

Date: January 16, 2024
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 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.

LEGISLATIVE AND MUNICIPAL AFFAIRS

The GIC Team is looking forward to hosting a booth at the Massachusetts Municipal Association's (MMA) Annual Trade Show this weekend, January 19-20. GIC team members will be present on both Friday and Saturday to greet municipal officials and office holders (many of whom are also GIC members) and to answer questions about municipal enrollment and promote the upcoming public listening sessions. This has become a regular and very productive element to our outreach to municipalities to join the GIC.

COMMUNICATIONS

Annual Enrollment

The development of FY25 Benefit Guide designs is now underway. This is the first year that the GIC will be designing the GIC Benefit Guides in-house through GIC Communications, rather than relying on an outside firm, saving the agency over \$23,000. In addition, this year the four benefit guides will be reduced to three, furthering our goal of reducing paper.

The state retiree & survivor benefit guide will be combined with the state employee benefit guide. This new change will help guide employees who are transitioning from active employment into retirement while also aligning with the remaining guide designs that include both municipal employee and retiree information in one guide.

Annual Public Information Sessions

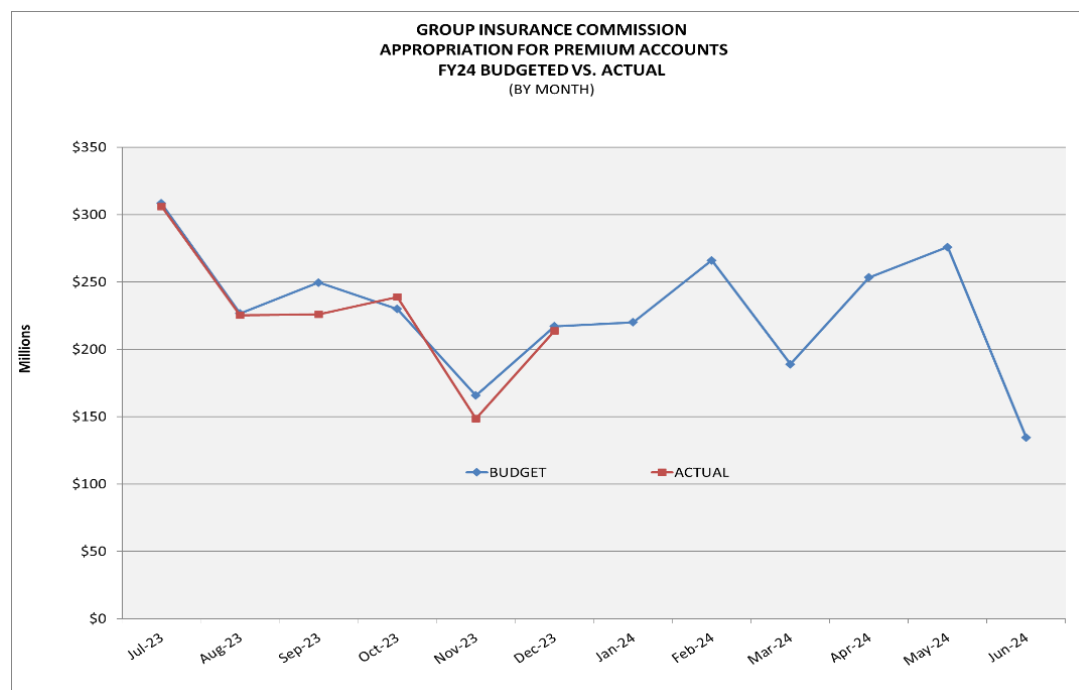
This will be the first year that the Public Information Sessions will be live streamed via YouTube, in addition to the Zoom interactive platform, which will allow members who might not be able to attend the webinar to view the live sessions, increasing our live viewing capacity.

GIC sent a emails to all members registered for the MyGICLink member benefits portal inviting them to attend this year's Public Information sessions. GIC staff contacted all GIC Coordinators asking them to share the information with employees in their respective agencies. GIC Communications has partnered with Mass Retirees, the Massachusetts State Retirement Board, and Commonwealth's Human Resources Division to continue promoting this year's Public Information sessions. GIC staff has offered written and graphic content for our partner agencies to leverage on their various communication outlets.

As usual, GIC has also arranged for American Sign Language (ASL) interpreters and CART captioning providers to be available for the Public Information Sessions to support members who request an accommodation because they are deaf or hard of hearing.

CFO Report

Staff will not present a CFO report at this Commission meeting, but have included the detailed report as an appendix to the slide presentation. In summary, through the first half of FY24 GIC spending has been below budget. The graph below shows the pattern of spending through December 31st has basically followed the expected pattern but at slightly lower levels; as well as the expected pattern moving forward through the rest of the fiscal year.



The table below shows the actual total spending as compared to budget through December 2023. We are currently 2.4% or \$33.7M under budget. As a reminder, this is not a forecast of where we will end the year and subject to change over the next few months. We will provide an additional update next quarter.

FY2024 STATE SHARE PREMIUM BUDGET FOR GIC PREMIUM ACCOUNTS as of December 31, 2023				
	BUDGET	EXPENSES	Under Budget/ (Over Budget)	% VAR
Basic Life & Health* Account # 1108-5200 & #1599-6152	\$1,387,038,534	\$1,353,306,554	\$33,731,979	2.4%
Active Dental & Vision Benefits Account # 1108-5500	\$5,396,388	\$5,447,502	(\$51,114)	-0.9%
Total State Share YTD	\$1,392,434,922	\$1,358,754,057	\$33,680,865	2.4%

Information Systems Update

The MAGIC Core IT system and sub-systems that support GIC member benefit data for 440,000+ individuals and families has migrated from on-site servers to the cloud, Amazon Warehouse Services (AWS). This is part of a Commonwealth-wide initiative managed through the Executive Office of Technology Services and Supports (EOTSS). This means that GIC systems and data will be even more secure and able to function in case of a disaster/recovery incident. Having this additional functionality and security is imperative for the GIC's continued success. We extend our thanks to our colleagues at EOTSS and the Administration and Finance IT support team with which the GIC team works closely on such projects.

AWS Migration Benefits:

- Cost Savings – extended support and multiple environments, efficiencies, and agility
- Streamlined Efficiencies – Communications, Development and Testing for technical and business resources
- Enhanced skills and training for IT resources