



**Commonwealth of Massachusetts  
Group Insurance Commission**

*Your  
Benefits  
Connection*

# COMMISSION MEETING *DECEMBER 17, 2020*



# Agenda

	Topic	Speaker	Time
I.	Approval of 11/19/2020 Minutes (VOTE)	Valerie Sullivan, Chair	8:30-8:35
II.	Executive Director's Report (INFORM) <ul style="list-style-type: none"> <li>• Calendar</li> <li>• Communications/Legislation/Municipalities</li> <li>• Human Resources</li> <li>• Public Information Sessions</li> <li>• COVID-19</li> </ul>	Matthew A. Veno, Executive Director	8:35-9:05
III.	COVID-19 Data Review (INFORM)	Margaret Anshutz, Manager, Healthcare Analytics	9:05-9:15
IV.	Benefit Procurement & Vendor Management (INFORM & VOTE) <ul style="list-style-type: none"> <li>• FY22 Preliminary Rate (INFORM)</li> <li>• Dental &amp; Vision Procurement (VOTE)</li> </ul>	Denise Donnelly, Director of BPVM Vince Kane, Senior Director, Willis Towers Watson Cameron McBean, Manager of Health & Ancillary Benefits Mgmt.	9:15-9:50
V.	Regulations (VOTE)	Andrew Stern, General Counsel	9:50-10:00
VI.	Modernization (INFORM)	John Harney, A&F CIO & Paul Murphy, GIC Dir. of Operations	10:00-10:10
VII.	CFO Update (INFORM) <ul style="list-style-type: none"> <li>• Budget Update</li> <li>• Plan Audit Update</li> </ul>	Jim Rust, Chief Financial Officer & Michelle Suckow, VP at Claim Technologies Incorporated	10:10-10:30
VIII.	Other Business/Adjournment	Valerie Sullivan, Chair	

## I. Approval of Minutes (VOTE)

### Motion:

***That the Commission hereby approves the minutes of its meeting held on November 19, 2020 as presented.***

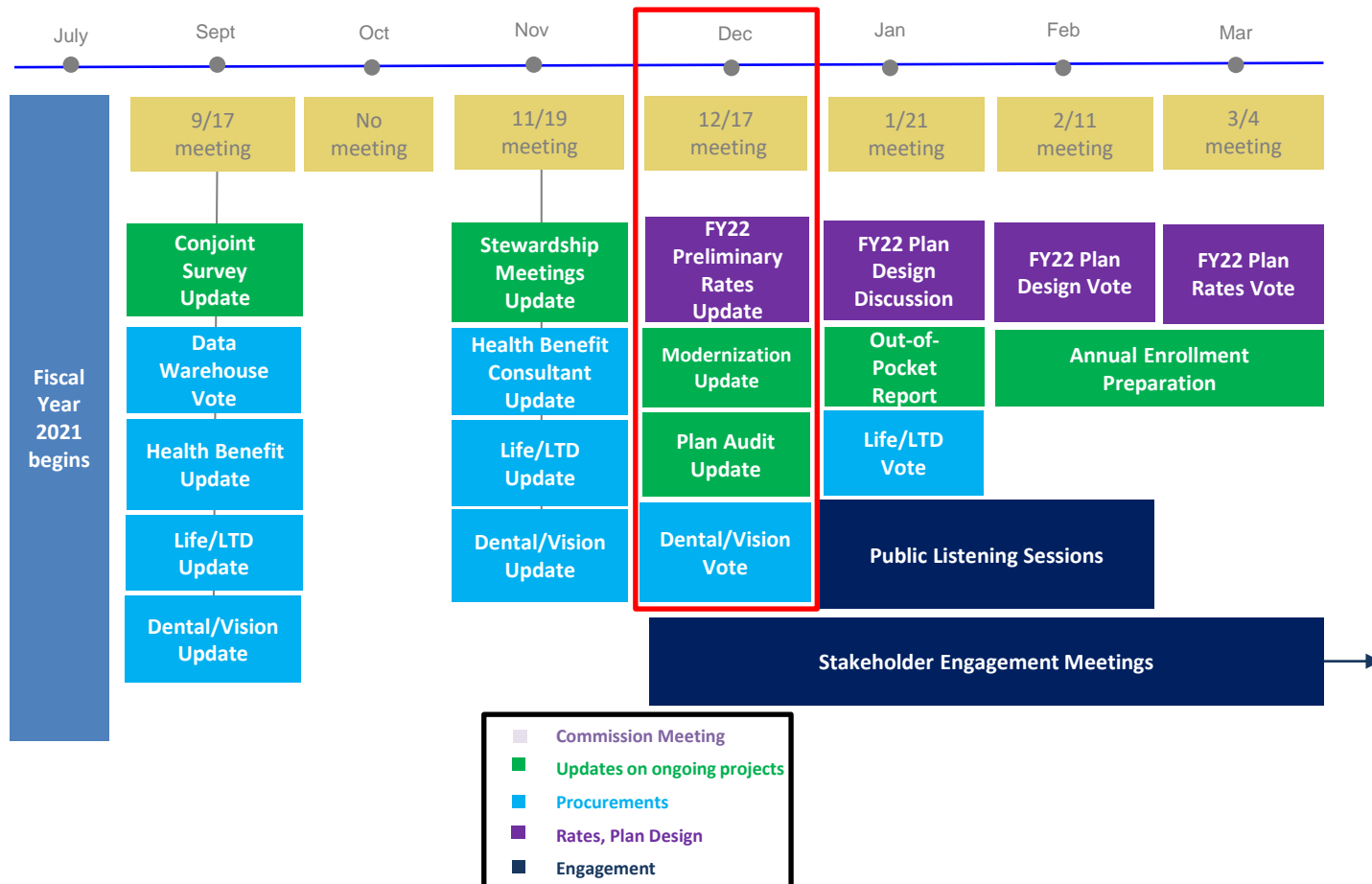
- Valerie Sullivan, Chair
- Bobbi Kaplan, Co-Chair
- Cassandra Roeder
- Rebecca Butler
- Elizabeth Chabot
- Adam Chapdelaine
- Edward Tobey Choate
- Christine Clinard
- Tamara P. Davis
- Kevin Drake
- Jane Edmonds
- Joseph Gentile
- Eileen P. McAnney
- Patricia Jennings
- Melissa Murphy-Rodrigues
- Anna Sinaiko
- Timothy D. Sullivan

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

- Calendar
- Communications / Legislation / Municipalities
- Human Resources
- Public Information Sessions
- COVID-19

Matthew A. Veno, Executive Director

## II. Executive Director's Report: FY2021 Calendar



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

### Communications

- Mass4YOU EAP:
  - Holiday Stress
  - Virtual Webinars
  - 2021 Financial Wellness Tips
- FY2020 Annual Report

### Legislation / Municipalities

- FY21 State budget enacted
- GIC Municipal portfolio remains steady, unchanged

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

### Human Resources

- New GIC Employees
  - Erika Scibelli, Deputy Executive Director
  - Martha DeCelle, Operations Specialist

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

### Public Information Sessions

- Date & Times
  - Tuesday, 1/26 from 5:30pm -7:00pm
  - Wednesday, 1/27 from 10:00am -11:30am
  - Thursday, 1/28 from 5:30pm -7:00pm
  - Saturday, 1/30 from 9:00am -10:30am
- Virtual Platform – for all sessions via ZOOM and will be recorded
- Presentation - will be available before the first event, at [www.mass.gov/gic](http://www.mass.gov/gic)

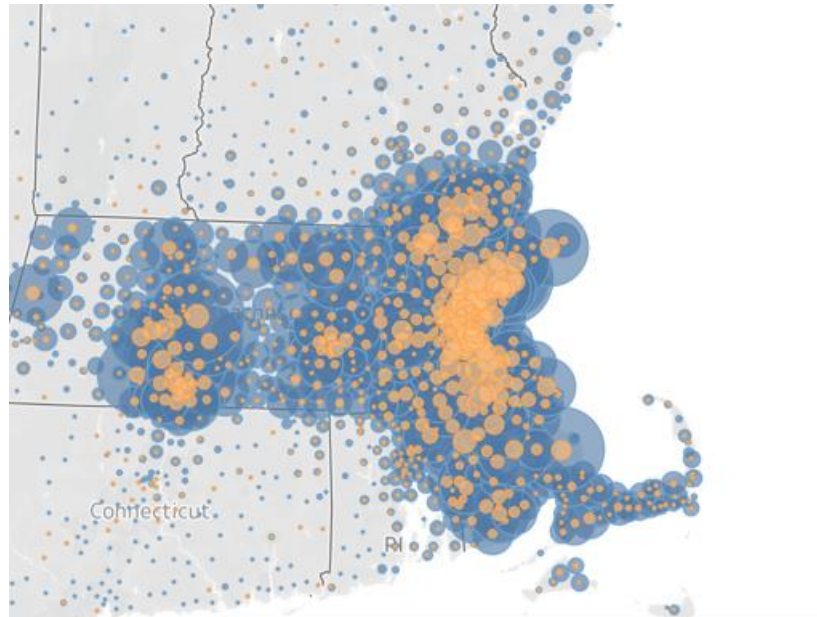


## II. Executive Director's Report (INFORM)

- COVID-19
  - GIC operations
  - FY22 annual enrollment preparation and planning
  - Waiver of member cost sharing for telehealth services
  - Vaccine administration
  - Recent comments to HPC Advisory Council regarding health care costs

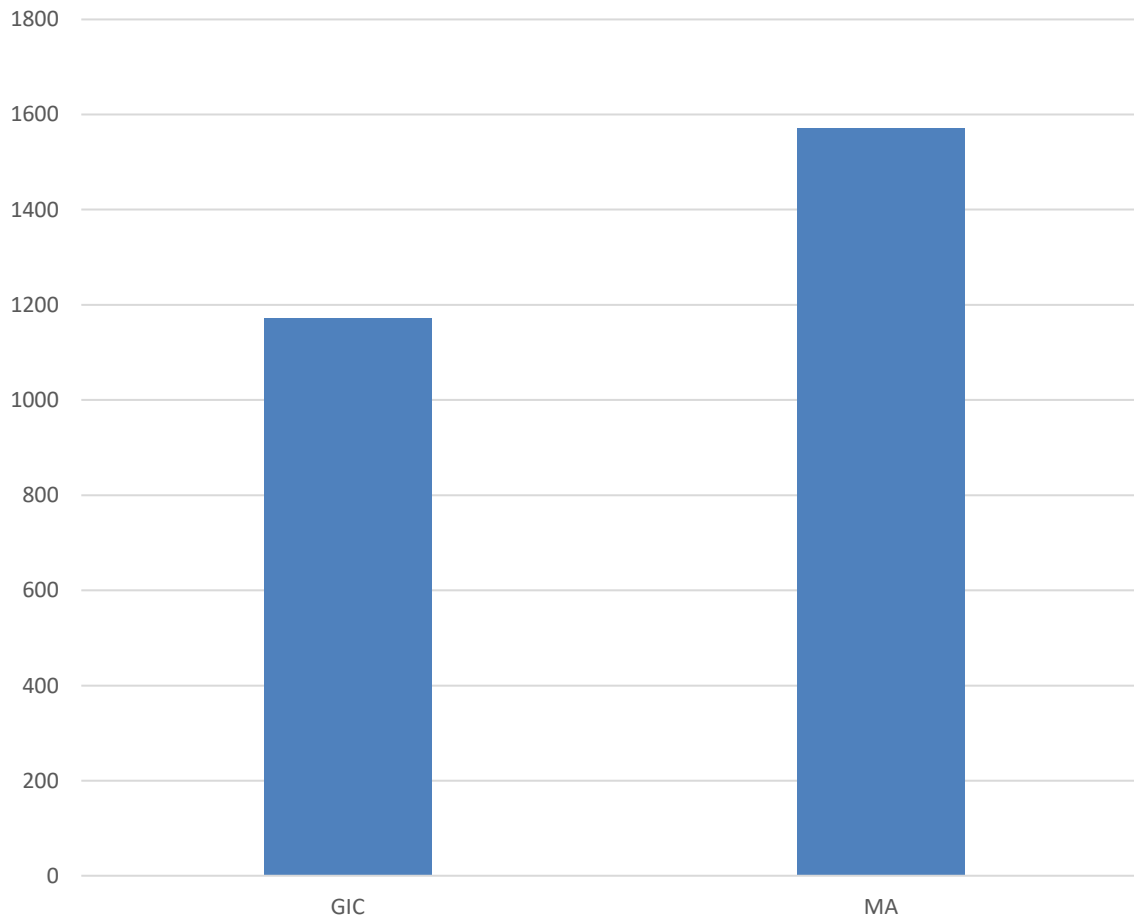
### III. COVID-19 Data Review (INFORM)

- Demographics of COVID-19 in the GIC population, based on claims incurred March – July, paid through October



Margaret Anshutz  
Manager, Health Data Analytics

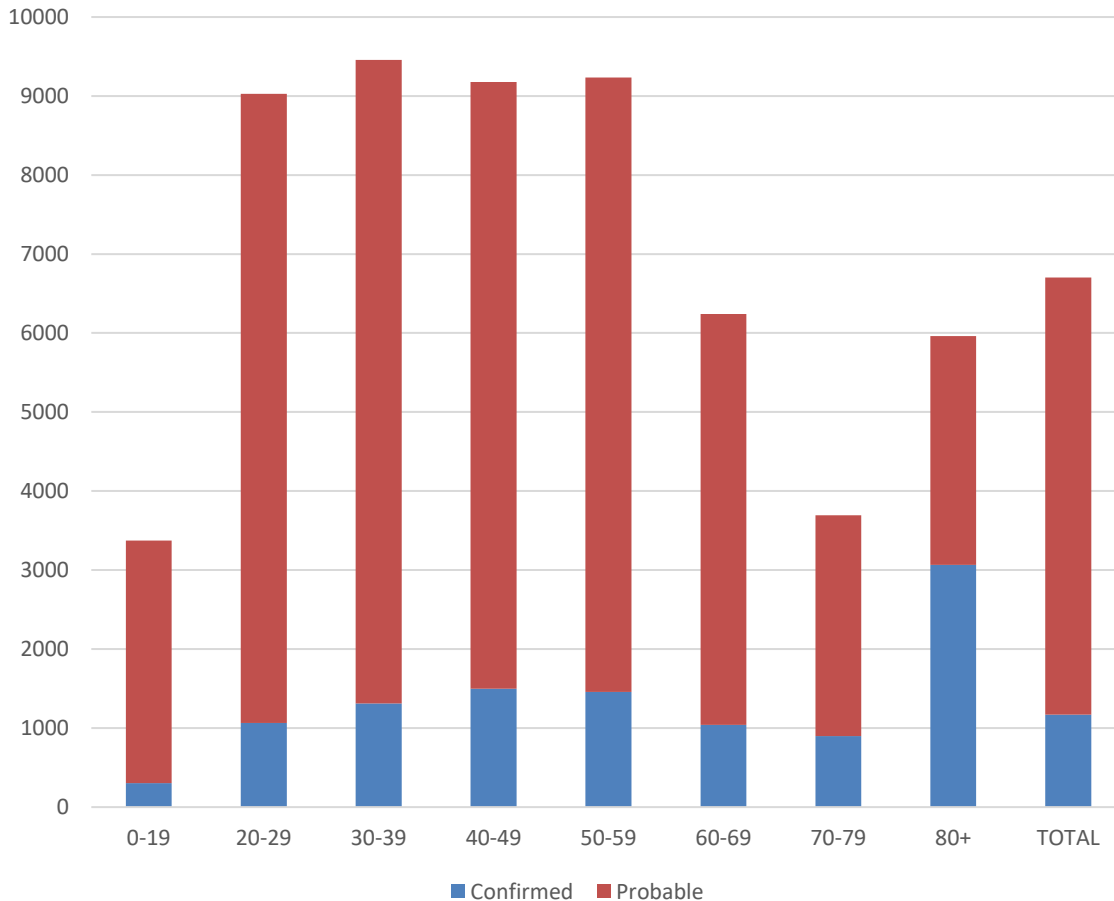
# GIC membership Covid-19 confirmed case rate compared to Massachusetts-wide rate (per 100k)



The rate of confirmed Covid-19 cases is higher across Massachusetts than in the GIC membership

Source: Massachusetts Department of Public Health Covid-19 Dashboard raw data, <https://www.mass.gov/info-details/archive-of-covid-19-cases-in-massachusetts#july-2020>, retrieved 11/27/20

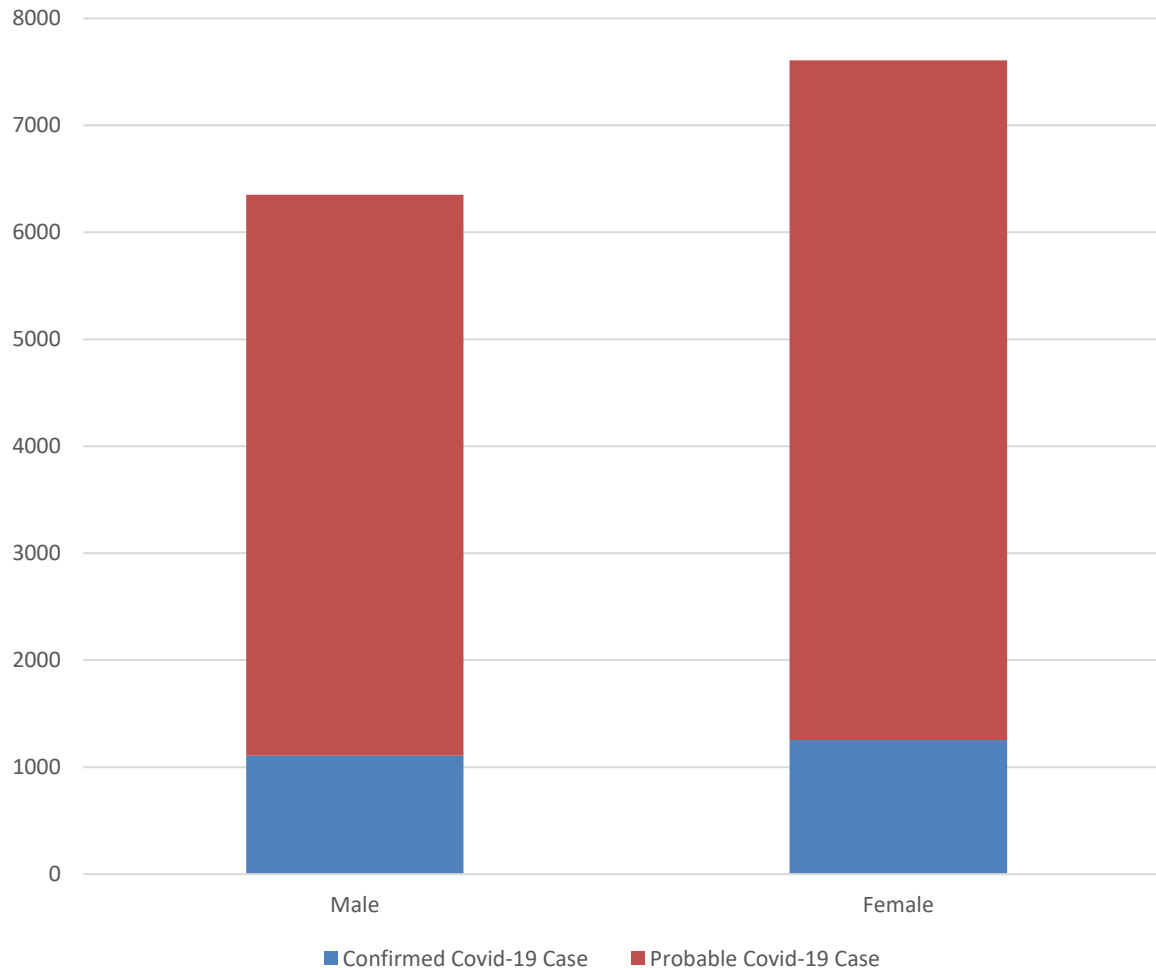
# GIC membership Covid-19 confirmed and probable cases by age group (per 100k)



Of confirmed Covid-19 cases, members in the age group 80+ have twice the confirmed rate as the next highest age group.

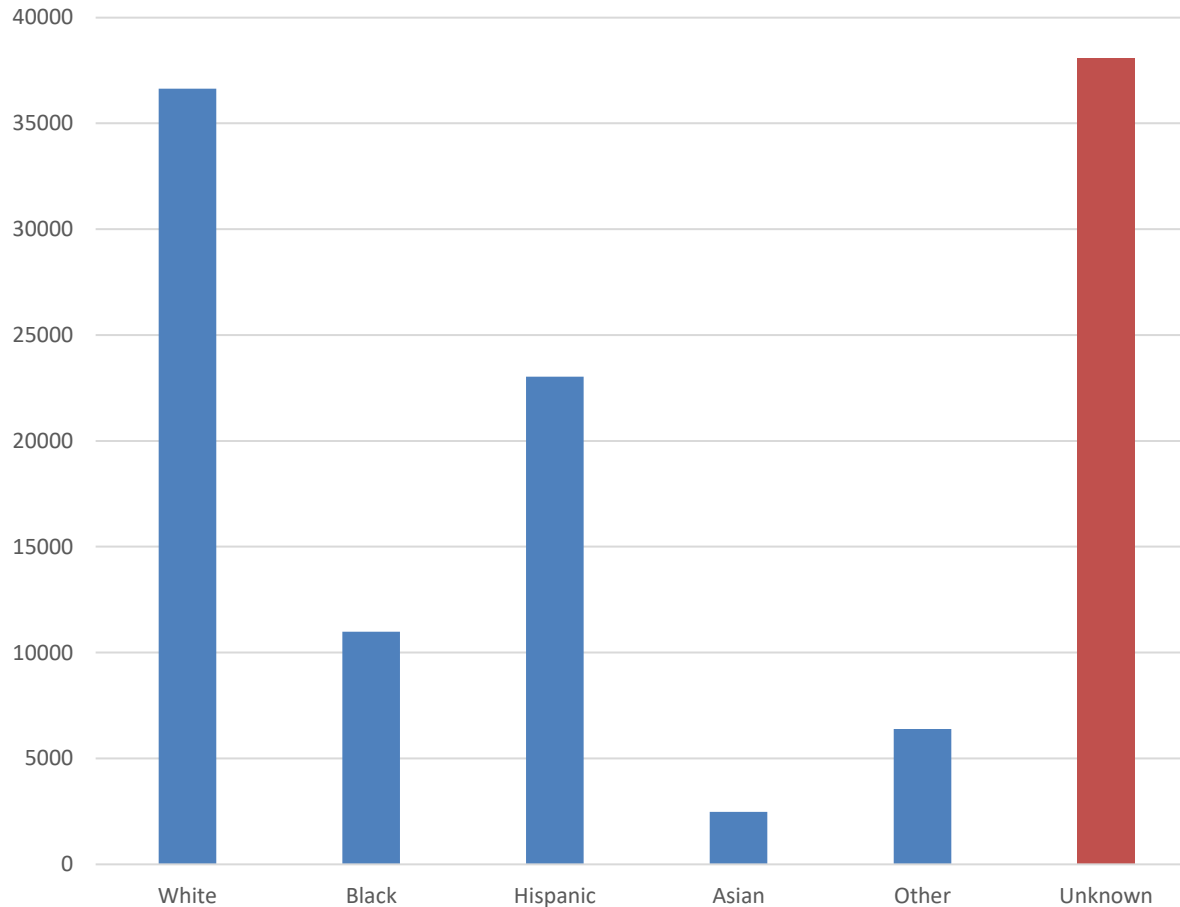
With the exception of the 80+ age group, substantially more cases were reported as “probable” rather than confirmed.

# GIC membership confirmed Covid-19 cases by sex (per 100k)



The case rate is higher for females in both the confirmed and the probable population.

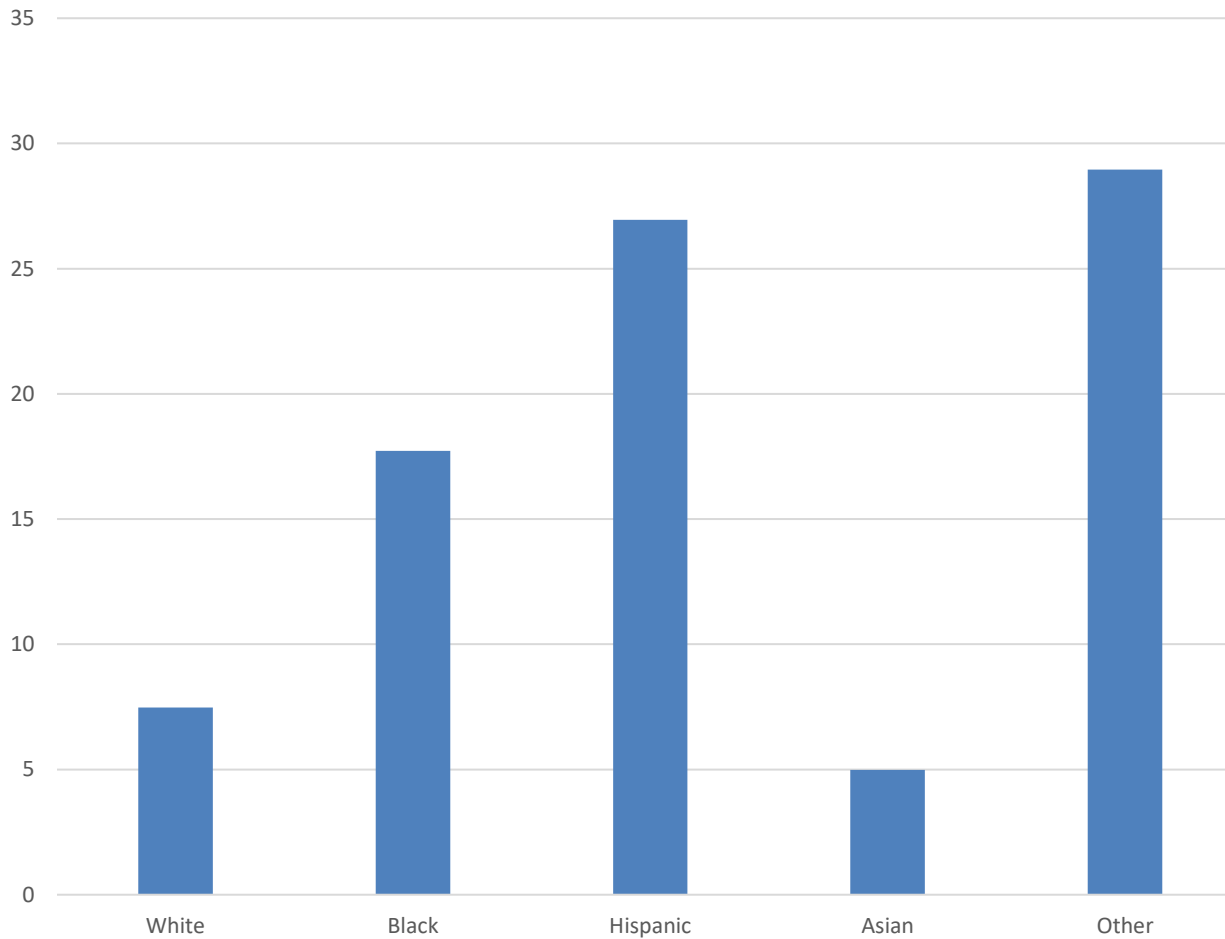
# Massachusetts-wide Covid-19 confirmed and probable cases by race/ethnicity



Of Massachusetts-wide confirmed and probable cases, 32.4% were of unknown race/ethnicity

Source: Source: Massachusetts Department of Public Health Covid-19 Dashboard raw data, <https://www.mass.gov/info-details/archive-of-covid-19-cases-in-massachusetts#july-2020->, retrieved 11/27/20

# Massachusetts-wide confirmed and probable Covid-19 cases by race/ethnicity (per 100k)



Of the confirmed and probable cases with race/ethnicity data, the disparate rates of infection are clearly present.

Sources: Massachusetts Department of Public Health Covid-19 Dashboard raw data, <https://www.mass.gov/info-details/archive-of-covid-19-cases-in-massachusetts#july-2020->, retrieved 11/27/20; U.S. Census, <https://www.census.gov/quickfacts/MA>, retrieved 12/07/20

## Appendix – data notes

- A confirmed Covid-19 diagnosis is defined as a member with one of three diagnosis codes (B9729, B9721, U071) present on a claim incurred from March-July 2020
- A probable Covid-19 diagnosis is defined as a member associated with a diagnosis code Z20828
- The GIC's current data warehouse vendor, Optum, only imports the first three diagnosis codes on a claim, which may lead to an under counting of total Covid-19 diagnoses in the member population



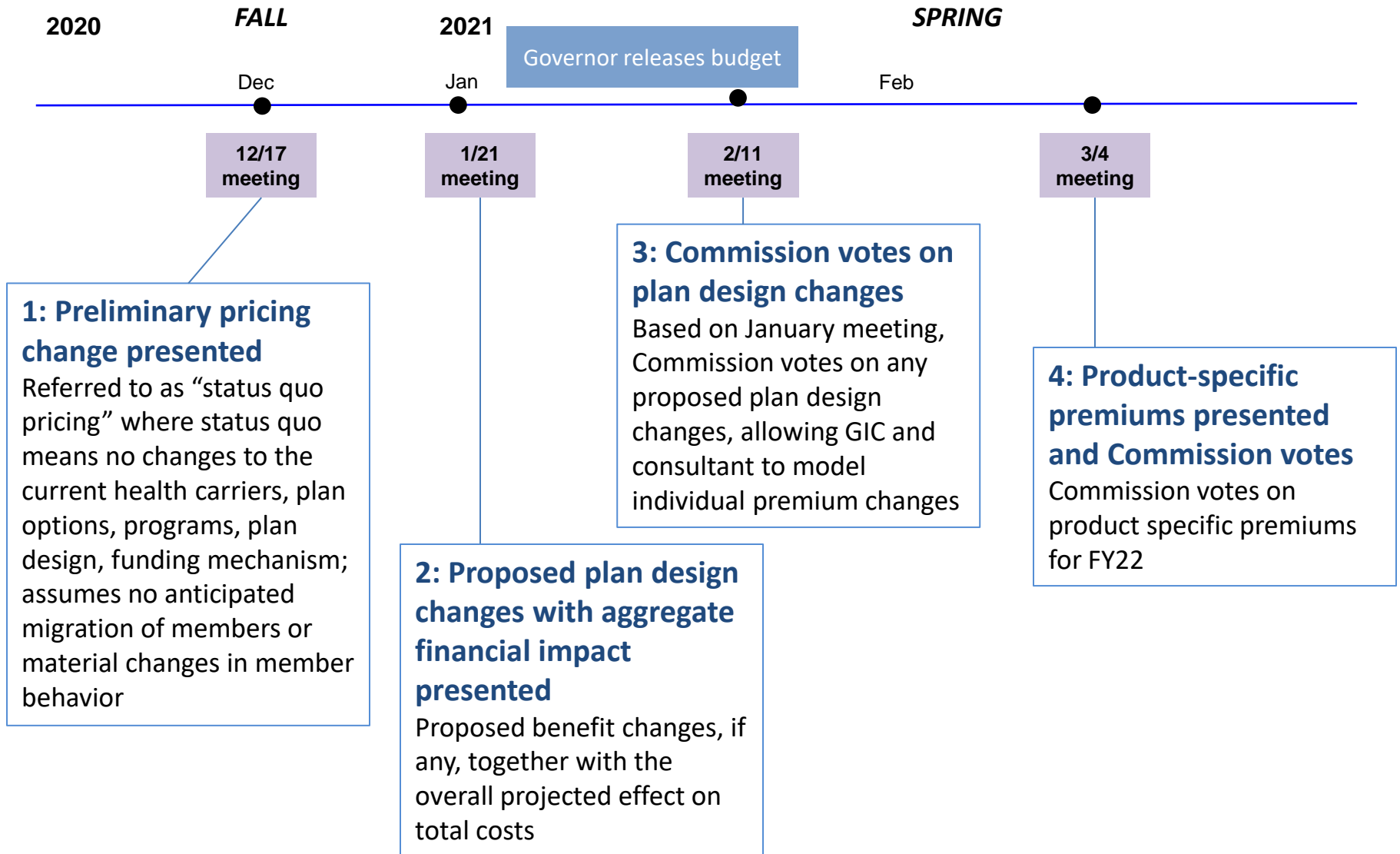
## IV. Benefit Procurement & Vendor Management: (INFORM & VOTE)

- FY22 Preliminary Rate (INFORM)

Denise Donnelly, Director  
Benefit Procurement & Vendor Management

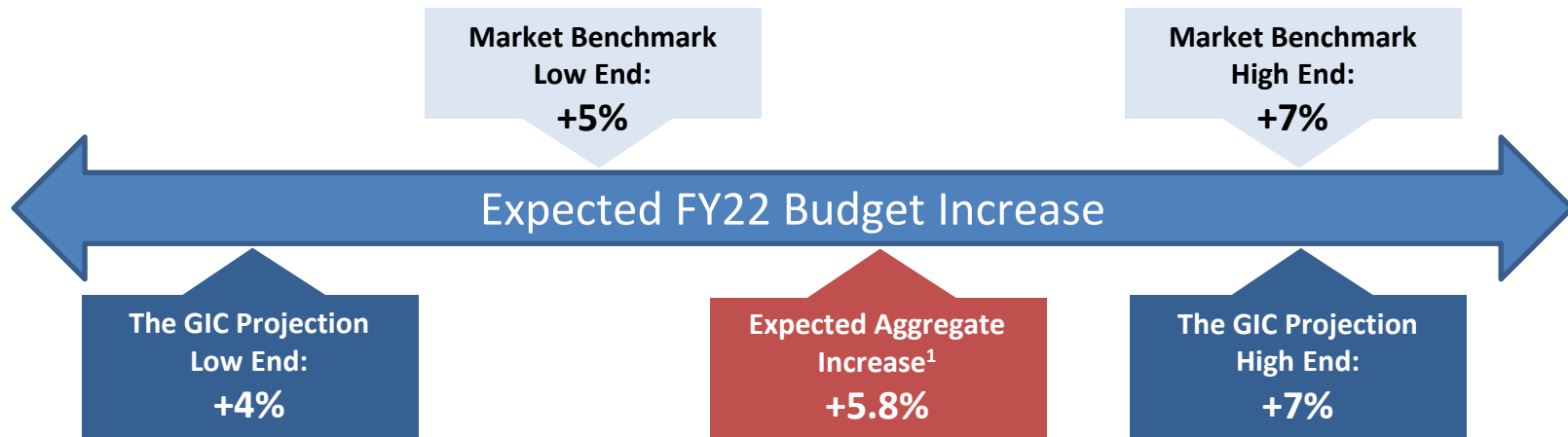
Vince Kane, Senior Director  
Willis Towers Watson

# How Health Plan Rates Are Developed



## Expected FY22 Budget Increase (before plan design changes)

- “Preliminary” = Current vendor partners, plan options, programs, plan design, funding mechanism; no anticipated migration or material changes in member behavior



### Next Steps:

- Complete pharmacy market check and rebate projections
- Estimated increases do not reflect the impact of COVID-19
- Evaluate and vote on plan design changes
- Evaluate cost impacts of design changes
- Adjust the budget rate increase accordingly

<sup>1</sup>Expected aggregate increase reflects the average across all non-Medicare and Medicare plans. Specific plan increases may be outside the stated range.

## IV. Benefit Procurement & Vendor Management: (INFORM &VOTE)

- Dental & Vision Procurement

Cameron McBean, Manager  
Health and Ancillary Benefits Management

# Dental/Vision Procurement Overview

## Current Contracts

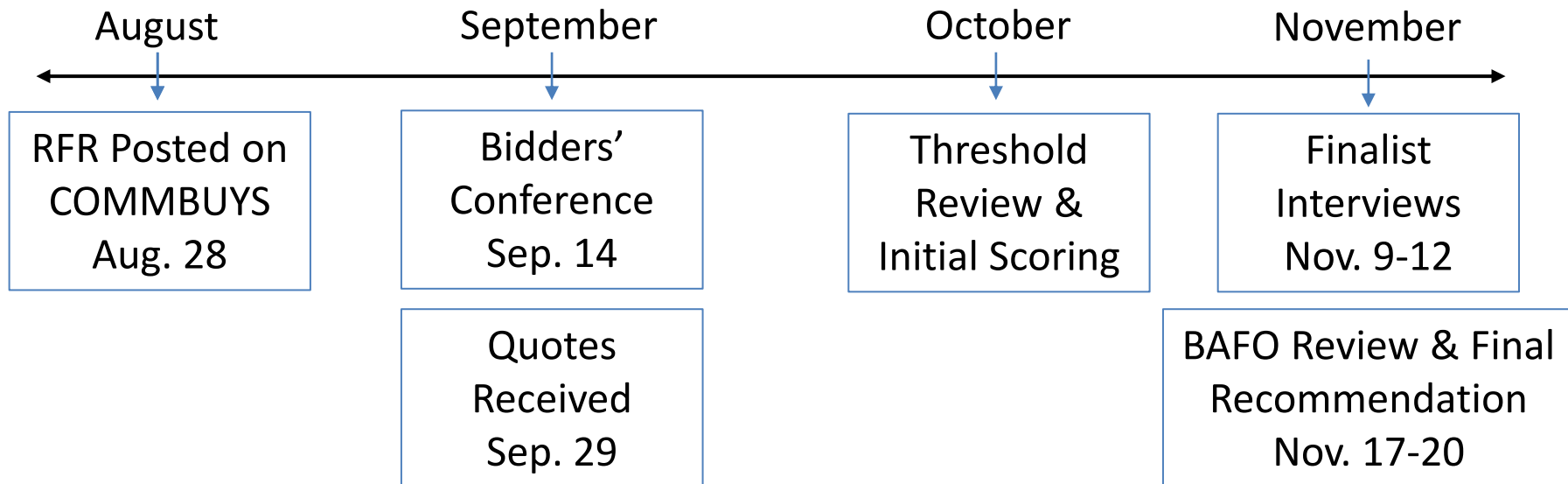


MetLife is in the fourth year of its 5-year contract to provide fully-insured dental coverage to active non-union and eligible retiree members.



Davis Vision is in the final year of its self-funded contract to provide vision coverage to non-union and retiree members.

The GIC partnered with Boston Benefit Partners to conduct the procurement.



## Dental/Vision Procurement Recommendation

The GIC procurement team recommends awarding both the Dental and Vision contracts to the incumbent carriers, MetLife and Davis Vision.

- **Under the new MetLife proposal, both Active and Retiree members will pay lower premiums than the current year, which saves money for both the members and the Commonwealth**
  - Retirees will save money on premiums while also increasing the amount that the plan will pay for some of the most common dental procedures
- **Davis offered increase benefits and a reduced ASO fee per member.**
  - Davis committed to reducing the administrative service fee from current, in addition to reduced copays on their most expensive frames for active members, and increasing some non-plan reimbursements for retirees

These savings, coupled with the lack of disruption involved with a change of carrier, were the deciding factors in the GIC procurement team's recommendation.

# Dental/Vision Rate Comparison

<b>FY22 Dental/Vision Monthly Premium/ASO Rates</b>				
MetLife Dental Plan	Current / FY21	<b>FY22</b>	Current Vision ASO PMPM	<b>FY22 ASO PMPM</b>
Classic Individual	\$ 40.88	<b>\$ 39.14</b>	\$ 0.39	<b>\$ 0.29</b>
Classic Family	\$126.76	<b>\$ 121.35</b>		
Value Individual	\$ 29.65	<b>\$ 28.47</b>		
Value Family	\$ 91.93	<b>\$ 88.27</b>		
Retiree Individual	\$ 29.37	<b>\$ 27.89</b>		
Retiree Family	\$ 70.75	<b>\$ 67.19</b>		

The table above does not reflect the actual monthly cost to GIC members (15% of premium in most cases)

## IV. Benefit Procurement & Vendor Management: (VOTE)

### Motion:

***To approve Metlife and Davis Vision as the apparent successful bidders for dental and vision benefits and to move to the next highest scoring bidders if contracting is unsuccessful***

- Valerie Sullivan, Chair
- Bobbi Kaplan, Co-Chair
- Cassandra Roeder
- Rebecca Butler
- Elizabeth Chabot
- Adam Chapdelaine
- Edward Tobey Choate
- Christine Clinard
- Tamara P. Davis
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- Patricia Jennings
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## V. Regulations (VOTE)

- Public Hearings
- Modifications

Andrew Stern, General Counsel

## V. Regulations (VOTE)

- Public Hearings comment period held on November 10
- One public comment received, and no written testimony
  - Request to provide municipal data to a municipality after it provides notice it is leaving GIC
- One internal comment – Mike Berry
  - Add Town Manager to list of authorized requestors for data. This will be consistent with the language of Chapter 32B, secs 19(f) and 21(c) regarding the data requests
- Secretary of State Feedback

## V. Regulations (VOTE)

### Post Public Hearing Modifications

- Corrected some scribe's errors
- Added Town Manager to 8.06 (5)
  - Entities requesting utilization data should assess the amount of time they will need to analyze data and conduct negotiations before making a decision about whether to remain in the Commission. Such entities must submit their requests to the Commission at least ~~60~~ **30** days before the data are to be provided to them to use in their decision-making process. In a City, the request must be signed by the City Manager or the Mayor, in a Town by **the Town Manager** or the Chairman of the Board of Selectmen, and in a regional school district, by the Chairman of the Regional School District Committee.
- Made corrections based on Secretary of States advice – uniformity in language and numbering

## V. Regulations (VOTE)

### Motion:

***To approve the amendments to the regulations as presented and authorize GIC staff to complete the process of promulgation and publication in the Massachusetts Register.***

- Valerie Sullivan, Chair
- Bobbi Kaplan, Co-Chair
- Cassandra Roeder
- Rebecca Butler
- Elizabeth Chabot
- Adam Chapdelaine
- Edward Tobey Choate
- Christine Clinard
- Tamara P. Davis
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- Eileen P. McAnneny
- Patricia Jennings
- Melissa Murphy-Rodrigues
- Anna Sinaiko
- Timothy D. Sullivan

## VI. Modernization (INFORM)

- Member Experience Transformation (MET) Modernization Project Update

John Harney, A&F Chief Information Officer  
Paul Murphy, GIC Director of Operations



Your link to exceptional member benefits!

## *Member Experience Transformation(MET) Modernization Project Update*

**GIC Commission Meeting**

**December 17, 2020**



## Your link to exceptional member benefits!

“Deliver an exceptional customer experience by implementing modern systems and processes that enable GIC Specialists to efficiently and effectively resolve complex benefit issues.”

### GUIDING PRINCIPLES

Flexible

Accurate

Modern

Efficient

# myGICLink – Project Objectives

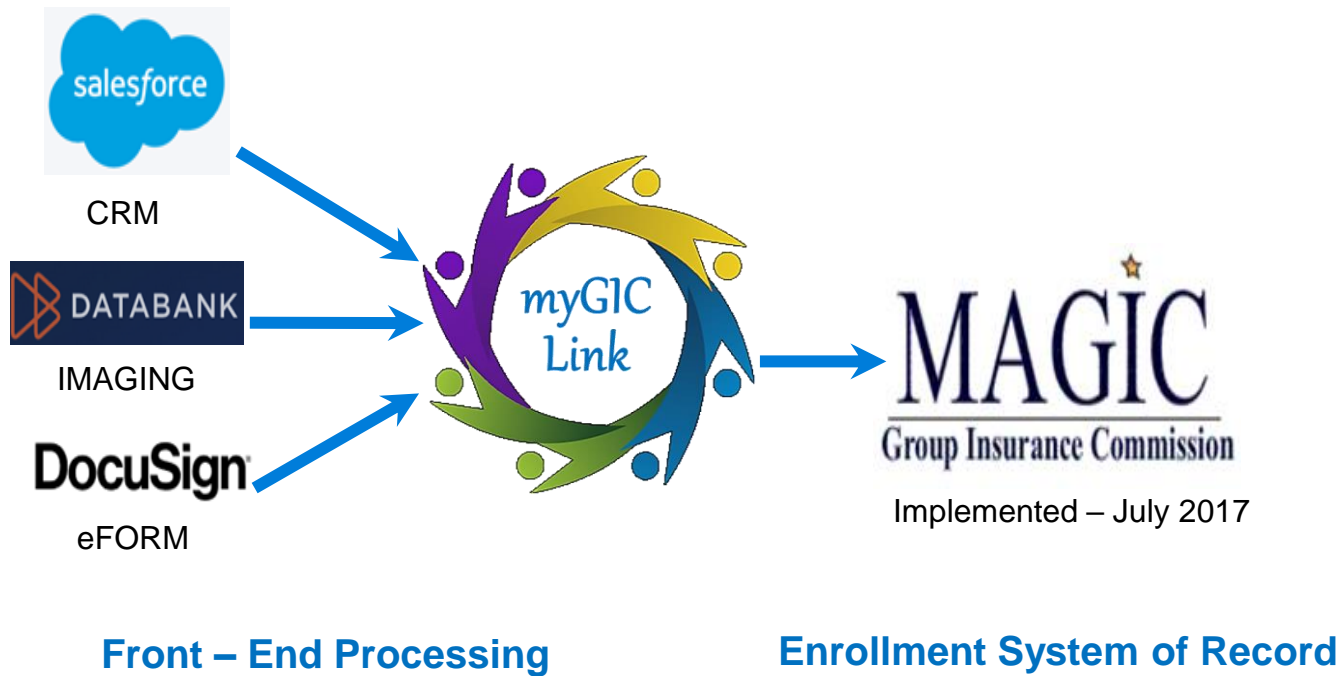


- Create modern and efficient processes to support GIC operations
- Reduce agency reliance on paper
- Supply metrics and analytics to support ongoing quality improvement
- Improve Customer Satisfaction
- Respect member and taxpayer time and money
- Laying the foundation for Member Experience Transformation (MET)
  - MET Phases II & III – GIC Member Engagement Portal – “Self-Service”





# myGICLink – Components



Thursday, December 17, 2020

# Post *myGICLink* – In the “Cloud”



- Improved Member, Coordinator and GIC Specialist Experience



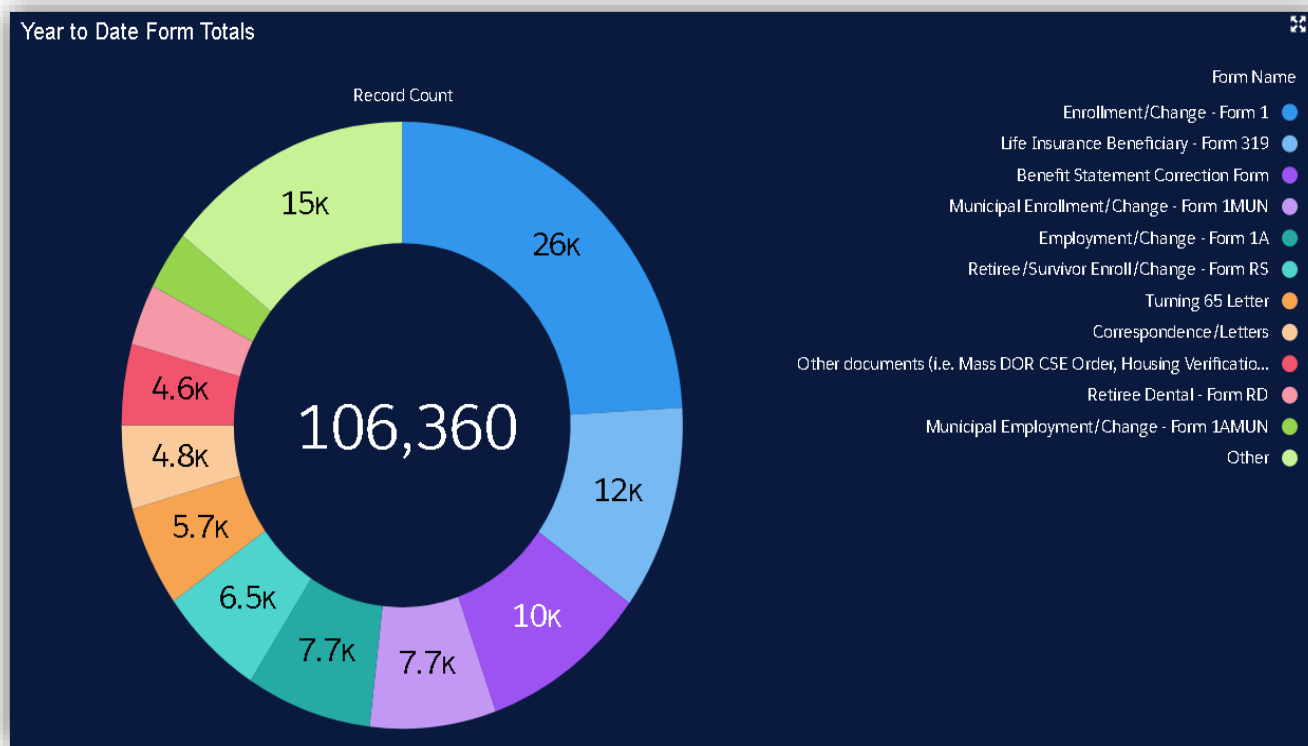
- On-line and pre-populated GIC Forms, email notifications
- Electronic signature, submission and receipt of documents
- Cloud-based solution, automated workflow and case management
- Real-time visibility on case status for all GIC staff!



# myGICLink – Year to Date Information 2020



- Total Cases received by the G.I.C. (January 1<sup>st</sup> – December 4<sup>th</sup>) – **106,360**
- Total Cases received by the G.I.C. since COVID-19 and Remote Work, (March 19<sup>th</sup>) – **93,123**

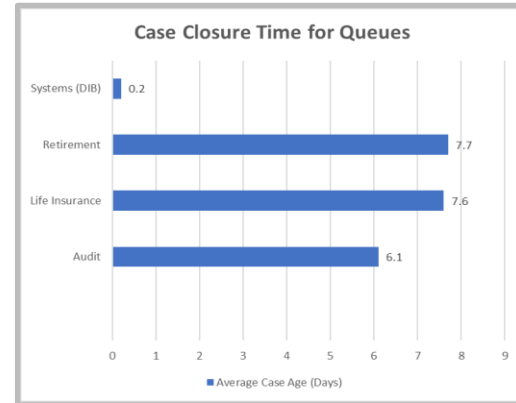


# myGICLink – Case Closure Improvements



## Average Closure Time in Days

6.7



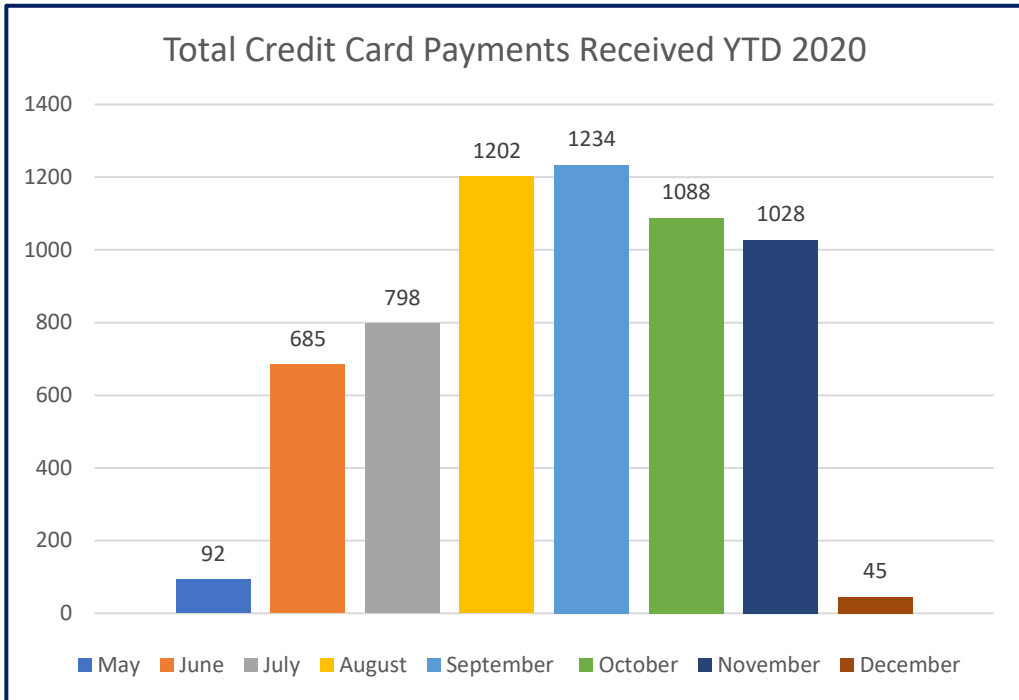
- The Systems group can close cases within **minutes/hours** depending on the action to be taken.
- Majority of cases are closed within **6 and a half days**.
- The complexity of a case determines time to closure.



# ePayment Gateway – Credit Card Payments



- ePayment Gateway on-line application for GIC credit card payments went live May 4<sup>th</sup> during COVID-19
- May 4<sup>th</sup> – December 4<sup>th</sup>, 2020:
  - 6,174 transactions
  - Totaling \$1.89 Million
- Payments made by members at their convenience expediting benefit payments and processing.



# MET Phase II – Key Objectives



- Provide access to high quality, affordable benefit options for employees, retirees, and dependents via a Web-based Member Engagement Portal
- Integration with the MAGIC eligibility system and Salesforce platform
- Evolve the business and operational environment of the GIC to improve business demands and security standards
- Use the GIC's leverage to innovate and otherwise favorably influence the Massachusetts health care market.





## GIC Member Engagement Portal – (3) Parallel Tracks

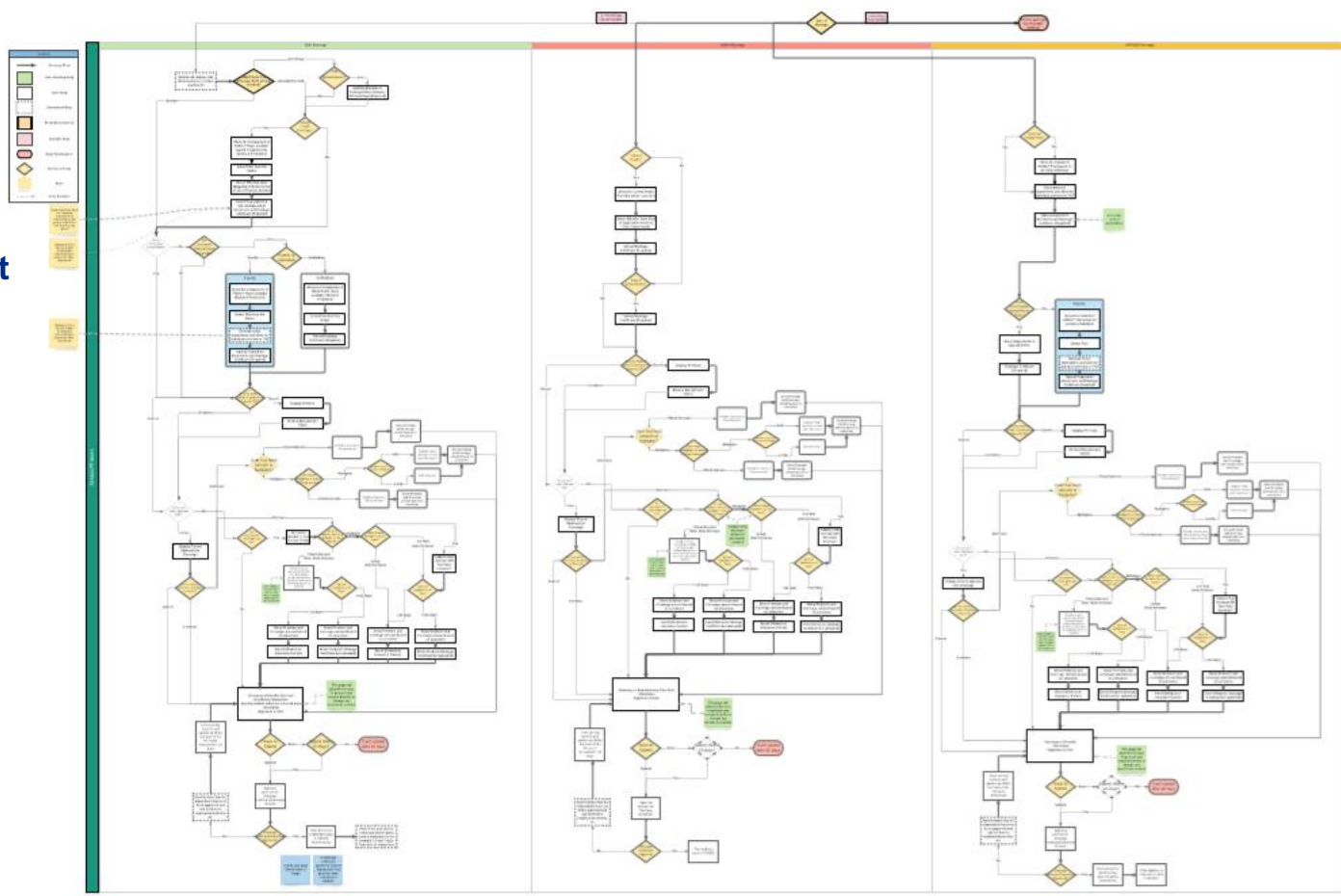
- **Change Enablement (CE)**
  - Communication & Training – GIC Staff, Coordinators and Members
  - Phased Implementation “Roll-Out” in Planning Stage
- **Design and Development**
  - Business Workflows currently being developed
  - User Interface/Experience Design “Mock-Ups” currently being designed
- **Technical**
  - Initial integration established with the MAGIC Eligibility System
  - Real-time data exchanges and format in development
  - Commonwealth Security Standards and EOTSS Collaboration.



# MET Phase II – Sample Business Process Flow



**Marriage –  
Qualifying Event  
Benefit Change**



Thursday, December 17, 2020





SELF-SERVICE CENTER

LOG IN

## Register

Register as a GIC eligible, state, housing and other authorities' employee to access, view, or update your existing GIC benefits.

First Name  Last Name

Date of Birth  Last 4 of SSN

E-mail Address

PIN

A Personal Identification Number (PIN) was assigned to you in an email from our automated system. [Request a new PIN](#)

REGISTER



# GIC Member Engagement Portal – New Employee (Not Enrolled)



myGIC link

Home Benefits My Profile Emilia S. E.S.

Welcome to your Benefits Portal  
**Emilia Santelli**

**ENROLLMENT STATUS**  
⚠️ Not enrolled

**ENROLL TODAY**  
View your benefit options and enroll today

**MY NOTIFICATIONS**

- New employment enrollment must be completed within 14 days of hire date.  
December 14, 2020
- Annual Enrollment period begins on March 1st, and ends on March 31st.  
December 7, 2020

**Benefit Quicklinks**

- Plan providers**  
Review the full list of GIC Plan Providers, plan information and contact details.
- Resource Links**  
External tools and resources related to your benefit options
- Qualifying events**  
Learn more about what would be considered a qualifying event for enrollment.
- My Profile**  
Update your personal details, communication preferences, and address information.

**Support**  
Donec facilisis tortor ut augue lacinia, at viverra est semper. Sed sapien metus, sc.

**Health Resources**

HEALTH RESOURCES  
**Fusce vehicula dolor arcu, sit amet blandit dolo.**  
Vestibulum rutrum quam vitae fringilla tincidunt. Suspendisse nec tortor urna. Ut laoreet sodales.  
[Read more →](#)

**Resources for Physical Activities**  
Lorem ipsum dolor sit amet, cons.

**Staying Healthy while Social Distancing**  
In hac habitasse platea dictumst.


**Physicals and Preventative Screenings**  
Curabitur lobortis id lorem id.




Thursday, December 17, 2020

# GIC Member Engagement Portal – Benefit Plan Comparison





[Home](#) [Benefits](#) [My Profile](#) Mary S 

## Compare Plans

Choose a Benefit option to get started

**Note:** Where you live determines which health insurance plans you may enroll in.

GIC Benefit Options: Health Search:  [Reset Filters](#)

### Available plans

Select 2-3 plans from the list below to compare plans side-by-side.


SELECT	NAME	PRODUCT CATEGORY	NETWORK TYPE	INDIVIDUAL <sup>†</sup>	FAMILY <sup>†</sup>
<input type="checkbox"/>	<b>Health New England HMO</b> <a href="#">Hide Detail</a>	Regional Network	HMO	\$1,000.00	\$1,600.00


[About](#)

**About the Product:**

- Primary Care provider Office Visit: \$20 per visit
- Preventive Services: Most covered at 100%, no copay
- Specialist Physician Office Visit:
  1. Tier 1: \$30 per visit
  2. Tier 2: \$60 per visit
- Retail Clinic: \$20 per visit
- Outpatient mental health and substance abuse care: \$20 per visit
- Inpatient Hospital Care – Medical \$275 per admission
- Outpatient Surgery (2 co-pays for eye and GI procedures only):
  1. Tier 1 \$150 per occurrence
  2. Tier 2 \$250 per occurrence
- High-Tech Imaging: \$100 per scan
- Emergency Room: \$100 per visit
- Wellness reimbursement: \$150 for fitness and wellness activities
- Nutritional counseling: 4 sessions per year

[Plan Resources](#)  
[More Detail](#)



[Home](#) [Benefits](#) [My Profile](#) Mary S 

## Compare Plans

Choose a Benefit option to get started

GIC Benefit Options: Dental/Vision Search:  [Reset Filters](#)

### Available plans

Select any 2 plans from the list below to compare plans side-by-side.

SELECT	NAME	PRODUCT CATEGORY	NETWORK TYPE	INDIVIDUAL <sup>†</sup>	FAMILY <sup>†</sup>
<input type="checkbox"/>	<b>Indemnity (Classic) Plan</b> <a href="#">View Detail</a>		Indemnity	\$20,000.00	\$20,000.00
<input checked="" type="checkbox"/>	<b>Dental-Harvard Pilgrim Primary Choice Plan</b> <a href="#">View Detail</a>	Limited Network	HMO	\$10.00	\$20.00
<input checked="" type="checkbox"/>	<b>Test Plan for Dental</b> <a href="#">View Detail</a>			\$20,000.00	\$2,000.00

[Compare Now](#)





## Compare Selected Plans

Use the side-by-side comparison below for the plans you have selected. If you would like to compare other plans, please [click here to start over](#).

PRODUCTS DETAILS	HEALTH NEW ENGLAND HMO	HARVARD PILGRIM PRIMARY CHOICE PLAN
Product Type	HMO	HMO
PCP Designation Required?	Yes	Yes
PCP Referral to Specialist Required?	Yes	Yes
Out-of-pocket Maximum		
Family Coverage	\$222	\$222
Individual Coverage	\$212	\$22
Fiscal Year Deductible	\$33,325	\$33,325
Individual/Family		
Primary Care Provider Office Visit	\$342	\$342
Preventive Services	Most covered at 100% – no copay	Most covered at 100% – no copay
Specialist Physician Office Visit	\$30 / \$60 / \$60/ visit	Specialist Physician Office Visit
Tier 1/Tier 2/Tier 3		
Retail Clinic and Urgent Care Center	\$20 / visit	\$33/visit
Outpatient Behavioral Health/Substance Use Disorder Care	\$4,324	\$4
Emergency Room Care	\$250	\$777
Inpatient Hospital Care – Medical	Maximum one copay per person per calendar year quarter. Waived if readmitted within 30 days in the same calendar year.	
Tier 1/Tier 2/Tier 3	\$275	\$275 / admission
Outpatient Surgery		
Eye & GI procedures at freestanding facilities in Massachusetts	\$231	\$54
All other in Massachusetts	\$3,333	\$34
High-Tech Imaging	Maximum one copay per day. Contact the carrier for details.	





## My Benefit Summary

Click the items below to view your plan details and to manage coverage.

Health

[View details](#)

Dental/Vision

[View details](#)

Basic Life

[View details](#)

Long Term Disability

[View details](#)

Optional Life

[View details](#)

### Health Plan

Plan name	Effective date	Premium cost
Tufts Navigator Individual	07/01/2020	\$119.44

#### Individuals covered

NAME ↓	STATUS	RELATIONSHIP	COST
Emilia Santelli	Active	Member	\$80.76
Michael Santelli	Active	Spouse	\$45.44

Coverage details [Contact information](#)

<p> Phone</p> <p>Customer Service (800) 234-2344    Member Benefits (812) 234-9374</p>	<p> Online</p> <p>Benefit Center <a href="https://www.mysamplebenefits.com">https://www.mysamplebenefits.com</a></p>
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## VII. CFO UPDATE (INFORM)

- Budget and COVID claims update
- FY21 spending to date
- Health plan audit results - Claims Technologies Inc. (CTI)

Jim Rust, GIC Chief Financial Officer  
Michelle Suckow, VP Claims Technologies Inc.

## VII. CFO UPDATE (INFORM)

### *Budget & Financial:*

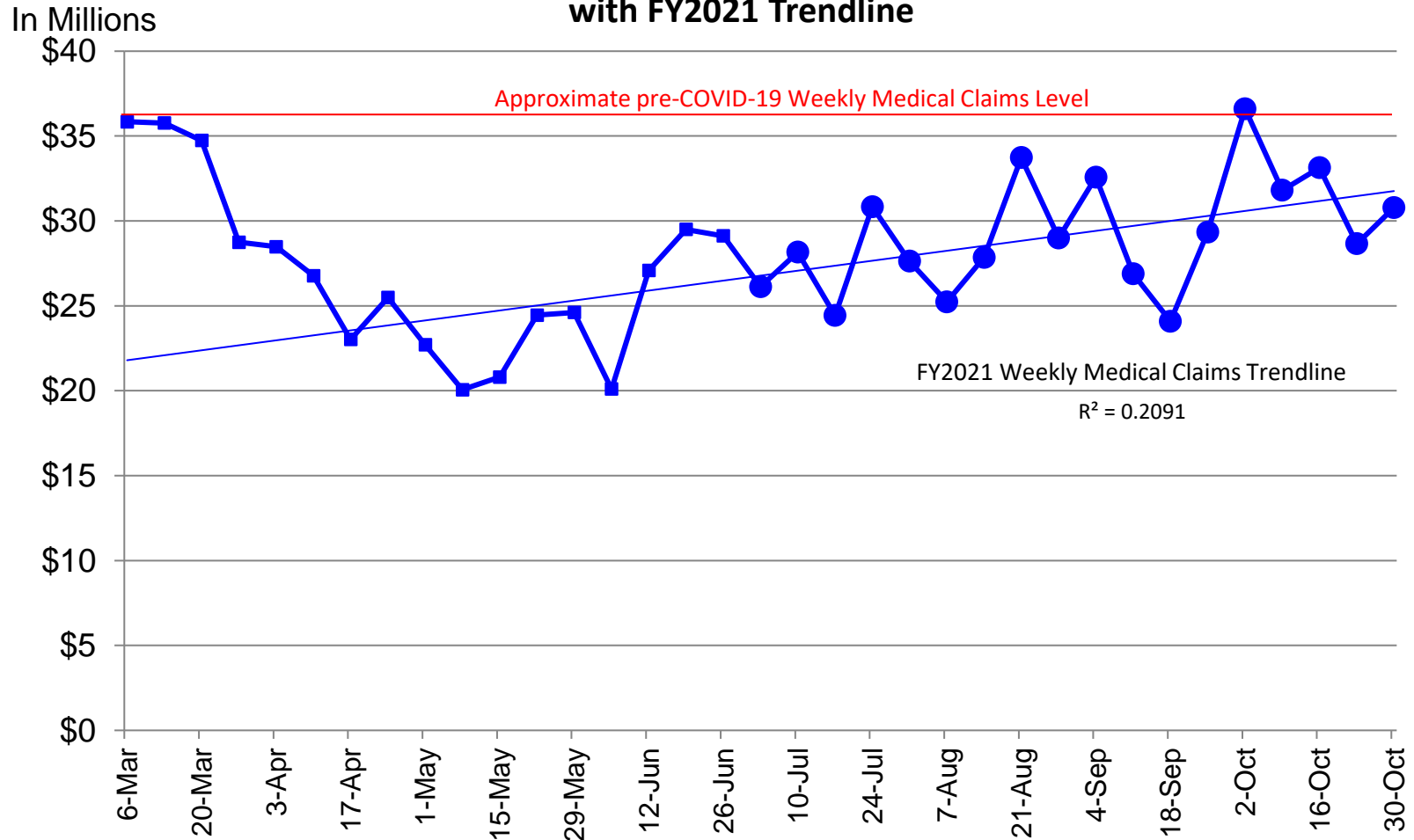
## Budget Notes and Updates (Continued)

- The GIC continues to operate under an interim budget as the Commonwealth's FY21 budget development process progresses
  - FY21 Budget is close to being finalized by the Governor and Legislature
  - Interim funding has been sufficient to support GIC claims and operations
  - The accompanying charts model the proposed FY21 budget
- Claims volume continues to hover between normal (pre-Covid) and June re-opening levels
  - The resumption of previously deferred care is still projected to increase claims over the second half of FY21 (assuming no second shutdown)
- Covid-19 claims paid update:
  - FY21 Covid-19 related claims – Approximately \$50.2M
  - FY20 Covid-19 related claims – Approximately \$43.4M
  - Total COVID-19 claims to date – Approximately \$93.6M

# VII. CFO UPDATE (INFORM)

## Budget & Financial:

### GIC Medical Claims for the Weeks Ending March 6, 2020 through October 30, 2020 with FY2021 Trendline





## VII. CFO Update (INFORM)

### Budget & Financial:

#### FY21 STATE SHARE EXPENSE FOR GIC PREMIUM ACCOUNTS

	July 2020	August 2020	September 2020	October 2020	November 2020	TOTAL
Allways Health Claims	\$5,812,204	\$5,523,873	\$6,084,869	\$5,304,091	\$5,684,934	\$28,409,971
Caremark/Express Scripts/SilverScript Claims	\$31,063,815	\$37,919,658	\$60,020,907	-\$12,943,392	\$2,625,647	\$118,686,636
Davis Vision Claims	\$25,904	\$29,880	\$29,661	\$20,931	\$35,496	\$141,871
Fallon Health Claims	\$4,873,114	\$5,211,090	\$4,437,874	\$4,404,298	\$6,343,601	\$25,269,978
Harvard Pilgrim Claims	\$30,742,851	\$23,793,092	\$34,261,639	\$25,105,831	\$26,918,727	\$140,822,140
Health New England Claims	\$7,052,990	\$7,347,837	\$6,081,038	\$5,249,524	\$6,797,791	\$32,529,179
Tufts Navigator Claims	\$31,584,329	\$24,102,500	\$27,224,857	\$32,874,775	\$27,314,647	\$143,101,108
Tufts Spirit and Medicare Complement Claims	\$3,400,288	\$2,396,931	\$2,830,703	\$3,561,139	\$2,869,780	\$15,058,842
Unicare Claims	\$43,178,822	\$62,769,083	\$47,441,478	\$55,415,628	\$65,927,599	\$274,732,609
Other costs	\$32,116	\$1,342,358	\$740,820	\$144,433	\$789,999	\$3,049,727
<b>Claims sub-total</b>	<b>\$157,766,432</b>	<b>\$170,436,302</b>	<b>\$189,153,847</b>	<b>\$119,137,259</b>	<b>\$145,308,220</b>	<b>\$781,802,060</b>
Basic Life	\$830,652	\$831,801	\$828,111	\$828,290	\$827,544	\$4,146,399
Optional Life	\$0	\$0	\$0	\$0	\$0	\$0
RMT Life	\$46,353	\$46,288	\$46,182	\$47,037	\$47,243	\$233,102
Long-Term Disability	\$0	\$0	\$0	\$0	\$0	\$0
Dental	\$718,399	\$717,807	\$712,364	\$712,922	\$711,047	\$3,572,539
Tufts Medicare Preferred	\$669,376	\$669,824	\$672,766	\$678,415	\$681,629	\$3,372,009
UBH Optum	\$111,384	\$111,384	\$111,384	\$111,384	\$111,384	\$556,920
ASO Administrative Fee	\$6,778,249	\$6,780,846	\$6,740,184	\$6,721,725	\$6,729,457	\$33,750,461
<b>Premiums sub-total</b>	<b>\$9,154,413</b>	<b>\$9,157,950</b>	<b>\$9,110,991</b>	<b>\$9,099,773</b>	<b>\$9,108,303</b>	<b>\$45,631,429</b>
<b>TOTAL</b>	<b>\$166,920,844</b>	<b>\$179,594,252</b>	<b>\$198,264,838</b>	<b>\$128,237,031</b>	<b>\$154,416,523</b>	<b>\$827,433,489</b>

- Medical claims volume remained consistent with the overall pattern this fall, approaching but not yet reaching normal pre-Covid levels
- Pharmacy rebates and credits were significant and larger than expected in October and November resulting in lower overall spending in those months

## VII. CFO Update (INFORM)

### Budget & Financial:

#### FY21 ENROLLEE SHARE EXPENSE FOR GIC PREMIUM ACCOUNTS

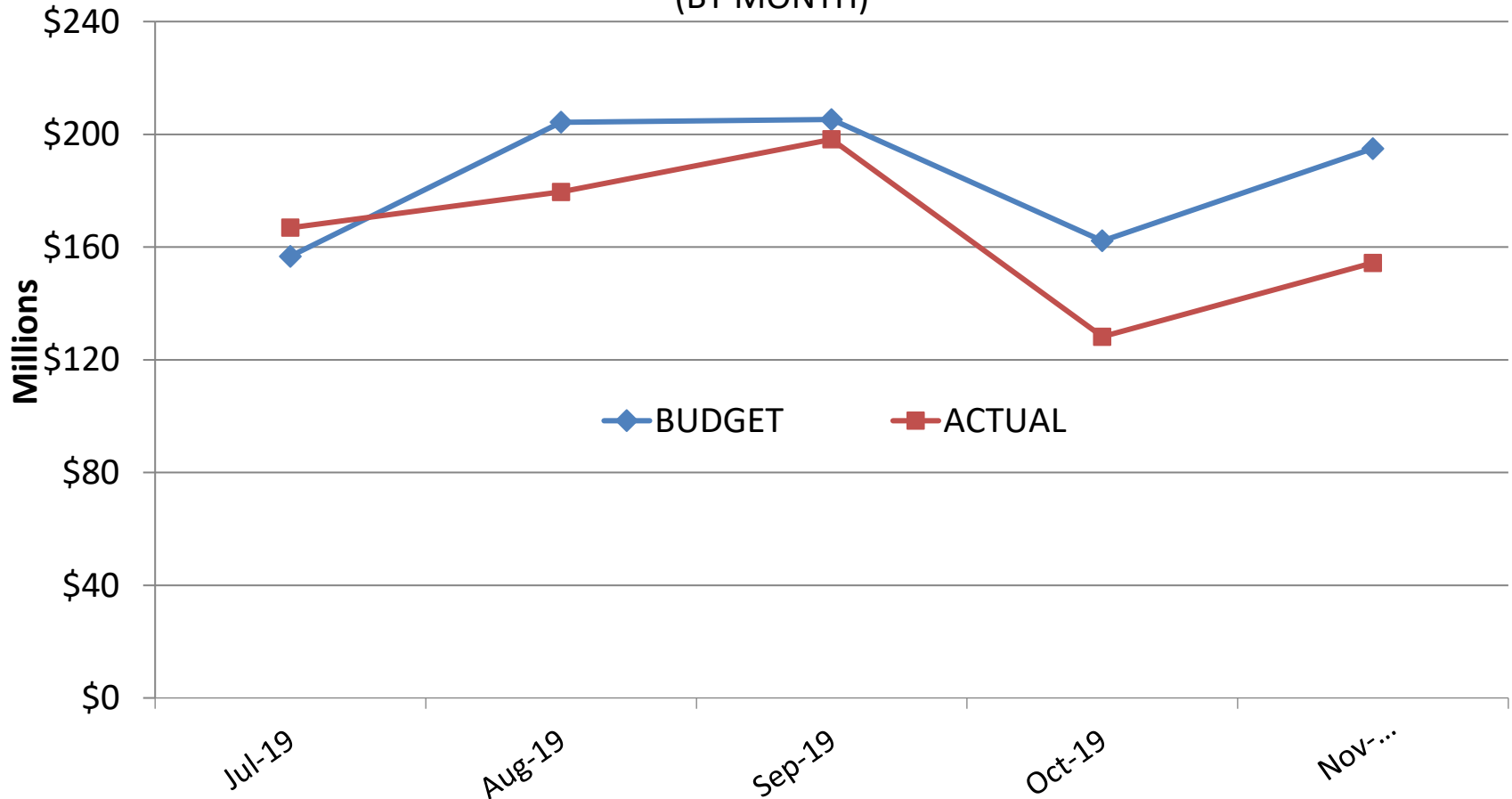
	July 2020	August 2020	September 2020	October 2020	November 2020	TOTAL
Allways Health Claims	\$1,717,115	\$1,627,880	\$1,790,465	\$1,564,286	\$1,676,275	\$8,376,022
Caremark/Express Scripts/SilverScript Claims	\$8,683,641	\$9,037,360	\$15,183,128	-\$3,322,304	\$2,372,081	\$31,953,906
Davis Vision Claims	\$4,571	\$5,273	\$5,234	\$3,694	\$6,264	\$25,036
Fallon Health Claims	\$1,405,709	\$1,495,825	\$1,270,102	\$1,263,811	\$1,818,678	\$7,254,126
Harvard Pilgrim Claims	\$8,316,735	\$6,416,445	\$9,241,658	\$6,783,791	\$7,282,417	\$38,041,045
Health New England Claims	\$2,018,128	\$2,108,219	\$1,737,178	\$1,505,632	\$1,946,876	\$9,316,033
Tufts Navigator Claims	\$8,713,332	\$6,645,911	\$7,502,479	\$9,065,923	\$7,546,087	\$39,473,732
Tufts Spirit and Medicare Complement Claims	\$940,775	\$654,583	\$763,999	\$977,073	\$784,251	\$4,120,680
Unicare Claims	\$11,914,772	\$17,362,123	\$13,077,091	\$15,305,568	\$18,267,787	\$75,927,342
Other costs	\$0	\$0	\$0	\$0	\$0	\$0
<b>Claims sub-total</b>	<b>\$43,714,779</b>	<b>\$45,353,620</b>	<b>\$50,571,334</b>	<b>\$33,147,473</b>	<b>\$41,700,717</b>	<b>\$214,487,922</b>
Basic Life	\$224,883	\$225,060	\$223,751	\$223,923	\$223,961	\$1,121,578
Optional Life	\$3,923,235	\$3,923,170	\$3,925,204	\$3,953,910	\$3,960,605	\$19,686,124
RMT Life	\$11,636	\$11,620	\$11,593	\$11,808	\$11,859	\$58,515
Long-Term Disability	\$1,251,801	\$1,249,859	\$1,246,794	\$1,247,604	\$1,248,771	\$6,244,829
Dental	\$2,040,398	\$2,048,286	\$2,051,202	\$2,067,762	\$2,073,721	\$10,281,369
Tufts Medicare Preferred	\$137,007	\$137,268	\$138,055	\$139,328	\$140,196	\$691,854
UBH Optum	\$19,656	\$19,656	\$19,656	\$19,656	\$19,656	\$98,280
ASO Administrative Fee	\$1,840,273	\$1,840,081	\$1,827,160	\$1,823,898	\$1,828,865	\$9,160,277
<b>Premiums sub-total</b>	<b>\$9,448,890</b>	<b>\$9,455,000</b>	<b>\$9,443,415</b>	<b>\$9,487,889</b>	<b>\$9,507,634</b>	<b>\$47,342,826</b>
<b>TOTAL</b>	<b>\$53,163,668</b>	<b>\$54,808,620</b>	<b>\$60,014,748</b>	<b>\$42,635,362</b>	<b>\$51,208,350</b>	<b>\$261,830,748</b>

- Enrollee share paid claims have an identical pattern

# VII. CFO UPDATE (INFORM)

## Budget & Financial:

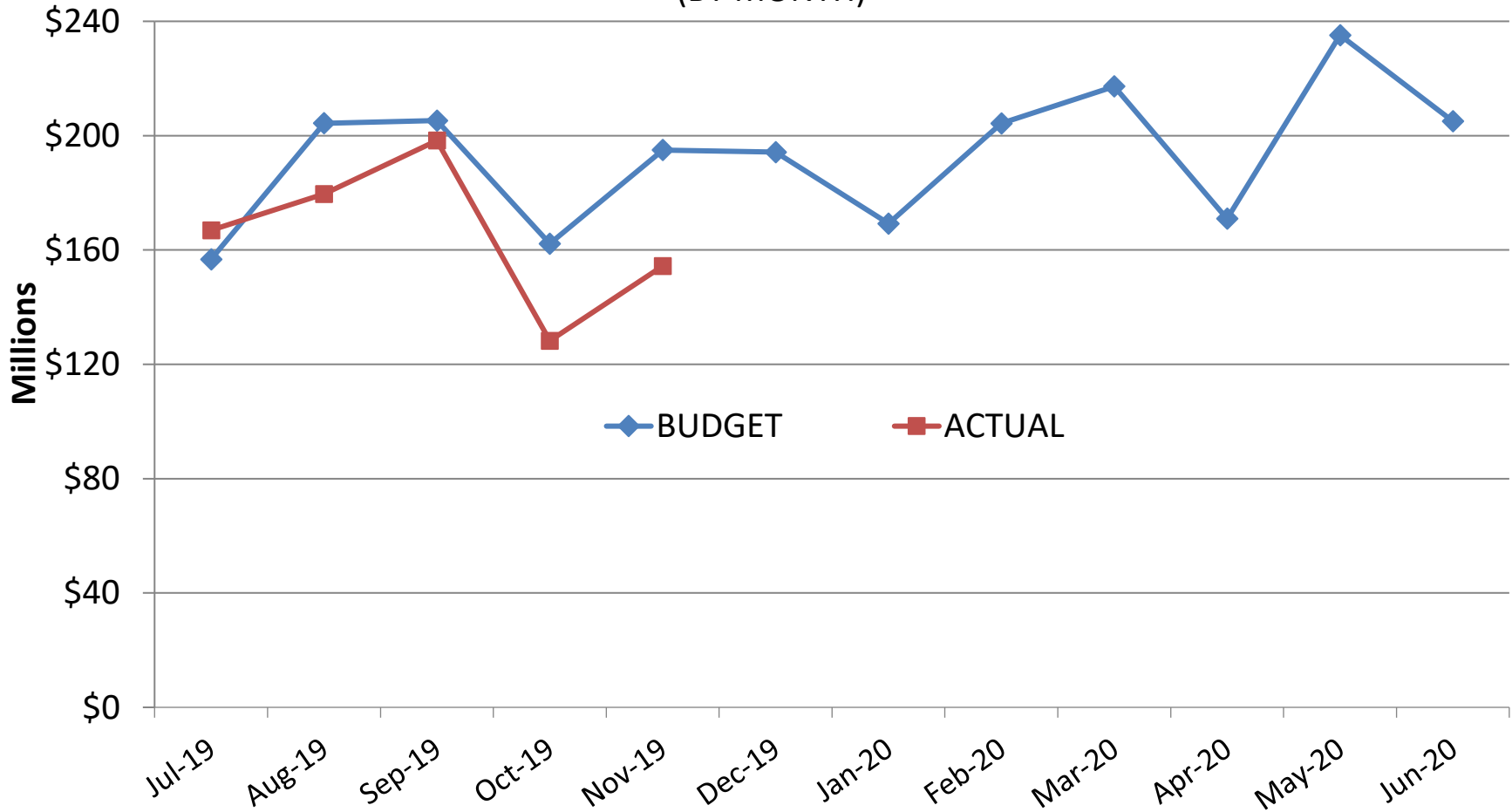
**GROUP INSURANCE COMMISSION  
APPROPRIATION FOR PREMIUM ACCOUNTS  
FY21 BUDGETED VS. ACTUAL  
(BY MONTH)**



# VII. CFO UPDATE (INFORM)

## Budget & Financial:

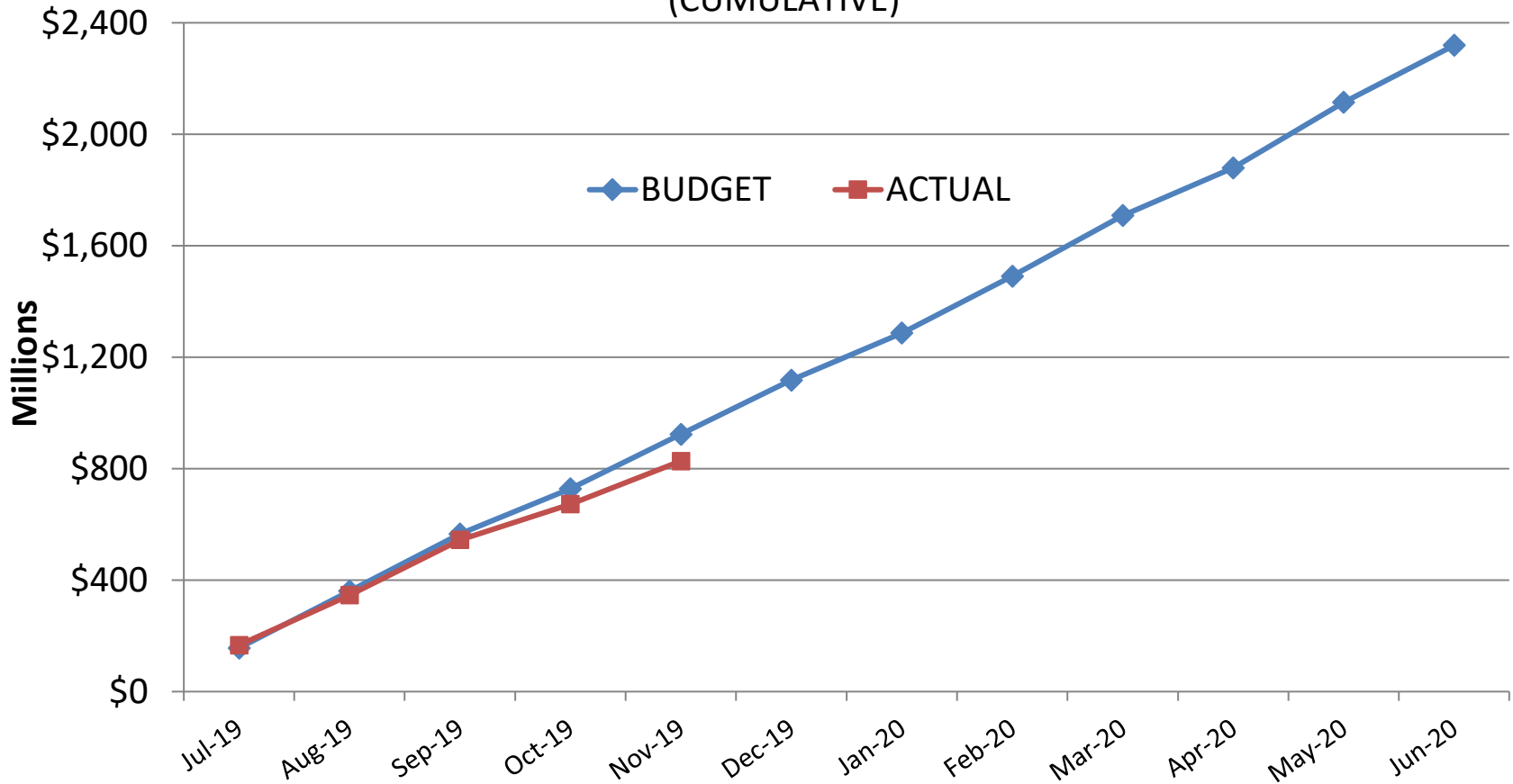
**GROUP INSURANCE COMMISSION  
APPROPRIATION FOR PREMIUM ACCOUNTS  
FY21 BUDGETED VS. ACTUAL  
(BY MONTH)**



# VII. CFO UPDATE (INFORM)

## Budget & Financial:

**GROUP INSURANCE COMMISSION  
APPROPRIATION FOR PREMIUM ACCOUNTS  
FY21 BUDGETED VS. ACTUAL  
(CUMULATIVE)**



## VII. CFO UPDATE (INFORM)

### Budget & Financial:

#### FY21 STATE SHARE PREMIUM BUDGET FOR GIC PREMIUM ACCOUNTS AS OF NOVEMBER 30, 2020

	BUDGET	EXPENSES	(Over)/Under Budget	% VAR
Basic Life & Health Account #1108-5200 & #1599-6152	\$919,493,939	\$823,719,080	\$95,774,859	10.4%
Active Dental & Vision Benefits * Account #1108-5500	\$4,025,994	\$3,714,409	\$311,584	7.7%
<b>Total State Share YTD</b>	<b>\$923,519,933</b>	<b>\$827,433,489</b>	<b>\$96,086,444</b>	<b>10.4%</b>

- *The majority of GIC spending is in the accounts that provide health insurance and basic life for state and municipal enrollees*
- *The FY21 budget is continuing to work through the legislative process – this variance is marked against the proposed budget*
- *As previously noted, all spending accounts are adequately funded in the interim budget provided by ANF*

# Claim Administration Audits

AllWays Health Partners, Harvard Pilgrim Health Care,  
and Tufts Health Plan

Presented to



**Commonwealth of Massachusetts  
Group Insurance Commission**

*December 17, 2020*



**CLAIM TECHNOLOGIES  
INCORPORATED**

# Audit Objectives

- The goal of CTI's medical claim audits was to determine whether:
  - GIC contract terms were followed;
  - Claims were paid according to plan documents and if those provisions were clear and consistent;
  - Members were eligible and covered by a GIC plan at the time a service was incurred and paid; and
  - Any claim administration, eligibility maintenance systems, or processes need improvement.



# Audit Components

- Random Sample Audit of 200 claims
- 100% Electronic Screening with 150 targeted sample analysis (ESAS®)
- Data Analytics – an additional analysis of the plan claim files to assess provider discounts, correct coding, and compliance
- Operational Review – including extensive questionnaire and administrative management interviews
- Plan Documentation Analysis

# FY2019 Claims Audit

<b>Audit Period:</b> Claims incurred July 1, 2018 through June 30, 2019, paid through December 31, 2019	
<b>AllWays Health Partners</b>	
Plans Audited	Prime HMO
Total Paid Amount	\$76,658,274
Number of Claims Processed	233,655
Median Claim Turnaround Time	7 days
<b>Harvard Pilgrim Health Care</b>	
Plans Audited	Independence, Primary Choice, and Medicare Enhance
Total Paid Amount	\$375,974,643
Number of Claims Processed	1,578,765
Median Claim Turnaround Time	8 days
<b>Tufts Health Plan</b>	
Plans Audited	Navigator, Spirit, and Medicare Complement
Total Paid Amount	\$471,391,378
Number of Claims Processed	1,751,078
Median Claim Turnaround Time	8 days

# Random Sample Audit – Performance Summary

Administrator Performance by Quartile					
KEY PERFORMANCE INDICATOR	Quartile 1	Quartile 2	MEDIAN	Quartile 3	Quartile 4
	Lowest <span style="display: inline-block; width: 80%; border-bottom: 1px solid black; position: relative; top: -5px;">→</span> Highest				
<b>AllWays Health Partners</b>					
Financial Accuracy			98.58%		99.67%
Accurate Payment	93.00%		96.53%		
Accurate Processing	93.00%		96.03%		
<b>Harvard Pilgrim Health Care</b>					
Financial Accuracy		98.14%	98.58%		
Accurate Payment			96.53%	97.00%	
Accurate Processing			96.03%	97.00%	
<b>Tufts Health Plan</b>					
Financial Accuracy		97.85%	98.58%		
Accurate Payment		95.00%	96.53%		
Accurate Processing		95.00%	96.03%		

# AllWays Key Findings

- Random Sample Audit of 200 Claims
  - 99.67 percent Financial Accuracy Rate (0.33 percent error rate)
  - 14 claims identified with a payment error
    - \$555.52 in underpayments
    - \$871.72 in overpayments
    - Nine errors were over/underpayments due to incorrect copayment application, of which seven were automatically adjudicated.
- 100% Electronic Screening with 150 Targeted Samples
  - Potential Incorrect Copayments – Some emergency room copayments were charged when they should have been waived
  - End Stage Renal Disease – Sole reliance on the Centers for Medicare & Medicaid Services website to determine member eligibility for Medicare Parts A and B
  - Only 0.16 percent of claims were paid for people who may not have been covered by the GIC at the time they received care (1 – 2 percent is typical)

# HPHC Key Findings

- Random Sample Audit of 200 Claims
  - 98.14 percent Financial Accuracy Rate (1.86 percent error rate)
  - Six claims identified with a payment error
    - \$8,864.55 in underpayments
    - \$1,572.51 in overpayments
    - Two errors accounted for 85 percent of the incorrect payments (denial of eligible expenses)
- 100% Electronic Screening with 150 Targeted Samples
  - End Stage Renal Disease – Sole reliance on the Centers for Medicare & Medicaid Services query to determine member eligibility for Medicare Parts A and B
  - Potential Deductible Over-Accumulation – Members are not given deductible and out-of-pocket credits when changing from an individual to a family contract mid-year
  - Potential Incorrect Copayments – Retroactive tier changes resulted in claim adjustments and incorrect copayments paid by members
  - Potential Upcoding, Chiropractic Services – Services billed are not supported by number of spinal regions treated
  - Only 0.11 percent of claims were paid for people who may not have been covered by the GIC at the time they received care (1 – 2 percent is typical)

# Tufts Key Findings

- Random Sample Audit of 200 Claims
  - 97.85 percent Financial Accuracy Rate (2.15 percent error rate)
  - 10 claims identified with a payment error
    - \$909.10 in underpayments
    - \$2,732.97 in overpayments
    - Seven errors were automatically adjudicated
    - Two errors accounted for 40 percent of the incorrect payments (copayment application)
- 100% Electronic Screening with 150 Targeted Samples
  - Assistant Surgeons – Contracted providers are not held to the 80 – 90 percent reductions
  - Out-of-network claims for non-emergency services were paid under Spirit Plan
  - Potential Incorrect Copayments, Inpatient Facility – Tier 1 copayment was applied to Tier 2 hospitals
  - Potential Excessive Drug Testing – Medical necessity is not required, and claims are not referred to the Tufts Fraud Prevention and Recovery Unit
  - Potential Upcoding, Chiropractic Services – Services billed are not supported by number of spinal regions treated
  - Only 0.02 percent of claims were paid for people who may not have been covered by the GIC at the time they received care (1 – 2 percent is typical)

# Key Findings Across Plans

- Operational Review

- Manufacturer rebates for prescription drugs purchased under the medical benefit are not always being passed through to the GIC. Specialty pharmacy rebates average 2 percent of actual drug cost paid under the medical benefit.
  - AllWays is not currently collecting rebates.
  - HPHC is collecting rebates, but not currently passing them through to the GIC.
  - Tufts is collecting rebates and passes 100% on to the GIC.
- The GIC should ensure there are appropriate authority limits for any third-party liability lien reductions in place with all carriers. Two carriers do not have any limits in place (AllWays and Tufts).
- Certain performance measures are not being reported on a GIC-specific basis, which we would expect for carriers with more GIC members (HPHC and Tufts).
- Inadequate GIC-specific overpayment reporting.

- Data Analytics

- While the GIC administrators' have the majority of the CMS edits in place for NCCI and Global Surgery, CTI found claims for each administrator that would have been denied by CMS. CTI typically sees .50 percent or less when compared to the audit universe.
  - AllWays – .58 percent
  - HPHC – .62 percent
  - Tufts – .50 percent

# Recommendations

1. The GIC should meet with its administrators to discuss the audit findings, focusing on steps necessary to improve Financial Accuracy, Accurate Payment Frequency, and Accurate Processing Frequency as needed. For any systemic financial errors, the GIC's administrators should run impact reports to identify and adjust all affected claims.
2. The GIC's administrators should conduct a focused analysis of errors identified through ESAS to determine if overpayment recovery and/or system improvements are possible to reduce or eliminate similar errors going forward. CTI will provide administrators with claim detail to use in this analysis.
3. The GIC should use CTI's Data Analytics findings to address the potential for additional cost savings to the plan. While all administrators have the majority of CMS edits in place, CTI found that these administrators paid a significant amount of claim dollars that would have been denied by CMS.
4. The GIC should review the results of the eligibility screening to determine whether claims were paid for ineligible claimants, and if so, perform causal analysis to identify workflow and/or system improvements to reduce or eliminate paying claims on ineligible claimants.



# Recommendations

5. Other than Tufts, manufacturer rebates for prescription drugs are not currently being passed through to the GIC:
  - Ask HPHC to pass along rebates received for specialty drugs processed under its medical benefit.
  - Ask AllWays to pursue and pass-through rebates for specialty drugs processed under its medical benefit.
6. The GIC should verify which performance measures for Tufts and HPHC are reported on an aggregate basis rather than client-specific and determine if all performance guarantees can be reported specific to GIC members only.
7. The GIC should implement authority limits for Tufts and AllWays requiring approval for any third-party liability lien reductions exceeding agreed upon percentages and amounts. Confirm agreement with authority limits in place with HPHC.
8. The GIC should request monthly overpayment reports from each administrator categorizing outstanding overpayment amounts, recovered overpayment activity by reason, and any associated recovery fees.

# Thank You!



**Commonwealth of Massachusetts  
Group Insurance Commission**



**CLAIM TECHNOLOGIES  
INCORPORATED**

## VIII. Other Business/Adjournment

### FY21 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.

#### **Please note these changes:**

- April will have a meeting this year due to efficiencies gained through elimination and reduction of printed materials.
- Until the ban on public gatherings is lifted, 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.

# FY2021 Group Insurance Commission Meetings

July						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

October						
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

January						
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17	18	19	20	21	22	23
24/31	25	26	27	28	29	30

April						
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25	26	27	28	29	30	

August						
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23/30	24/31	25	26	27	28	29

November						
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22	23	24	25	26	27	28
29	30					

February						
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28						

May						
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23/30	24/31	25	26	27	28	29

September						
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December						
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27	28	29	30	31		

March						
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

## **APPENDIX**

- Commission Members
- GIC Leadership Team
- GIC Goals
- GIC Contact Channels

# Commission Members

**Valerie Sullivan (Public Member), Chair**

**Bobbi Kaplan (NAGE), Co-Chair**

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

**Gary Anderson,  
Commissioner of Insurance**

**Elizabeth Chabot (NAGE)**

**Adam Chapdelaine (Mass Municipal Association)**

**Edward Tobey Choate (Public Member)**

**Christine Clinard (Public Member)**

**Tamara P. Davis (Public Member)**

**Kevin Drake (Council 93, AFSCME, AFL-CIO)**

**Jane Edmonds (Retiree Member)**

**Joseph Gentile (Public Safety Member)**

**Eileen P. McAnney (Public Member)**

**Patricia Jennings (Public Member)**

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

**Anna Sinaiko (Health Economist)**

**Timothy D. Sullivan  
(Massachusetts Teachers Association)**

# GIC Leadership Team

**Matthew A. Veno, Executive Director**

**Erika Scibelli, Deputy Executive Director**

**Denise Donnelly, Director Benefit Procurement & Vendor Management**

**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**

**Linnea Walsh, Director of Marketing and Communications**

## GIC Goals

- Provide access to high quality, affordable benefit options for employees, retirees and dependents
- Limit the financial liability to the state and others (of fulfilling benefit obligations) to sustainable growth rates
- Use the GIC's leverage to innovate and otherwise favorably influence the Massachusetts healthcare market
- 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	Marriage Status Changes	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>	19 Staniford Street Boston, MA 02114	Not open for walk-in service during COVID-19
<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="http://allwayshealthpartners.org/gic-members">allwayshealthpartners.org/gic-members</a>
Fallon Health	(866) 344-4442	<a href="http://fallonhealth.org/gic">fallonhealth.org/gic</a>
Harvard Pilgrim Health Care	(800) 542-1499	<a href="http://harvardpilgrim.org/gic">harvardpilgrim.org/gic</a>
Health New England	(800) 842-4464	<a href="http://hne.com/gic">hne.com/gic</a>
Tufts Health Plan (THP)	(800) 870-9488	<a href="http://tuftshealthplan.com/gic">tuftshealthplan.com/gic</a>
THP Medicare Products	(888) 333-0880	
UniCare State Indemnity Plans	(800) 442-9300	<a href="http://unicarestatementplan.com">unicarestatementplan.com</a>