Fiscal Year 2021 (July 1, 2020 through June 30, 2021) incurred date with five months of runout
- Data is reflective of all GIC members (active, Non-Medicare, & Medicare Retirees) unless otherwise noted
- Data reflective of all Medical and Pharmacy claims unless otherwise noted



## V. Engagement Update

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**Erika Scibelli,**  
Deputy Executive Director  
**Matthew Veno,**  
Executive Director

- Refresh: Engagement Objectives
- Meetings Held to Date
- Other Feedback Mechanisms
- Refresh: Key Themes
- Recent Insights

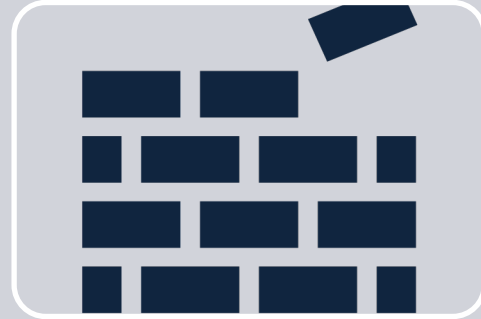
## Refresh: Engagement Objectives



Clearly  
**communicate**  
GIC priorities  
and timelines



**Learn and**  
collect  
feedback to  
inform  
strategy



**Build**  
confidence in  
an inclusive,  
responsive  
process



## Meetings Held to Date

### Legislature

House and Senate Leadership

House Committee on Ways & Means

Joint Committee on Health Care Financing

Joint Committee on Financial Services

Joint Committee on Public Service

Republican Leaders' Offices

Open Invitation Legislative Briefing

### Intergovernmental Partners

Center for Health Information  
and Analysis

Health Policy Commission Staff  
& Board Members

Health Connector Staff  
& Board Members

Executive Office of Health &  
Human Services / MassHealth

### Other External Stakeholders

Commissioners

Labor Partners

Unicare

MassRetirees Leadership

Municipal Consultants






Providers

Behavioral Health Providers


Carriers

Academics and Industry Experts

## Other Feedback Mechanisms

-  Member Preferences Survey
-  Annual Stewardship Meetings
-  Data Analysis
-  Public Information Sessions
-  Member Feedback
-  MassRetirees Tele-Townhall

**Key:**  Complete

 Ongoing

 Forthcoming

# Refresh: Key Feedback Themes to Date

## Alignment

- Broad alignment with and positive reception to GIC's areas of focus: Affordability, Behavioral Health, & Eliminating Health Disparities

## Affordability

- Provider prices are the primary driver of unsustainable and rising burden of the overall cost of care, and growing interest in new, more robust measures
- Sensitivity to the member cost sharing burden
- Specialty drug prices widely seen as a challenge that must be addressed
- Skepticism about the value PBMs provide, and intense interest in increased transparency

## Behavioral Health Access

- Strong interest in maintaining and expanding the role of telehealth
- Affirmation of the importance of continuing to expand provider networks and of the value of aligning with EOHHS Roadmap

### Recent Insights

#### COVID

- The current impacts of COVID-19 on the Commonwealth, especially the health care delivery system, present real challenges to the GIC in developing a health benefit strategy with a longer time horizon.

#### Payment and Delivery Reforms

- Concern continues to rise about the cost-inflationary dynamics of provider consolidation, and the expansion of high-cost delivery systems.
- There has been substantial progress in implementing payment and delivery system reforms that hold the promise of greater value for health care consumers.

#### Behavioral Health

- Pressure on emergency departments and inpatient units is higher than ever, underlining the need to strengthen systems of crisis and outpatient treatment.



## VI. CFO Update (INFORM)

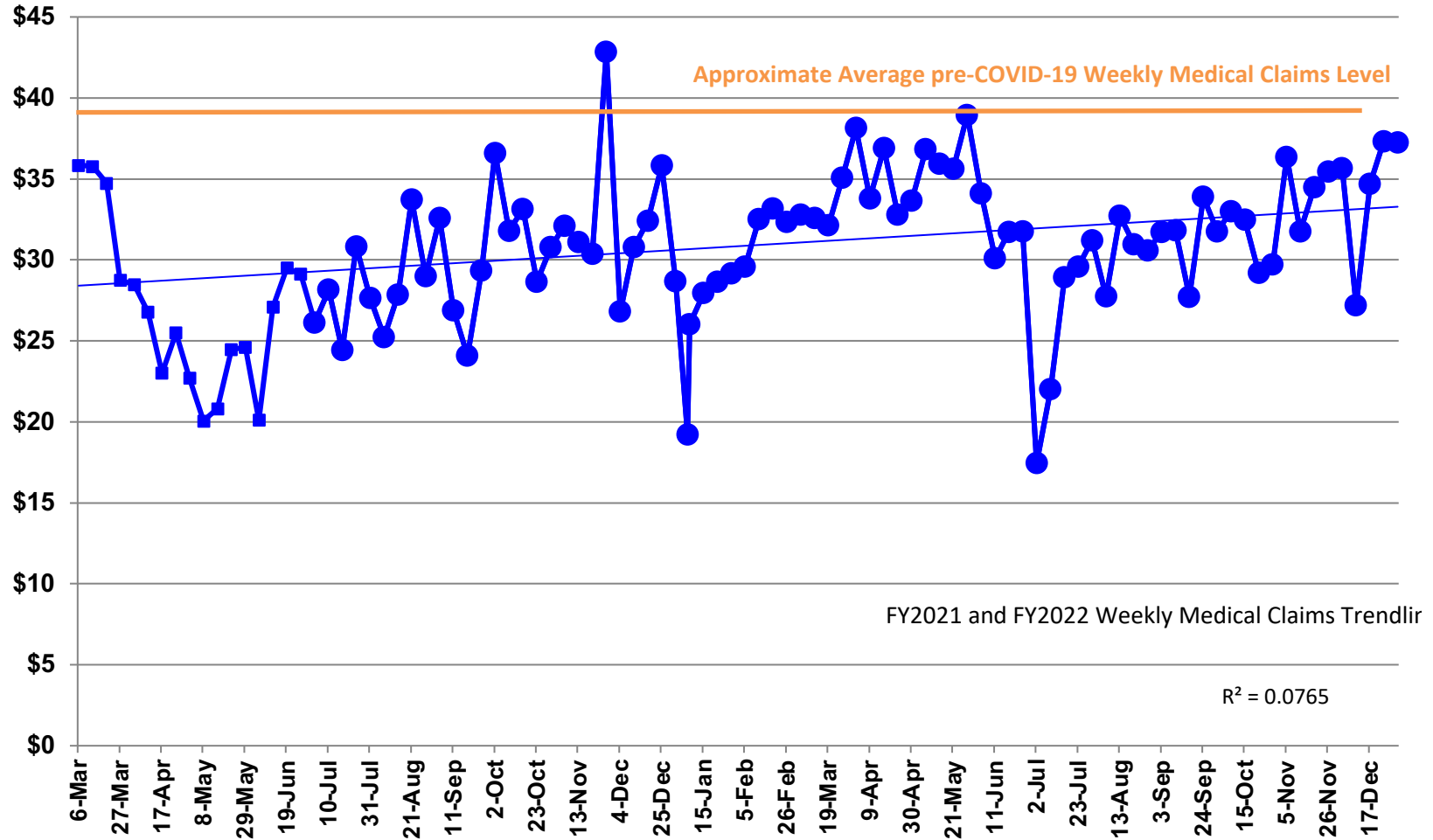
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**James Rust,**  
Chief Financial Officer

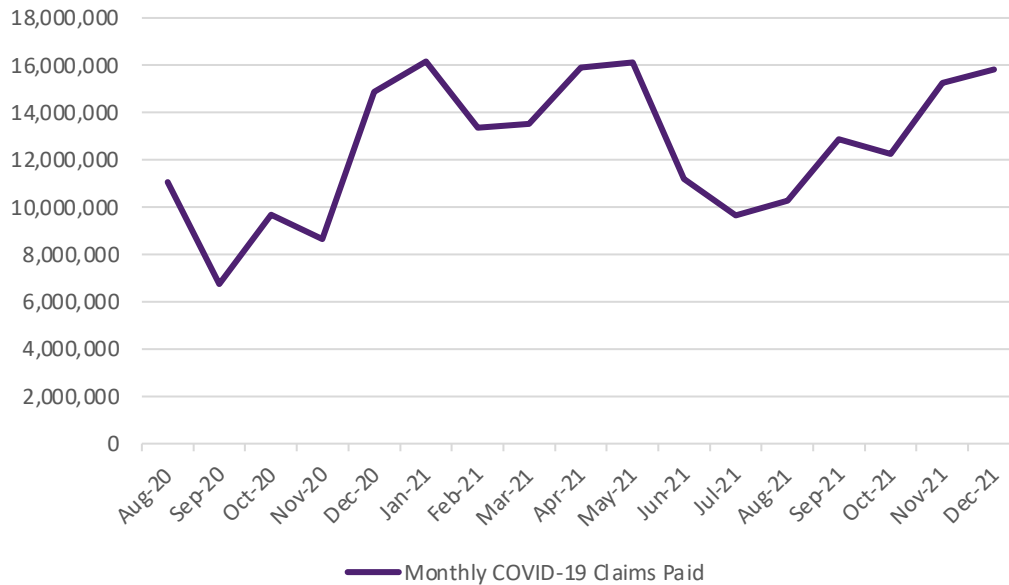
- COVID Claims Payments Update
- FY22 Mid-year Budget Results

## GIC Medical Claims for the weeks ending 3/6/2020 - 12/31/2021

In Millions



## COVID-19 Claims By Month



- COVID-19 claims decreased over the Spring and early Summer
- Given the 4-6 week lag in reporting as expected we are experiencing a steady increase in COVID-19 spending due to the recent surge in cases related to new variants

COVID-19 Claims by Month		
Month	Monthly COVID-19 Claims Paid	Running Total FY21 and FY22
Jul-20	14,059,116	14,059,116
Aug-20	11,050,708	25,109,825
Sep-20	6,748,804	31,858,629
Oct-20	9,671,752	41,530,381
Nov-20	8,650,943	50,181,325
Dec-20	14,874,875	65,056,200
Jan-21	16,159,981	81,216,181
Feb-21	13,367,247	94,583,428
Mar-21	13,509,366	108,092,794
Apr-21	15,892,384	123,985,178
May-21	16,131,155	140,116,333
Jun-21	11,189,607	151,305,940
Jul-21	9,652,793	160,958,733
Aug-21	10,274,656	171,233,389
Sep-21	12,873,807	184,107,196
Oct-21	12,239,026	196,346,222
Nov-21	15,266,023	211,612,245
Dec-21	\$15,829,087	227,441,332
FY22 COVID-19 Claims to Date		60,306,305
Total FY21 COVID-19 Claims		151,305,940
Total FY20 COVID-19 Claims		43,361,207
Total COVID-19 Claims to Date FY19 thru FY22		254,973,452

## FY22 State Share Expense for GIC Premium Accounts

	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021	TOTAL
Allways Health Claims	\$6,799,082	\$5,211,481	\$7,002,293	\$5,186,939	\$5,832,471	\$8,114,494	\$38,146,760
Caremark/Express Scripts/SilverScript Claims	\$35,183,140	\$38,436,649	\$66,591,618	\$64,679,337	-\$33,387,737	\$50,214,126	\$221,717,133
Davis Vision Claims	\$34,908	\$38,730	\$32,960	\$29,373	\$32,861	\$32,602	\$201,434
Fallon Health Claims	\$5,689,347	\$6,576,620	\$5,399,044	\$5,673,305	\$6,612,866	\$6,007,029	\$35,958,211
Harvard Pilgrim Claims	\$35,231,278	\$35,016,938	\$27,114,575	\$26,796,287	\$33,964,526	\$26,253,314	\$184,376,918
Health New England Claims	\$7,511,202	\$8,638,456	\$6,916,134	\$6,536,353	\$8,935,701	\$7,499,609	\$46,037,456
Tufts Navigator Claims	\$33,813,646	\$27,126,192	\$28,142,993	\$35,078,660	\$28,695,759	\$41,936,818	\$194,794,069
Tufts Spirit and Medicare Complement Claims	\$4,605,855	\$3,519,080	\$3,194,985	\$3,931,745	\$2,592,262	\$4,030,943	\$21,874,870
Unicare Claims	\$43,400,899	\$58,171,403	\$49,021,377	\$49,028,668	\$78,143,513	\$51,449,797	\$329,215,657
Other costs	<u>\$37,560</u>	<u>\$710,981</u>	<u>\$244,843</u>	<u>\$1,195,308</u>	<u>\$341,010</u>	<u>\$242,782</u>	<u>\$2,772,484</u>
Claims sub-total	<u>\$172,306,918</u>	<u>\$183,446,530</u>	<u>\$193,660,823</u>	<u>\$198,135,975</u>	<u>\$131,763,232</u>	<u>\$195,781,514</u>	<u>\$1,075,094,992</u>
Basic Life	\$804,276	\$804,087	\$803,255	\$802,050	\$801,751	\$800,510	\$4,815,929
Optional Life	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RMT Life	\$45,627	\$45,570	\$45,930	\$46,181	\$46,252	\$46,232	\$275,791
Long-Term Disability	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dental	\$722,812	\$648,372	\$684,299	\$682,850	\$683,597	\$684,392	\$4,106,323
Tufts Medicare Preferred	\$674,902	\$676,817	\$680,111	\$681,927	\$680,146	\$682,554	\$4,076,457
UBH Optum	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$624,240
ASO Administrative Fee	<u>\$6,799,934</u>	<u>\$6,792,852</u>	<u>\$6,771,442</u>	<u>\$6,740,590</u>	<u>\$6,770,584</u>	<u>\$6,763,726</u>	<u>\$40,639,127</u>
Premiums sub-total	<u>\$9,151,590</u>	<u>\$9,071,738</u>	<u>\$9,089,077</u>	<u>\$9,057,638</u>	<u>\$9,086,370</u>	<u>\$9,081,453</u>	<u>\$54,537,867</u>
TOTAL	\$181,458,508	\$192,518,268	\$202,749,900	\$207,193,613	\$140,849,602	\$204,862,967	\$1,129,632,859

The first six months of spending reflects, on average, a continued and gradual return to pre COVID-19 levels

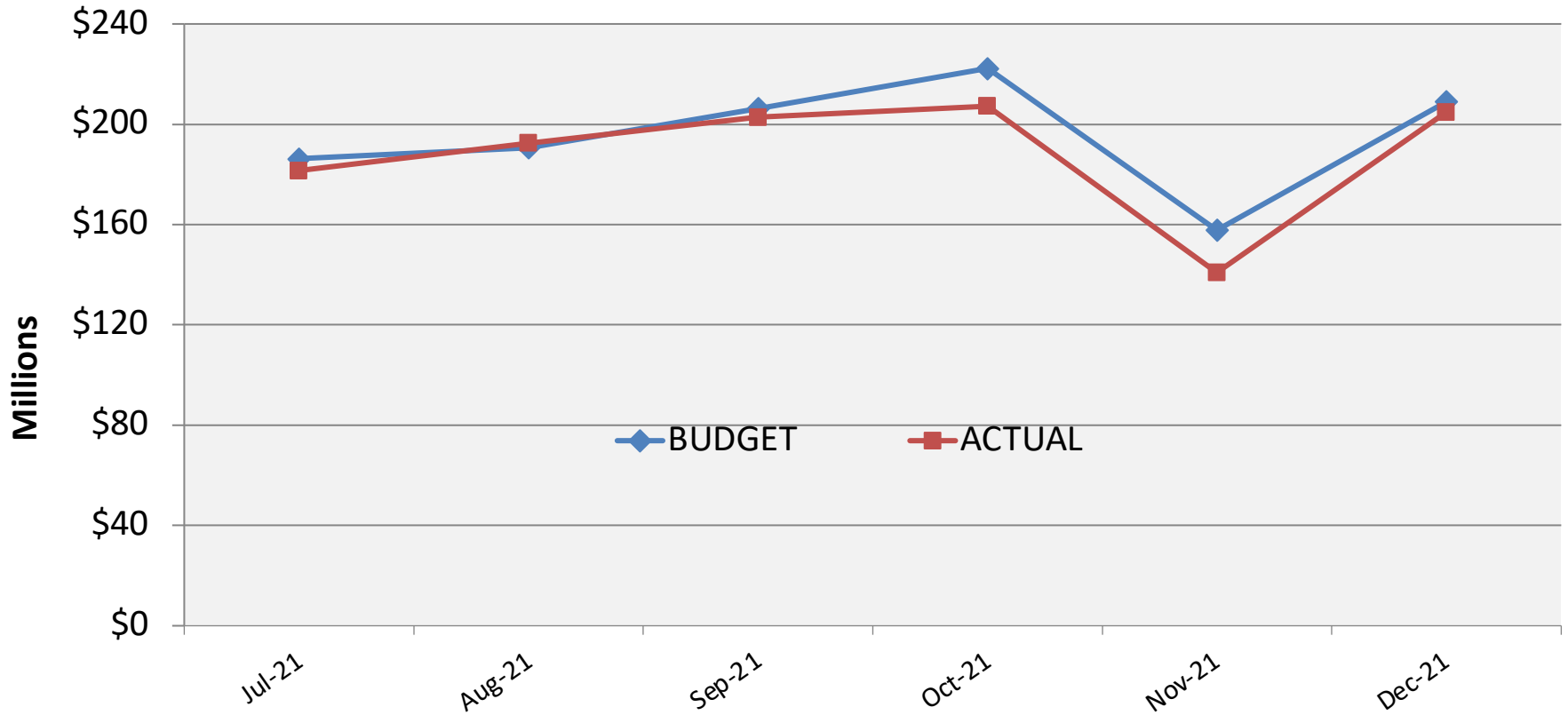


## FY22 Enrollee Share Expense for GIC Premium Accounts

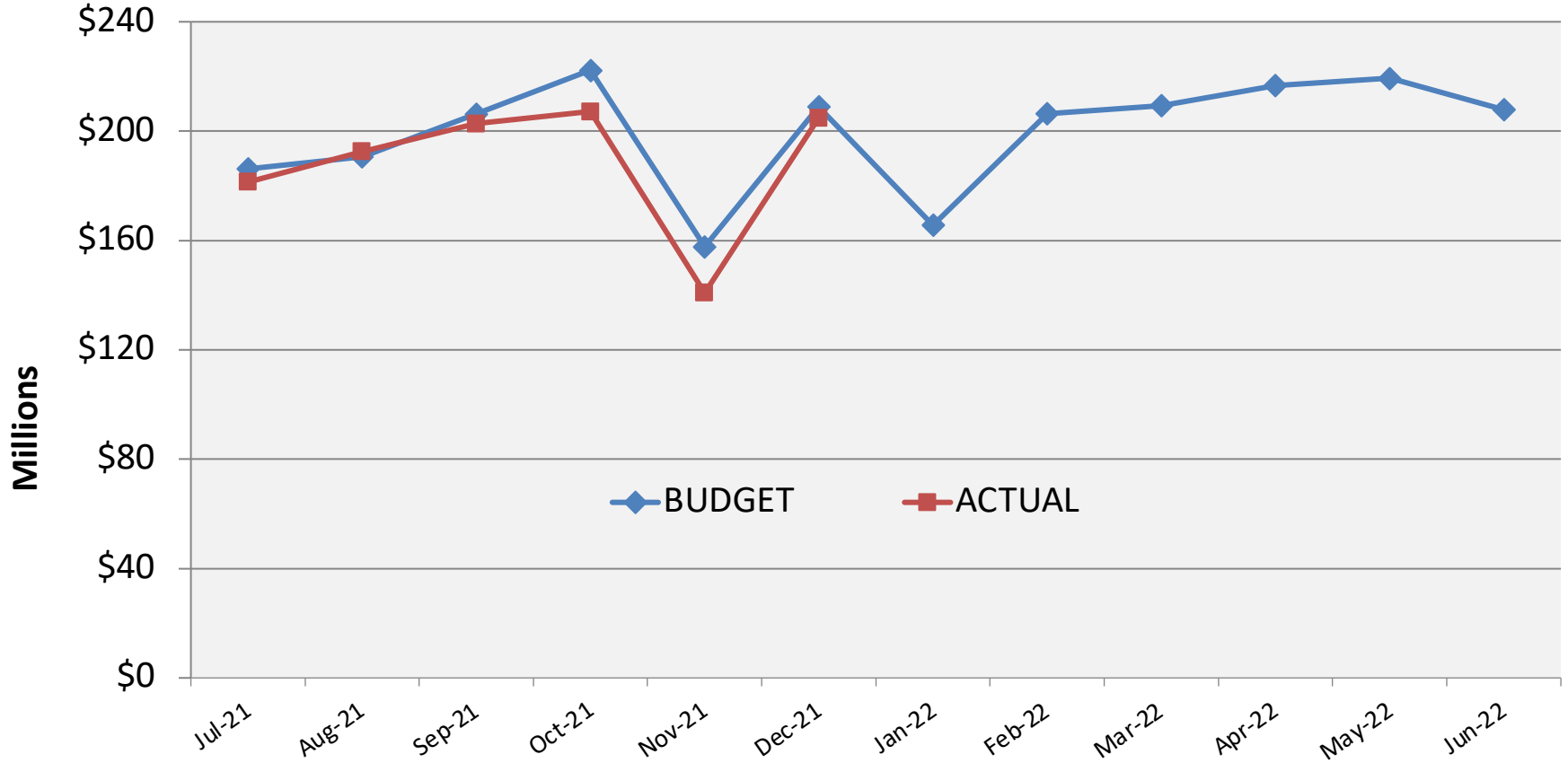
FY22 ENROLLEE SHARE EXPENSE FOR GIC PREMIUM ACCOUNTS							
	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021	TOTAL
Allways Health Claims	\$2,008,098	\$1,540,255	\$2,072,808	\$1,534,786	\$1,715,588	\$2,379,246	\$11,250,781
Caremark/Express Scripts/SilverScript Claims	\$8,528,243	\$10,688,689	\$17,013,392	\$17,242,706	-\$9,792,663	\$10,258,127	\$53,938,494
Davis Vision Claims	\$6,160	\$6,835	\$5,816	\$5,184	\$5,799	\$5,753	\$35,547
Fallon Health Claims	\$1,631,579	\$1,898,720	\$1,558,378	\$1,638,853	\$1,921,981	\$1,742,292	\$10,391,804
Harvard Pilgrim Claims	\$9,561,245	\$9,474,611	\$7,362,637	\$7,290,362	\$9,218,420	\$7,099,154	\$50,006,430
Health New England Claims	\$2,158,467	\$2,484,394	\$2,001,785	\$1,884,623	\$2,582,789	\$2,156,941	\$13,268,999
Tufts Navigator Claims	\$9,368,030	\$7,527,759	\$7,825,241	\$9,761,157	\$7,981,667	\$11,667,024	\$54,130,878
Tufts Spirit and Medicare Complement Claims	\$1,270,371	\$959,669	\$875,647	\$1,088,481	\$702,840	\$1,098,036	\$5,995,044
Unicare Claims	\$12,017,842	\$16,089,479	\$13,673,480	\$13,610,635	\$21,852,721	\$14,432,626	\$91,676,783
Other costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Claims sub-total	<u>\$46,550,036</u>	<u>\$50,670,411</u>	<u>\$52,389,185</u>	<u>\$54,056,786</u>	<u>\$36,189,141</u>	<u>\$50,839,200</u>	<u>\$290,694,759</u>
Basic Life	\$217,940	\$217,907	\$217,819	\$217,513	\$217,589	\$217,268	\$1,306,036
Optional Life	\$3,854,002	\$3,860,835	\$3,867,538	\$3,891,847	\$3,902,432	\$3,907,389	\$23,284,043
RMT Life	\$11,155	\$11,141	\$11,227	\$11,289	\$11,305	\$11,302	\$67,420
Long-Term Disability	\$1,054,431	\$1,048,632	\$1,047,746	\$1,050,234	\$1,051,303	\$1,051,101	\$6,303,447
Dental	\$1,993,257	\$1,990,149	\$2,005,562	\$2,012,768	\$2,017,438	\$2,020,678	\$12,039,853
Tufts Medicare Preferred	\$143,307	\$143,898	\$144,901	\$145,411	\$145,044	\$145,858	\$868,419
UBH Optum	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$110,160
ASO Administrative Fee	<u>\$1,854,697</u>	<u>\$1,854,276</u>	<u>\$1,850,346</u>	<u>\$1,842,675</u>	<u>\$1,851,597</u>	<u>\$1,847,742</u>	<u>\$11,101,334</u>
Premiums sub-total	<u>\$9,147,151</u>	<u>\$9,145,198</u>	<u>\$9,163,498</u>	<u>\$9,190,097</u>	<u>\$9,215,068</u>	<u>\$9,219,698</u>	<u>\$55,080,711</u>
TOTAL	\$55,697,187	\$59,815,609	\$61,552,683	\$63,246,883	\$45,404,210	\$60,058,899	\$345,775,470

As expected, enrollee share paid claims have an identical pattern

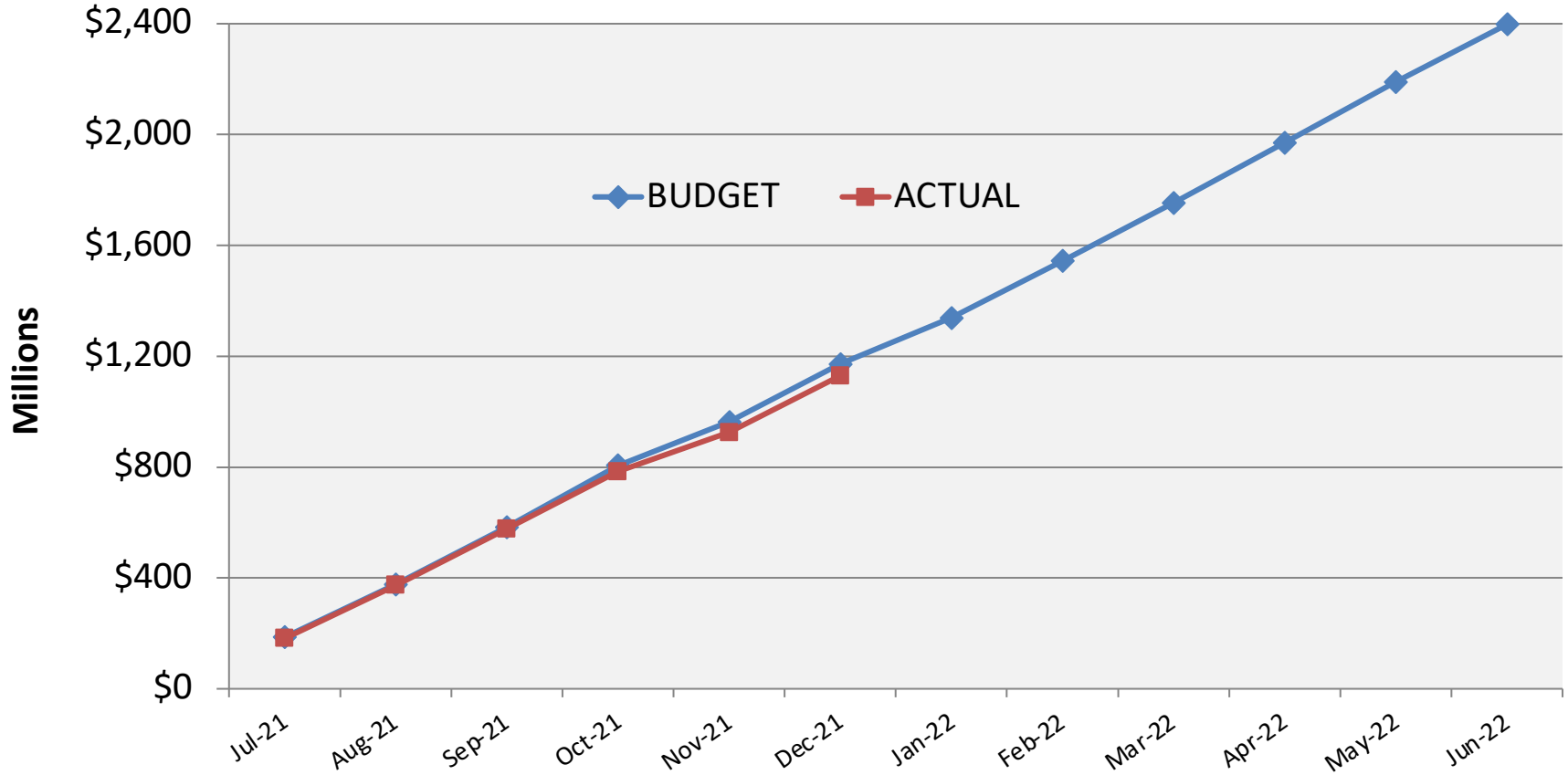
## GIC Appropriation for Premium Accounts FY22 Budgeted vs. Actual



## GIC Appropriation for Premium Accounts FY22 Budgeted vs. Actual



## GIC Appropriation for Premium Accounts FY22 Budgeted vs. Actual



## FY22 State Share Premium Budget for GIC Premium Accounts as of November 30, 2021

	Budget*	Expenses	Under Budget / Over Budget	% VAR
<b>Basic Life &amp; Health Account #1108-5200 &amp; #1599- 6152</b>	\$1,166,794,508	\$1,125,325,102	\$41,469,406	3.6%
<b>Active Dental &amp; Vision Benefit Account #1108-5500</b>	\$5,379,984	\$4,307,757	\$1,072,227	19.9%
<b>Total State Share YTD</b>	<b>\$1,172,174,491</b>	<b>\$1,129,632,859</b>	<b>\$42,541,632</b>	<b>3.6%</b>

\* This account has received \$60 million in prior authorization continued (PAC) funding for FY2022. The surplus shown above reflects the GAA and the PAC funding.



## VI. Other Business/Adjournment

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**Matthew Veno,**  
Executive Director

## Annual Enrollment Public Information Sessions

Please visit [mass.gov/GIC](https://mass.gov/GIC) to register.

### Session 1

Tuesday, January 25, 2022  
6:00 pm  
Via Zoom

### Session 2

Wednesday, January 26, 2022  
12:00 pm  
Via Zoom

### Session 3

Friday, January 28, 2022  
8:30 am  
Via Zoom

All Information sessions will be recorded and available on the GIC's YouTube page.

# FY22 GIC Commission Meeting Schedule

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

### **Please note these exceptions**

- February's meeting is scheduled on the 2<sup>nd</sup> Thursday and March's meeting is scheduled on the 1<sup>st</sup> Thursday to make decisions regarding the next Benefit Year in a timely manner prior to Annual Enrollment in May.
- April's meeting is rescheduled for the 2<sup>nd</sup> Thursday of the month in order to avoid conflicting with Passover.

### **Please note these changes**

- Until further notice, Commissioners will attend meetings remotely via a video-conferencing platform provided by GIC.
- 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 Meetings

	<b>February 2022</b> <b>10</b>	<b>March 2022</b> <b>3</b>	<b>April 2022</b> <b>14</b>
<b>May 2022</b> <b>19</b>	<b>June 2022</b> <b>16</b>	<b>July 2022</b> <b>No Meeting</b>	<b>August 2022</b> <b>No Meeting</b>
<b>September 2022</b> <b>15</b>	<b>October 2022</b> <b>20</b>	<b>November 2022</b> <b>17</b>	<b>December 2022</b> <b>15</b>

## 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

**Michael Heffernan**, Secretary of Administration & Finance

**Elizabeth Chabot**, NAGE

**Joseph Gentile**, Public Safety Member

**Adam Chapdelaine**, Mass Municipal Association

**Patricia Jennings**, Public Member

**Edward Tobey Choate**, Public Member

**Anna Sinaiko**, Health Economist

**Christine Clinard**, Public Member

**Timothy D. Sullivan**, Massachusetts Teachers Association

**Tamara P. Davis**, Public Member

**Eileen P. McAnneny**, Public Member

**Jane Edmonds**, Retiree Member

**Melissa Murphy-Rodrigues**, (Mass Municipal Association)

**Gerzino Guirand**, Council 93, AFSCME, AFL-CIO

## GIC Leadership Team

**Matthew A. Veno**, Executive Director

**Erika Scibelli**, Deputy Executive Director

**Emily Williams**, Chief of Staff

**John Harney**, Chief Information Officer

**Paul Murphy**, Director of Operations

**James Rust**, Chief Fiscal Officer

**Andrew Stern**, General Counsel

**Brock Veidenheimer**, Director of Human Resources

**Mike Berry**, Director of Legislative Affairs

### 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 Qualifying Events Information Changes	Retirement Life Insurance Marriage Status Changes	Premium Payments Long-Term Disability Other Questions
<b>Online Contact</b>	mass.gov/forms/contact-the-gic	Any time. Specify your preferred method of response (phone, email, mail) from GIC	
<b>Email</b>	gicpublicinfo@mass.gov		
<b>Telephone</b>	(617) 727-2310	M-F from 8:45 AM to 5:00 PM	
<b>Office location</b>	1 Ashuburton Place, Suite 1619 Boston, MA	<b>Not open for walk-in service</b>	
<b>Correspondence</b>	P.O. Box 8747 Boston 02114	Allow for processing time. Priority given to requests to retain or access benefits, and to reduce optional coverage during COVID-19.	
<b>Paper Forms</b>	P.O. Box 556 Randolph, MA 02368		

# 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
AllWays Health Partners	(866)-567-9175	<a href="https://allwayshealthpartners.org/gic-members">allwayshealthpartners.org/gic-members</a>
Fallon Health	(866) 344-4442	<a href="https://fallonhealth.org/gic">fallonhealth.org/gic</a>
Harvard Pilgrim Health Care	(800) 542-1499	<a href="https://harvardpilgrim.org/gic">harvardpilgrim.org/gic</a>
Health New England	(800) 842-4464	<a href="https://hne.com/gic">hne.com/gic</a>
Tufts Health Plan (THP)	(800) 870-9488	<a href="https://tuftshealthplan.com/gic">tuftshealthplan.com/gic</a>
THP Medicare Products	(888) 333-0880	
UniCare State Indemnity Plans	(800) 442-9300	<a href="https://unicarestateplan.com">unicarestateplan.com</a>

January 20, 2022

**Date:** January 14, 2021  
**To:** Group Insurance Commission  
**From:** Matthew Veno, Executive Director  
**Subject:** Executive Director's Report

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**Purpose:** The purpose of this memo is to provide Commissioners with the monthly 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

### Covid Safety Protocols:

With the current rapid spread of the COVID-19 Omicron variant, we have taken a number of steps to support the safety of GIC employees. We are fortunate to have been able to provide the technology, equipment, and other resources to enable most GIC employees to work from their homes, and we have notified them that we will continue under these arrangements for the foreseeable future. For those employees who still need to be in the office regularly in order to do their jobs, and others who need to come in periodically, we have taken the following steps:

- Implemented a workspace reservation system to allow employees to reserve workspaces that allow for distance between other employees.
- Obtained KN95 masks for employees who come into the office and have requested that employees remain masked while interacting with other employees.
- Provided cleaning and disinfecting supplies and wipes for employees who are in the office so that workspaces can be kept clean and have provided Purell sanitizer in the office.
- Provided workspaces for our mailroom team in our offices on the 16<sup>th</sup> floor as well as in the mailroom facility on the ground floor of the building to allow the three members of the mailroom team to have socially distanced space options for their work.
- Reduced the frequency of the mailroom team trips to the USPS office for the month of January due to the current Omicron spread.
- Offered mailroom staff the option of staggering daily schedules to avoid peak commuting hours.
- Continued to be in close contact with the Human Resources Division (HRD) for any further directives on how we may alter our in-office operations in light of the ongoing pandemic.
- Have committed to keeping staff updated on these actions and any changes.

### Governor's Citation Awards:

Three GIC teams were nominated by GIC colleagues to receive the **Commonwealth of Massachusetts 2021 Citation for Outstanding Performance** for initiatives that they led in 2021, and I am pleased to announce that the following three groups have been awarded the citations.

**The GIC Audit Team** – Ari Gil, Betsy Reis, Jeffrey Lepore, Susan Lee, Kristina Geary and Cuong Ly

The GIC Audit Team has played an integral part in GIC's modernization efforts everyday by guiding members and GIC coordinators in agencies throughout the state through the transition of paper enrollment to MyGICLink and most recently, to the GIC member self-service portal. They have truly been



January 20, 2022

ambassadors to the changes that the GIC has been implementing by taking the time to help members walk-through new self-service capabilities, such as paying by credit card, using DocuSign enrollment forms and now online self-service all while managing their individual daily job responsibilities. The Audit Team acts as the main point of contact for GIC coordinators in agencies throughout the state and have adapted quickly to responding to member inquiries in real-time through GIC's new "live chat" feature in the GIC member portal. They will continue to play a key role going forward by helping to shape future system enhancements.

#### **The GIC Life Insurance Team** – Shane O'Brien and Donna Thompson

The GIC Life Insurance Team successfully transitioned from a heavily paper-based submission of life insurance claims with the carrier to an automated process that resulted in quicker claim payment of proceeds to beneficiaries and auto-enrollment of survivors to ensure that they have continuation of health coverage. The life insurance team's business processes were modernized significantly to initiate claims automatically when we receive notification of a GIC member's death. During 2021, the GIC also changed life insurance carriers, and new filing processes for life claims as well as claims for disability and terminal illness were implemented. Due to their diligence and teamwork, the transition to automated processes for all types of life insurance claims was smooth and seamless to GIC members and their families.

#### **The GIC Future of Work Implementation Team** – Maureen Quinn, Ruth Oliveira, Janine Hynds and Brock Veidenheimer

This team's accomplishments in overseeing the GIC's move to our new offices and in preparing the agency to operate productively and effectively in a new hybrid model have positioned the GIC to continue to provide high quality service to our members while promoting a flexible and engaging work experience for our employees. The team led the successful planning and execution required to develop and implement a transformed operational model for the organization consistent with the principles of the Commonwealth Future of Work (FoW) initiative, which coincided with a move to new office space. The GIC was selected as a pilot agency for the Commonwealth's FoW initiative and the team ensured that appropriate actions were taken to develop the plan with employee input and prepare GIC employees to productively work on a hybrid basis once agency leadership decides to reintroduce elements of in-office work.

#### Staffing Activity:

I am pleased to announce that Chuck O'Brien has been promoted to the newly created position of **Business Systems and Applications Manager**. This is a critical position in our Operations organization to support the ongoing development and implementation of technology initiatives to deliver GIC programs and services to our members. In this new position, Chuck will take on some of the responsibilities formerly held by Nick Vogler and will also handle a new responsibilities created by our ongoing system modernization initiatives. Chuck will work closely with the Operations Team leadership to provide support, training, and assistance to the Operations Department employees and external users on a range of technical systems, and to ensure that the agency is fully prepared for the implementation and ongoing management of new systems and technologies.

January 20, 2022

Recruiting Activity:

- We are currently recruiting for two new Office Support Specialists to fill open positions on the Retirement and Medicare Enrollment teams. We have identified strong candidates and have second interviews scheduled.
- We are preparing to post a position to backfill Chuck O'Brien's former Program Coordinator II – Technical Liaison position. This position will report to Chuck.

**COMMUNICATIONS**Public Information Sessions

Annual public information sessions regarding FY23 plan design changes and rates for annual enrollment are scheduled and will all be held online via Zoom. We had tremendous success and attendance in hosting the sessions virtually last year and are looking forward to building on that success this year. In order to do so, we have worked with sister agencies, including the Human Resources Division, to ensure that active and retired members are aware that these information sessions are occurring. The schedule for the information sessions is as follows, including links for registration:

[Tuesday, January 25<sup>th</sup> at 6pm](#)

[Wednesday, January 26<sup>th</sup> at 12pm](#)

[Friday, January 28<sup>th</sup> at 8:30am](#)

As we did last year, each session will be recorded and posted on the GIC's website and YouTube channel for those unable to attend a live session. Commissioners, as always, are encouraged to attend. Below are steps taken to inform members about these sessions:

- Email to active employees from Human Resources Division
- Email to retirees from Massachusetts State Retirement Board
- Email to all GIC coordinators for distribution to their staff
- Social media posts from GIC accounts
- Dedicated page on GIC website
- Public YouTube Channel video

Fallon Health Plan's Exit from the Commercial Market

GIC staff are working closely with colleagues at Fallon Health to ensure all current members are aware that they will need to select new plans during the upcoming annual enrollment, as Fallon has made a decision to exit the commercial market. Members will be strongly encouraged to use the new GIC Member Portal to select a new plan, and notified that if they do not they will be placed in a default plan that may not meet their needs. Below are the methods used to communicate to our members:

- February 2022 Benefit Statements – targeted for all GIC members
- February Social Media post – targeted for all GIC members
- March Social Media post – targeted for all GIC members
- March GIC Website News post – targeted for all GIC members
- March Email from Fallon – targeted for only Fallon members

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- March Physical letter from Fallon – targeted for only Fallon members
- March Physical letter from GIC – targeted for only Fallon members
- April Benefit Decision Guides – targeted for all GIC members

**LEGISLATIVE UPDATE:**

The legislature has resumed the second year of their legislative session and we anticipate it will be a busy one. As has been mentioned in previous updates, we will be closely monitoring two healthcare bills:

- Senate-led mental health bill (*S584 An Act addressing barriers to care for mental health*)
- House-led market reform bill (*H4262 An Act enhancing the market review process*)

Upon the Governor's release of his Fiscal Year 2023 budget proposal in January, budget season will be in full swing. It is also possible that the budget will feature policy proposals that may impact the health insurance marketplace or the GIC. We will keep the Commission apprised of developments.

Wednesday, February 2 is known on Beacon Hill as "Joint Rule 10 Day," the date by which most joint committees of the legislature must decide which bills will advance through the legislative process. This provides helpful insight regarding pending legislation which we will closely monitor over the next several months.

**MUNICIPAL UPDATE:**

I am pleased report that our municipal partners will receive their first ever virtual update from the GIC. Instead of the usual written update, the GIC will provide a narrated slide deck that will be available to municipalities via our You Tube Channel. The goals of this update are the following:

- Remind municipal managers of the departure of Fallon Health and the need for enrollees to choose new plans during Annual Enrollment in April
- Promote the upcoming FY23 Information Sessions
- Promote the Retiree Dental Program

**ENGAGEMENT UPDATE:**

Engagement meetings, for the purposes of soliciting feedback from stakeholders, are drawing to a close. GIC staff is now turning its focus to finalizing strategies and drafting the RFR. Commissioners will receive additional information as we near the release of the RFR. Please keep in mind that there may be a need for extending meetings and/or adding special meetings to our calendar in order to appropriately communicate with Commissioners and get the RFR out in a timely manner. Staff will be certain to give Commissioners notice about any calendar changes. A more in-depth report will be delivered in the public meeting.

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**COVID-19 VACCINE:**

**ESI VACCINE CLAIMS BREAKOUT BY HEALTH PLAN (TIME FRAME: 12/22/2020-01/01/2021)**

	1 <sup>st</sup> DOSE:	2 <sup>nd</sup> DOSE:	3 <sup>rd</sup> DOSE (BOOSTER)	ALL DOSES:
<b>Brand</b>				
Moderna	24,192	46,542	39,918	11,0652
Pfizer	45,831	24,810	35,637	10,6278
J&J	-	-	-	7,335
<b>Plan</b>				
Fallon	2,138	2,126	1,896	6,160
Harvard	11,016	11,266	12,120	34,402
HNE	6,025	6,167	6,055	18,247
AllWays	3,503	3,617	3,205	10,325
Tufts	21,020	21,379	21,682	64,081
UniCare	26,321	26,797	30,597	83,715
<b>TOTAL COVID VACCINE CLAIMS</b>	70,023	71,352	75,555	224,265



January 20, 2022

12/14/20-01/05/22

CLAIMS REFRESH MEDICAL 10/27/2021 PHARMACY 1/5/2022	<b>COVID-19 VACCINE UTILIZATION</b>	DATA DISTRIBUTION MEDICAL 69,734 PATIENTS PHARMACY 135,172 PATIENTS
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LINE OF BUSINESS All	CLIENT NAME COMMONWEALTH OF MA GROUP	CARRIER All	DRUG NAME All	STATE All	RELATIONSHIP All	DATA TYPE INTEGRATED	EXTERNAL CLAIMS All
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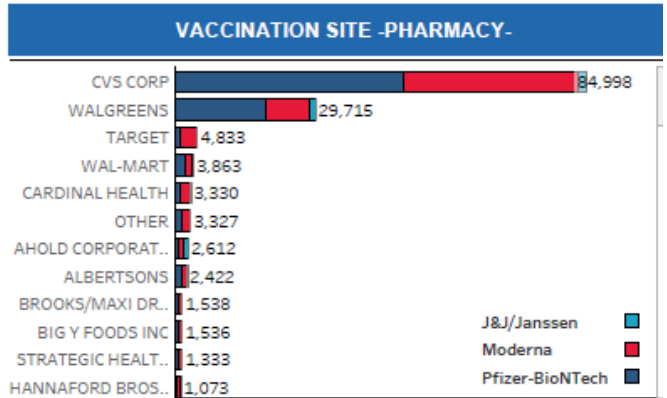
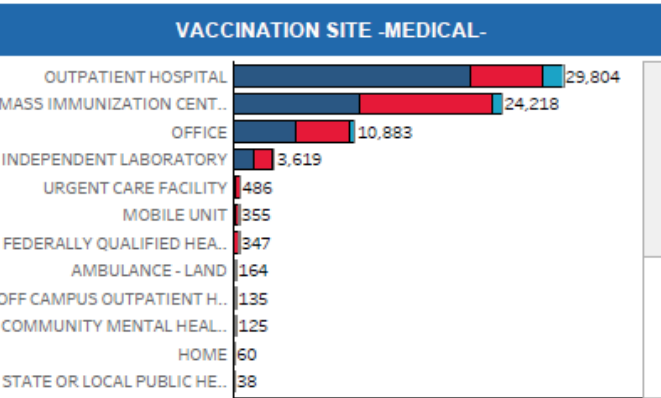
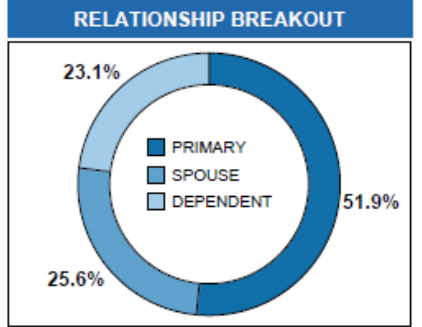
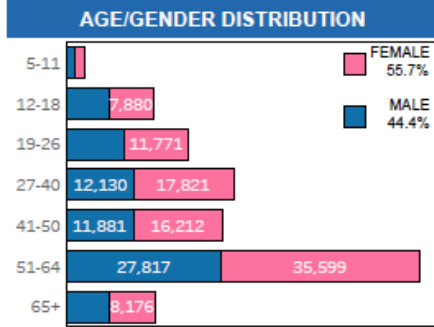
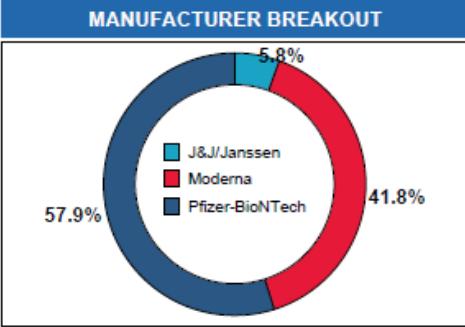
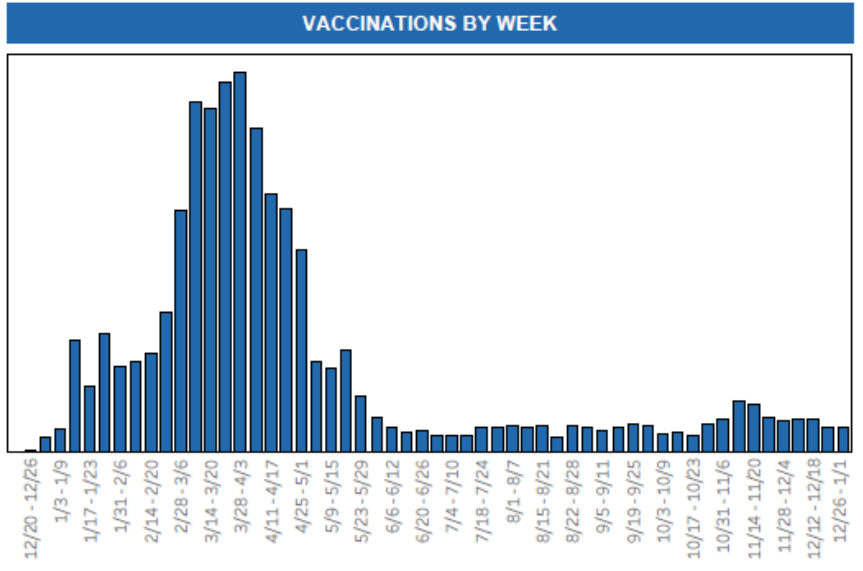
### KEY METRICS

**PATIENTS WITH ≥ 1 DOSES**  
**178,036**  
(65.7% of members)

**DOSAGE STAGE BREAKOUT**

RECEIVED FIRST DOSE	10,190
FULLY VACCINATED	167,846
RECEIVED THIRD DOSE/BOOSTER	70,300

**PATIENTS WITH ≥ 1 HIGH RISK FACTOR**  
**11,784 (6.6%)**





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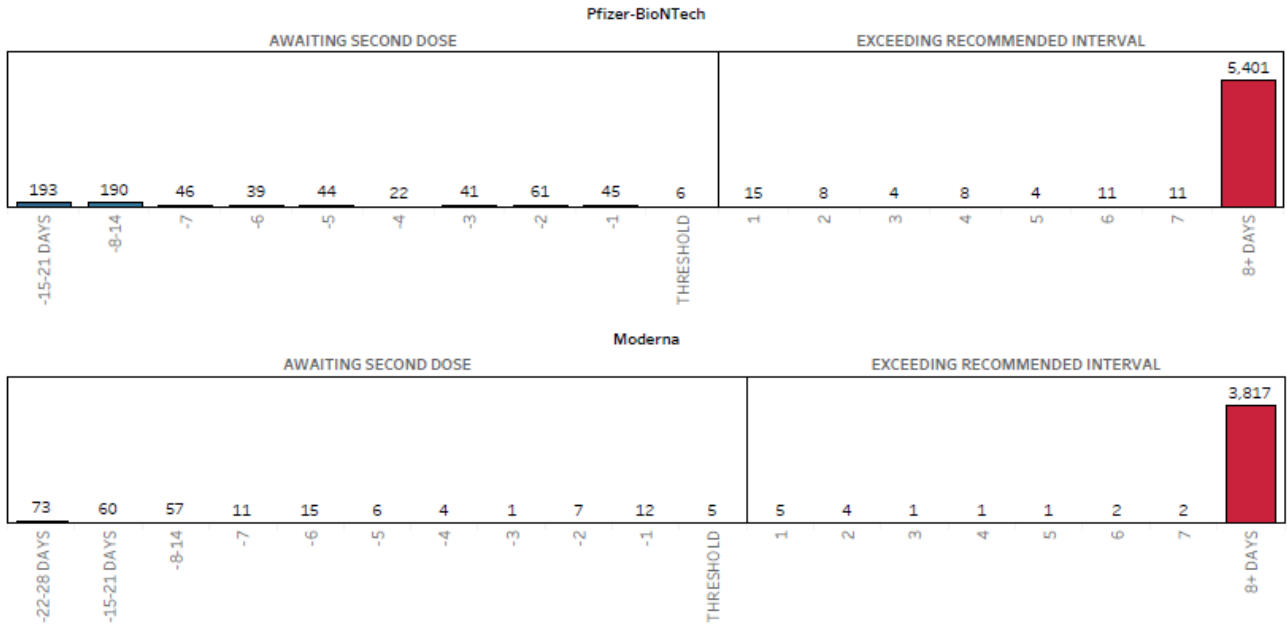
## COVID-19 VACCINE UTILIZATION

LINE OF BUSINESS	CLIENT NAME	CARRIER	PATIENT RISK LEVEL	AGE BAND	GENDER	RELATIONSHIP
All	COMMONWEALTH OF MA GROUP	All	All	All	All	All

### PATIENT VACCINATION STATUS -MEDICAL & PHARMACY-      MEDIAN DAYS BETWEEN VACCINATION -MEDICAL & PHARMACY-

AWAITING SECOND DOSE	938	Pfizer-BioNTech	Moderna
EXCEEDING RECOMMENDED INTERVAL	9,252		
FULLY VACCINATED	167,846	21 DAYS	28 DAYS
RECEIVED THIRD DOSE/BOOSTER	70,300		

### VACCINATION THRESHOLD -MEDICAL & PHARMACY-



^Information for pharmacy and medical patients