

GROUP INSURANCE COMMISSION MEETING
Thursday, November 19, 2020
8:30 A.M. – 10:30 A.M.

Meeting held remotely through online audio-video platform (ZOOM), accessible through YouTube

MINUTES OF THE MEETING

NUMBER: Six Hundred Fifty-five
DATE: November 19, 2020
TIME: 8:30 a.m.
PLACE: The Meeting was held telephonically

Members Present:

VALERIE SULLIVAN (Chair, Public Member)
BOBBI KAPLAN (Vice Chair, NAGE)
MICHAEL HEFFERNAN (Secretary of ANF) Designee Emily Jue-Williams
GARY ANDERSON (Commissioner of Insurance) Designee Rebecca Butler
TAMARA P. DAVIS (Public Member)
EILEEN P. MCANNENY (Public Member)
CHRISTINE HAYES CLINARD, ESQ. (Public Member)
TIMOTHY D. SULLIVAN (Massachusetts Teachers Association)
JOSEPH GENTILE (AFL-CIO, Public Safety Member)
ADAM CHAPDELAINE (Town of Arlington--Massachusetts Municipal Association)
EDWARD T. CHOATE (Public Member)
JANE EDMONDS (Retiree)
ANNA SINAIKO, Ph.D. (Health Economist)
MELISSA MURPHY-RODRIGUES (Town of Sudbury--Massachusetts Municipal Association)
ELIZABETH CHABOT (NAGE)
PATRICIA JENNINGS (Public Member)

Members Absent:

KEVIN DRAKE (Council 93, AFSCME, AFL-CIO)

Commissioners McAnneny, Kaplan, Chabot and Edmonds arrived at 8:38 a.m., 8:40 a.m., and 8:44 a.m., 8:50 a.m., respectively.

Call to Order

The Chair called the Meeting to order at 8:30 a.m. The Chair explained that the meeting was being held via audio and video conferencing, described the video capabilities being used and noted that all Meeting participants could hear and be heard by all other Meeting participants. The Chair noted that the meeting was being made public via simultaneous broadcast through YouTube and that the Meeting conformed with all legal requirements.

I. Approval of Minutes

The first item on the agenda was approval of the minutes from the September 17, 2020 meeting. There being no comments, the Chair asked for a motion to approve the September 17, 2020 meeting minutes, as presented. The Vice Chair made the motion, seconded by Commissioner Davis. The General Counsel performed a roll call vote which passed unanimously, 12-0.

II. Director's Report

The Executive Director discussed the current status of COVID-19 and acknowledged the work of the Commonwealth's COVID-19 Command Center to maintain access to necessary health care services despite extraordinary challenges. He stated that hospitals in Massachusetts are well prepared to handle any increases in COVID-19 patients and he recognized the tremendous efforts of health care providers, as well as other state agencies and leaders in municipal government, to keep people safe during the pandemic.

- Calendar

The Executive Director discussed the status of GIC initiatives and explained how these and other initiatives correspond to the GIC's annual calendar and required Commission approvals. In response to a question from the Chair, the Executive Director described the considerations and planning surrounding the upcoming public listening sessions and stated that these sessions would be hosted via remote participation.

- Legislation

The Executive Director provided a report on the current state of legislation and stated that the Commonwealth's fiscal year 2021 budget was the primary focus of the legislature, described challenges that the state could face and the uncertainty surrounding federal aid, and explained the healthcare bills that might directly impact the GIC.

- Human Resources

The GIC's Director of Human Resources, Brock Veidenheimer, discussed the GIC's transition to telework and the efforts being made to ensure effective oversight and staff engagement. He discussed staffing and new hires, noted that onboarding in a telework environment presented challenges, explained how it has evolved to meet the needs of the telework environment, and provided examples of such process improvements.

- Stakeholder Engagement

The Executive Director informed the Commissioners that the timing of the conjoint survey would be adjusted to allow the GIC to have general and informational conversations with those stakeholders representing GIC members prior to finalizing the form of, and releasing, the survey. He discussed how this change would be beneficial and noted that the conjoint survey would likely take place in the first quarter of calendar year 2021. The Executive Director discussed the GIC's plans for public listening sessions and solicited feedback from the Commissioners. He also solicited the Commissioners' feedback on format and explained how these sessions fit within the plan for next healthcare procurement. The Commissioners provided comments on: the GIC's ability to reach out to members unable to attend public listening sessions; the possibility of making remote listening sessions a permanent event in order to reach more members; and the benefits and downsides of tailoring certain public listening sessions to specific member demographics. A discussion ensued where the Executive Director responded to the Commissioners suggestions and provided insight to the GIC's present considerations on member engagement.

- Regulation Amendments Public Hearings

The General Counsel described the timeline for amending the GIC's regulations and noted that the GIC had already completed most of the requirements, including recent public hearings to solicit public comments. He noted that very few people attended the public hearings and that the only comments received concerned operational aspects of municipal participation. The General Counsel noted that the staff recommendation would be finalized and presented to the Commission for approval at the December 2020 meeting.

- Office Move

The Executive Director stated that the GIC's scheduled move to One Ashburton Place has been accelerated due to the pandemic. He noted that there is a lot of work that needs to be done to make the move successful and recognized the contributions of GIC's Project Manager, Maureen Quinn. Ms. Quinn described the efforts of an inter-agency working group to facilitate the move while ensuring a safe work environment for staff. She explained how the inter-agency working group is providing employees with uniform technology (i.e laptops and phones) to prevent disruptions and ensure efficiency. Ms. Quinn also explained how the GIC's needs differed from other agencies and the considerations to address those needs. A discussion ensued where the Executive Director and Ms. Quinn responded to questions from the Commissioners concerning the future office space and working environment.

- Life/Long Term Disability (LTD) Procurement & Dental/Vision Procurement

Denise Donnelly, the Director of Benefit Procurement & Vendor Management, provided a brief report on the status of the life and long-term disability and the dental and vision procurements and cautioned that GIC staff would have to be circumspect in responding to questions, due to the constraints regarding public disclosure of information relating to an active procurement. Ms. Donnelly stated that the procurements are still underway, that the apparent successful bidders will likely be presented to the Commissioners for review and approval at the December meeting, and asked if there were any questions. There being none, the Chair thanked Ms. Donnelly for her report.

III. Benefit Procurement and Vendor Management

- Takeaways from Vendor Stewardship Meetings

The Executive Director discussed annual stewardship meetings as an opportunity for GIC staff to learn about market developments and industry trends, and described the value and the information that the carriers provide and the substantial effort put forth to prepare for them.

Ms. Donnelly discussed carrier reported an GIC observed trends including a steady and substantial increase in claims before the pandemic and increased provider unit costs. She discussed the factors behind high-cost claimants which included high-cost pharmaceuticals and the severity of medical conditions reported. Ms. Donnelly noted that certain specialty

pharmaceutical costs were increasing 30% to 50% year-over-year. She stated that participation in carrier sponsored care management programs remains low, that telehealth utilization experienced exponential gains, especially in behavioral health, and that EAP utilization remained low despite the potentially positive impact wellness plans have on behavioral health.

Ms. Donnelly discussed medical trends and explained that high-cost claimants are only 0.6% of the GIC's member population but represented 24% of total spending in fiscal year 2020. She provided examples of cost drivers which included specialty drugs, unit cost increases, and c-sections. Ms. Donnelly noted that the GIC would discuss these trends with carriers with the intent to decrease costs where possible. In response to a question from the Chair, Ms. Donnelly stated that high-cost members are defined as receiving \$100,000 or more of care in one year. A discussion ensued where Ms. Donnelly and the Executive Director responded to questions and comments from Commissioners about, among other items: utilization of EAP and behavioral health; telehealth; integrating EAP and behavioral health; unit costs; deferred care; the duration of behavioral health claims; and the impact of previous efforts to increase reimbursement rates for behavioral health specialists.

Ms. Donnelly also discussed the medical conditions driving costs higher, engagement rates, and recent efforts and results in newly launched programs. She discussed the impact the pandemic was having on utilization and noted that deferred care started to reverse itself in June. Ms. Donnelly asked if there were any questions and there were none.

IV. COVID-19 Update (INFORM)

- Data Warehouse Vendor Transition/Implementation

The Executive Director discussed the impact of changing data vendors, the increased capabilities of the new data vendor, and encouraged Commissioners to provide comments on COVID-19 reporting as the GIC continues to enhance its reporting capabilities. He also encouraged the Commissioners to review the COVID-19 data that the Commission for Health Information and Analysis (CHIA) provided at their recent annual meeting.

- COVID-19 in the GIC Population

As a follow up to the Executive Director's statement about the data provided by CHIA, Margaret Anshutz, Manager of Healthcare Analytics, noted that the Office of the Attorney General had recently released a report on systemic health inequalities. Ms. Anshutz then

discussed a map which showed the number of COVID-19 related claims by the GIC membership by geographic area. She explained how the map underreports COVID-19 cases because many people with COVID-19 do not obtain treatment that would generate a claim. Ms. Anshutz discussed the data and metrics used to create the report and thanked the GIC's Manager of Pharmacy and Ancillary Benefits, Jannine Dewar, for her assistance. A discussion ensued where Ms. Anshutz and the Executive Director answered questions from the Commissioners concerning the underlying member population represented in the report and evolving data aggregation and reporting.

Ms. Anshutz described the demographics of confirmed COVID-19 cases, cautioned that the data is still evolving, and described the efforts to obtain data by race and ethnicity. A discussion ensued where Ms. Anshutz and the Executive Director answered questions from the Commissioners concerning the ability to obtain or segregate demographic data by defined criteria. Commissioner Edmonds and others expressed the profound need to obtain data by race and ethnicity.

Ms. Anshutz reviewed monthly claim volume for the March through June time periods in fiscal years 2019 and 2020 – first for inpatient services – and discussed the decline in utilization at the outset of the pandemic and the subsequent rise in utilization. She then went on to address outpatient services, and described a similar, dramatic drop in utilization, noted the subsequent rise, and stated that utilization level of outpatient services remains below the prior year's level. Ms. Anshutz then reviewed outpatient utilization by service category, described the decline in emergency department and outpatient visits while noting a large increase in psychotherapy utilization. She then discussed the exponential increase in telehealth utilization and the services provided via telehealth. Ms. Anshutz and the Executive Director answered questions from Commissioners concerning broader access to telehealth and other opportunities that telehealth may provide to the GIC's members.

V. CFO Update

- Budget Process and COVID Claims Update

CFO, James Rust, discussed the interim budget funding process, noted that health plan claims are rising to more normal levels as members receive both planned care and care deferred due to the pandemic. He discussed the projected increase in claims due to deferred care and the claim volume attributed to COVID-19. Mr. Rust referred to the chart showing weekly medical claims from March 6, 2020 to October 30, 2020 and reviewed the claims comparing the pre-COVID-19 weekly medical claims amounts with the post COVID-19

claims and noted the upward trend. Mr. Rust reviewed the claims expenses by plan and by the Commonwealth's share and the members' share. He then reviewed the amounts budgeted for premiums, explained the potential impact and timing of pharmacy rebates and discussed the seasonality of claims.

- FY21 Spending to Date

Mr. Rust discussed the total state spending by benefit as of October 30, 2020. He asked if there were any questions and there were none.

VI. Other Business/Adjournment

The Executive Director asked if there were any comments or suggestions. Commissioner Choate responded with questions about whether the timing change of the conjoint survey would impact any of the multitude of items associated with the upcoming healthcare procurement or plan design. The Executive Director stated that new placement of the conjoint survey in the order of events has many positive attributes that will benefit the GIC's members and that the timing change will not have a significant impact on the healthcare procurement or the plan design. A discussion ensued. The Chair urged the Commissioners to monitor the progress and provide their perspectives while also asking the GIC to move forward with all deliberate speed.

The Chair asked if there were any additional comments or questions. The Vice Chair noted the timing of the health care procurement, the impact of the pandemic, and urged caution due to the fact that the pandemic may have a disproportionate affect on the procurement process and the plan design. The Chair noted the value of the Commissioners comments, the GIC's robust procurement process, and that the GIC had little time for delays.

The Chair asked if there was any additional business before the Commissioners, there being none, she adjourned the Meeting at 10:33 a.m.

Respectfully submitted,



Matthew A. Veno
Executive Director