




Commonwealth of Massachusetts
Group Insurance Commission

COMMISSION MEETING

March 3, 2022

 MA Group Insurance Commission

 Group Insurance Commission

 @MassGIC

Motion

That the Commission hereby approves the minutes of its meeting held on January 20, 2022 as presented.

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

	Topic	Speaker	Schedule
I	Approval of 1/20/2021 Minutes (VOTE)	Valerie Sullivan, Chair	8:30-8:35
II	Executive Director's Report (INFORM)	Matthew Veno, Executive Director Members of Senior Staff	8:35-8:45
III	Public Listening Session Report (INFORM)	Erika Scibelli, Deputy Executive Director Matthew Veno, Executive Director	8:45-8:55
IV	FY23 Plan Design (VOTE)	Jim Rust, Chief Financial Officer Matthew Veno, Executive Director	8:55-9:20
V	FY23 Subsidies & Rates (INFORM & VOTE)	Jim Rust, Chief Financial Officer Matthew Veno, Executive Director Cameron McBean, Health & Ancillary Benefits Manager Vince Kane, Senior Director, Willis Tower Watson	9:20-10:00
VI	Employee Assistance Program Consultant Update (INFORM)	Jannine M. Dewar, Manager of Pharmacy and Ancillary Benefits	10:00-10:05
VII	Procurement Rules Overview	Andrew Stern, General Counsel	10:05-10:25
VIII	Other Business/Adjournment	Valerie Sullivan, Chair Matthew Veno, Executive Director	10:25-10:30



II. Executive Director's Report (INFORM)

Matthew Veno,
Executive Director
&
Members of Senior Staff

- Calendar
- Human Resources
- Communications/Legislation/Municipalities
- Engagement
- COVID-19

Projected 2022 Calendar*

Jan 20	Feb	Mar 3	Mar 24	Apr	May 19	Jun 16	Jul	Aug	Sep 15	Oct 20	Nov 17	Dec 15
Presentation: FY23 Plan Design	No Meeting	Votes: FY23 Plan Rates & Design	Strategy Update	No Meeting	Vote: Trust Funds	Report: Annual Enrollment	No Meeting	No Meeting	Plan Audit	Annual Stewardship Meeting Report	FY24 Preliminary Rates	FY24 Preliminary Rates
Engagement Update		Report: Public Listening Sessions	Engagement Update		FSA Procurement Update	Vote: EAP Procurement Consultant			EAP Procurement Update	Vote: Medical Benefit	Vote: FSA Procurement	Vote: Pharmacy Benefit (PBM)
Report: Out of Pocket		EAP Procurement Consultant Update				EAP Procurement Update				Vote: EAP Procurement		
Public Info Sessions					FY23 Annual Enrollment							
Stakeholder Engagement				Health Benefit Procurement								

* Topics and meeting dates are subject to change



III. Public Listening Session Report (INFORM)

Erika Scibelli,
Deputy Executive Director

Session 1	Tuesday, January 25, 2022 6:00 pm, Via Zoom	280 Registrants
Session 2	Wednesday, January 26, 2022 12:00 pm, Via Zoom	472 Registrants
Session 3	Friday, January 28, 2022 8:30 am, Via Zoom	306 Registrants

- Each session was recorded and is available for viewing on the GIC's YouTube page.
- Presentation slides are available on the GIC's website.
- Each session had closed captions available; Session 2 also had ASL Interpreters present.
- Common themes in Q&A:
 - Retirement
 - Ancillary Benefits
 - Plan Design
 - Pharmacy



IV. FY23 Plan Design (VOTE)

James Rust,
Chief Financial Officer
&
Matthew Veno,
Executive Director

Proposed Plan Design Changes for FY23

- The GIC is entering into the fifth and final year of the current health plan contracts on July 1, 2022 (Fiscal Year 2023)
- GIC staff and WTW conducted the annual review of benefits and reviewed current plan designs and is recommending no significant plan design changes for the last contract year
 - This includes no changes in cost sharing and deductibles
- GIC staff proposes changes to the behavioral health benefit, consistent with the strategic priority of improving access to behavioral health services, and to align with recent regulatory changes in the fully-insured commercial market on mental health parity.

Proposed Plan Design Changes for FY23

Changes Related to DOI Bulletin on Mental Health Parity

- In 2018, the Massachusetts Department of Insurance and Department of Mental Health jointly issued a [bulletin](#) outlining several mental health parity coverage requirements for fully-insured plans
 - The primary ambition of the legislation was to ensure non-discriminatory coverage for the diagnosis and treatment of child-adolescent mental health disorders, and adequate access to care for such disorders
- Some of these provisions have already been adopted by GIC plans
- The below exhibit outlines the cost of additional changes required to fully align all plans with the provisions of the DOI bulletin:

Plan Name	% of Medical Spend	Aggregate Cost	Impacted Members
AllWays*	0.00%	\$0	0
HNE	0.01%	\$8,000	32
Tufts Navigator	0.09%	\$475,000	290
Tufts Spirit	0.10%	\$49,500	33
HPHC Primary Choice	0.06%	\$87,500	63
HPHC Independence	0.06%	\$202,000	148
Fallon Select**	0.06%	\$32,700	23
Fallon Direct**	0.06%	\$21,400	18
UniCare Basic	0.02%	\$49,500	28
UniCare Plus	0.02%	\$45,600	57
UniCare Community Choice	0.08%	\$160,100	109
Total	0.05%	\$1,131,300	801

* AllWays responded that DOI bulletin changes had already been implemented in previous years

** Fallon % of medical spend and impacted members estimated using averages from other carriers' responses for plans with changes required (excludes AllWays)

Motion

That the Commission hereby approves the proposed plan design changes as presented

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



V. FY23 Subsidies & Rates (INFORM & VOTE)

James Rust,
Chief Financial Officer

Matthew Veno,
Executive Director

Cameron McBean,
Health & Ancillary Benefits Manager

Vince Kane,
Senior Director, Willis Tower Watson



FY23 Dental Plan Rates: Retirees

- The FY23 fully-insured dental rates reflect a slight increase over FY22, as agreed to in the contract executed with MetLife.
- Members in the Retiree Dental plan pay 100% of premiums.

MetLife Retiree Dental Plan	FY22 Fully-Insured Monthly Premium Rate	FY23 Fully-Insured Monthly Premium Rate
Individual	\$28.31	\$28.79
Family	\$68.20	\$69.36

FY23 Dental Plan Rates: Active

- The FY23 fully-insured dental rates reflect a slight increase over FY22, as agreed to in the contract signed with MetLife.
- FY23 is the second year of the contract with MetLife.

MetLife Active Dental Plan	FY22 Fully-Insured Monthly Premium Rate	FY23 Fully-Insured Monthly Premium Rate
Classic Individual	\$38.75	\$39.72
Classic Family	\$120.14	\$123.15
Value Individual	\$28.19	\$28.89
Value Family	\$87.39	\$89.58

FY23 Vision Plan Rates: Active

- For FY23, Davis Vision's fixed administration and vision commodity prices will remain unchanged.
- This is also the second year of the contract with Davis Vision.

Davis Vision Plan	FY23 Self-Insured Monthly Working Rate
Individual	\$2.02
Family	\$5.91

FY23 Active Dental/Vision Plan Rates

The FY23 active dental/vision rates are calculated by adding the FY23 Davis Vision self-insured working rates to the FY23 MetLife fully-insured dental premium rates.

Dental Plan	FY23 MetLife Dental Monthly Premium	FY23 Davis Vision Monthly Working Rate	FY23 Total Monthly Dental/Vision Rate
Classic Individual	\$39.72	\$2.02	\$41.74
Classic Family	\$123.15	\$5.91	\$129.06
Value Individual	\$28.89	\$2.02	\$30.91
Value Family	\$89.58	\$5.91	\$95.49

FY23 Active Dental/Vision Plan Rates: Member Contributions

- Below are the rates participants will pay for dental and vision benefits in FY23
- Participants pay 15% of the managerial dental/vision monthly costs

Dental Plan	Proposed Member Monthly Contribution Rates FY23
Classic Individual	\$6.26
Classic Family	\$19.36
Value Individual	\$4.64
Value Family	\$14.32

**Fiscal Year 2023 Rates:
Rate Stabilization Reserve Allocation for
Elderly Governmental Retirees and their Survivors
(EGRs)**

Returning Rate Stabilization Reserves to Elderly Governmental Retirees (EGRs)

- Through the end of FY18, the EGR program, by statute, was fully-insured and the basic indemnity and Medicare indemnity plans for EGRs had insurance reserve accounts associated with their premiums
- Over the years, excess funds that were returned to the GIC by the carrier were transferred to these reserve accounts, including excess enrollee contributions
- For many years staff has asked the Commission to authorize the use of the funds in the EGR reserve accounts to reduce the basic and Medicare indemnity plan premiums for the EGRs (There are now seven EGRs)
- Today we again recommend that the GIC use the EGR reserves to reduce the remaining EGRs' premiums for FY23
- GIC staff recommends the Commission approve the following use of these funds to reduce FY23 monthly premiums for EGRs

Elderly Governmental Retirees: Returning Rate Stabilization Reserves

- Use approximately \$3,000 of the \$61,000 projected EGR rate stabilization reserve balance to offset the insured share of the FY23 individual, family, and Medicare indemnity plan premiums
- Use approximately \$1,000 of the \$62,000 projected EGR CIC rate stabilization reserve balance to offset the insured share of the FY23 individual, family, and Medicare CIC premiums
- The combined effect of these subsidies is a modest decrease in premiums for the EGRs in FY23

Fiscal Year 2023 Monthly EGR Contributions

The table below displays the FY23 EGR share for UniCare basic and Medicare indemnity plans, pending approval of the EGR reserve spending and the FY23 premiums

FY23 EGR Insured Share

Carrier	Product	Tier	EGR Net Monthly Premium
UniCare	Indemnity Plan with CIC	Individual	\$10.00
		Family	\$24.00
		Medicare	\$1.10

Motion

That the Commission hereby approves spending from The Elderly Government Retirees (EGRs) rate stabilization and CIC reserves to reduce the Fiscal Year 2023 premiums as presented.

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

**Fiscal Year 2023 Rates:
Rate Stabilization Reserve Allocation for
Retired Municipal Teachers and their Survivors (RMTs)**

Returning Rate Stabilization Reserves to Retired Municipal Teachers (RMTs)

- Through the end of FY18, the RMT program, by statute, was also fully-insured. Like the EGRs, the basic indemnity and Medicare indemnity plans for RMTs had insurance reserve accounts associated with their premiums
- Over the years, excess funds that were returned to the GIC by the carrier were transferred to these reserve accounts, including excess employer and enrollee contributions
- Historically, staff has asked the Commission to authorize the use of the funds in these reserve accounts to reduce the RMTs' basic and Medicare indemnity plan premiums
- Today we recommend that the GIC use the remaining balances in the RMT reserves to reduce the FY23 premiums for the 8,658* RMTs enrolled in the basic and Medicare indemnity plans
- GIC staff recommends the Commission approve the following use of these funds to reduce FY23 monthly premiums for RMTs

* Enrollment Estimate as of March 2022

Retired Municipal Teachers: Returning Rate Stabilization Reserves

- Use the remaining employer share RMT rate stabilization reserve balance (approximately \$1,650,000) to offset the employer share of the FY23 individual, family, and Medicare indemnity plan premiums
- Use the remaining insured share RMT rate stabilization reserve balance (approximately \$485,000) to offset the RMT share of the FY23 individual, family, and Medicare premiums
- Use the remaining RMT CIC rate stabilization reserve balance (approximately \$15,000) to offset the RMT share of the FY23 individual, family, and Medicare CIC premiums (CIC is enrollee-pay-all)

Fiscal Year 2023 Monthly RMT Contributions

The table below displays the FY23 RMT share for UniCare basic and Medicare indemnity plans, pending approval of the RMT reserve spending and the FY23 premiums.

FY23 10% RMT and RMS Employer and Insured Share

Product	Tier	Employer Net Monthly Premium	RMT Net Monthly Premium
UniCare Indemnity Plan with CIC	Individual	\$1,022.14	\$165.37
	Family	\$2,267.86	\$370.32
	Medicare	\$348.25	\$47.63

FY23 15% RMT Employer and Insured Share

Product	Tier	Employer Net Monthly Premium	RMT Net Monthly Premium
UniCare Indemnity Plan with CIC	Individual	\$963.32	\$224.19
	Family	\$2,137.35	\$500.83
	Medicare	\$328.21	\$67.67

Motion

That the Commission hereby approves spending from the Retired Municipal Teachers' (RMTs) rate stabilization and CIC reserves to reduce the Fiscal Year 2023 premiums as presented.

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

**Fiscal Year 2023 Full Cost Health Insurance Premium
Presentation and Vote**

Table of Contents

- Overview of Rate Development Process & Timeline
- Executive Summary
- Fiscal Year 2023 Full Cost Premiums by Product
 - Non-Medicare
 - Medicare
- Vote to Approve Fiscal Year 2023 Rates
 - Approve recommended Fiscal Year 2023 Non-Medicare and Medicare full cost premiums

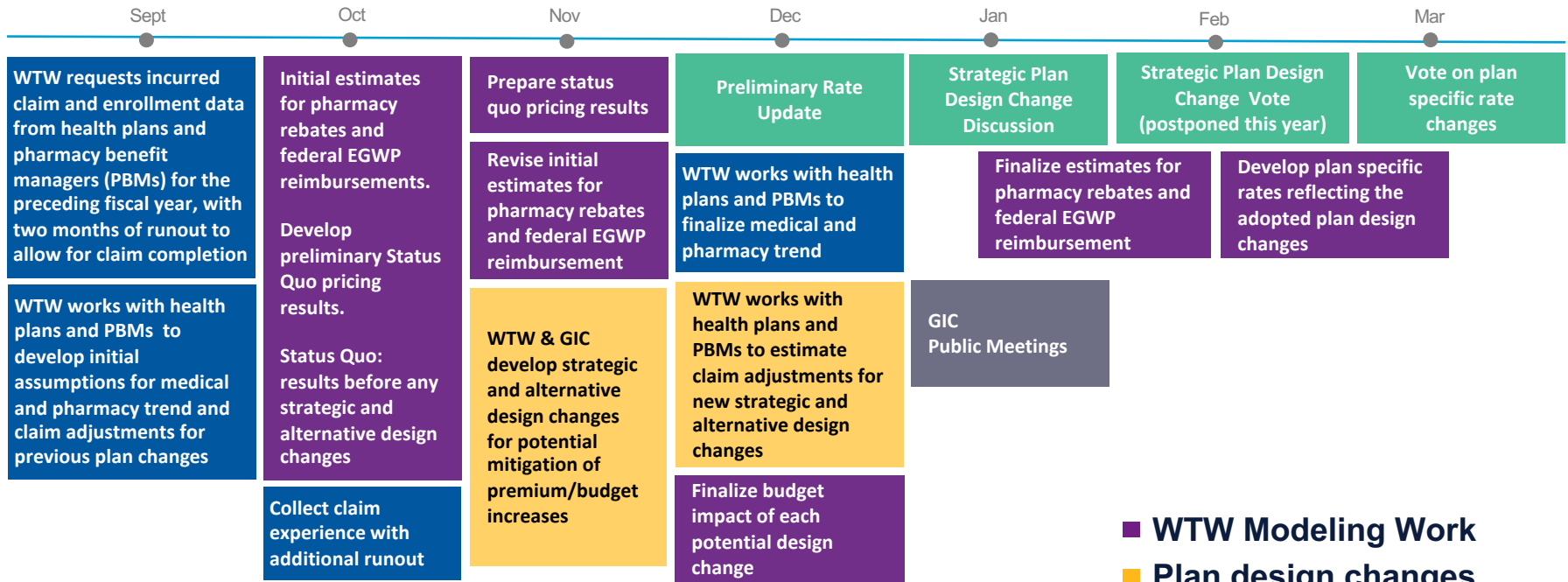
Purpose

Why are we here today?

- The purpose of this discussion is to present proposed Fiscal Year 2023 (FY23) health insurance premiums for a Commission vote
- Health insurance premiums are developed annually for each of the GIC's plans based on
 - Anticipated members within each plan
 - Anticipated total cost of those members' claims
- The GIC's health plans are classified as non-Medicare products for active employees and retirees not eligible for Medicare, and Medicare products for retirees
- All insurance carriers offering Non-Medicare and Medicare plans remain the same, with the exception of Fallon plans (Select and Direct) which will no longer be offered in FY23
 - Fallon is exiting the commercial insurance market effective as of FY23
- Non-Medicare plan designs will be enhanced to align with the mental health parity coverage provisions of the 2018 MA DOI bulletin

Timeline

What does the process look like?



- WTW Modeling Work
- Plan design changes
- Vendor Reporting
- Commission Meeting/Vote
- Public Meetings

Definitions

What are premiums?

- A premium is the total sum of money that is needed to pay:
 - Medical providers for all eligible claims for service and medication based on negotiated rates
 - Insurance company costs depending upon the risk model for the products
- Premiums do not include out-of-pocket expenses like copays and deductibles
- The premiums reflected on the following slides reflect the full cost – most members only pay a portion of the full cost premium

Definitions

How are the premiums shared?

- Premium sharing is specified by state law or in contract agreements (Municipalities)
- Depending upon date of hire and the member's status (active/retired), the state contribution ratios are:

Commonwealth	Employee or Retiree
90%	10%
85%	15%
80%	20%
75%	25%

Definitions

Who takes on the risk?

- **The Commonwealth of Massachusetts** takes the risk **for active employees and non-Medicare retirees** by using a **self-insured model** for non-Medicare products and for retirees who purchase Medicare Supplemental plans. This means:
 - If claims exceed the premiums, the state must seek additional funds from the General Fund in a supplemental budget request
 - The health insurance carrier takes no risk in this self-insured model
 - This approach reduces costs by fixing the health insurance carrier's income around administration and eliminating any premium built in to profit from risk-taking
 - And allows the state and members to pay less in years when claims are lower than the premiums
- **The insurance carrier** takes the risk **for retirees** enrolled in Medicare Advantage which is offered in a **fully-insured model**. This means:
 - If total eligible claims exceed collected premiums, the health insurance carrier suffers a loss
 - The health insurance carrier takes a risk in the fully-insured model
 - This approach results in premiums that are higher to cover costs and claims AND ensure a profit
 - If claims are lower than collected premiums, the health insurer retains the difference
 - Medicare Advantage is regulated at the federal level

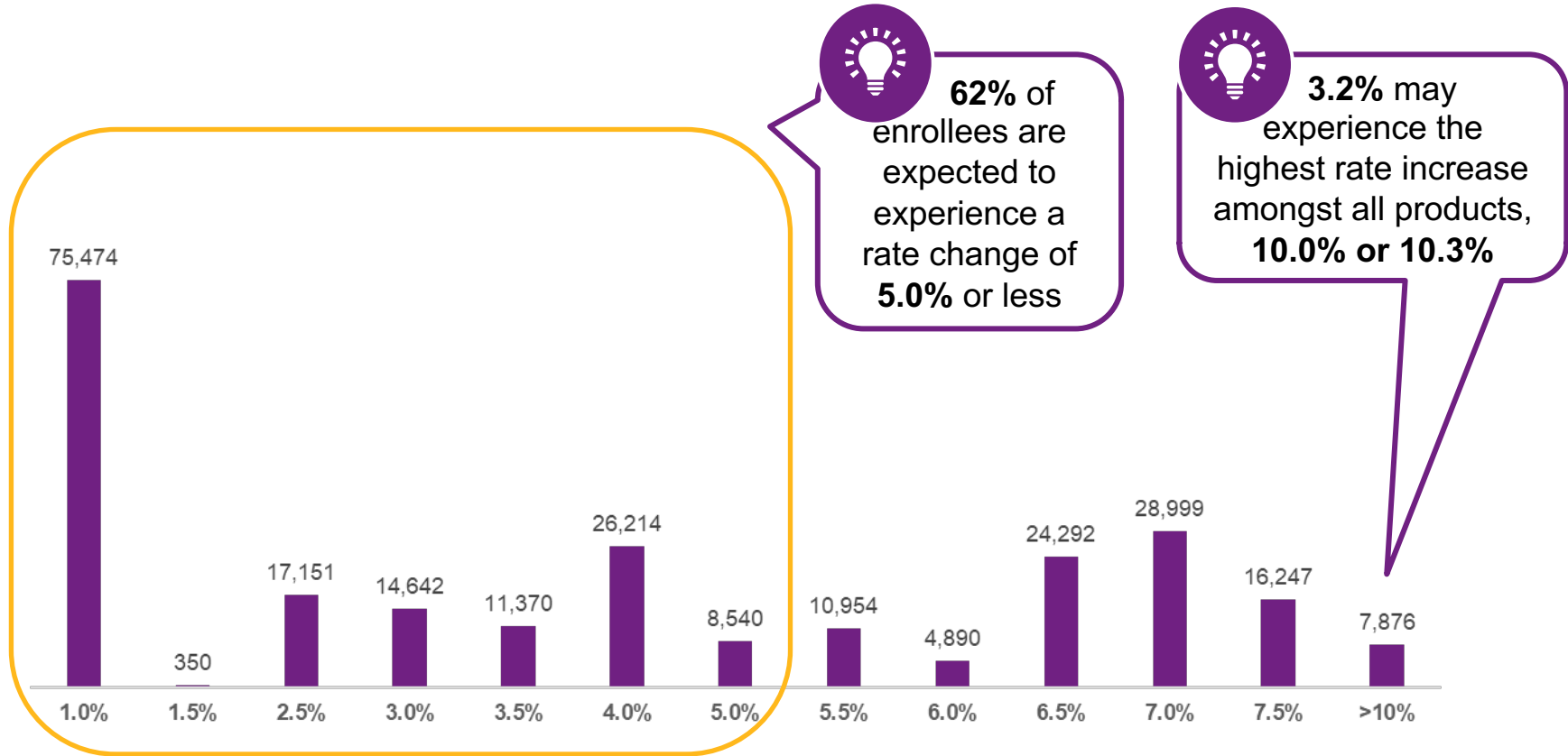
Background

What is driving premium increases?

- **Medical cost inflation** is the primary driver of premium increases
 - The Medical trend anticipated by medical plans is higher than the level assumed in last year's FY22 pricing
 - Health care inflation and provider consolidation have led to higher unit prices, representative of the contracts that health plans have in place with hospitals and care providers
 - Levels of plan utilization are returning to pre-pandemic levels
 - Continuing costs associated with COVID-19
 - Pharmaceutical companies have raised prices for brand name and specialty drugs
- **Massachusetts market data** collected by the Center for Health Information and Analysis (CHIA) and presented by the Health Policy Commission (HPC) reflect this inflation in the state's broader commercial market
- **GIC** claims data reflects this in:
 - More expensive claims for the same services provided in prior years
 - Faster rate of unit cost increases in relation to utilization
 - Significant pharmacy claims increases from FY20 to FY21

Executive Summary

Overall average Fiscal Year (FY) 2023 premium increase of **5.4%** over FY 2022; this is in line with the FY 2022 premium increase of 5.2% over FY 2021 and with market trends of 5% - 7%.



Caveats:

*Enrollment bucketed based on nearest 0.5%; a plan with an increase of 2.1% appears as 2.0%, and a plan with an increase of 2.4% appears as 2.5%

*These are premium rates – not member contributions

*CIC is paid 100% by enrollees, so some enrollees will see larger contribution increases

*Enrollment as of July 2021 and does not reflect potential migration between plans – Fallon enrollment excluded since plans will not be offered in FY23

*Note, rate increases are inclusive of proposed mental health parity changes

Fiscal Year 2023 Full Cost Premiums: Non-Medicare



Key Insights

- Overall product portfolio seeing a range of premium changes over FY22
- **Regional products** are offered by provider-owned carriers; their premiums reflect their geographies and favorable contracted rates offered by their parent organizations
- **Limited network products** offer lower rates due to more efficient providers, and generally attract lower risk members
- **Broad network products** offer a range of premiums; premiums higher than limited products as network is more robust
- **National products** remain the most expensive; they offer the most generous benefits and maximum choice
- Member contribution for Unicare CIC is decreasing from \$60.39 to \$58.99 for Individuals, and from \$137.49 to \$134.31 for Families

Network	Plan	Tier	Projected Enrollment*	FY22 Rates	FY23 Rates	% Increase Over FY22 Rates
Regional	HNE	Individual	5,326	\$628.13	\$667.71	6.3%
		Family	5,933	\$1,499.20	\$1,597.34	6.5%
	AllWays Health Partners Complete HMO	Individual	4,032	\$765.28	\$841.94	10.0%
		Family	3,844	\$1,998.69	\$2,205.02	10.3%
Narrow	UniCare Community Choice	Individual	8,540	\$591.76	\$621.96	5.1%
		Family	10,954	\$1,470.69	\$1,548.76	5.3%
	Tufts Spirit	Individual	3,098	\$636.49	\$673.71	5.8%
		Family	1,792	\$1,536.53	\$1,629.65	6.1%
	HPHC Primary Choice	Individual	4,930	\$695.52	\$744.49	7.0%
		Family	5,403	\$1,775.74	\$1,903.87	7.2%
Broad	UniCare Plus	Individual	7,715	\$779.26	\$808.96	3.8%
		Family	10,475	\$1,860.21	\$1,932.95	3.9%
	Tufts Navigator	Individual	13,033	\$833.73	\$888.49	6.6%
		Family	18,666	\$2,038.79	\$2,176.62	6.8%
	HPHC Independence	Individual	6,872	\$960.90	\$1,032.93	7.5%
		Family	9,375	\$2,347.91	\$2,527.05	7.6%
National	UniCare Basic w/o CIC	Individual	283	\$1,139.58	\$1,176.39	3.2%
		Family	242	\$2,527.29	\$2,610.11	3.3%
	UniCare Basic w/CIC	Individual	8,906	\$1,199.97	\$1,235.38	3.0%
		Family	5,453	\$2,664.78	\$2,744.42	3.0%

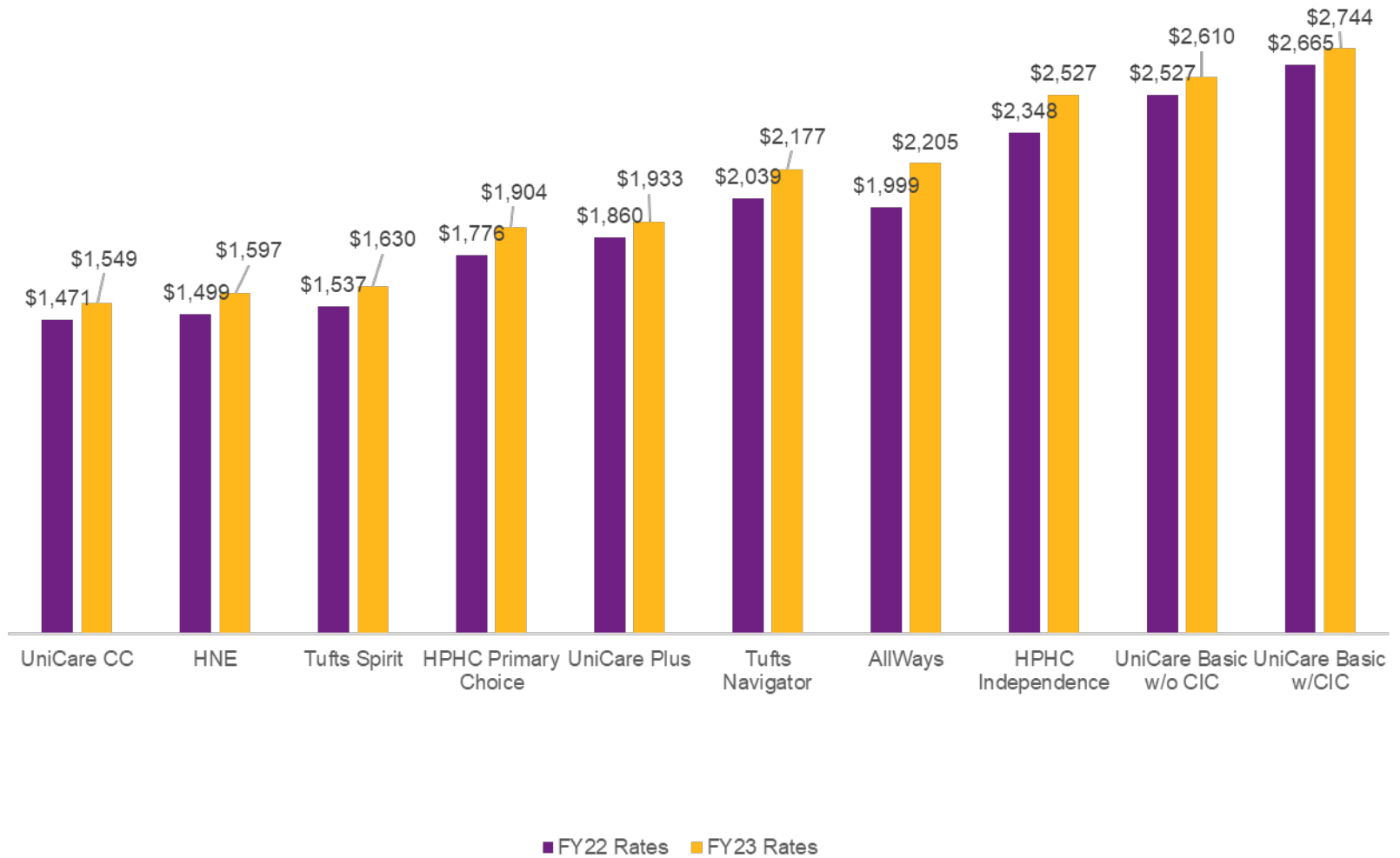
*Enrollment counts as of July 2021

- Overall average Fiscal Year 2023 premium increase amongst Non-Medicare products is 6.2%
- The highest increase is 10.3% and the lowest is 3.0%
- UniCare Community Choice remains the lowest cost product followed by Health New England
- Rates are inclusive of proposed mental health parity changes

Individual Rates by Carrier



Family Rates by Carrier



Fiscal Year 2023 Member Contributions: Non-Medicare

Network	Plan	Tier	Member Contributions			
			90%/10%	85%/15%	80%/20%	75%/25%
Regional	HNE	Individual	\$66.77	\$100.16	\$133.54	\$166.93
		Family	\$159.73	\$239.60	\$319.47	\$399.34
	AllWays Health Partners Complete HMO	Individual	\$84.19	\$126.29	\$168.39	\$210.49
		Family	\$220.50	\$330.75	\$441.00	\$551.26
Narrow	UniCare Community Choice	Individual	\$62.20	\$93.29	\$124.39	\$155.49
		Family	\$154.88	\$232.31	\$309.75	\$387.19
	Tufts Spirit	Individual	\$67.37	\$101.06	\$134.74	\$168.43
		Family	\$162.97	\$244.45	\$325.93	\$407.41
	HPHC Primary Choice	Individual	\$74.45	\$111.67	\$148.90	\$186.12
		Family	\$190.39	\$285.58	\$380.77	\$475.97
Broad	UniCare Plus	Individual	\$80.90	\$121.34	\$161.79	\$202.24
		Family	\$193.30	\$289.94	\$386.59	\$483.24
	Tufts Navigator	Individual	\$88.85	\$133.27	\$177.70	\$222.12
		Family	\$217.66	\$326.49	\$435.32	\$544.16
	HPHC Independence	Individual	\$103.29	\$154.94	\$206.59	\$258.23
		Family	\$252.71	\$379.06	\$505.41	\$631.76
National	UniCare Basic w/o CIC	Individual	\$117.64	\$176.46	\$235.28	\$294.10
		Family	\$261.01	\$391.52	\$522.02	\$652.53
	UniCare Basic w/CIC*	Individual	\$176.63	\$235.45	\$294.27	\$353.09
		Family	\$395.32	\$525.83	\$656.33	\$786.84

*CIC portion of UniCare Basic rate is 100% paid by member

Note that the member contributions shown above only reflect core medical portion of member contributions and do not include other benefits contributions such as life insurance, dental and vision; additional administrative fees may also apply (i.e., municipality fees)

Fiscal Year 2023 Full Cost Premiums: Medicare

Product	Plan	Tier	Projected Enrollment*	FY22 Rates	FY23 Rates	% Increase Over FY22 Rates
Medicare Advantage	Tufts Medicare Preferred	Individual	4,586	\$331.54	\$344.39	3.9%
Medicare Supplement	Tufts Medicare Complement	Individual	11,128	\$391.22	\$404.81	3.5%
	UniCare OME w/o CIC	Individual	350	\$395.73	\$400.81	1.3%
	UniCare OME w/CIC	Individual	75,474	\$407.41	\$412.13	1.2%
	HPHC Medicare Enhance	Individual	17,151	\$411.98	\$422.70	2.6%
	HNE Medicare Supplement	Individual	3,438	\$412.74	\$429.00	3.9%

* Enrollment counts as of July 2021

- Overall average Fiscal Year 2023 premium increase amongst Medicare products is 1.8%
- Tufts Medicare Preferred is the only Medicare Advantage product offered to GIC members
- There is little premium variation across Medicare Supplement products with a maximum premium differential of \$24/month, excluding UniCare OME without CIC



Key Insights

- Benefits remain the same as Fiscal Year 2022
- Premium increases across all plans are comparable
- All Medicare Supplement products offer similar value propositions and premiums
- The majority of GIC Medicare-eligible members are in UniCare OME
- Member contribution for Unicare CIC is decreasing from \$11.68 to \$11.32

Fiscal Year 2023 Member Contributions: Medicare

Product	Plan	Tier	Member Contributions			
			90%/10%	85%/15%	80%/20%	75%/25%
Medicare Advantage	Tufts Medicare Preferred	Individual	\$34.44	\$51.66	\$68.88	\$86.10
Medicare Supplement	Tufts Medicare Complement	Individual	\$40.48	\$60.72	\$80.96	\$101.20
	UniCare OME w/o CIC	Individual	\$40.08	\$60.12	\$80.16	\$100.20
	UniCare OME w/CIC*	Individual	\$51.40	\$71.44	\$91.48	\$111.52
	HPHC Medicare Enhance	Individual	\$42.27	\$63.41	\$84.54	\$105.68
	HNE Medicare Supplement	Individual	\$42.90	\$64.35	\$85.80	\$107.25

*CIC portion of UniCare OME rate is 100% paid by member

Note that the member contributions shown above only reflect the core medical portion of individual member contributions and do not include other benefits contributions such as life insurance, dental and vision; additional administrative fees may also apply (i.e., municipal fees)

Motion

Approve recommended Fiscal Year 2023 full cost premiums as shown on slides 37 and 41

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

**Fiscal Year 2023 Rates:
Establishing the Municipal Administrative Fee**

Municipal Administration Fee

The GIC staff recommends setting the Fiscal Year 2023 Municipal Administrative fee to 0.30% of the full cost premiums.

- This represents a 0.05% reduction in the municipal administrative fee from the FY22 level (0.35%)
- All participating municipalities pay a fee to the GIC for administrating the municipal program
- The GIC is authorized by statute to charge up to 1.0 % of premium

Note: The 0.30% administrative fee is estimated to yield approximately \$2,500,000 in FY23

Motion

Authorize the GIC to set the Fiscal Year 2023 Municipal Administrative fee at 0.30% of the full cost premiums.

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



VI. Employee Assistance Program Procurement Consultant Update (INFORM)

Jannine M. Dewar,
Manager of Pharmacy and Ancillary Benefits

Mass4YOU- Employee Assistance Program (EAP)

- Mass4YOU is the Employee Assistance Program, administered by Optum
 - Three-year contract, effective 7/1/2018, with two options to renew for one year
 - Contract renewed for year 4 and we intend to renew for year 5 (year 5 end date 6/30/2023)
- The GIC seeks to procure an EAP consultant in 2022 to assist with the FY2024 EAP vendor procurement and implementation
- An EAP consultant can help to formulate strategies for:
 - Increasing utilization
 - Developing expectations for communications
 - Coordinating benefits with those already offered through other GIC benefits and HRD

Mass4YOU - Employee Assistance Program (EAP) - Member Benefits

Mass4YOU is available to all employees eligible for GIC benefits and their dependents.

- 3 free therapy sessions per issue per year (telephonic, virtual, and/or in-person)
- Unlimited, 24/7 telephonic and chat access to master’s level clinicians
- Free access to:
 - LiveandWorkWell.com website
 - Sanvello Premium
 - TalkSpace providers
 - Concierge services and assistance with work/life needs such as childcare, eldercare, home improvement, etc.
- Access to legal and financial services
- Confidential substance use disorder hotline, available 24/7

Top 5 Presenting Reasons

Prior	Current	Norm	
17%	15%	16%	Legal
10%	12%	10%	Anxiety
8%	9%	6%	Workplace
6%	6%	5%	Depression
6%	6%	6%	Financial

Fiscal Year 2021

- Utilization: 0.8%
- Unique members who called into the Mass4YOU Program: 1,090
- Cases created when members called Mass4YOU Program: 1,265
- Access to licensed professionals for Management Consultations
- Visits to LiveAndWorkWell.com: 3,625

Mass4YOU GIC/Coordinator Benefits

Benefits Available to the GIC/Coordinators

- 370 hours per year for training and Critical Incidence Response (CIRS)
- Access to licensed professionals for Management Consultations
- Custom communications
 - Monthly emails

Fiscal Year 2021

- Trainings: 162
 - 6,483 participants
 - 117.25 hours used
 - Top attended trainings:

Events	Attendees	Title
10	547	The New Normal: Life After COVID-19
6	535	Living in Uncertain Times During COVID-19
6	338	Making the Holidays Happier
7	330	COVID-19: Embracing Happiness
6	299	Fostering Inclusion in the Workplace

- CIRS Events: 113
 - 1,301 participants
 - 223.50 hours used

March 3

Inform Commission of intent to procure consultant for EAP

June 16

- Commission vote on EAP Consultant
- Update Commission on EAP Procurement

September 15

Update Commission on EAP Procurement

October 20

Commission vote on EAP procurement



VII. Procurement Rules Overview

Andrew Stern,
General Counsel

GIC Procurement Process

- Because the GIC may not contract with a vendor for more than 5 years, we are typically running procurements yearly.
- Commissioner's provide strategic feedback to the staff as it structures the specific goals for a procurement in preparation for writing the Request for Responses (RFR).
- To ensure a competitive procurement, free of undue influence, the procurement process is confidential.
- The GIC staff arrives at a recommendation for the procurement outcome which it then presents to the Commission. The Commission then decides on the final procurement result.

Procurements

- Procurements for the Executive Branch are governed by G.L. 7, § 22; 801 CMR 21 et. seg. (ANF), and by OSD's Best Value Procurement procedures.
- In general, any contract for more than \$10,000 is subject to competitive procurement.
- The procurement process begins with posting a request for responses (RFR) and ends with a bid award leading to a negotiated contract.



Procurement Ground Rules from OSD

Everyone involved in a procurement is required to ensure impartiality and to maintain the fairness and integrity of the process

Conflict of Interest: “Shall not act as the agent of or in the interest of any person or organization other than the public entity they are representing”

Confidentiality: “All meetings and proceedings of the procurement team shall be confidential”

Non-Disclosure: “All documents, drafts, correspondence, electronic communications and other communications in any form, paper or electronic, written by or directed to the procurement team, shall be confidential, and shall not be disclosed to any person during the RFR process and until final contract award.”

Public Record: “.....that in accordance with G.L. c. 4, § 7(26)(h), proposals and bids are exempt from disclosure of all submitted materials until the evaluation of the submission and a decision to enter into negotiations with and award a contract to, a particular bidder(s).”

Procurement & Public Records

- Procurement documents are exempt from public record disclosure prior to the close of the procurement.
- Procurement related materials shared with the Commission for informational purposes prior to the close of the procurement are confidential and are not “deliberations” under Open Meeting Law or public records.

Summary

- Procurements are different from all other Commission activities.
- The opportunity for public comment and stakeholder feedback occurs during the strategic discussions prior to posting the RFR.
- The procurement process is confidential and procurement documents are exempt from public record disclosure until the bid award.
- Until the bid is awarded, neither GIC staff nor commissioners may discuss the confidential material in bid submissions with non-procurement team members.
- The procurement decision is part of the procurement process and information provided to the commissioners in advance of the meeting is confidential.
- Under the Best Value procurement guidelines, commissioners can function as non-scoring “Advisors” – procurement team members who provide advice and counsel, as well as the designator of the apparent successful bidder(s). (OSD)

Non-Disclosure Agreement (NDA)

- Commissioners can be updated on ongoing procurements through the use of NDAs and informational documents.
- Similar to the Strategic Sourcing Team's membership document signed by team members, we have prepared an NDA for commissioners to sign that will allow us to share material for informational purposes about the procurement while it is ongoing.



VIII. Other Business/Adjournment

Matthew Veno,
Executive Director

FY22 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

- March will have two meetings: Thursday, March 3rd and Thursday, March 24th.
- April's meeting is canceled.

Please note these changes

- Until further notice, 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.

Upcoming Group Insurance Commission Meetings

		March 2022 24	April 2022 No Meeting
May 2022 19	June 2022 16	July 2022 No Meeting	August 2022 No Meeting
September 2022 15	October 2022 20	November 2022 17	December 2022 15

Appendix

Commission Members

GIC Leadership Team

GIC Goals

GIC Contact Channels

Commission Members

Valerie Sullivan, Public Member, Chair

Bobbi Kaplan, NAGE, Vice-Chair

Gary Anderson, Commissioner of Insurance

Michael Heffernan, Secretary of Administration & Finance

Elizabeth Chabot, NAGE

Joseph Gentile, Public Safety Member

Adam Chapdelaine, Mass Municipal Association

Patricia Jennings, Public Member

Edward Tobey Choate, Public Member

Anna Sinaiko, Health Economist

Christine Clinard, Public Member

Timothy D. Sullivan, Massachusetts Teachers Association

Tamara P. Davis, Public Member

Eileen P. McAnneny, Public Member

Jane Edmonds, Retiree Member

Melissa Murphy-Rodrigues, Mass Municipal Association

Gerzino Guirand, Council 93, AFSCME, AFL-CIO

GIC Leadership Team

Matthew A. Veno, Executive Director

Erika Scibelli, Deputy Executive Director

Emily Williams, Chief of Staff

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

GIC Goals

1

Provide access to high quality, affordable benefit options for employees, retirees and dependents

2

Limit the financial liability to the state and others (of fulfilling benefit obligations) to sustainable growth rates

3

Use the GIC's leverage to innovate and otherwise favorably influence the Massachusetts healthcare market

4

Evolve business and operational environment of the GIC to better meet business demands and security standards

Contact GIC for Enrollment and Eligibility

	Enrollment Qualifying Events Information Changes	Retirement Life Insurance Marriage Status Changes	Premium Payments Long-Term Disability 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	1 Ashuburton Place, Suite 1619 Boston, MA		Not open for walk-in service
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		

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

March 3, 2022

Date: February 25, 2021
To: Group Insurance Commission
From: Matthew Veno, Executive Director
Subject: Executive Director's Report

Purpose: The purpose of this memo is to provide Commissioners with the monthly Executive Director's report in writing. Questions and comments from Commissioners on the content of this memo are welcome during this portion of the agenda.

HUMAN RESOURCES

Staffing Activity:

We have made a number of organizational changes over the past several months to ensure alignment with key strategic priorities and initiatives and to better support the GIC in the hybrid work model. I wanted to share a recap of the key new positions and responsibilities.

- I am pleased to announce the promotion of Margaret Anshutz to the newly created position of **Director – Healthcare Policy and Analytics**. In this very important new role, Margaret will assume some of the critical strategic responsibilities previously handled by Denise Donnelly. She will continue to oversee GIC Healthcare Analytics while also leading our Population Health program development and initiatives, and will review and develop healthcare policy and ensure alignment with GIC strategy.
- The scope and roles for Cameron McBean and Jannine Dewar, GIC's **Vendor Managers**, have been significantly expanded. First, Cameron and Jannine have each taken on additional responsibilities for managing vendor relationships following Denise Donnelly's retirement, and they will play an increased role in our vendor procurement programs. They have both also been heavily involved in the development of procurement and strategy over the last two years, and their job descriptions have been expanded to formalize this. Jannine has also taken on management of the Employee Assistance Program. Margaret, Cameron and Jannine all report to Jim Rust. This team will lead the overall vendor procurement process for the GIC. They also will work together on other important strategic projects, procurements, and program evaluations.
- Chuck O'Brien has been promoted to the newly created position of **Business Systems and Applications Manager**. This is a critical position in our Operations organization to support the ongoing development and implementation of technology initiatives to deliver GIC programs and services to our members. Chuck will work closely with the Operations Team leadership to provide support, training, and assistance to the GIC's Operations Department employees and external users on a range of technical systems, and to ensure that the agency is fully prepared for the implementation and ongoing management of new systems and technologies. We will backfill Chuck's prior role of **Program Coordinator – Technical Liaison** to provide support to Chuck in his new role.
- We have previously announced Leslie Monteiro's hiring as **Communications Manager** for the GIC. Leslie brings a strong background in Digital Communications and has taken ownership of

March 3, 2022

the GIC's digital communications, including overseeing social media, outreach via Constant Contact, and other communications channels made possible by the ongoing GIC technology modernization initiatives.

- We identified a need to add a **Paralegal Specialist** to our Legal Department, a position that existed in the recent past, to support the work of that team, and Tansey Helmke was selected for that role. Tansey had been with the GIC since September in a temporary role providing Executive Assistant support for the agency and also participating in several other initiatives. She has experience as a Paralegal and began in the Paralegal role with the GIC in December.
- During the time that our employees have been working remotely, Ruth Oliveira has taken on a number of additional responsibilities to ensure that key Human Resources, Administrative, and Facility-related functions have continued smoothly. Since we will continue to operate on a hybrid basis, we have asked Ruth to take on the new position of **HR and Administrative Services Specialist** in which she will support HR-related activities, contract and procurement processes, as well as facility management programs to facilitate an ongoing hybrid work model. Ruth will report to Brock Veidenheimer, our Director of Human Resources, in this role.

Recruiting Activity:

We have recently had offers accepted for the two open Office Support Specialist positions in our Operations group:

- Milagros (Mili) Arias Mendoza joined us this week from the Department of Early Education & Care and brings great experience in customer service as well as familiarity with the state government.
- Nicole Conward will join us from Harvard Pilgrim Health Care in mid-March and brings a strong background in Medicare, prescription drug programs and customer service.

COMMUNICATIONS

2021 Member Preference Survey Results

2021 member preference survey results were shared with our members. In addition to the commission meeting presentation on October of 2021, below are additional methods used to communicate to our members:

- February GIC Website News Post – targeted to all GIC members
- February GIC Social Media post – targeted for all GIC members

Member Benefit Statements

Member Benefit Statements were mailed the week of February 21st. Below are methods used to communicate to our members:

- February GIC Website News Post – targeted to all GIC members
- February GIC Social Media post – targeted for all GIC members

Fallon Health Plan's Exit from the Commercial Market

March 3, 2022

GIC staff are working closely with colleagues at Fallon Health to ensure all current members are aware of Fallon Health's decision to exit the commercial market. Fallon Health members will be strongly encouraged to select a new health plan and notified that if they do not, they will be placed in the Unicare PLUS health plan unless they update their enrollment preferences. Below are the methods used to communicate to our members this month:

- February 2022 Benefit Statements – targeted for all GIC members
- February Social Media Post – targeted for all GIC members

LEGISLATIVE UPDATE:

LEGISLATIVE ENGAGEMENT & POLICY

On February 3, the Senate released **S.2651**, *An Act relative to pharmaceutical access, costs and transparency* (PACT Act 2022) and later passed the bill on February 10. The legislation itself has many components but highlighted below are the five most impactful provisions.

1. Capping Patient Out-of-Pocket Insulin Costs

- a. The bill will limit out-of-pocket insulin spending for consumers by capping co-pays at \$25 per 30-day supply and exclude insulin costs from deductibles and coinsurance. The Health Policy Commission (HPC) will study the impact of this cap on patient access to insulin.

2. Pharmacy Benefit Managers Licensure

- a. The bill creates a licensing process with the Division of Insurance (DOI) for pharmacy benefit managers (PBMs) to review their compliance with financial and organizational standards and establishes sanctions for PBMs that fail to act in the best interests of consumers.

3. Drug Price Notification

- a. The bill requires pharmaceutical companies to notify the state in advance of bringing new and biosimilar drugs to market, as well as before they significantly increase the cost of one of their existing drugs. This advanced notification is intended to prepare payers for potential cost increases and enable the HPC to analyze the potential impacts on overall health care costs during their Annual Cost Trends Hearing.

4. Ensuring Patients Pay the Lowest Price at the Pharmacy

- a. Building on federal action to require that patients pay the lowest possible cost at the pharmacy counter, the bill requires that a patient purchasing a prescription drug is not charged a cost sharing amount, such as a co-pay or deductible, that exceeds the drug's retail price.

5. Pharmacy Choice for Patients

- a. This provision is intended to expand options for patients to get their prescription drugs from a pharmacy of their choice by limiting PBM and payer programs that constrain such choice in an effort to reduce costs. It would enable independent pharmacists to become licensed to dispense specialty drugs and contract with carriers to provide specialty medications to patients.

March 3, 2022

There are still several steps to come before this bill would become law. For some context, the Senate passed a similar piece of pharmacy legislation in 2019 but it was not adopted by the House.

MUNICIPAL UPDATE:

We are pleased to share that the Town of Watertown recently came to an agreement with their Public Employee Committee (PEC) to extend their enrollment in the GIC through Fiscal Year 2026. The town was one of the fifteen municipal entities cited as up for renewal in FY23 at our December meeting.

Executive Director Matt Veno recently completed the first ever “video update” for GIC municipal entities. This video presentation was a narrated PowerPoint presentation that included important updates regarding the Fallon Health departure, Annual Enrollment, and our Retiree Dental Program.

COVID-19 VACCINE:

ESI VACCINE CLAIMS BREAKOUT BY HEALTH PLAN (TIME FRAME: 12/22/2020-02/22/2022)

	1 st DOSE:	2 nd DOSE:	3 rd DOSE (BOOSTER)	ALL DOSES:
Brand				
Moderna	24,664	25,419	50,522	100,728
Pfizer	47,905	49,200	48,320	145,642
J&J	-	-	-	7,669
Plan				
Fallon	2,232	2,279	2,896	7,643
Harvard	11,389	11,778	15,823	40,188
HNE	6,231	6,504	7,932	21,340
AllWays	3,661	3,806	4,294	12,143
Tufts	21,783	22,291	28,798	75,344
UniCare	27,273	27,961	39,099	97,381
TOTAL COVID VACCINE CLAIMS	72,569	74,619	98,842	254,039

March 3, 2022

12/29/20-02/22/22

COVID-19 VACCINE UTILIZATION

LINE OF BUSINESS	CLIENT NAME	CARRIER	DRUG NAME	STATE	RELATIONSHIP	EXTERNAL CLAIMS
All	COMMONWEALTH OF MA G.L.	All	All	All	All	All

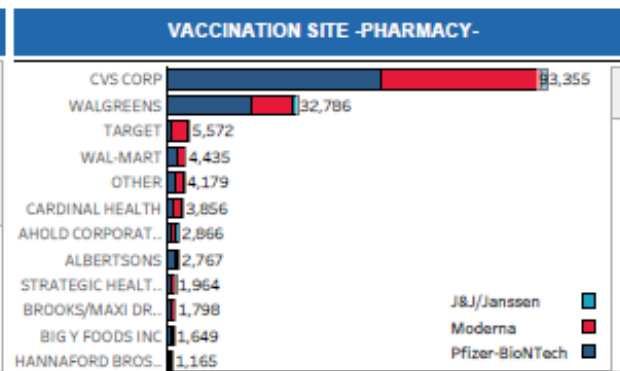
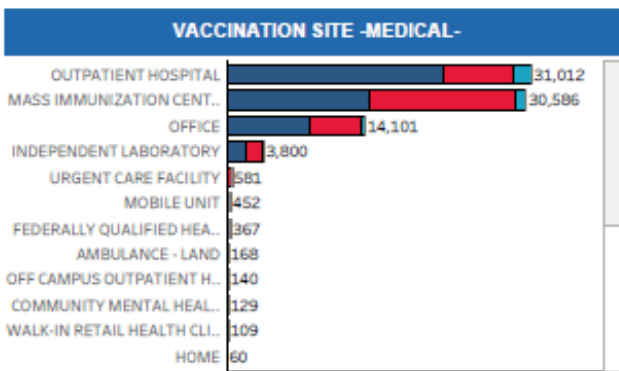
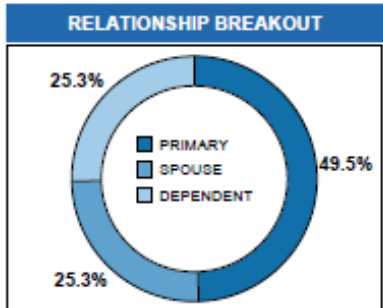
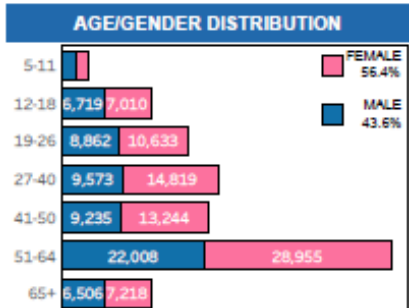
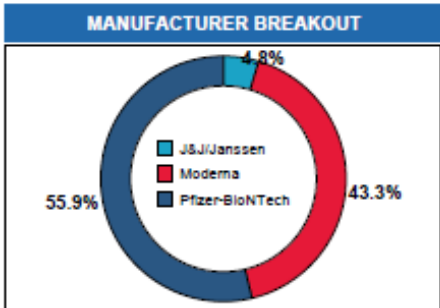
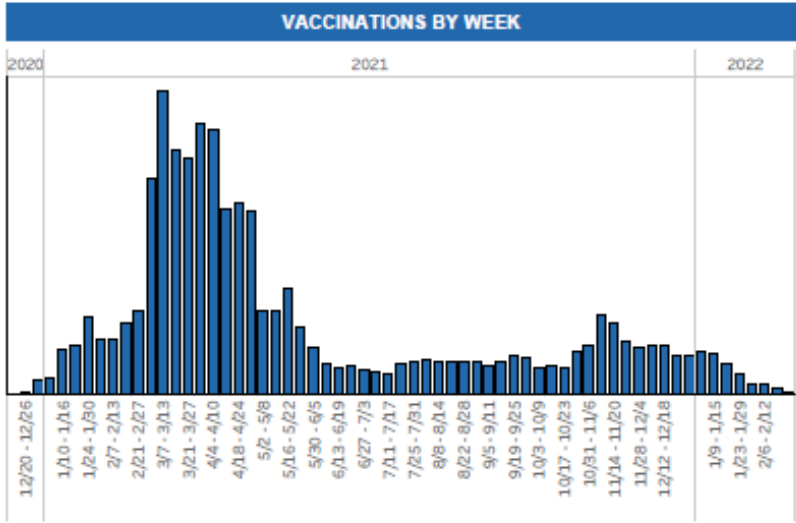
KEY METRICS

PATIENTS WITH ≥ 1 DOSES
148,963
(47.8% of members)

DOSAGE STAGE BREAKOUT

RECEIVED FIRST DOSE	3,410
FULLY VACCINATED	145,553
RECEIVED THIRD DOSE/BOOSTER	88,564

PATIENTS WITH ≥ 1 HIGH RISK FACTOR
10,222 (6.9%)





March 3, 2022

COVID-19 VACCINE UTILIZATION

LINE OF BUSINESS	CLIENT NAME	CARRIER	PATIENT RISK LEVEL	AGE BAND	GENDER	RELATIONSHIP
All	COMMONWEALTH OF MA GROUP	All	All	All	All	All

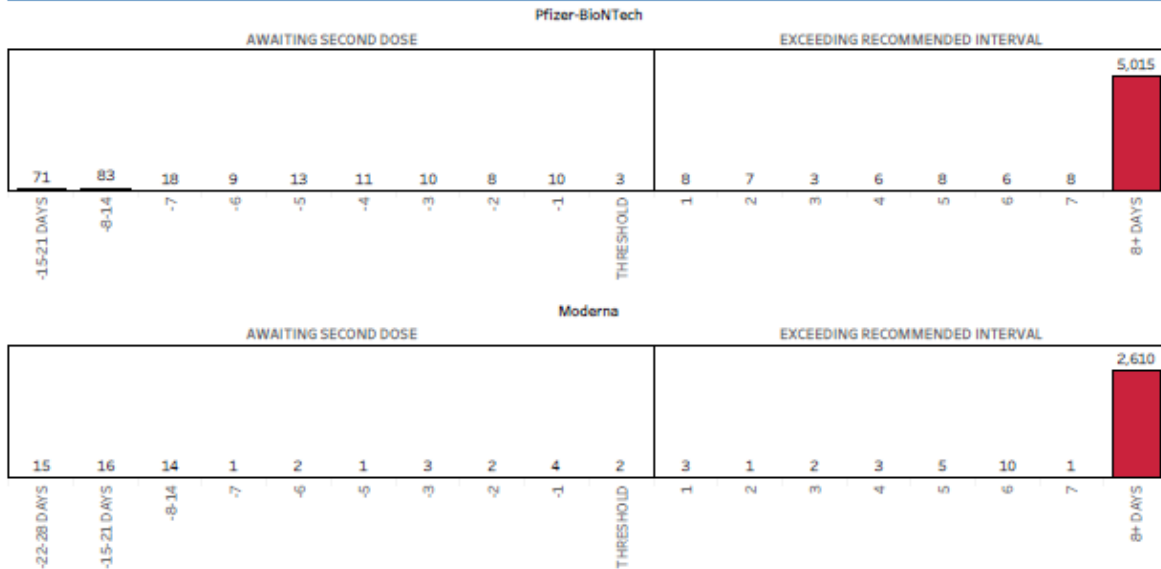
PATIENT VACCINATION STATUS -MEDICAL & PHARMACY-

AWAITING SECOND DOSE	296
EXCEEDING RECOMMENDED INTERVAL	7,651
FULLY VACCINATED	187,122
RECEIVED THIRD DOSE/BOOSTER	91,519

MEDIAN DAYS BETWEEN VACCINATION -MEDICAL & PHARMACY-

Pfizer-BioNTech	21 DAYS
Moderna	28 DAYS

VACCINATION THRESHOLD -MEDICAL & PHARMACY-



^Information for pharmacy and medical patients

ESI OTC Test Claims

OTC Test Kit Claims (Jan-Feb 22nd):

- OTC Test Kits make up .23% of total claims, \$10.13 Average Cost/Test
- Online orders through ESI's site - 100 claims
- Processed at POS - 927 claims
- Manual Claim Forms - 152 claims