

**GROUP INSURANCE COMMISSION MEETING**

**Thursday, February 12, 2026**

**8:30 A.M.-10:00 A.M.**

Meeting held virtually through online audio-video platform (ZOOM) and livestreamed on the GIC's YouTube channel.

**MINUTES OF THE MEETING**

NUMBER: Seven Hundred  
DATE: February 12, 2026  
TIME: 8:30 A.M.  
PLACE: Meeting held virtually through online audio-video platform (ZOOM) and accessible on the GIC's YouTube channel

**Commissioners Present:**

VALERIE SULLIVAN (Chair, Public Member)  
BOBBI KAPLAN (Vice Chair, NAGE)  
MATTHEW GORZKOWICZ (Secretary of Administration and Finance) Designee: Dana Sullivan  
MICHAEL CALJOUW (Commissioner of Insurance) Designee: Rebecca Butler  
DARREN AMBLER (Public Member)  
TAMARA P. DAVIS (Public Member)  
EDWARD T. CHOATE (Public Member)  
MARTIN CURLEY (Public Safety)  
JANE EDMONDS (Retiree)  
GERZINO GUIRAND (Council 93, AFSCME, AFL-CIO)  
EILEEN P. MCANNENY (Public Member)  
MELISSA MURPHY-RODRIGUEZ (Massachusetts Municipal Association)  
KRISTIN PEPIN (NAGE)  
DEAN ROBINSON (Massachusetts Teachers Association)  
ANNA SINAIKO, Ph.D. (Health Economist)  
JASON SILVA (Massachusetts Municipal Association)  
CATHERINE WEST (Public Member)

## **I. Introduction and Approval of the Minutes**

At 8:30 A.M. The Chair started the meeting and announced the Commissioners in attendance. The Chair turned the meeting over to Executive Director Veno to review the Agenda for the meeting.

Executive Director Veno reviewed the agenda.

The Chair asked for a motion to approve the minutes from the Commission meeting held on January 15, 2026. Vice Chair Kaplan moved to approve and Commissioner Edmonds seconded the motion. The General Counsel took a roll call vote.

Chair Sullivan voted aye

Commissioner Guirand voted aye

Vice Chair Kaplan voted aye

Commissioner McAnneny voted aye

Designee Sullivan voted aye

Commissioner Murphy-Roderiguez voted yes

Designee Butler voted aye

Commissioner Pepin voted aye

Commissioner Ambler voted aye

Commissioner Robinson voted aye

Commissioner Choate voted yes

Commissioner Silva voted yes

Commissioner Curley voted aye

Commissioner Sinaiko voted aye

Commissioner Davis voted aye

Commissioner West voted yes

Commissioner Edmonds voted aye

The motion passed unanimously.

## **II. Executive Director's Report**

**Presented by Matthew Veno, Executive Director and Members of Senior Staff**

The Executive Director reminded the Commissioners that there is no written Executive Director report this month. He then informed the Commission that Catherine Moore, GIC's Budget Director and long-time employee had passed away. He noted that she had served as interim CFO and presented to the Commission many times. She was brilliant, kind, and always took the time to connect with and get to know her co-workers. He emphasized that her contributions to the GIC had been profound and lasting and that she will be missed very much. He also offered condolences to her family and loved ones.

## **III. Public Information Sessions Report**

**Presented by Erika Scibelli, Deputy Executive Director**

Deputy Executive Director Scibelli provided an overview of the 2026 Public Information Sessions. She noted that GIC staff hosted three sessions, staggered at different times and days. She commented that the registrations, attendees, and questions asked increased markedly over prior years. There was feedback regarding the American Sign Language (ASL) captioning and interpreters and the GIC is taking this feedback to use to improve future sessions. Under the GIC's license, webinars have a capacity of one thousand people and once capacity was reached, other registrants were directed to the YouTube livestream. There was also a means of asking questions through email if participants could not be in the

live webinar. Sessions were recorded and are posted on the GIC's YouTube channel. As with prior years, staff has posted Frequently Asked Questions (FAQ's) on the GIC's website, updated to reflect questions commonly asked this year. All materials are available on GIC's website. Usually, the bulk of questions are related to retirement and turning sixty-five. This year there was a focus on affordability and coverage of GLP-1 medications. Questions that are personal in nature are directed to the GIC staff for a confidential response.

Following the sessions, the GIC received around two hundred and seventy (270) e-mails in opposition to all changes, out of the three hundred and fifty (350) e-mails received. The GIC has also received around two hundred (200) e-mails since the formation of this slide. There has also been feedback from elected officials opposing changes. The common themes of the emails were: affordability, fairness and equity, GLP-1's, hearing aids coverage and coverage for surviving spouses.

Commissioner Edmonds asked what things stood out the most or had the most passionate comments. Deputy Executive Director Scibelli stated that the feedback themes are listed on the slide, in ranked order of volume received and level of intensity.

Vice Chair Kaplan stated that she personally received hundreds of emails, texts, and calls regarding the proposed changes. She noted that the Commissioners received four hundred ten (410) pages of emails from members pleading, in large part, not to make design changes. She noted that ninety-one (91) pages were devoted to the elimination of GLP-1 medications. She said she has read about three quarters of them and the majority speak to the inequity of cost shifting to state workers, black and brown people, and the harm it would do to low-income workers and those living paycheck-to-paycheck.

Commissioner Edmonds stated that she struggled with the responsibility to exercise judgment that is good for her constituents and for the Commonwealth. She does not believe the Commission is in a position to vote today. She underscored that a number of legislators have asked, in the last twenty-four hours, to reject changes. She dislikes that the changes are being presented in "buckets" and wants to understand what the real-world impacts will be on the members for each proposed change. She has received over 300 emails and phone calls and has heard heartbreaking stories. She wants to support the Governor and administration but also doesn't want to permanently and negatively impact the members. She feels that nobody on the Commission has complete information to make such a huge decision. She asked to table all votes.

Designee Sullivan stated that she also has heard feedback but the growth of the GIC is unsustainable. She stated that there is a direct relationship between the plan design changes and the rate vote that will take place later. She acknowledged that Commissioners wanted more information to understand how these changes will change premiums and impact members. She requested to table the vote in order to receive more information on member and premium impact.

The General Counsel noted that you cannot table something that has not yet been moved. He stated that it is possible to move to postpone something.

Designee Sullivan noted that she would revise her request.

The Chair acknowledged that there seemed to be a consensus to obtain more information before any votes are taken. She then recognized Commissioner McAnneny.

Commissioner McAnneny suggested that some of these items could be voted and some could be delayed. She stated that some suggested changes may be removed from consideration because the Commission does not seem to want to move them forward. She suggested winnowing down the list as much as possible, while delaying other votes.

Commissioner Sinaiko noted that this is a decision of how to allocate funding over many priorities and suggested that others consider that if we do not cut our funding, there's a tradeoff elsewhere. The benefit design changes are short-term solutions while the state looks for long-term solutions. She suggested that if the GIC made changes now, those changes could always be revisited in the future. She would like to evaluate whether the GIC could have differential contributions and/or cost sharing by wage. She asked that the data be looked at with some variations on growth and growth in utilization which can vary.

Vice Chair Kaplan stated that she appreciated all the discussion so far, but she noted, the Governor has only just convened the healthcare affordability working group and no one has any idea what the outcome will be or when there will be actionable steps. The GIC just implemented Vida Health and the GIC has no data on whether this will help reduce the cost of GLP-1 medications. She acknowledged that plan design changes are almost always forever and not temporary. She noted that pensioners only gain a cost-of-living increase on the first \$13,000.00 of their pension, not the full prior salary, which amounts to about \$350 a year. She noted that most pensioners do not have social security. These changes, she underscored, will forever impact the workers, especially those of lower income and persons of color. She emphasized that the disparate impact of these changes will be on already struggling populations and those who suffer from inequity. She requested to delay the vote.

The Chair stated concern over shifting the costs to other areas of the Commonwealth's budget. She requested to see salary information on members to add context to plan design changes.

Commissioner Ambler repeated Commissioner McAnneny's and Designee Sullivan's requests. He asked what changes might take the most time. He suggested that affordability starts at the paycheck. He suggested that if no changes are made everyone will see higher premiums and therefore less in their paychecks. He stated that if this happens, everyone will be experiencing higher costs, not just the high utilizers. He suggested that GIC should consider that most taxpayers don't have health care benefits as rich as the coverage the GIC provides and he thinks this is unfair to taxpayers as a whole. He thinks that the Commission needs to worry about affordability to the taxpayer.

Commissioner Silva stated that he recognizes that there is a balance between an increase in premiums versus increase in cost sharing, cost shifting, or making other benefit changes. All of these are difficult choices, both for the GIC and across other state agencies. If we do not do anything, funding for other areas will get cut across the Commonwealth. He acknowledged that the Commissioners do not yet have adequate data to make these decisions.

The Chair suggested that the GIC staff should weigh in on what has already been discussed and address timing.

The Executive Director stated that he could not speak to how long the analyses will take, but understands the need for more information. He stated that if votes are delayed, the GIC will take appropriate action, prepare additional analysis as requested by the Commission. He further noted that a

delay in votes also delays preparations for annual enrollment and that it might be necessary to push back the annual enrollment dates, depending on how long the analyses will take.

Commissioner Robinson supports voting on items where there is consensus but delaying the others. He stated that he does not agree with the way the discussion on choices and changes has been characterized. He stated that this is not “zero sum” as it has been presented. He pointed out that there are sources of funding that can be tapped into to fix this in the short term that aren’t being discussed. He does not believe that the funding tradeoffs across government automatically will be impacted as people fear. Regarding the impact analysis, he underscored the importance of considering the range of members that are affected, given that there are some wide disparities in salaries of members. He wants to focus on health impacts. He noted that there is unequivocal evidence of negative health and mortality impacts due to cost shifting. The consequences of cost shifting are not just financial.

Commissioner McAnneny stressed that the discussion and related decisions are about state employees and municipal workers. She also noted that this is about tradeoffs, but not all tradeoffs are created equal. Based on her work on studying the budget for years, she is sure there are more preferable ways to save this money rather than putting this on GIC members. She is certain that the GIC can be a change agent and lead the way on systemic change and the Commission should not lose sight of that.

Commissioner Davis believes that all stakeholders need to be considered in this conversation. She suggested looking at a sliding scale for premiums. She thinks it ought to be approached strategically and not simply act to put out a fire.

Vice Chair Kaplan noted in response to the suggestion from other Commissioners that are calling for consideration to general taxpayers, that all state and municipal GIC members are also taxpayers. State and municipal workers are not a separate group. She reminded the Commission that payment of premiums is taken out pre-tax and is spread out over 24 pay periods, which leads to less of a financial impact than increasing deductibles and out-of-pocket costs. Out-of-pocket costs have a huge impact on people, more so than the cost of premiums.

Designee Sullivan spoke to the growth of the GIC spending as compared to the general revenue growth. She noted that the rate is unsustainable and it needs to be addressed.

Commissioner Robinson restated that he acknowledges that the current growth is unsustainable, but clarified that the point is that there are other revenue state streams that can be used in the short term while the Commonwealth fixes the long-term issue. He also noted, regarding compensation, that for most public employees there is a tradeoff where they have accepted a lower salary in exchange for strong benefits. He stated that the overwhelming majority of feedback he received stressed that while the annual increases and raises are not keeping pace with inflation, and people feel very underpaid, they rely on the strong healthcare benefits to balance the lack of strong salaries.

Commissioner Edmonds reminded Commissioners that equity usually means paying attention to those who are most affected so that the changes do not unintentionally hit those with the fewest resources the hardest. She would like to use this lens to make decisions.

Commissioner Choate stressed that the Commission is backed into a corner because the Commission cannot control the real problems driving the affordability challenge – the unit price of healthcare. He acknowledges that there is a twenty or thirty-person work group underway but that he does not believe

that the unit cost problem will be solved there. He then asked when the last changes to out-of-pocket costs were made. The Executive Director replied that it was eight (8) years ago.

Commissioner McAnneny stated that while it is true that the GIC's healthcare costs are growing faster than the tax revenues, she thinks that is indicative of a much bigger healthcare cost trend and everyone is feeling the weight of healthcare costs. She noted that many are experiencing much higher cost increases than the GIC is expecting and this is not uniquely a GIC problem. She stated that the solution has to be systemic, and that part of the problem that everyone is facing in the budget is that healthcare costs account for around fifty percent of the [Commonwealth's] budget.

Commissioner Ambler, volunteered his definition of the merged insurance market. He repeated Commissioner McAnneny's statement that the merged market is experiencing much higher growth this year. He noted that copays and deductibles increase in the private market, yearly.

The Chair thanked everyone for their discussion.

#### **IV. FY2027 Plan Design**

**Presented by Matthew Veno, Executive Director and Margaret Anshutz, Director of Health Policy and Analytics**

The Executive Director stated that the approach to this section will pivot based on the previous discussion. He noted that the Governor's budget proposal assumes the \$100.5M savings target for the GIC. He noted that there were two additional changes that are outside the authority of the Commission. One was to standardize contribution ratios for all employees to 75/25 and the proposal to align dental premium contribution ratios to that of the member's health plan contribution; both were not moved forward in House 2. Additionally, the GIC had requested legislative changes that would prevent Massachusetts providers from turning away GIC members due to constraints on out-of-network payment rates, which was also not included in the budget.

The Executive Director then presented how some of the changes would impact the funding shortfall and savings target that is in the Governor's proposed budget. Premiums are expected to increase roughly 10.9%, if nothing is changed, but that, he noted, is an estimate at this point. He showed what the expected impacts of decreased spending would be if all proposed changes were accepted, both with and without GLP-1 coverage for obesity.

The Chair asked if members understood that premiums would be lower if changes were made and she asked if the Executive Director knew what the preference of members would be regarding premium increase with changes or higher premiums without changes. The Deputy Executive Director stated that this information was presented in the public information sessions, and the feedback presented earlier shows the preferences. The Chair guessed that those who provided feedback had an overrepresentation of persons who do not want change. The General Counsel reminded Commissioners that the GIC conducted a member engagement survey a few years ago and asked the specific question about premium increases and out-of-pocket increases and there was a clear preference for premium increases over out-of-pocket increases.

Commissioner Ambler stated concern that adding a high-deductible health plan would likely decrease funding for the plan and GIC would need to increase premiums on the other plans to maintain adequate

funding to cover claims. He noted that the claims payments would not change and the GIC would risk being underfunded if it did not maintain the premium payments needed.

Vice Chair Kaplan stated that even though the deductibles and copays have not changed in eight years, the actual out-of-pocket copays have increased because many providers have moved to a “tier three” as a specialist. She explained that more doctors are now classified as specialists. She also stated that the drug coverage has changed and people are paying more out-of-pocket for medications. Last, she noted that there are more providers that are out of network, which incurs even more out-of-pocket costs.

The Chair agreed that more costs are being pushed to individuals not only at the GIC but in the market as a whole and that it is a real problem.

The Vice Chair underscored that if the GIC does not make changes, the resulting \$120M that would be needed for funding is not going to break the state budget. Further, she emphasized that making the proposed changes will absolutely not fix the problem; the problem has been growing for years and is systemic in nature. To make these proposed changes is very short-sighted.

Commissioner Sinaiko, in response to comments by the Vice Chair, noted that the information she has regarding doctor tiering shows that tier three doctors only represent about ten percent of claims and that the number of doctors in tier three has actually decreased, while tier two has increased.

The Executive Director stated that there is good information in the previously presented out-of-pocket report which he would circulate to commissioners. He then once again reviewed the proposed changes, bundled based on those with minimal member impact, changes that impact member cost-sharing, and changes that impact both Medicare and “active” [non-Medicare] plans. Commissioners may pull out or repackage these proposals however they wish.

At the request of a Commissioner, the Executive Director noted the slide laying out a motion for the Commissioners to approve two plan design changes: one to implement a uniform methodology for health carrier reimbursements for out-of-network medical providers in Massachusetts, and a second to implement a copay assistance card program through Prudent Rx. He stated that this would save roughly \$20 million in the state budget. Commissioner McAnneny moved to approve and the Vice Chair seconded the motion.

The General Counsel then took a roll call vote

Chair Sullivan voted aye

Commissioner Edmonds voted aye

Vice Chair Kaplan voted aye

Commissioner Guirand voted aye

Designee Sullivan voted aye

Commissioner McAnneny voted aye

Designee Butler voted aye

Commissioner Murphy-Rodriguez voted aye

Commissioner Ambler voted aye

Commissioner Pepin voted aye

Commissioner Choate voted yes

Commissioner Robinson voted aye

Commissioner Curley voted aye

Commissioner Silva voted yes

Commissioner Davis voted aye

Commissioner Sinaiko voted aye

Commissioner West voted yes

The motion passed unanimously.

Vice Chair Kaplan moved to delay any additional votes to provide Commissioners with opportunity to review and read the feedback from members. The Chair added that the Commissioners also want data prior to any vote.

Commissioner Ambler suggested that the Commission needs a timeline regarding the delay.

The Vice Chair amended her motion to delay the vote for one week. The motion did not immediately receive a second.

The Executive Director stated that he cannot provide a specific timeline for how long it will take to get the data to Commissioners and would request that there not be a deadline, but that it is stated that the vote will be held as expeditiously as possible.

Commissioner Murphy-Rodriguez reminded everyone that next week is school vacation and would likely not be a good week for a vote.

Commissioner McAnneny requested clarification on the motion and whether it includes all other proposed changes.

Vice Chair Kaplan moved to table making any additional benefit design changes.

The General Counsel suggested that the motion be made to postpone to the next meeting that can be scheduled, which would allow for flexibility with emphasis on expediting the process.

The Vice Chair rephrased her motion again to postpone any vote on the remaining benefit design changes to the next meeting that can be scheduled. Commissioner Edmonds seconded it. The General Counsel took a roll call vote.

Chair Sullivan voted aye

Commissioner Guirand voted aye

Vice Chair Kaplan voted aye

Commissioner McAnneny voted aye

Designee Sullivan voted aye

Commissioner Murphy-Rodriguez voted yes

Designee Butler voted aye

Commissioner Pepin did not vote

Commissioner Ambler voted aye

Commissioner Robinson voted aye

Commissioner Choate voted yes

Commissioner Silva voted yes

Commissioner Curley voted aye

Commissioner Sinaiko voted aye

Commissioner Davis voted aye

Commissioner West voted aye

Commissioner Edmonds voted aye

The motion passed unanimously of those voting.

**V. FSA Vendor Recommendation (VOTE)**

**Presented by Cameron McBean, Director of Vendor Management**

Mr. McBean stated that the GIC did not intend to renew the FSA vendor’s contract and therefore conducted a procurement for a new vendor. He noted that the GIC is a challenging client for this type of benefit, since it is not the employer of record and cannot provide the eligibility file that is standard in the industry.

The Chair asked what percent of agencies are online versus offline. Mr. McBean stated he did not have that information right now. The Director of Operations, Paul Murphy, said that it is almost fifty percent of each type of agency.

Mr. McBean continued that there were not many bidders on this procurement. He surmised it might be due to some of the aforementioned challenges. He advised using a consultant for the next procurement.

The Vice Chair asked whether Ameriflex has contracts with other public sector and state clients. Mr. McBean stated that they do and most of those types of contracts are in educational systems. The Vice Chair then asked whether he had information on member satisfaction for Ameriflex. Mr. McBean stated that issues and complaints around documentation exist with every vendor. He affirmed that the reference checks went well.

Commissioner Ambler stated that there is no such thing as a great FSA administrator. He stated that TASC, in his experience, is one of the worst. He stated that he has worked with Ameriflex and it was mostly positive.

The Vice Chair moved to authorize the GIC to contract with Ameriflex as the apparent successful bidder for the FSA administrator. Commissioner Ambler seconded. The General Counsel took a roll call vote.

Chair Sullivan voted aye

Commissioner Guirand voted aye

Vice Chair Kaplan voted aye

Commissioner McAnneny voted aye

Designee Sullivan voted aye

Commissioner Murphy-Roderiguez voted yes

Designee Butler voted aye

Commissioner Pepin voted aye

Commissioner Ambler voted aye

Commissioner Robinson voted aye

Commissioner Choate voted yes

Commissioner Silva voted yes

Commissioner Curley voted aye

Commissioner Sinaiko voted aye

Commissioner Davis voted aye

Commissioner West voted yes

Commissioner Edmonds voted aye

The motion passed unanimously.

**VI. CFO Report**

**Presented by Jennifer Hewitt, Chief Financial Officer**

Chief Financial Officer (CFO) Hewitt provided a financial report. She noted that a supplemental budget had been filed and wanted to provide context for the need for the supplemental budget. The GIC faced a number of challenges in FY2025 including the fact that there were 53 Mondays that year, where normally there are 52 and Mondays are when invoices are received. This accounted for \$37 million, that crossed into FY2026 for payment. When added to the \$54 million deficit in the Enrollee Account at the end of FY2025, a total of \$91 million in FY2025 expenses are being covered in FY2026. Another shortfall came because of a funding reduction for the SRBTF (State Retirement Benefits Trust Fund). Staff are working to confirm if alternative funding sources are available. There are other factors as well, such as higher claims costs. Therefore, the GIC anticipates needing a supplemental budget by April 15, 2026, with an initial estimate of \$300 million.

The Executive Director underscored that the need for a supplemental budget is not because the funding needs were wildly off the budget projections and highlighted that most of the request is based on factors and decisions on the state budget that are outside the GIC's control. He stated that this is not an increase of three hundred million in claims volume.

## **VII. Other Business/Adjournment**

### **Presented by Valerie Sullivan, Chair, and Matthew Veno, Executive Director**

The Executive Director thanked the Commissioners for their thoughtfulness and deliberate approach to how they are handling voting on the benefits. He noted that the delayed vote will impact the GIC's work, which may include scheduling a new meeting, delaying the second February meeting, and/or pushing back open enrollment.

The Chair asked for a motion to adjourn. Commissioner Ambler moved to adjourn and Designee Sullivan seconded. The vote passed unanimously and the meeting was adjourned.