Commonwealth of Massachusetts
Group Insurance Commission

Your Benefits Connection

COMMISSION MEETING

FEBRUARY 11, 2021

(Public Notice: G.L. C-30A, Sec. 20, February 9, 2021)

Agenda

Commonwealth of Massachusetts Group Insurance Commission
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	Topic	Speaker	Time
I.	Approval of 01/21/2021 Minutes (VOTE)	Valerie Sullivan, Chair	8:30-8:35
II.	Executive Director's Report (INFORM) • Calendar • Communications/Legislation/Municipalities • Human Resources • COVID-19 • Commission Membership • YTD Budget and COVID Claims • Health Benefit Consultant Procurement	Matthew Veno, Executive Director & Members of Senior Staff	8:35-8:55
III.	Diversity, Equity and Inclusion & Race/Ethnicity Data (INFORM)	Matthew Veno, Executive Director & Margaret Anshutz, Manager, Healthcare Analytics	8:55-9:25
IV.	Engagement Update • Public Information Session Report (INFORM)	Erika Scibelli, Deputy Executive Director	9:25-9:40
V.	Out of Pocket Report, Part 2 (INFORM) • Behavioral Health • Pharmacy	Margaret Anshutz, Manager, Healthcare Analytics	9:40-10:05
VI.	Benefit Procurement & Vendor Management (VOTE) • FY22 Plan Design (VOTE)	Denise Donnelly, Director of BPVM	10:05-10:25
VII.	Other Business/Adjournment	Valerie Sullivan, Chair	10:25-10:30

I. Approval of Minutes (VOTE)

Commonwealth of Massachusetts Group Insurance Commission
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Motion:

That the Commission hereby approves the minutes of its meeting held on January 21, 2021 as presented.

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

II. Executive Director's Report (INFORM)

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- Calendar
- Communications / Legislation / Municipalities
- Human Resources
- COVID-19
- Commission Membership
- YTD Budget and COVID-19 Claims
- Health Benefit Consultant Procurement

Matthew Veno, Executive Director
&
Members of Senior Staff

II. Executive Director's Report: FY2021 Calendar

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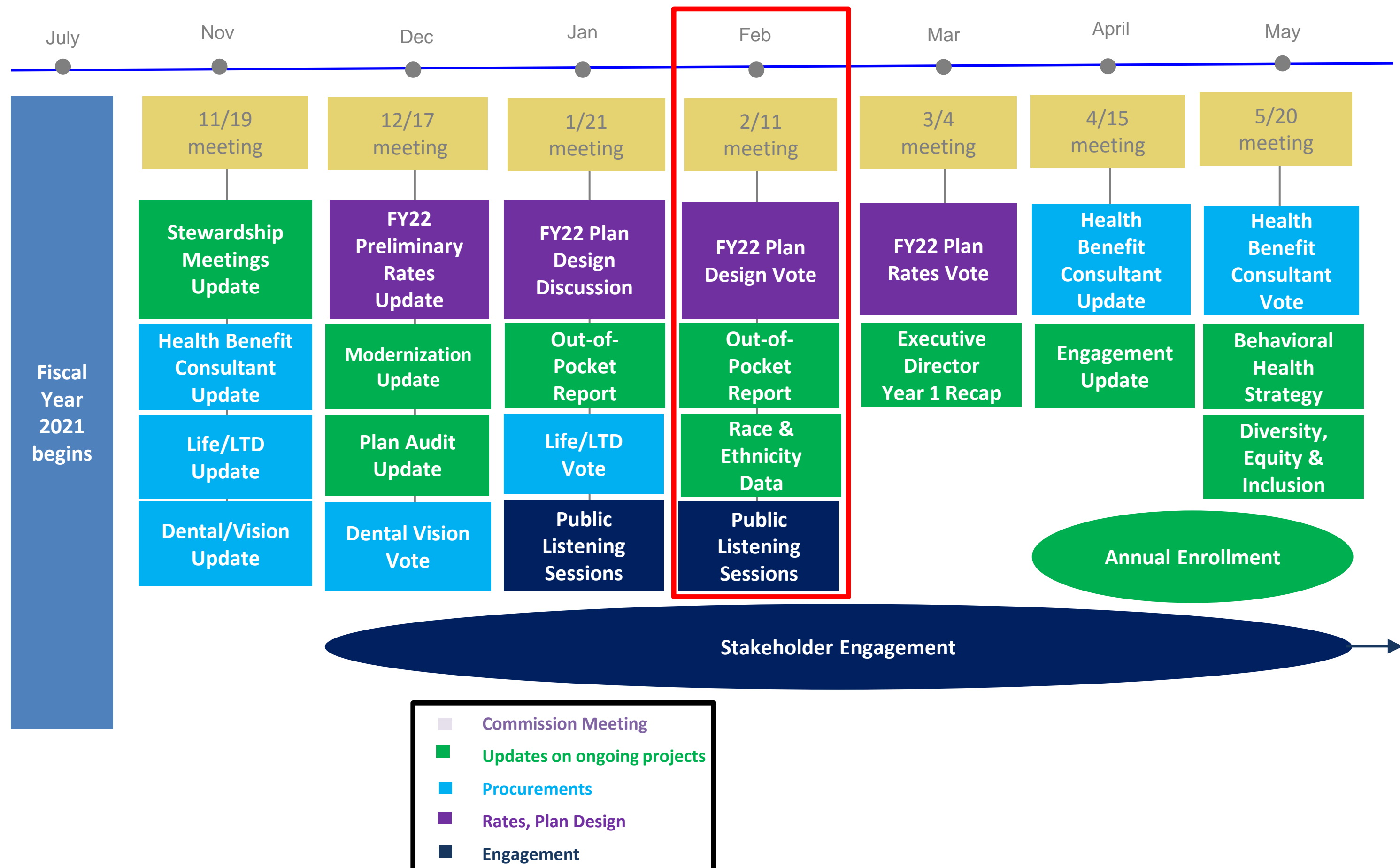

II. Executive Director's Report (INFORM)

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- Communications / Legislation / Municipalities
- Human Resources
- COVID-19
- Commission Membership
- YTD Budget and COVID-19 Claims
- Health Benefit Consultant Procurement

III. Diversity, Equity & Inclusion (INFORM)

- Development of a GIC Diversity, Equity & Inclusion Agenda
- Race and Ethnicity Data

Matthew Veno, Executive Director
&
Margaret Anshutz
Manager, Healthcare Analytics

Development of a GIC Diversity, Equity & Inclusion Agenda

- Inequity in our health care system is longstanding and pernicious, and is bolstered and perpetuated by structures of systemic, institutional racism.

- The GIC has an opportunity and a duty as an employer and major payer of health care services to assist in dismantling these structures.

- Public health data has broadly illustrated the scope of disparities, but public agencies, payers and providers have struggled to develop and implement strategies to end it.

However, we are at an inflection point.

Data for Identifying and Addressing Health Disparities

1) Standardize Reporting and Sharing of Robust Demographic Data in Health Care
2) Report Health Care Data by Census Tract Where Possible
3) Harness Data to Measure Progress toward Health Equity Benchmarks

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HPC Health Equity Lens in Action: Research and Report

Research and Report

- Partner with other state agencies and stakeholders to develop standardized data collection requirements and practices that will promote the use of data to address health inequities
- Report on subpopulations across applicable analyses, to inform how health care trends may disproportionately impact populations by income, geography, or race / ethnicity
- Prioritize the collection of qualitative data to contextualize quantitative findings and inform how inequities manifest in Massachusetts communities
- Regularly review existing data sources to determine what additional data is needed to identify inequities (e.g., more robust demographic information)

APPLYING AN EQUITY LENS

The HPC will continue its focus on affordability (e.g., health care premiums, pharmaceutical costs) with a goal to contextualize the ways health care spending impacts disproportionately impacts different communities in the Commonwealth. One of the goals of this work is to make concrete how costly health care is, why it is so costly, and how those costs create inequities – particularly in access – across various sub-populations of Massachusetts residents in concrete terms.

Current state of race/ethnicity data collection efforts

Multiple Stakeholders

- Providers
- Carriers
- Federal, State, & Local Government

Multiple Data Systems

- Medical Records
- Claims Data
- Public Health Surveillance

Data Standardization & Definitions

GIC’s race/ethnicity data collection plan

GIC has a three-point plan to collect race/ethnicity data:

1
- Collect from employers where available

2
- Impute membership race/ethnicity

3
- Replace imputed data with self-reported race/ethnicity data gathered through myGICLink portal

How GIC will use this data: population interventions

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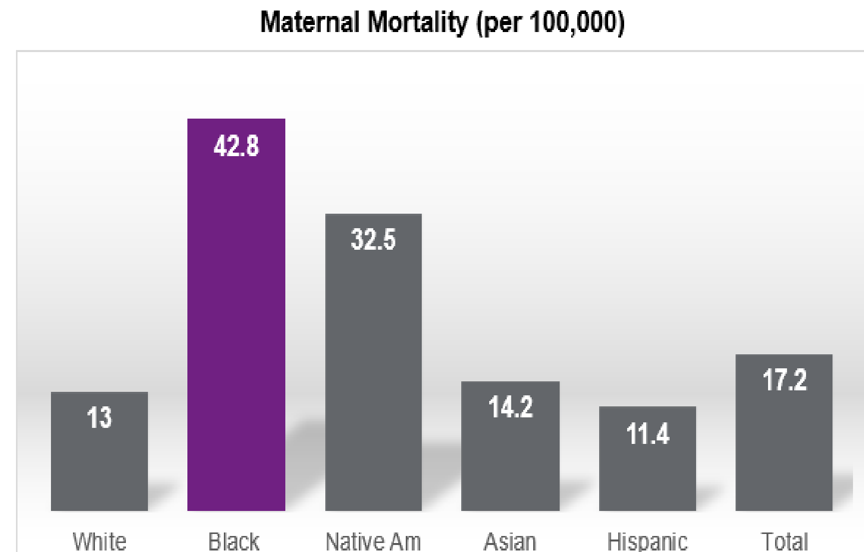
- Health disparities persist across groups, even controlling for income and education.
- Without race/ethnicity data we cannot eliminate this unjust outcome



Source: CDC, 2019

Goal: Identify and eliminate health disparities in our membership

Additional dimensions of health disparities by race/ethnicity

Diabetes – https://www.cdc.gov/diabetes/disparities.html

Hypertension – tinyurl.com/1cqq8v9y

Covid-19 – tinyurl.com/1kr7jzsh

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Next steps: stakeholders and standards

- GIC is working with its state sister agencies to agree upon data standards and definitions for the Commonwealth
- GIC is meeting with carriers to collaborate on data collection and potential population interventions

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IV. Engagement Update (INFORM)

- Report on the 2021 Public Information Sessions

Erika Scibelli
Deputy Executive Director

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Public Information Sessions: By the Numbers

4
Sessions

4,390
Registrants

467
Live Questions Asked

239,000
Save the Date Cards Sent

9
Commissioner Attendees

2,179
Attendees

6
Hours

1
Slide Deck

6
Email Blasts

9
Staff Panelists

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Public Information Sessions: Common Themes

V. Out of Pocket Report Part 2 (INFORM)

- Behavioral Health
- Pharmacy

Margaret Anshutz
Manager, Healthcare Analytics

FY20 Out-of-Pocket Update

Background definitions

Commonwealth of Massachusetts Group Insurance Commission *Your Benefits Connection*

Previously Presented to the Commission

What are Out-of-Pocket (OOP) costs?

- Deductibles, copayments, coinsurance, pharmacy cost sharing, and any submitted uncovered services paid by members for healthcare services

What are premiums?

- A premium reflects the total sum of money that the product is expected to cost in claims and fees, including the employer and employee portions; typically displayed as a monthly amount
- Out-of-pocket costs such as deductibles and point of service copayments are not included in premiums

Who takes on the claims risk?

- Self-insured (i.e., ASO): The GIC funds claims as they are paid and the carrier provides administrative functions, but assumes no insurance risk
- Fully-insured: The carriers assume full risk of loss and keep all gains. The GIC has only self-insured health plans*

How are the premiums developed?

- Premiums are developed differently depending on the funding mechanism (fully or self insured)
- Self-insured (i.e., ASO): The GIC retains actuaries to determine premiums utilizing claims data, member data, and actuarial assumptions; the individual and family rates reflect the claims experience and demographics for each product offered (applies to Non-Medicare, Medicare Supplement, and Rx portion of Medicare Advantage plans for the GIC)
- Fully-insured: The carriers develop and determine the fully insured rates for the GIC (medical portion of Medicare Advantage plan)

* There are <5000 GIC members in the single fully insured health plan, Tufts Medicare Preferred.

FY20 Out-of-Pocket Update: What Drives Out-of-Pocket Trend?

Previously Presented to the Commission

- **General Medical Inflation**: The GIC's plans are primarily copay-based (after the member pays the deductible), which shields members from much of the impact of medical inflation

- **Claims Volatility:** Variation in claims volume as well as place of service can drive increases or decreases in out-of-pocket costs for members. If more members seek care at lower tier providers, out-of-pocket costs will decrease

- **Plan Design Changes**: From FY 2018 to FY2019, the GIC did not make any design changes that would increase member OOP costs. The GIC did reduce the member out-of-pocket cost for select services performed at freestanding facilities and lowered copay for Tier 3 specialists

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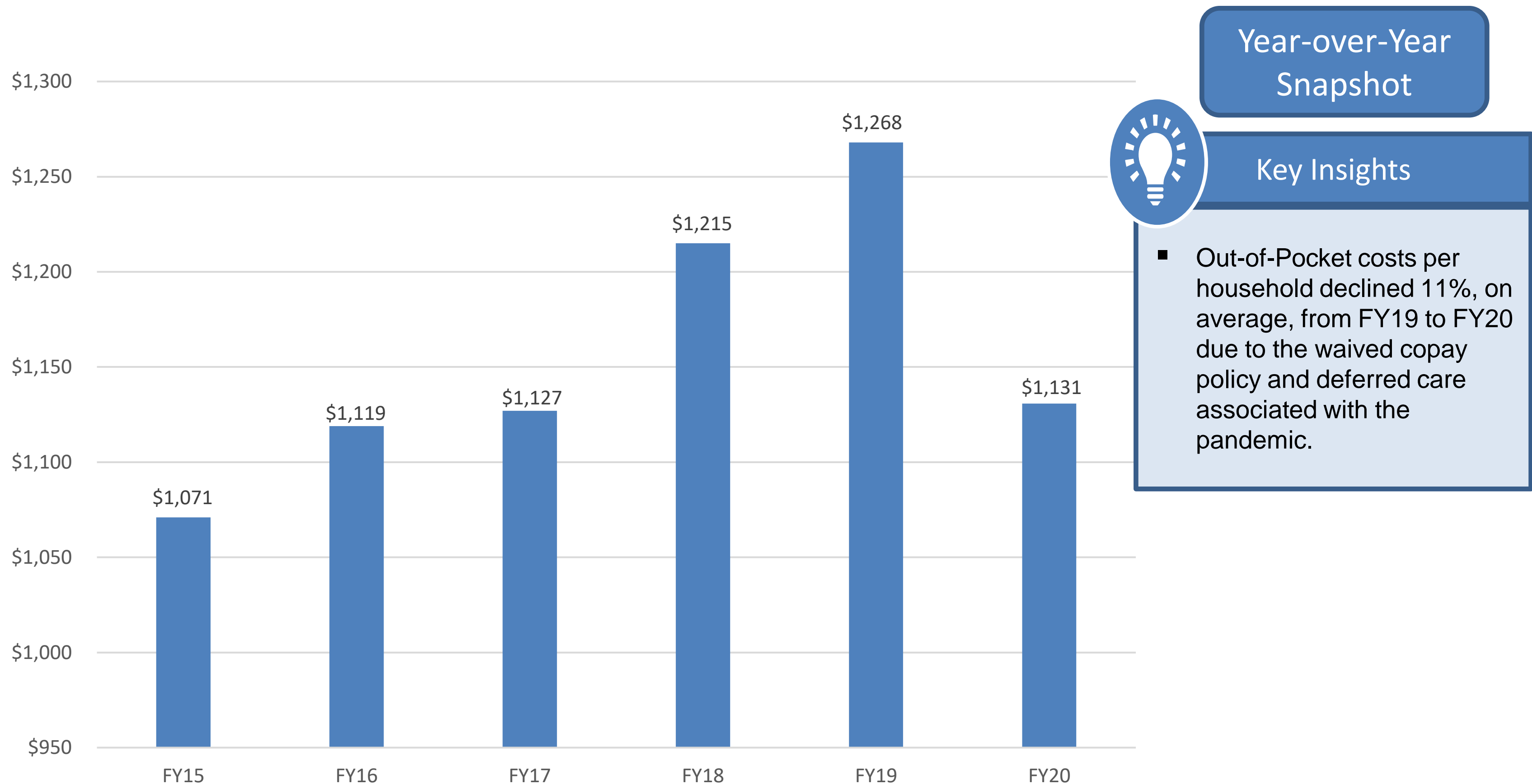
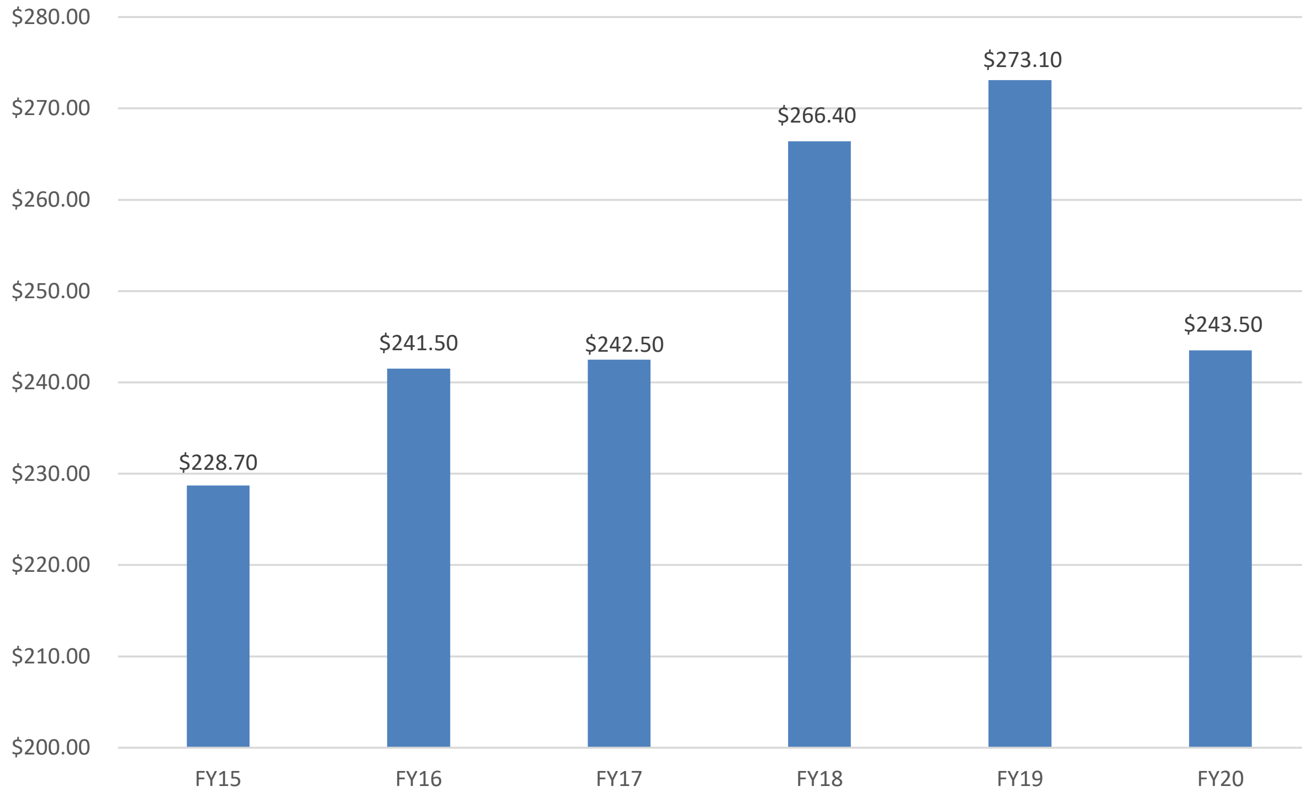
Average OOP Cost per Household FY15 – FY20



Total OOP Cost (in Millions) FY15 – FY20

Year-over-Year Snapshot



Key Insights

- For the first time in recent memory, Total Out-of-Pocket costs decreased. FY20's Total Out-of-Pocket cost was roughly the same as FY17's.
- During that same time period, the GIC–paid healthcare costs decreased by 1.8%, likely due to deferred care.

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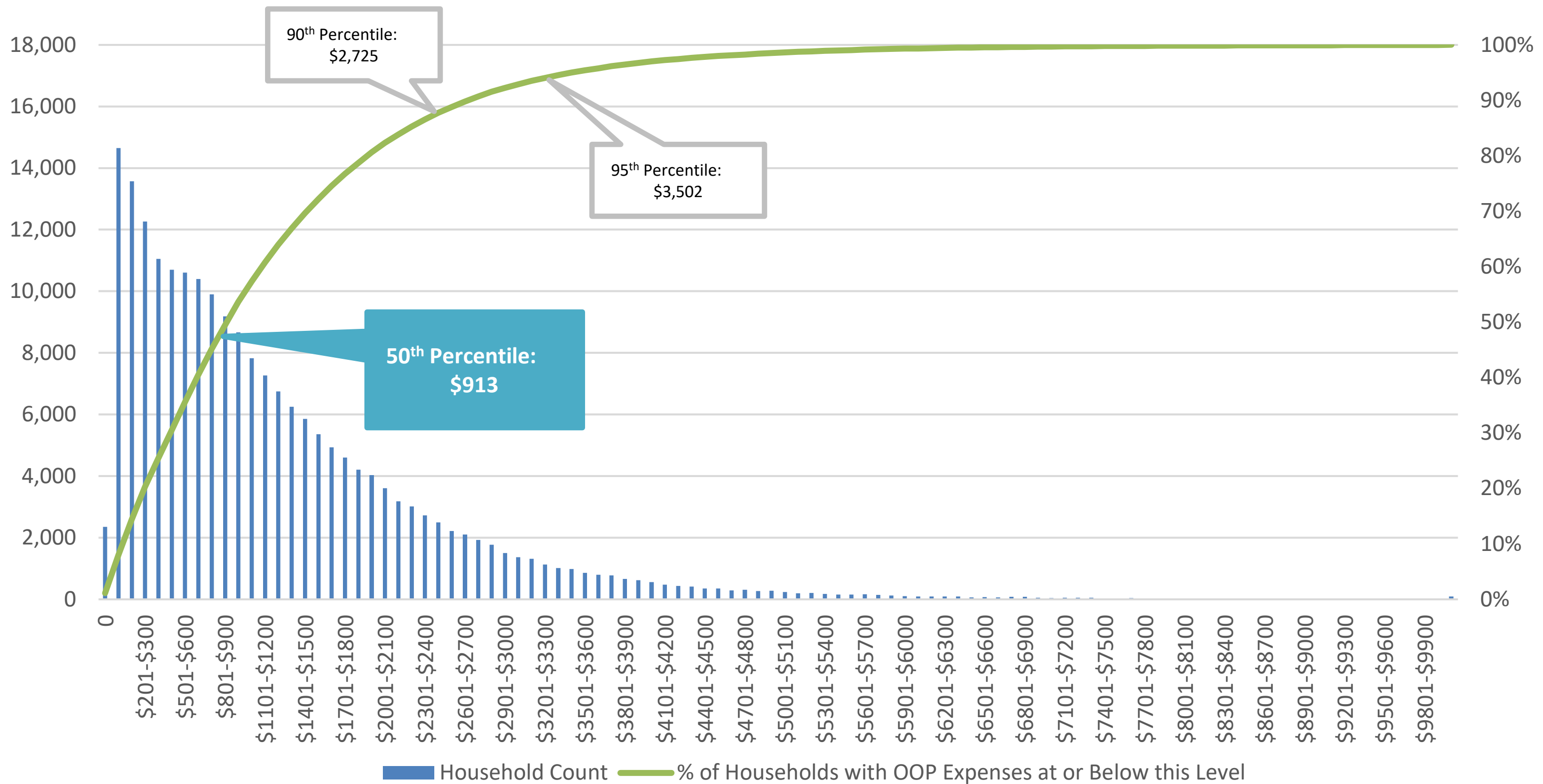
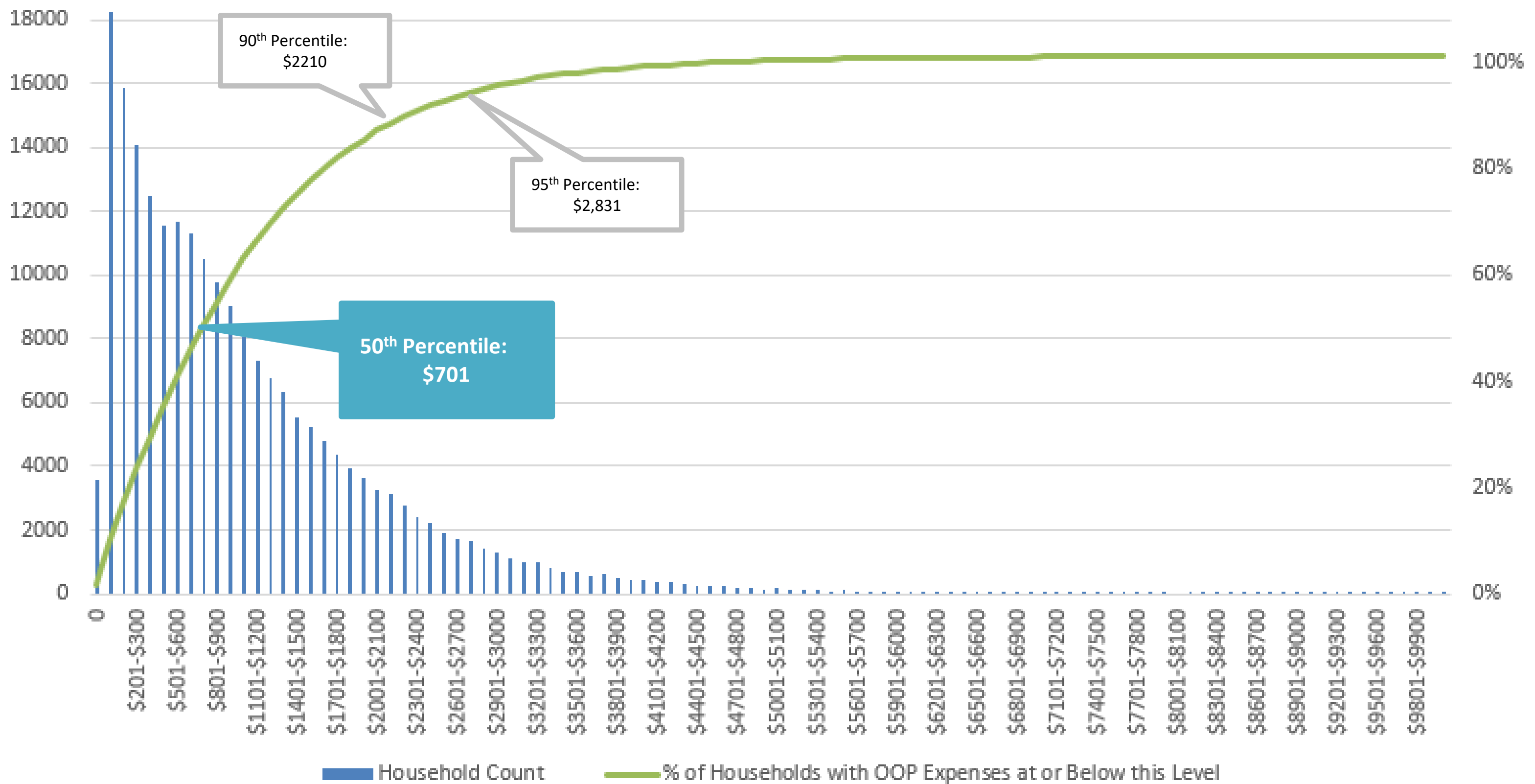
OOP Cost by Household FY19

Previously Presented to the Commission



- Includes active and Medicare populations, consistent with prior years
- Includes in-network and out-of-network costs, consistent with prior years

OOP cost by Household FY20



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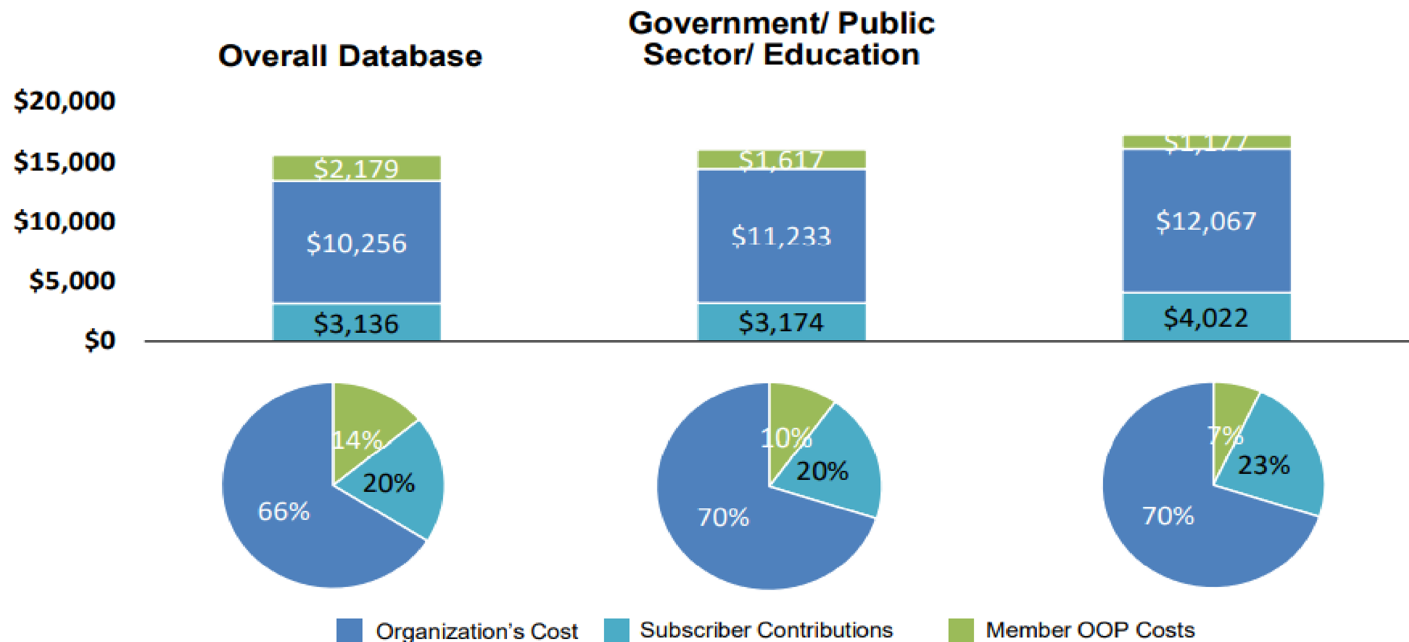
Benchmarking GIC health benefits

Medical Cost Benchmarks Total Cost and Contributions



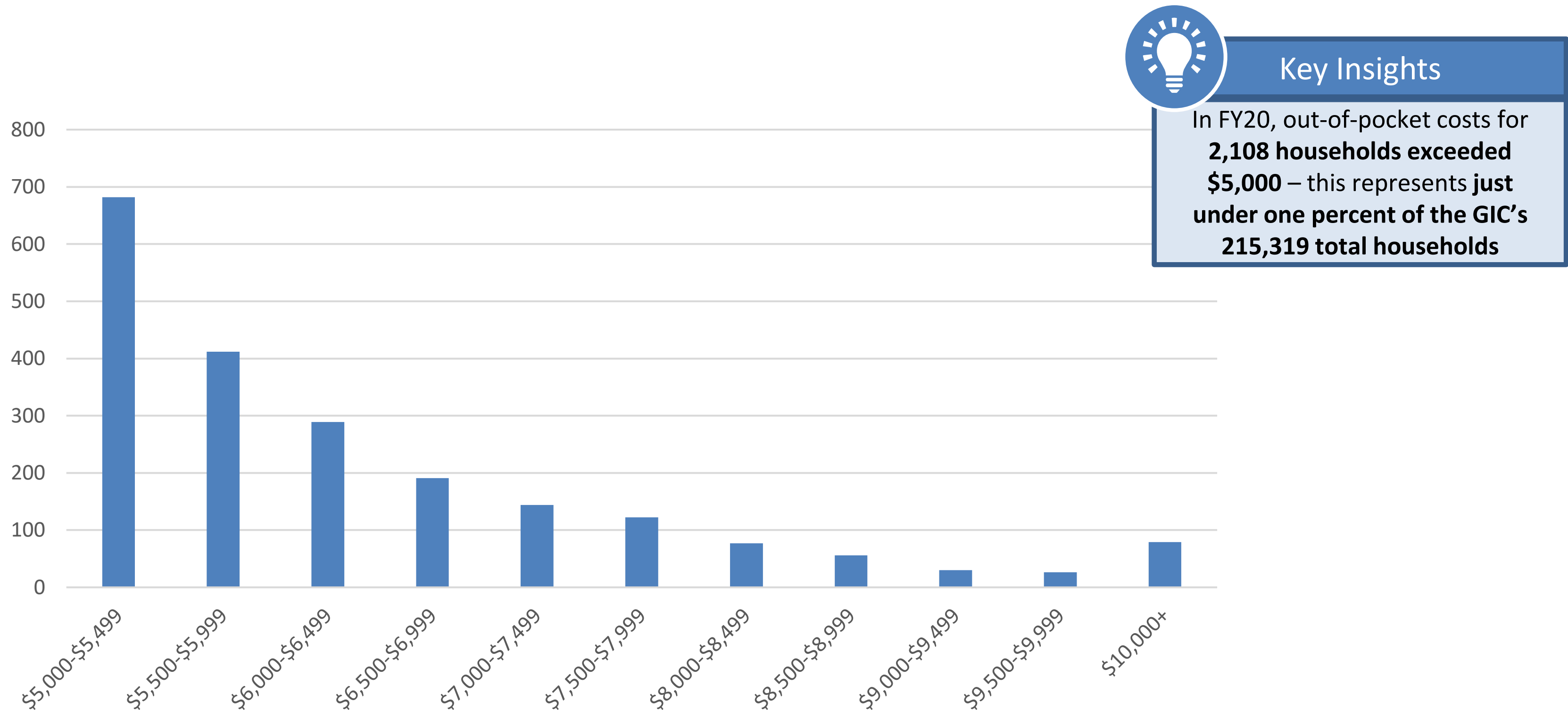
Compared to the overall database, GIC member share of total costs is lower.

Compared to others in your industry, your member share of total costs is about average. On average, subscribers pay a greater share of costs in payroll contributions (23%) and a lesser share of costs at point of service (7%). This cost sharing split is consistent with last year.

High FY20 Out-of-Pocket Costs

Households with OOP costs of greater than $5,000 in FY20

FY20 Household Distribution $5,000 - $10,000 Out-of-Pocket



Key Insights

In FY20, out-of-pocket costs for **2,108 households exceeded $5,000** – this represents **just under one percent of the GIC's 215,319 total households**

Key Characteristics

High Out-of-Pocket Households (>$5,000)

Of the 2,108 households that exceeded $5,000 in FY20, 930 also exceeded $5,000 in out-of-pocket costs in the prior fiscal year.

Large family size was a driver of high out-of-pocket costs – high out-of-pocket households had an average family size of 3.10 (compared to 1.95 of the full membership)

Recurrent high out-of-pocket utilizers – **44%** of the 2,108 households exceeded $5,000 in out-of-pocket costs in both FY19 and FY20

Members with high out-of-pocket costs had significant total medical expenses

- *On average, GIC's total medical and pharmacy plan paid claims for the high cost out-of-pocket households was $117,399*
- *600 of the 2,108 households had total costs over $100,000 in FY20*
- *185 of the 2,108 households had total costs over $250,000 in FY20*

Major Diagnostic Category Breakdown

High Out-of-Pocket Households (>$5,000)

Key Insights

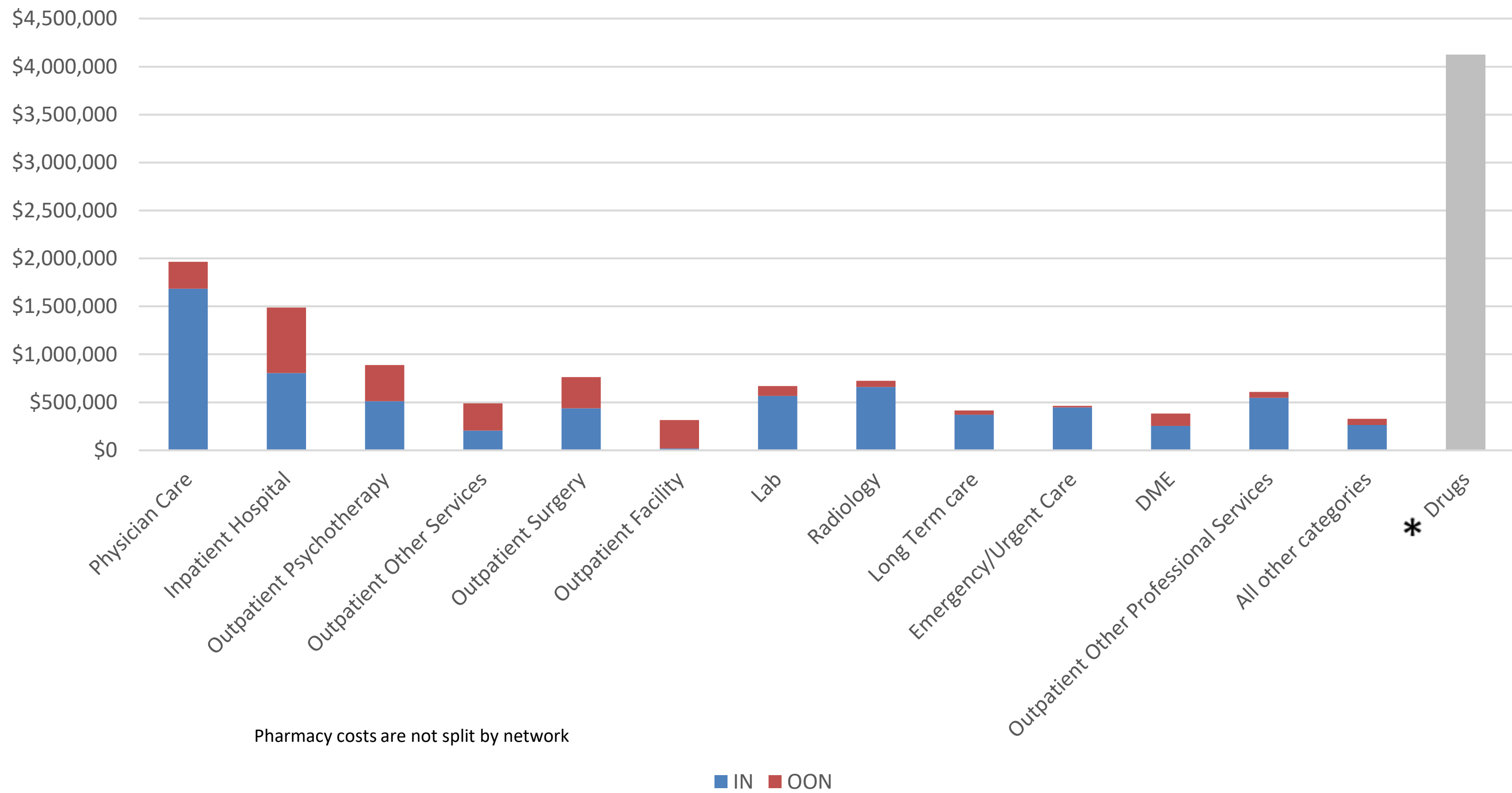
Seventy-seven percent of out-of-pocket spending on alcohol and drug treatment was Out-of-Network. For all other categories, In-Network costs are the primary driver of member costs

Pharmacy out-of-pocket costs $3.9M (not included in MDC)

Households are defined by out-of-pocket expenses of more than $1,000 in a given category. Some households are counted in multiple categories

Type of Service Breakdown

High Out-of-Pocket Households (>$5,000)



Highest FY20 Out-of-Pocket Costs

Households with OOP costs of greater than $10,000 in FY20

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Key Characteristics

Highest Out-of-Pocket Households (>$10,000)

The GIC asked the health plans and PBMs to review the claims history for all members with out-of-pocket costs above $10,000. Here are a few key themes

100% of the households with high medical out-of-pocket costs were reached out to for care management – **only 1 member engaged in FY20**

Pharmacy OOP costs were the primary driver for 44% of the high OOP households

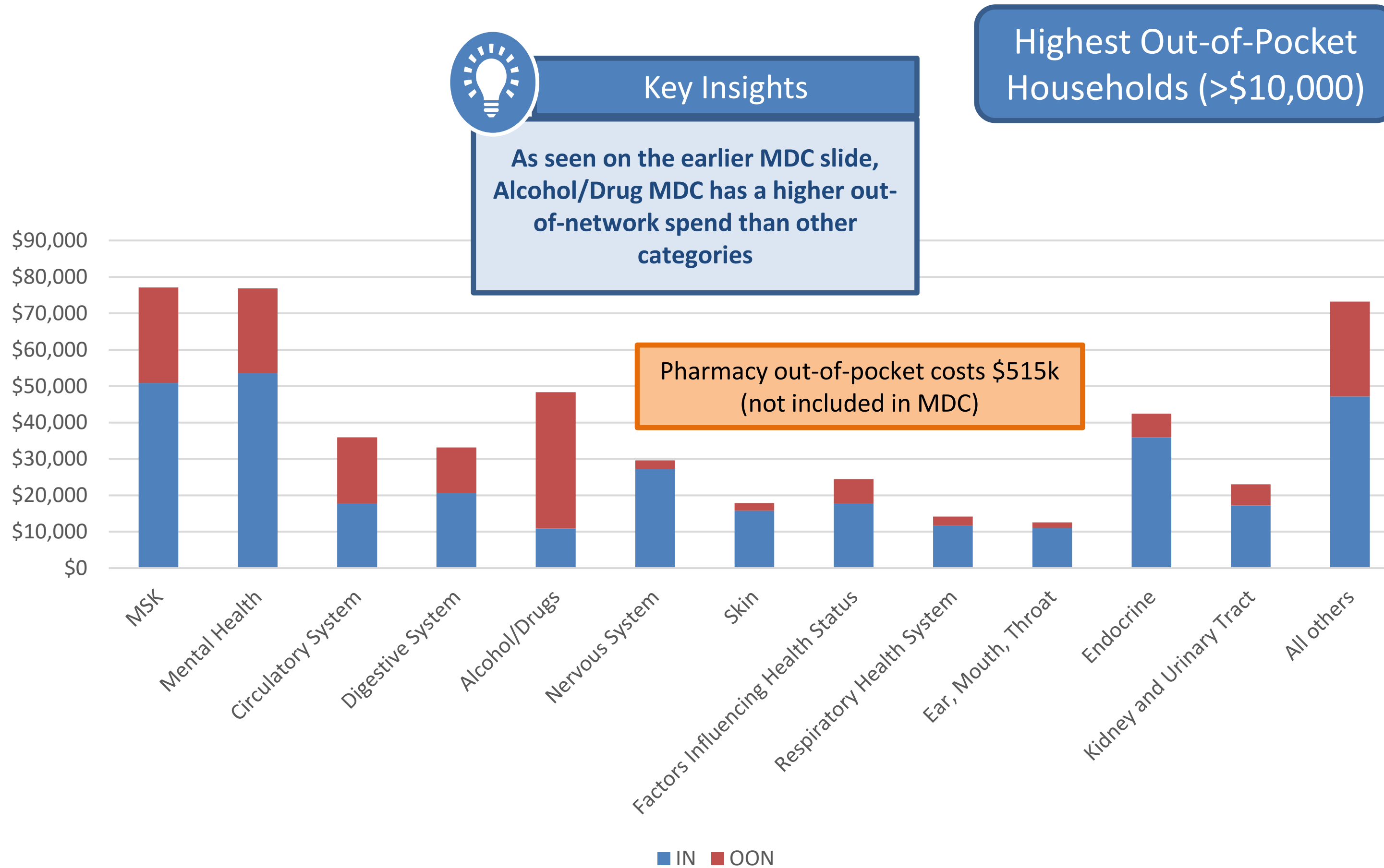
Highest medical out-of-pocket costs were driven primarily by **out-of-plan facilities (for narrow networks)**

Highest pharmacy OOP costs exceeding $10,000 were the result of **maintainence medications being filled outside of the plan parameters** – GIC believes many of these members are receiving copay assistance and not paying these OOP costs listed

Key Insights

79 households had out-of-pocket costs over $10,000.

Major Diagnostic Category Breakdown



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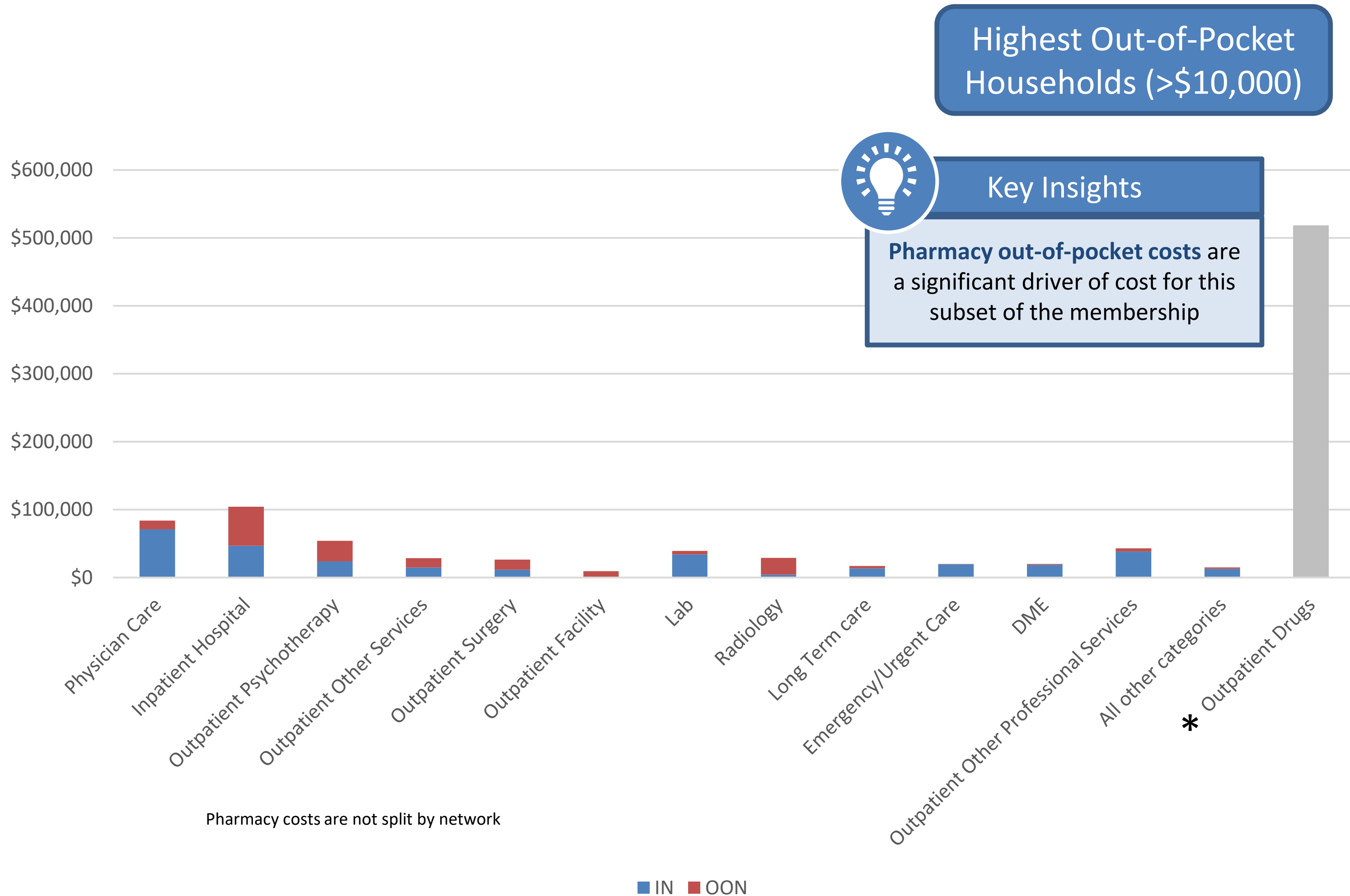
Households are defined by out-of-pocket expenses of more than $1,000 in a given category. Some households are counted in multiple categories

Type of Service Breakdown

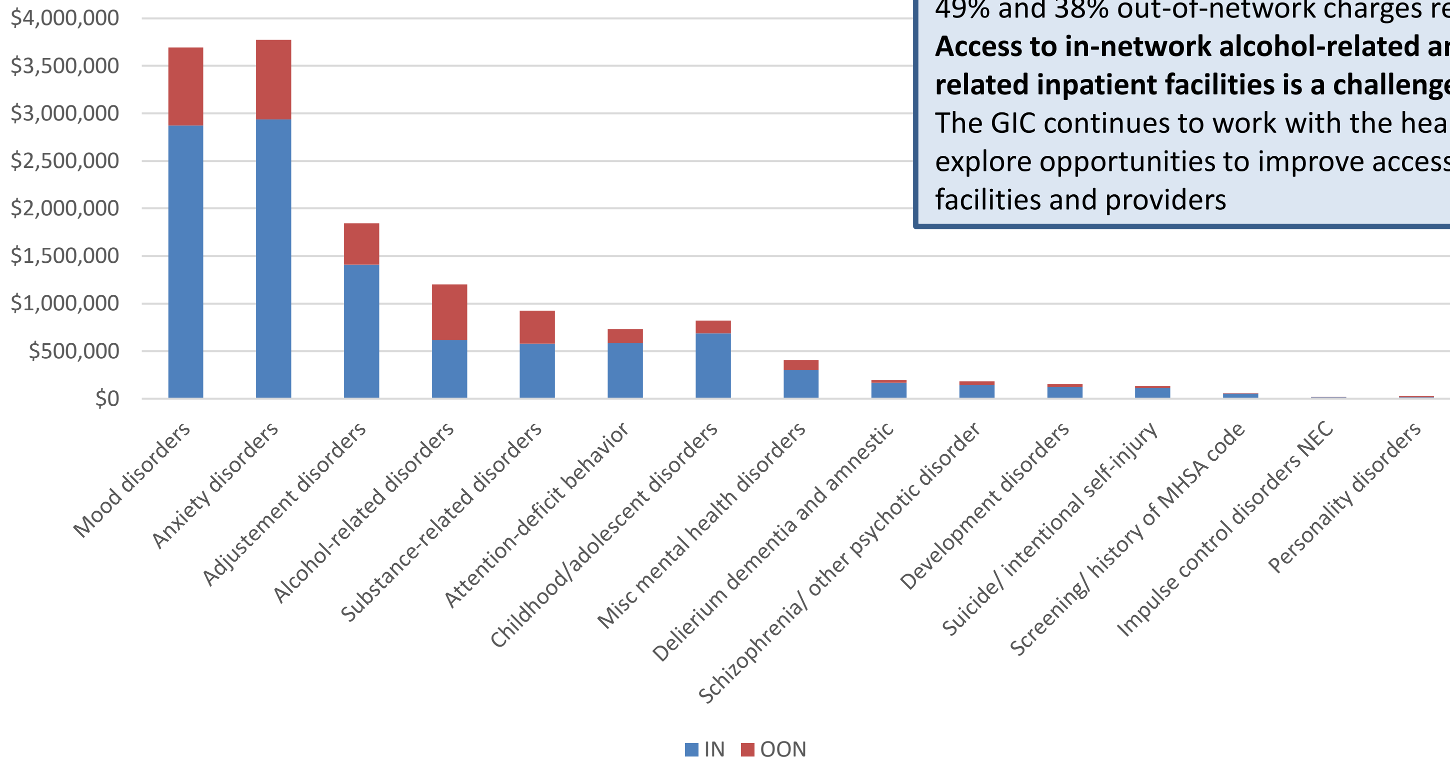


Behavioral Health Drill-Down

Breakdown by Diagnosis

Behavioral Health
Full Membership

Pharmacy out-of-pocket costs $8.6M (not included in Diagnosis), an increase of 1.1M from FY19



Key Insights

Alcohol-related and substance-related OOP costs have 49% and 38% out-of-network charges respectively. **Access to in-network alcohol-related and substance-related inpatient facilities is a challenge in the market.** The GIC continues to work with the health plans to explore opportunities to improve access to quality facilities and providers

Pharmacy Drill-Down

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Pharmacy OOP Costs by therapeutic class

Pharmacy OOP Data
Full Membership

Key Insights

Due the GIC's copayment plan design, members bear a lower percentage of the cost for higher cost drugs compared to lower cost generics

Members pay a higher share of cost (but fewer dollars) for low-cost generics

Appendix

Data Specifications

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

- Data is collected from the Optum Datawarehouse
- Data is based on Fiscal Year 2020 (July 1, 2019 through June 30, 2020) incurred date with three 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

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VI. Benefit Procurement & Vendor Management (VOTE)

- FY22 Plan Design (VOTE)

Denise Donnelly
Director, Benefit Procurement
& Vendor Management

FY22 Plan Design
Analysis 1: Three No-Cost Behavioral Health Telehealth Visits

- Current copay varies by plan; average copay = $15
- Waive cost-share for first three behavioral health tele-visits/member/year

Aggregate Cost	Impacted Members	Total Members
$1,449,200	37, 754	314,868

Note: Estimated savings and estimated impacted members are projected by health plans

Staff does not recommend any changes to current plans that increase cost sharing to members.

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VI. Benefit Procurement & Vendor Management: (VOTE)

Motion:

To accept the recommendation to modify the non-Medicare plans' benefits to provide three no-cost, in-network, behavioral health telehealth visits per member per year.

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

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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 3rd Thursday of the month.
- Meeting notices and materials including the agenda and presentation are available at 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 2nd Thursday and March's meeting is scheduled on the 1st Thursday to make decisions regarding the next Benefit Year in a timely manner prior to Annual Enrollment in May.

Please note these changes:

- 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

Commonwealth of Massachusetts
Group Insurance Commission
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July

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
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26	27	28	29	30	31	

August

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September

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October

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November

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December

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January

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24/31	25	26	27	28	29	30

February

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28						

March

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May

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June

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20	21	22	23	24	25	26
27	28	29	30	46		

APPENDIX

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

Commission Members

Commonwealth of Massachusetts Group Insurance Commission
Your Benefits Connection

Valerie Sullivan (Public Member), Chair

Bobbi Kaplan (NAGE), Vice-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)

Gerzino Guirand (Council 93, AFSCME, AFL-CIO)

Jane Edmonds (Retiree Member)

Joseph Gentile (Public Safety Member)

Eileen P. McAnneny (Public Member)

Patricia Jennings (Public Member)

Melissa Murphy-Rodrigues
(Mass Municipal Association)

Anna Sinaiko (Health Economist)

Timothy D. Sullivan
(Massachusetts Teachers Association)

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GIC Leadership Team

Matthew A. Veno, Executive Director

Erika Scibelli, Deputy Executive Director

Emily Williams, Chief of Staff

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

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Contact GIC for Enrollment and Eligibility

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

Online Contact	mass.gov/forms/contact-the-gic	Any time. Specify your preferred method of response (phone, email, mail) from GIC
Email	gicpublicinfo@mass.gov	
Telephone	(617) 727-2310	M-F from 8:45 AM to 5:00 PM
Office location	19 Staniford Street Boston, MA 02114	Not open for walk-in service during COVID-19
Correspondence	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.
Paper Forms	P.O. Box 556 Randolph, MA 02368	

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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	allwayshealthpartners.org/gic-members
Fallon Health	(866) 344-4442	fallonhealth.org/gic
Harvard Pilgrim Health Care	(800) 542-1499	harvardpilgrim.org/gic
Health New England	(800) 842-4464	hne.com/gic
Tufts Health Plan (THP)	(800) 870-9488	tuftshealthplan.com/gic
THP Medicare Products	(888) 333-0880	
UniCare State Indemnity Plans	(800) 442-9300	unicarestateplan.com