




Commonwealth of Massachusetts  
Group Insurance Commission

# COMMISSION MEETING

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NOVEMBER 18, 2021

 Group Insurance Commission

 @MassGIC

(Public Notice: G.L. C-30A, Sec. 20, November 16, 2021)

	<b>Topic</b>	<b>Speaker</b>	<b>Schedule</b>
I.	Approval of 10/21/2021 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.	Annual Stewardship Report (INFORM)	Jannine Dewar, Manager of Health and Pharmacy Benefits  Cameron McBean, Manager of Health and Ancillary Benefits	8:45-9:30
IV.	Health Benefit Procurement Strategy Update (INFORM)	Matthew Veno, Executive Director  Jeff Levin-Scherz, Willis Towers Watson	9:30-10:15
V.	Other Business/Adjournment	Valerie Sullivan, Chair	10:15-10:20

## Motion

**That the Commission hereby approves the minutes of its meeting held on October 21, 2021 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
- Anna Sinaiko
- Timothy D. Sullivan



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

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**Matthew Veno,**  
Executive Director  
&  
**Members of Senior Staff**

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

## 2021 Calendar

Jan 21	Feb 11	Mar 4	Apr 15	May 20	Jun 17	Jul	Aug	Sep 23	Oct 21	Nov 18	Dec 16
Presentation: FY22 Plan Design	Vote: FY22 Plan Design	Vote: FY22 Plan Rates	Vote: Health Benefit Consultant	Behavioral Health Challenges	HPC/CHIA Annual Cost Trends	No Meeting	No Meeting	Summary of Learnings	Member Preferences Survey Results	Annual Stewardship Report	FY23 Preliminary Rates
Report: Out of Pocket	Report: Out of Pocket	CVS Presentation Vaccine Hesitancy	Update: Engagement	Dependent Care Assistance Plan (DCAP)	Diversity, Equity, & Inclusion			Engagement Review	COVID Data Report	Procurement Strategy Update	Municipal Update
Vote: Life & LTD	Race & Ethnicity Data				Vote: Trust Funds			Specialty Drugs	Plan Audit		
Public Listening Sessions	Public Listening Sessions				Report: Annual Enrollment						

Stakeholder Engagement

Annual Enrollment

## Projected 2022\* Calendar

Jan 20	Feb 10	Mar 3	Apr 14	May 19	Jun 16	Jul	Aug	Sep 15	Oct 20	Nov 17	Dec 15
Presentation: FY23 Plan Design	Vote: FY23 Plan Design	Vote: FY23 Plan Rates	Procurement Update	Behavioral health Update	Report: Annual Enrollment	No Meeting	No Meeting	Plan Audit	Annual Stewardship Meeting Report	FY24 Preliminary Rates	FY24 Preliminary Rates
Engagement Update	Strategy Update	EAP Procurement Consultant Update	Engagement Update	Vote: Trust Funds	Vote: EAP Procurement Consultant			Presentation: Medical Benefit	Vote: Medical Benefit	Presentation: Pharmacy Benefit (PBM)	Vote: Pharmacy Benefit (PBM)
Report: Out of Pocket	Report: Public Listening Sessions	Engagement Update			EAP Procurement Update			EAP Procurement Update	Vote: EAP Procurement		
Public Listening Sessions			FY23 Annual Enrollment								
Stakeholder Engagement			Health Benefit Procurement								

\* Topics and meeting dates are subject to change



### **III. Annual Stewardship Report (INFORM)**

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**Jannine Dewar,**  
Manager of health and pharmacy benefits

**Cameron McBean,**  
Manager of health and ancillary benefits





- Annual Stewardship Meetings took place between 10/12 and 11/4
- Dental/Vision and Life/LTD meetings did not take place during this round
  - FY22 is the initial year for some vendors and contracts due to the recent procurements



## Key Findings

Pharmacy claims were less impacted by COVID-19, with an 11.4% increase from FY20 to FY21, compared to 13.2% in the prior year\*

- Specialty pharmacy continues to be the key driver of Rx trend with top costs for drugs, which treat inflammatory conditions (RA), psoriasis, multiple sclerosis, cancer (multiple myeloma), and infertility
  - Specialty medications used to treat inflammatory conditions were the largest cost driver for our commercial population
  - Oncology medications contributed most to increased costs in the retiree population.

\*Based on active population – data from Milliman data warehouse

## Key Findings

- Emergency Department utilization continues to decline, combined with increased utilization of Urgent Care facilities across plans, continuing trends first seen in FY20
- Top chronic conditions across all plans: Diabetes, mood disorders, breast cancer, inflammatory bowel disease, and ischemic heart disease
- All health plans expressed an increased focus on health equity initiatives

## Key Findings

- Utilization and plan costs increased in almost all major categories during FY21 for all vendor partners
- This was driven by the suppressed FY20 baseline caused by avoided/deferred utilization due to COVID-19
  - Risk scores increased between 3-9%, likely from delays of routine screenings and other deferred care
  - FY20 to FY21 PMPM cost increased by 14.1%
    - The two-year average from FY19 to FY21 is approximately 9%\*
  - All plans experienced significant increases in utilization and unit cost for both inpatient and outpatient behavioral health care

\*Based on active population – data from Milliman data warehouse



#### **IV. Health Benefit Procurement Strategy Update (INFORM)**

**Matthew Veno,**  
Executive Director

**Jeff Levin-Scherz,**  
Willis Towers Watson



## Introduction

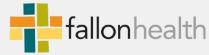
- State procurement rules require the GIC to procure all vendor contracts at least every five years
- Current health plan and PBM contracts effective July 1, 2018 - June 30, 2023 (FY2019 - FY2023)
  - 3-year terms with two GIC optional renewals that the GIC has exercised

## Priority Areas of Focus



## Current State

### ACTIVES



Independence

Select

Navigator

Primary Choice

Direct

Spirit



Health New England

Basic

Allways

Plus

Choice

### RETIREES



Medicare Supplement

Medicare Supplement

Medicare Supplement

Medicare Advantage



Medicare Supplement

Medicare Supplement

Medicare Supplement

## Current State: GIC Plan Designs for Actives

Medical (Individual/Family)	National (1 plan) / Broad (4 plans)	Narrow (4 plans) / Regional (2 plans)
Deductible	\$500 / \$1,000	\$400 / \$800
Plan Coinsurance	100%	100%
Primary Care Visit Copays (tiered)	\$10 / \$20 / \$40	\$20
Specialist Visit Copays (tiered)	\$30 / \$60 / \$75	\$30 / \$60 / \$75
Behavioral Health Office Visits	<b>\$0 for first three tele-BH visits</b>	
Inpatient Copay (tiered)	\$275 / \$500 / \$1,500	\$275 / \$500
Outpatient Copay	\$250	\$250
Emergency Room Copay	\$100	\$100
Out of Pocket Maximum	\$5,000 / \$10,000	\$5,000 / \$10,000
<b>Pharmacy (Individual/Family) Retail</b>		
Deductible (tiered)	\$100 / \$200	
Out of Pocket Maximum	Combined w/ medical	
Preventive Drugs	Deductible and copays apply	
Generic / Formulary / Non-Formulary (tiered)	\$10 / \$30 / \$65	

\*Some variation exists amongst the plans noted – simplified version depicted above

The Massachusetts vendor market has evolved in ways that will impact the GIC's future health plan portfolio



- Exiting the commercial market
- No longer a GIC plan offering, starting 7/1/22

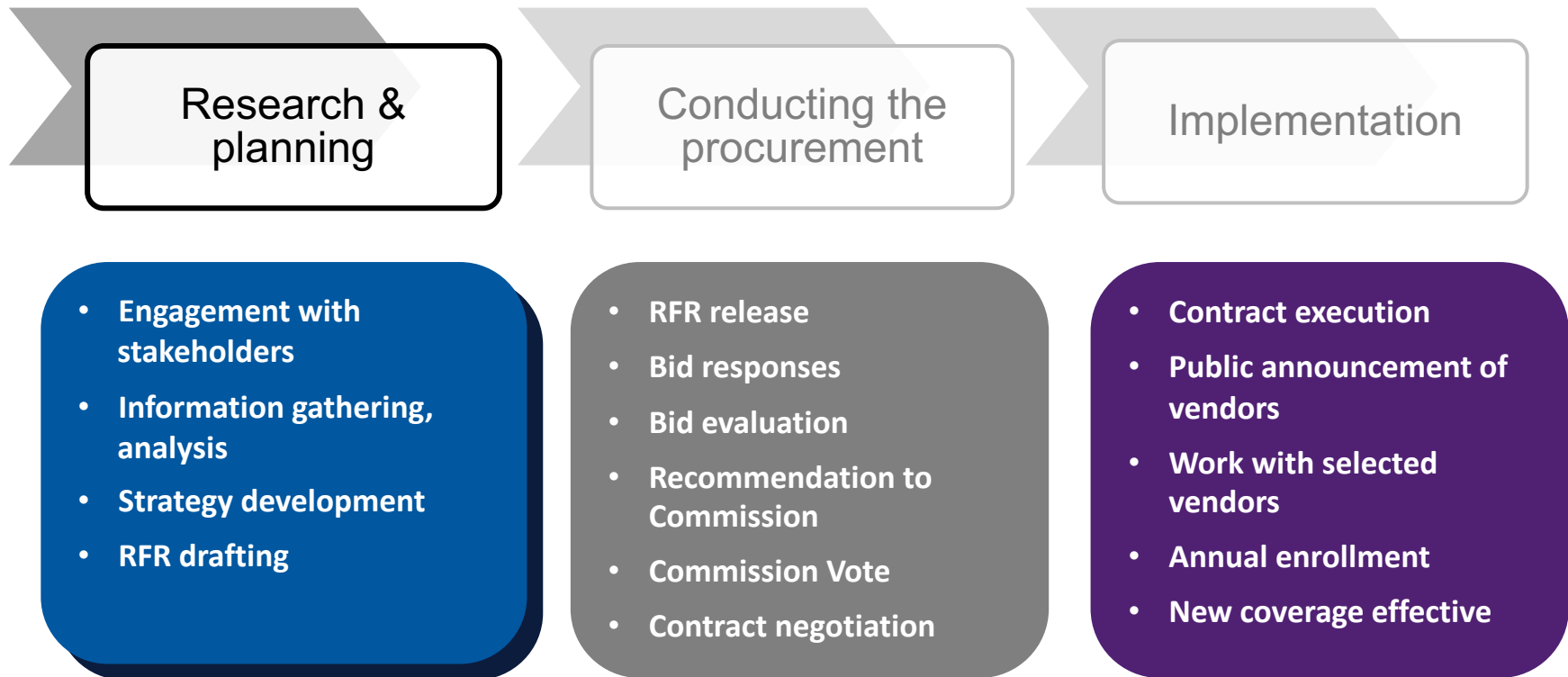
Point32Health



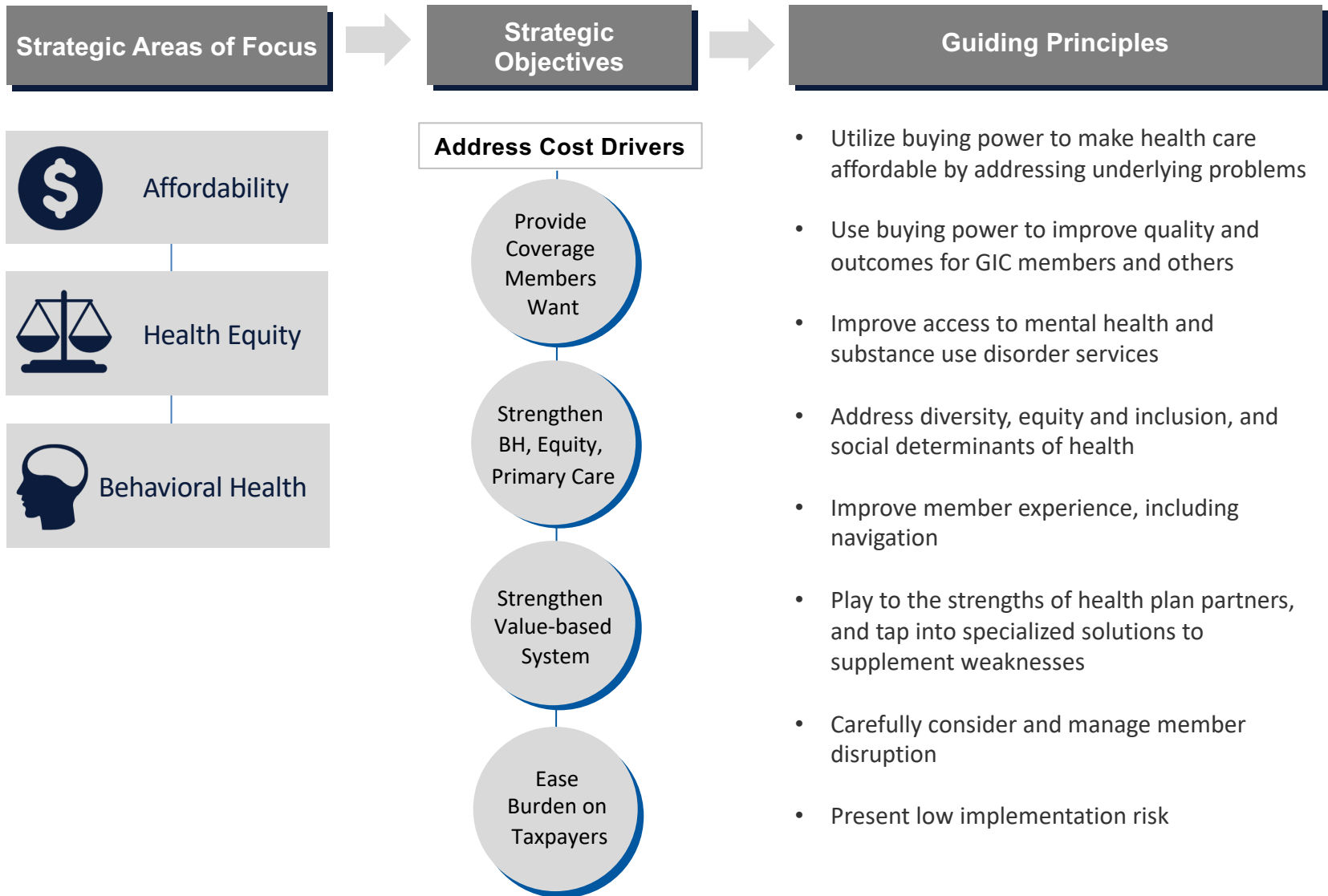
- Merger is complete
- Both legacy plans available to GIC members through 6/30/23
- Starting 7/1/2023, will propose a combined commercial offering for GIC actives



## Process Overview



<b>Process Timeline</b>		<b>Medical RFR</b>	<b>Rx RFR</b>
<b>Research &amp; Planning</b>	<b>Develop RFR Strategy</b>	July 2021 – February 2022	July 2021 – Feb. 2022
	<b>RFR Drafting</b>	Dec. 2021 – March 2022	March – April 2022
	<b>Notice of Intent</b>	Feb. 1, 2022	May 13, 2022
<b>Procurement</b>	<b>RFR Release Date</b>	April 1, 2022	June 1, 2022
	<b>Bidders Respond to RFR</b> <ul style="list-style-type: none"> <li>▪ Bidders Conference</li> <li>▪ Vendors provide responses</li> </ul>	April – May 2022	June – July 2022
	<b>RFR Evaluation</b> <ul style="list-style-type: none"> <li>▪ Review and Evaluation of Responses</li> <li>▪ Finalist Meetings &amp; BAFO</li> </ul>	June – Aug. 2022	Aug.– Oct.2022
	<b>Commission Meeting – Recommendation by GIC Staff</b>	Sept. 2022 Commission Meeting (TBD)	Nov. 2022 Commission Meeting (TBD)
	<b>Commission Meeting – Vote</b>	Oct. 2022 Commission Meeting (TBD)	Dec. 2022 Commission Meeting (TBD)
	<b>Plan Effective Date</b>	July 1, 2023	July 1, 2023
	<b>Implementation</b>		



## Options Currently Being Evaluated



Options	Definition
Product Portfolio	<ul style="list-style-type: none"> <li>▪ Focus on change elements that are manageable, rather than sweeping change that would be disruptive to members</li> <li>▪ Preserve plan options that provide value, with modest adjustments</li> <li>▪ Take advantage of “room on the shelf” to add meaningfully different, new options</li> <li>▪ Robust strategies to address key cost drivers are essential (e.g., provider prices)</li> </ul>
Navigation / Decision Support	<ul style="list-style-type: none"> <li>▪ Provide members with access to tools and resources to help them navigate the complex health care ecosystem</li> <li>▪ Consider specialty vendor that assists members in choosing the optimal health plan during enrollment</li> </ul>
Centers of Excellence	<ul style="list-style-type: none"> <li>▪ Specialty vendor to assist members navigating surgical episodes of care with an optional network of highest quality providers</li> </ul>

### **Next Steps:**

- Meet with key stakeholders including other government agencies, vendors in the market, and our consultants to evaluate potential opportunities

# FY21 GIC Commission Meeting Schedule

Unless otherwise announced in the public notice, all meetings take place from 8:30 am - 10:30 am on the 3<sup>rd</sup> Thursday of the month. Meeting notices and materials including the agenda and presentation are available at [www.mass.gov/gic](http://www.mass.gov/gic) under Upcoming Events prior to the meeting and under Recent Events after the meeting.

### Please note these exceptions

- February's meeting is scheduled on the 2<sup>nd</sup> Thursday and March's meeting is scheduled on the 1<sup>st</sup> Thursday to make decisions regarding the next Benefit Year in a timely manner prior to Annual Enrollment in May.
- April's meeting is rescheduled for the 2<sup>nd</sup> Thursday of the month in order to avoid conflicting with Passover.

### 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

<b>December 2021</b> <b>16</b>	<b>January 2022</b> <b>20</b>	<b>February 2022</b> <b>10</b>	<b>March 2022</b> <b>3</b>
<b>April 2022</b> <b>14</b>	<b>May 2022</b> <b>19</b>	<b>June 2022</b> <b>16</b>	<b>No Meeting</b>
<b>August 2022</b> <b>No Meeting</b>	<b>September 2022</b> <b>15</b>	<b>October 2022</b> <b>20</b>	<b>November 2022</b> <b>17</b>

**Commission Members**

**GIC Leadership Team**

**GIC Goals**

**GIC Contact Channels**

**Valerie Sullivan**, Public Member, Chair

**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

**Jane Edmonds**, Retiree Member

**Gerzino Guirand**, Council 93, AFSCME, AFL-CIO

**Bobbi Kaplan**, NAGE, Vice-Chair

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

**Joseph Gentile**, Public Safety Member

**Patricia Jennings**, Public Member

**Anna Sinaiko**, Health Economist

**Timothy D. Sullivan**, Massachusetts Teachers Association

**Eileen P. McAnneny**, Public Member

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



**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

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

	<b>Enrollment</b> <b>Qualifying Events</b> <b>Information Changes</b>	<b>Retirement</b> <b>Life Insurance</b> <b>Marriage Status Changes</b>	<b>Premium Payments</b> <b>Long-Term Disability</b> <b>Other Questions</b>
<b>Online Contact</b>	mass.gov/forms/contact-the-gic		Any time. Specify your preferred method of response (phone, email, mail) from GIC
<b>Email</b>	gicpublicinfo@mass.gov		
<b>Telephone</b>	(617) 727-2310		M-F from 8:45 AM to 5:00 PM
<b>Office location</b>	1 Ashuburton Place, Suite 1619 Boston, MA		<b>Not open for walk-in service</b>
<b>Correspondence</b>	P.O. Box 8747 Boston 02114		Allow for processing time. Priority given to requests to retain or access benefits, and to reduce optional coverage during COVID-19.
<b>Paper Forms</b>	P.O. Box 556 Randolph, MA 02368		

- Finding a Provider
- Accessing tiered doctor and hospital lists
- Determining which programs are available, like telehealth or fitness
- Understanding coverage

Health Insurance Carrier	Telephone	Website
AllWays Health Partners	(866)-567-9175	<a href="https://allwayshealthpartners.org/gic-members">allwayshealthpartners.org/gic-members</a>
Fallon Health	(866) 344-4442	<a href="https://fallonhealth.org/gic">fallonhealth.org/gic</a>
Harvard Pilgrim Health Care	(800) 542-1499	<a href="https://harvardpilgrim.org/gic">harvardpilgrim.org/gic</a>
Health New England	(800) 842-4464	<a href="https://hne.com/gic">hne.com/gic</a>
Tufts Health Plan (THP)	(800) 870-9488	<a href="https://tuftshealthplan.com/gic">tuftshealthplan.com/gic</a>
THP Medicare Products	(888) 333-0880	
UniCare State Indemnity Plans	(800) 442-9300	<a href="https://unicarestatementplan.com">unicarestatementplan.com</a>

Membership By Insured Status	Active	Retiree/ Survivor	EGR/RMT	Total Subscribers	Dependents	Total Lives
ALLWAYS HEALTH PARTNERS	7,390	420	23	7,833	9,029	16,862
FALLON DIRECT CARE	3,067	235	8	3,310	3,364	6,674
FALLON SELECT	2,876	433	37	3,346	4,873	8,219
HARVARD PILGRIM INDEPENDENCE	11,848	4,130	39	16,017	20,617	36,634
HARVARD PILGRIM MEDICARE ENHANCE	58	17,040	316	17,414	0	17,414
HARVARD PILGRIM PRIMARY CHOICE	9,330	988	24	10,342	12,665	23,007
HEALTH NEW ENG	9,852	1,302	107	11,261	12,869	24,130
HEALTH NEW ENG MEDICARE SUPPLEMENT PLUS	26	3,135	370	3,531	0	3,531
TUFTS MEDICARE COMPLEMENT	76	11,171	215	11,462	0	11,462
TUFTS MEDICARE PREFERRED	19	4,516	85	4,620	0	4,620
TUFTS NAVIGATOR	25,800	5,601	43	31,444	42,117	73,561
TUFTS SPIRIT	4,613	308	10	4,931	3,551	8,482
UNICARE BASIC w/ CIC	5,660	7,410	1,057	14,127	9,985	24,112
UNICARE BASIC w/o CIC	406	155	5	566	490	1,056
UNICARE COMMUNITY CHOICE	16,787	2,470	23	19,280	24,174	43,454
UNICARE MEDICARE EXTENSION w/ CIC	228	67,895	7,638	75,761	0	75,761
UNICARE MEDICARE EXTENSION w/o CIC	10	361	19	390	0	390
UNICARE PLUS	14,507	3,602	91	18,200	22,940	41,140
<b>Totals</b>	<b>112,553</b>	<b>131,172</b>	<b>10,110</b>	<b>253,835</b>	<b>166,674</b>	<b>420,509</b>

Date: November 15, 2021  
To: Group Insurance Commission  
From: Matthew Veno, Executive Director  
Subject: Executive Director's Report

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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**

### Recruiting Activity:

GIC is currently recruiting for three open positions:

- A new Paralegal Specialist to join and support the three attorneys on our Legal team as the GIC heads into a heavy workload related to the health benefit procurement
- An Office Support Specialist to fill an open position on the Medicare Enrollment team
- A new Operations Systems position to assume responsibilities formerly held by Nick Vogler, as well as new responsibilities created by the GIC's ongoing systems modernization initiatives

### NAGE Salary Programs:

GIC staff is working with the Human Resources Division (HRD) and the Comptroller's Office to implement salary programs for GIC employees represented by NAGE, in accordance with a new Collective Bargaining Agreement. The Agreement provides for salary increases and retroactive payments to July 2020, as well as a one-time COVID-19 Recognition Payment for all employees who were active upon the July 20, 2021 date of the signing of the Agreement. 70% of the GIC employees are represented by NAGE, so this program will have a broad impact.

## **COMMUNICATIONS:**

GIC is working with the EAP vendor, Optum, to develop communications addressing holiday stress, and have also recently met with Optum to discuss the 2022 EAP/Mass4YOU communications strategy. GIC staff has begun the planning process for FY23 Annual Enrollment and related communications and will keep the Commission updated in the months ahead.

Communications Manager, Leslie Monteiro, has hit the ground running in just her first month with the GIC. You will see some of her work in our redesigned slides, but she has also been busy in the background developing both internal and external communications strategies.

## **LEGISLATIVE UPDATE:**

In November GIC staff will host two significant engagements with the state Legislature: (1) a meeting with Senator Mike Rodrigues, Chair of the Senate Ways & Means Committee that will wrap up the legislative leadership portion of our procurement outreach, and (2) a "GIC 101" virtual meeting open to all members of the Legislature and their staff that is being hosted by the Joint Committee on Health Care Financing. The purpose of this briefing is to better acquaint Legislators and staff with the GIC, how the agency functions as a state agency and with vendors, and to discuss the upcoming procurement process.

On the policy front, House Speaker Ron Mariano recently outlined details regarding forthcoming healthcare legislation. The excerpt below is taken from the 11/5/21 State House News Article "Mariano Plotting Response to Health Care Consolidation:"

*Hospital systems seeking to expand would face another layer of state review and a buffer zone would be created to protect community hospitals against competition from new outpatient surgery centers, under a bill House Speaker Ronald Mariano hopes to move forward in the next two weeks.*

*Under the bill, hospital systems pursuing expansions that require a new license -- not expansions on existing campuses -- would need to submit a material change notice to the HPC in addition to going through the DON process.*

*When the HPC receives a notice of material change -- currently required for hospital system mergers and acquisitions -- it analyzes the transaction to gauge its likely impact, and can conduct a more comprehensive Cost and Market Impact Review on those it believes will have significant effects.*

#### **MUNICIPAL UPDATE:**

Although we are weeks away from final decisions from municipalities regarding their participation in the GIC, Director of Legislative Affairs, Mike Berry does not anticipate municipalities exiting the GIC at the end of this fiscal year. We will give the Commission a further update at the December meeting.

#### **ENGAGEMENT UPDATE:**

Immediately following the October Commission meeting, GIC staff met with a large group of representatives from the Labor community. GIC staff reviewed the findings from the member preferences survey, brought the group up to speed with the status and trajectory of the procurement process, and had a productive dialogue with members.

Engagement continues with external stakeholders to solicit feedback on the procurement process. The legislative portion of the engagement strategy is nearly complete, as noted above, and several meetings with sister agencies and industry experts on specific strategic initiatives were recently completed or are scheduled.

**COVID-19 VACCINE:**

**ESI VACCINE CLAIMS BREAKOUT BY HEALTH PLAN (TIME FRAME: 12/22/2020-11/03/2021)**

	1st DOSE:	FINAL DOSE:	3 <sup>rd</sup> DOSE (BOOSTER)	ALL DOSES:
<b>Brand</b>				
Moderna	23,198	23,834	6,826	53,858
Pfizer	40,557	41,792	12,245	9,4594
J&J	-	-	-	6,505
<b>Plan</b>				
Fallon	1,929	1,970	454	4,545
Harvard	10,170	10,414	3,068	24,687
HNE	5,384	5,566	1,386	12,886
AllWays	3,111	3,267	819	7,516
Tufts	19,211	19,742	5,207	46,154
UniCare	23,950	24,667	8,137	59,169
<b>TOTAL COVID VACCINE CLAIMS</b>	<b>63,755</b>	<b>65,626</b>	<b>19,071</b>	154,957



CLAIMS REFRESH MEDICAL 9/28/2021 PHARMACY 11/2/2021	<b>COVID-19 VACCINE UTILIZATION</b>	DATA DISTRIBUTION MEDICAL 62,956 PATIENTS PHARMACY 88,394 PATIENTS
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LINE OF BUSINESS All	CLIENT NAME COMMONWEALTH OF MA GROUP	CARRIER All	DRUG NAME All	STATE All	RELATIONSHIP All	DATA TYPE INTEGRATED
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### KEY METRICS

**PATIENTS WITH ≥ 1 DOSES**  
**143,722**

**DOSAGE STAGE BREAKOUT**

RECEIVED FIRST DOSE	11,558
FULLY VACCINATED	132,164
RECEIVED THIRD DOSE	17,296

**PATIENTS WITH ≥ 1 HIGH RISK FACTOR**  
**9,554 (6.6%)**

