

GROUP INSURANCE COMMISSION MEETING

Thursday, January 15, 2026

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

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

MINUTES OF THE MEETING

NUMBER: Six hundred and ninety-nine
DATE: January 15, 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
EILEEN P. MCANNENY (Public Member)
JANE EDMONDS (Retiree)
JASON SILVA (Massachusetts Municipal Association)
GERZINO GUIRAND (Council 93, AFSCME, AFL-CIO)
KRISTIN PEPIN (NAGE)
TAMARA P. DAVIS (Public Member)
EDWARD T. CHOATE (Public Member)
ANNA SINAIKO, Ph.D. (Health Economist)
DEAN ROBINSON (Massachusetts Teachers Association)
CATHERINE WEST (Public Member)
DARREN AMBLER (Public Member)

Commissioners Absent:

MELISSA MURPHY-RODRIGUEZ (Massachusetts Municipal Association)
MARTIN CURLEY (Public Safety)

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 to Executive Director Matthew Veno to review the Agenda for the meeting.

Executive Director Veno reviewed the agenda.

Commissioner Ambler joined at 8:34am

The Chair asked for a motion to approve minutes from the Commission meeting held on December 18, 2025. Commissioner Kaplan motioned to approve and Commissioner Edmonds seconded the motion. The General Counsel took a roll call vote.

Chair Sullivan voted aye

Vice Chair Kaplan voted aye

Designee Sullivan voted aye

Designee Butler voted aye

Commissioner Ambler did not vote

Commissioner Choate voted approve

Commissioner Davis aye

Commissioner Edmonds voted aye

Commissioner Guirand voted aye

Commissioner McAnneny aye

Commissioner Pepin voted aye

Commissioner Silva abstained

Commissioner Sinaiko voted aye

Commissioner West voted aye

The motion passed.

Commissioner Ambler lost connection at or around 8:35. He rejoined the meeting at 8:38.

II. The Executive Director's Report

Presented by Executive Director, Matthew Veno

Executive Director Veno started by highlighting a few items from his written report to the Commission. He reminded them that the Chief Financial Officer (CFO) shared, last meeting, that the GIC faces a FY2026 budget deficiency. GIC is working with the Executive Office of Administration and Finance (ANF)

on a supplemental appropriation that is expected to be filed in the Spring. On the municipal side, he noted that the GIC is having a very busy year. The deadline for municipal entities to state their intent to join passed in December. GIC gave a one-time extension to the entities that are members of the Hampshire County Insurance Trust to submit required documents and that deadline has also passed. Eleven municipalities are planning to join the GIC. GIC staff is now working with the entities to prepare them for onboarding. GIC will have a table at the Mass Municipal Association Annual Conference next week, to present the value proposition of joining the GIC.

Veno reminded Commissioners that the Vida Health program was launched on January 1st to help manage GLP-1 medications for the treatment of obesity. During the December meeting, there were a number of questions about the communications and the written report details all that has been done to communicate with members. Additionally, during the 2 weeks leading up to Jan 1st, all members using GLP-1's to treat obesity received a communication to enroll in Vida. The GIC has information on its website and there is a Vida microsite with information on how to enroll. There is a ninety-day grace period for members to engage with Vida. Members have begun registering and selecting the program Vida offers. GIC staff continue to work closely with the Vida team to discuss communication efforts, review enrollment, etc.

Finally, Veno noted that the Healy-Driscoll administration is forming a working group for healthcare affordability to address the rising costs, and noted that he has been named as a member of the working group.

Commissioner Choate asked what is the difference between a working group and the Health Policy Commission (HPC). He asked if the role of the working group is the same as what HPC is charged with doing. The Executive Director stated that the HPC is expected to participate in the working group, and will likely be supplying data and information to inform the work. The working group is designed to be more than just one agency, but include many different health care industry stakeholders.

Commissioner Choate asked what the feedback from members has been so far regarding Vida. The Director of Vendor Management stated that most of the questions are about why this (Vida program) has to happen and GIC's response has been that this is the GIC's way to preserve access and coverage for these medications, while closely managing costs.

Commissioner McAnneny acknowledged that she is aware that the Governor wants reforms and recommendations, "yesterday", but that working groups of that size do not tend to move along quickly. Commissioner McAnneny stated that she is reticent to believe that anything will be ready for action in June, as the Governor requested. She emphasized that the group is not well balanced, as it is made up of mostly stakeholders, lots of providers, and not enough purchasers of insurance. She suggested that Executive Director needs to push affordability as the goal and needs to be a leader for the purchasers.

Commissioner Edmonds asked what the costs are for the GLP-1 pill verses the injectable formulation. The Executive Director stated that the pill is priced comparably to the injectable form. He stated that a shift is expected from persons using the injectable to the pill, but also it is expected to increase use overall due to net new users of the drug who may have been reluctant to use the current self-injected version of the drug.

Commissioner Edmonds asked what the expected cost differentials would be for the pill verses injectable over the next few years. She also asked whether the savings from other conditions is being considered in the costs. The Executive Director said that those savings are being considered, but that he remains concerned that, regardless of pricing or savings from other conditions, the spend on these medications will increase by a lot going forward with the introduction of the Wegovy pill.

Vice Chair Kaplan noted that a lot of what the working group and related initiatives announced are supposed to be doing may not apply to self-insured employers. The Executive Director responded that there are two initiatives, there is the affordability group that will look at the system broadly, including self-insured plan sponsors, and there will be a new set of regulations for Department of Insurance (DOI) to promulgate which will not apply directly to self-insured plans.

The Vice Chair then commented that members have been reporting difficulty and when they're on the Vida Health app, that it mostly feels like artificial intelligence (AI). She said that people have reported to her difficulty uploading medical records and are concerned about their data privacy. She said members are reporting that they must resend things repeatedly and have trouble being able to speak to a human. She said that when a single member reached a human reported that it was someone in a call center in Texas and they couldn't answer anything about medical records policies. She also stated that members have reported being told by Vida agents that they (Vida) do not communicate with the member's primary care. She said that members are needing to have labs done and the copays are \$40 and \$100, and that there are only two choices for the lab work.

The General Counsel stated that Vida must comply with all privacy laws and that the GIC has the appropriate privacy protections in place. He said he has already inquired about other issues like where the data is being stored and to ensure that Vida is only using it for the purposes allowed.

Commissioner Sinaiko stated that there is new research in the last week or so looking at patients on GLP-1's over time and there is no evidence that the GLP-1's are leading to cost savings. There are improved health effects, but other utilization and cost savings are not being realized.

The Executive Director provided an overview of what is coming up in the next few Commission meetings. He also recapped information on the public listening sessions and encouraged the Commissioners to attend if possible.

II. Life and LTD Procurement Decision Recommendation

Presented by Cameron McBean, Director of Vendor Management

The Director of Vendor Management stated that the GIC worked with the Alera Group, formerly Boston Benefit Partners (BBP), for the Life Insurance and Long Term Disability (LTD) Insurance procurement. This procurement was not designed for major changes to the benefit. He noted that most bidders bid on both products. The finalists were MetLife and The Hartford. The team recommended awarding the contract to the current vendor, MetLife, based on financial savings and options to make certain changes in the future.

Vice Chair Kaplan asked if there are any changes. Mr. McBean said that a small number of members will see a small decrease in rates, but no benefit changes. He further noted that Retired Municipal Teachers

(RMTs) have capped and set life insurance amounts and they will see a slight increase based on a needed risk adjustment.

Vice Chair Kaplan asked if the Flexible Spending Account (FSA) maximums will be increased for the next plan year. Mr. McBean stated that the IRS has already announced that there will be an increase and the GIC intends to adopt those increased limits.

The Chair noted that there's a gap of over 20 points to the full 100 points possible and asked why the scores are so low. Mr. McBean stated that there are two categories that influence that, the Supplier Diversity Program (SDP) and the Best and Final Offer (BAFO). The BAFO scores are low due to the methodology, but not necessarily because they are not strong bids.

The Vice Chair made a motion to vote to approve the recommendation. Commissioner Silva seconded the motion. The General Counsel took a roll call vote.

Chair Sullivan voted aye

Vice Chair Kaplan voted aye

Designee Sullivan voted aye

Designee Butler voted aye

Commissioner Choate voted yes

Commissioner Curley voted aye

Commissioner Davis aye

Commissioner Edmonds voted aye

Commissioner Guirand voted aye

Commissioner McAnneny aye

Commissioner Pepin voted aye

Commissioner Robinson voted aye

Commissioner Ambler voted yes

Commissioner Silva voted yes

Commissioner Sinaiko voted yes

Commissioner West – no answer

The motion passed unanimously of those voting.

III. FY2027 Plan Design

Matthew Veno, Executive Director; Margaret Anshutz, Director of Health Policy and Analytics

The Executive Director emphasized that this segment of the agenda seeks to inform Commissioners and have a discussion, but there is no vote at this meeting. He reminded the Commissioners that the

Executive Office of Administration and Finance (A&F) has presented to the Commission about the challenging conditions related to the state budget, and that the GIC has been given an aggressive target to cut \$120,000,000.00 out of the GIC proposed budget.

The Executive Director reminded Commissioners that, in state stature, they are the body authorized to make decisions regarding benefits and amount of premiums charged, while the Legislature and Governor control the budget. He acknowledged that there is an inherent tension between those things and suggested that it is the Commission's statutory obligation to find the right balance.

Ms. Anschutz presented information about the distribution of payment between members verses the Commonwealth, which showed that the Commonwealth, through premium, pays a substantial portion of health care costs than members through out-of-pocket costs. The data shows, she stated, that while healthcare costs have been growing, the Commonwealth has been absorbing the increase in costs disproportionately when compared to the members.

She reminded the Commissioners that health benefits are part of a total compensation package, including pension and salary, among other things. She walked through two proposals that would need to be enacted by the Legislature, and are therefore items that the Commission has no authority over. Generally, the legislature controls what percentage contribution (often referred to as contribution ratios) is paid by the Commonwealth and each employee. These two options would produce about \$20M in budget savings.

Ms. Anshutz then presented potential benefit design changes that the Commission can consider and how, if adopted, they would impact costs, members and the GIC's strategic priorities. She presented some of the risks and benefits and highlighted where impacts disproportionately impact certain groups, such as the BIPOC (Black, Indigenous, and people of color) populations.

The Executive Director recapped some of the impacts and considerations on the proposed changes. He asked for Commissioner feedback.

Vice Chair Kaplan asked if everything was implemented, what would be the expected savings. The Executive Director said this would be addressed in the subsequent slide.

Commissioner Edmonds stated that the presented proposals are not cost containment, but rather is cost avoidance by the Commonwealth. She stated that she is very concerned that GLP-1's are being singled out for potential changes because they are in the news and are flashy. She continued that changing access to these medications disproportionately and negatively impacts people of color. She believes this is a slippery slope – she asked if there's a new high-cost medication to treat cancer, whether the GIC would eliminate coverage. She is opposed to eliminating coverage across the board. She also stated she is against increasing contribution premiums for surviving spouses. She noted that this would be a fundamental break from longstanding Commonwealth values, as she believes such changes harm those who have lost a spouse and could be facing financial hardship.

The Executive Director then presented the financial implications of the options laid out in this presentation, showing the projected premium increases, budget increase or decrease and how it lines up against the budget savings target given to the GIC by A&F.

Commissioner Robinson stated that closing the gap in funding is really a job for the Governor and Legislature. Additionally, he continued, the burden of chronic disease that is being treated by GLP-1's hits not just people of color, but also those with lower socioeconomic status. He rejects the idea that the GIC should eliminate coverage for GLP-1s to treat obesity.

Commissioner McAnneny thanked Commissioner Edmonds for her comments regarding GLP-1's, noting that she had not thought about it like that before. She asked if the GIC is looking at purchasing healthcare differently, noting that other states have provider reimbursement caps. She implores the GIC to look at such ways we pay for healthcare. The Executive Director noted that staff had presented on such initiatives being undertaken by other states at the last Commission meeting, in December.

The Executive Director also stated that, on the pharmacy side, the GIC is hoping to think about pharmacy benefits in a much different way through the upcoming pharmacy benefits procurement.

Designee Sullivan said that there are longer term solutions, but they take time to be developed and implemented, while the Commonwealth is facing a challenging fiscal year and needs a quicker solution.

Commissioner McAnneny acknowledged that, last year, there was a supplemental budget that largely went to hospitals; however, nothing was asked in return of them, such as reporting or substantial changes. She noted that here are other things that can be done in the budget. This situation is here because we have not done the things that we should have. She suggested that some of these votes need to be contingent upon other things happening because it cannot always be that the GIC chooses to change the benefit design to achieve budget savings. That is simply continuing to kick the can down the road.

Designee Sullivan emphasized that the health care affordability group that the Governor put together will work on those solutions, but the state still needs a quicker solution.

Commissioner Sinaiko noted that this all assumes that consumer behavior will stay constant and there are things you can do with plan design to help people maintain access to high value care. Without guardrails and assistance, she stated, research says that consumers do not have good judgment about deciding what care is necessary and what is not, if there is just a blunt cost increase. Copay cards, she continued, can be a short-term solution for members, but the data shows that, in the long term, these measures actually increase prices.

Commissioner Choate emphasized that the proposal is incredibly unfair. He underscored that the GIC cannot lay this burden all on one group. He said that to do so would be the easy way out. He expressed skepticism about the effectiveness of health care affordability working group, and suggested the Commission should consider disapproving the entire package to send a message.

Commissioner Silva acknowledged the concerns of the budget and asked what is meant by 'long-term'. He stated that the GIC has to do something real or the Commission will be back shifting costs and cutting benefits again and again, every year. He said that he would like to see premium dollars verses copays on an individual basis so that he can understand it better. He stated that the administration asked to decrease the budget by \$120M and he respects that but underscores that cuts like that have a very real impact on members, and on cities and towns as well.

Commissioner Robinson voiced support for Commissioner Choate's comments. The GIC needs to send a strong message, he said. The budget target is a political question, he continued and really is beyond what the Commission is responsible for doing. He noted that budgets are a moving target. He emphatically stated that as the MTA representative, he cannot support these changes, which would fall heaviest on the lower income and vulnerable, those who are already carrying too much, financially.

Vice Chair Kaplan supported the statements of Commissioners Choate and Robinson. She affirmed that there would be no way she could support these proposed changes. The Commission's job, she continued, is to bring affordable healthcare to state workers. People of color and low income will be most burdened by such changes, she added. She noted that GIC has reverted hundreds of millions of dollars back to the General Fund over the years and she asked why, this time, employees are being penalized. Doctors are mostly specialists now, she said, and that will mean that the \$90 proposed copay will be the main one. She said that the GIC needs to make a stand that there is money to be found in other areas instead of seeking it from employees of the Commonwealth.

Designee Sullivan said that the administration is looking at potential cuts everywhere, not just the GIC. There have been a lot of tough cuts, she said. She does not think this is a fair characterization that they are only taking from employees.

Commissioner Ambler noted his sense that even after these cuts, the GIC's benefits are still richer than most. He stated that total compensation in the private marketplace has not kept pace with state workers' compensation, saying that state benefits are better since private employers do not typically offer pensions or retiree benefits.

Commissioner Sinaiko stated that there needs to be a balance for cost sharing. Benefit changes, she stated, need to be nuanced and help drive people to high value care and away from low value care. She added that having no cost sharing leads to overuse.

Vice Chair Kaplan emphasized that employees are struggling with everything else going on and that it's not just healthcare. She said that making these cuts impacts state workers in an unequal and unfair way. She suggested that the administration can cut more from operating budgets from other agencies, rather than burdening state workers alone. The average pension is \$45,000 a year, she noted and to obtain a full pension, you have to work forty or more years. The average salary of state workers, she said, is around \$80,000.00 per year. She also noted that there are a lot of Commonwealth employees who are single parents and are primarily women, and changes like the ones proposed have a huge impact on this group.

Designee Sullivan said that they are looking at how the agencies impact the population of the Commonwealth and they are not just looking at agency budgets that support public workers.

Commissioner Robinson reiterated that the budget target gap is ultimately not just an economic question, but a political one. He stated that there are other ways to close the gap, such as the rainy day fund. Regarding compensation, he noted, the state's contribution to pensions, at 4%, is lower than most employers. Also, he said, most public workers will not be eligible for social security, so total compensation is far more nuanced than what has been presented by others in this discussion. He suggested that if the GIC is going to embark on tackling affordability, the GIC should hold off on design changes and wait for a fuller menu of policy changes to curb costs.

Commissioner Davis suggested that the GIC should think about this in a different way. She asked if data is available to be able to subsidize the costs for GLP-1s for lower-income workers.

Vice Chair Kaplan noted that, since Vida was just launched, the GIC should wait to see what the savings are from that program. She stated that the GIC does not know how successful that program will be and should wait to see what savings Vida produces.

Commissioner Ambler asked if it would require a legislative measure to be able to look at income and base payments on that.

The Executive Director stated that the GIC has evaluated this, and that state has information on state employee salaries, but not family income. Also, yes, he continued, some of the suggestions would need legislative changes.

IV. Other Business/Adjournment

Presented by Vallerie Sullivan, Chair, and Matthew Veno, Executive Director

Commissioner Silva asked about the by-laws and what the terms are for electing board leadership. The Executive Director stated that he will circulate the bylaws.

The Chair asked for a motion to adjourn. Commissioner Silva motioned and Commissioner Choate seconded. The vote passed unanimously and the meeting was adjourned.