



Commonwealth of Massachusetts
Group Insurance Commission

COMMISSION MEETING

May 19, 2022



MA Group Insurance Commission



Group Insurance Commission



@MassGIC

	Topic	Speaker	Schedule
I	Minutes, March 3 & March 24 (VOTE)	Andrew Stern, General Counsel	8:30-8:45
II	Executive Director's Report (INFORM)	Matthew Veno, Executive Director Members of Senior Staff	8:45-9:00
III	Trust Fund Request (INFORM & VOTE)	James Rust, Chief Financial Officer	9:00-9:15
IV	Flexible Spending Accounts: Procurement Update (INFORM)	Cameron McBean, Health & Ancillary Benefits Manager	9:15-9:30
V	Other Business & Adjournment	Matthew Veno, Executive Director	9:30-9:35

CFO Report available in appendix.



I. Minutes, March 3 & March 24, 2022 (VOTE)

Andrew Stern,
General Counsel

Motion

That the Commission hereby approves the minutes of its meetings held on March 3 and March 24, 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



II. Executive Director's Report (INFORM)

Matthew Veno,
Executive Director

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. Trust Fund Request (INFORM & VOTE)

James Rust,
Chief Financial Officer

GIC staff annually requests authorization to use funds from the Commission's Employee Trust Fund to potentially supplement the information technology, administrative services and communications budgets, if needed.

- The funds, if spent, are used for projects that are reviewed by senior staff and approved by the Executive Director
- These projects must benefit employees, who are the contributors to the fund
- Funds are only used when the agency's needs exceed the applicable budget appropriation
- The Commission has historically supported these requests
- In FY22 and FY21, the existing budget was sufficient to cover all expenses and the GIC did not spend any funds from the Employee Trust Fund
- The following slides detail the Trust Fund authorization requests for FY23, which are materially similar in amounts to prior year requests

III. FY23 Trust Fund Request (INFORM & VOTE)



FY 2023 Information Technology Request	FY2022 Budget	FY2023 Budget
<p>Infrastructure Support Support For Mission Critical Equipment : Rapid response support for servers, switches, power backups and printers</p>	\$7,430	\$7,800
<p>Software/Hardware/Supplies Hardware: leased desktop computers, leased laptop computers, printers, cables, keyboards etc. Software: Microsoft and other software licensing for all GIC users Supplies: printer toner and cartridges, scanner cleaning kits, barcode supplies</p>	\$100,000	\$100,000
<p>Business Continuity Hardware, software, IT equipment needed for business continuity due to disaster, new EOTSS / Administration/ Legislative mandates or other unforeseen circumstances</p>	\$80,000	\$80,000
<p>Communication Services Virtual Private Network Services (VPN) and wireless data contracts</p>	\$80,000	\$80,000
<p>MAGIC SYSTEM SUPPORT Additional support for the MAGIC eligibility system and peripheral systems if needed</p>	\$100,000	\$100,000
<p>Total</p>	\$367,075	\$367,800

III. FY23 Trust Fund Request (INFORM & VOTE)



FY23 Administrative Services Request	FY22 Budget	FY23 Budget
Staff Training and Conferences	\$20,000	\$20,000
Publications, Memberships, Subscriptions	\$40,000	\$40,000
Total	\$60,000	\$60,000

FY23 Member Engagement Request	FY22 Budget	FY23 Budget
Video Production	\$25,000	\$25,000
Website Form Development (ADA Compliance)	\$700	\$700
GIC Transparency – Annual Report	\$7,500	\$7,500
Benefits Administration (ADA Compliance, digital)	\$7,300	\$7,300
Central Reprographics (Coordinator Training Sessions)	\$3,775	\$3,775
Total	\$44,275	\$44,275

FY2023 Temporary Help Authorization Request

The GIC requests the continued authorization for the use of up to 10 temporary employees in FY2023. We currently employ no temporary staff while our Agency employees are largely working from home.

Motion

The Commission hereby authorizes the Chief Financial Officer to pay certain GIC expenses from the applicable Trust Funds, as recommended and requested.

- 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
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- Patricia Jennings
- Eileen P. McAnney
- Melissa Murphy-Rodrigues
- Anna Sinaiko
- Timothy D. Sullivan



IV. Flexible Spending Accounts: Procurement Update (INFORM)

Cameron McBean,
Health & Ancillary Benefits Manager

Current State

- The GIC is entering the fifth and final year of its contract with Benefit Strategies to administer the two FSA plans (HCSA & DCAP)
- Current annual participation (approximate)
 - HCSA: 16,000
 - DCAP: 3,000
- \$2/month admin fee is subsidized (\$1 paid by member, \$1 paid out of forfeiture account)
- Enrollment is 100% electronic via vendor platform

Procurement Objectives

Since IRS guidelines dictate most of the rules and procedures regarding FSA administration, the focus of the procurement will be on securing optimal value and service quality.

Long-term, the GIC would like to work with the Human Resources Division and offline agencies to have employers cover the monthly administrative fee for participants. This is standard for most FSA plan sponsors, as the employer's share of payroll tax savings more than offset the admin fee.

- For example, a member contributing just \$50/month would result in approximately \$5.00 in payroll tax savings for the employer.

Procurement Timeline

June 2022 RFR Released via COMMBUYS

July 2022 Bidders' Conference and Responses Due

August 2022 Finalist Interviews

September 2022 Review of Best and Final Offers, Selection of Recommended Vendor

November 2022 Presentation to Commission and Vote for Approval



V. 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:

- 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

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	Retirement	Premium Payments
	Qualifying Events	Life Insurance	Long-Term Disability
	Information Changes	Marriage Status Changes	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

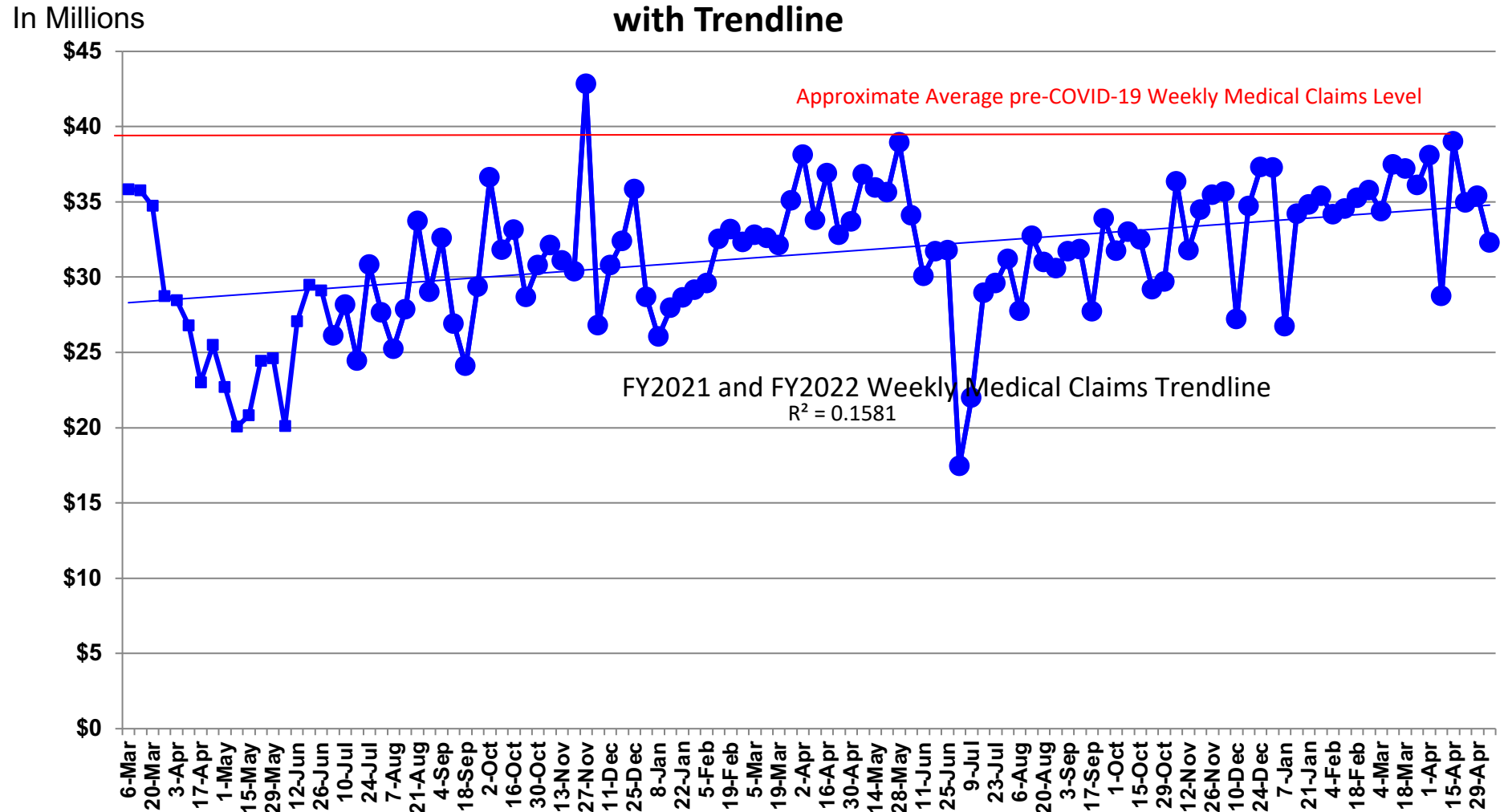


APPENDIX. CFO Update (INFORM)

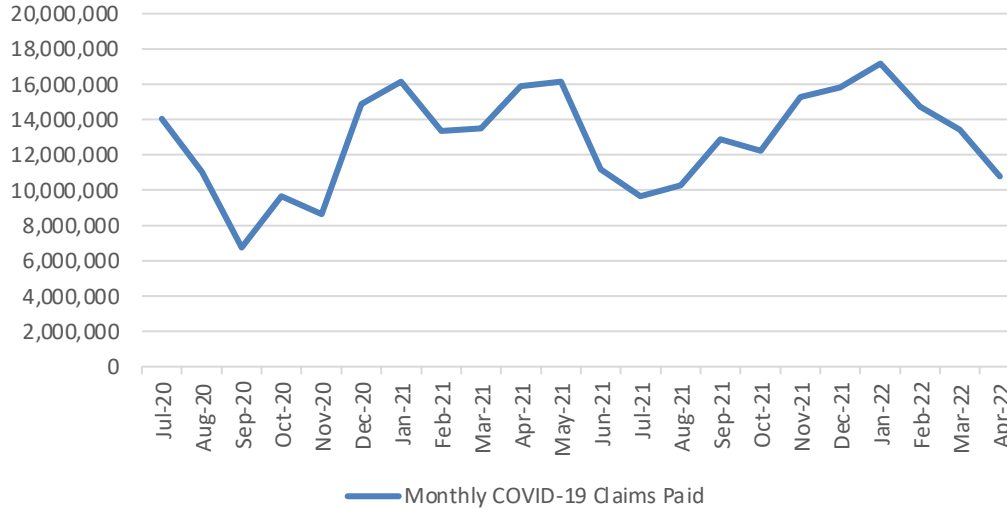
Jim Rust,
Chief Financial Officer

- COVID Claims Payments Update
- FY22 Third Quarter Budget Results

GIC Medical Claims for the Weeks Ending March 6, 2020 through April 30, 2022 with Trendline



COVID-19 Claims by Month



- COVID-19 claims decreased over the 3rd quarter of FY22
- There is a 4-6 week lag in reporting so more recent waves are not yet reflected in this spending data

COVID-19 Claims by Month

Month	Monthly COVID-19 Claims Paid	Running Total FY21 and FY22
Jul-20	14,059,116	14,059,116
Aug-20	11,050,708	25,109,825
Sep-20	6,748,804	31,858,629
Oct-20	9,671,752	41,530,381
Nov-20	8,650,943	50,181,325
Dec-20	14,874,875	65,056,200
Jan-21	16,159,981	81,216,181
Feb-21	13,367,247	94,583,428
Mar-21	13,509,366	108,092,794
Apr-21	15,892,384	123,985,178
May-21	16,131,155	140,116,333
Jun-21	11,189,607	151,305,940
Jul-21	9,652,793	160,958,733
Aug-21	10,274,656	171,233,389
Sep-21	12,873,807	184,107,196
Oct-21	12,239,026	196,346,222
Nov-21	15,266,023	211,612,245
Dec-21	15,829,087	227,441,332
Jan-22	17,171,610	244,612,942
Feb-22	14,716,111	259,329,053
Mar-22	13,409,039	272,738,092
Apr-22	10,775,300	283,513,392
FY22 COVID-19 Claims to Date		132,207,452
Total FY21 COVID-19 Claims		151,305,940
Total FY20 COVID-19 Claims		43,361,207
Total COVID-19 Claims to Date FY19 thru FY22		326,874,599

FY22 State Share Expense for GIC Premium Accounts



FY22 STATE SHARE EXPENSE FOR GIC PREMIUM ACCOUNTS												
	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021	January 2022	February 2022	March 2022	April 2022	TOTAL	
Allways Health Claims	\$6,799,082	\$5,211,481	\$7,002,293	\$5,186,939	\$5,832,471	\$8,114,494	\$6,768,276	\$6,149,908	\$7,720,223	\$6,897,717	\$65,682,883	
Caremark/Express Scripts/SilverScript Claims	\$35,183,140	\$38,436,649	\$66,591,618	\$64,679,337	-\$33,387,737	\$50,214,126	\$22,893,610	\$35,924,524	\$55,547,725	\$52,605,678	\$388,688,670	
Davis Vision Claims	\$34,908	\$38,730	\$32,960	\$29,373	\$32,861	\$32,602	\$36,266	\$39,994	\$46,914	\$35,202	\$359,809	
Fallon Health Claims	\$5,689,347	\$6,576,620	\$5,399,044	\$5,673,305	\$6,612,866	\$6,007,029	\$5,715,261	\$4,910,180	\$5,050,707	\$6,396,001	\$58,030,360	
Harvard Pilgrim Claims	\$35,231,278	\$35,016,938	\$27,114,575	\$26,796,287	\$33,964,526	\$26,253,314	\$25,452,560	\$28,956,529	\$34,973,654	\$27,533,660	\$301,293,321	
Health New England Claims	\$7,511,202	\$8,638,456	\$6,916,134	\$6,536,353	\$8,935,701	\$7,499,609	\$7,376,197	\$6,604,741	\$9,633,155	\$7,040,116	\$76,691,664	
Tufts Navigator Claims	\$33,813,646	\$27,126,192	\$28,142,993	\$35,078,660	\$28,695,759	\$41,936,818	\$28,213,669	\$30,602,701	\$34,808,323	\$38,252,815	\$326,671,577	
Tufts Spirit and Medicare Complement Claims	\$4,605,855	\$3,519,080	\$3,194,985	\$3,931,745	\$2,592,262	\$4,030,943	\$3,390,724	\$4,453,711	\$4,653,418	\$4,482,120	\$38,854,843	
Unicare Claims	\$43,400,899	\$58,171,403	\$49,021,377	\$49,028,668	\$78,143,513	\$51,449,797	\$72,852,440	\$58,262,915	\$59,822,677	\$54,422,237	\$574,575,926	
Other costs	<u>\$37,560</u>	<u>\$710,981</u>	<u>\$244,843</u>	<u>\$1,195,308</u>	<u>\$341,010</u>	<u>\$242,782</u>	<u>\$235,830</u>	<u>\$244,880</u>	<u>\$391,832</u>	<u>\$381,773</u>	<u>\$4,026,799</u>	
Claims sub-total	<u>\$172,306,918</u>	<u>\$183,446,530</u>	<u>\$193,660,823</u>	<u>\$198,135,975</u>	<u>\$131,763,232</u>	<u>\$195,781,514</u>	<u>\$172,934,832</u>	<u>\$176,150,081</u>	<u>\$212,648,630</u>	<u>\$198,047,318</u>	<u>\$1,834,875,852</u>	
Basic Life	\$804,276	\$804,087	\$803,255	\$802,050	\$801,751	\$800,510	\$799,130	\$797,051	\$794,846	\$796,249	\$8,003,204	
Optional Life	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
RMT Life	\$45,627	\$45,570	\$45,930	\$46,181	\$46,252	\$46,232	\$46,157	\$46,090	\$46,001	\$45,957	\$459,997	
Long-Term Disability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Dental	\$722,812	\$648,372	\$684,299	\$682,850	\$683,597	\$684,392	\$779,190	\$777,457	\$785,764	\$789,236	\$7,237,970	
Tufts Medicare Preferred	\$674,902	\$676,817	\$680,111	\$681,927	\$680,146	\$682,554	\$679,502	\$681,149	\$680,155	\$680,433	\$6,797,695	
UBH Optum	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$1,040,400	
ASO Administrative Fee	<u>\$6,799,934</u>	<u>\$6,792,852</u>	<u>\$6,771,442</u>	<u>\$6,740,590</u>	<u>\$6,770,584</u>	<u>\$6,763,726</u>	<u>\$6,750,405</u>	<u>\$6,734,217</u>	<u>\$6,714,321</u>	<u>\$6,722,679</u>	<u>\$67,560,748</u>	
Premiums sub-total	<u>\$9,151,590</u>	<u>\$9,071,738</u>	<u>\$9,089,077</u>	<u>\$9,057,638</u>	<u>\$9,086,370</u>	<u>\$9,081,453</u>	<u>\$9,158,424</u>	<u>\$9,140,004</u>	<u>\$9,125,128</u>	<u>\$9,138,592</u>	<u>\$91,100,014</u>	
TOTAL	\$181,458,508	\$192,518,268	\$202,749,900	\$207,193,613	\$140,849,602	\$204,862,967	\$182,093,256	\$185,290,084	\$221,773,757	\$207,185,910	\$1,925,975,866	

The first nine months of spending reflects, on average, a continued and gradual return to pre COVID-19 levels

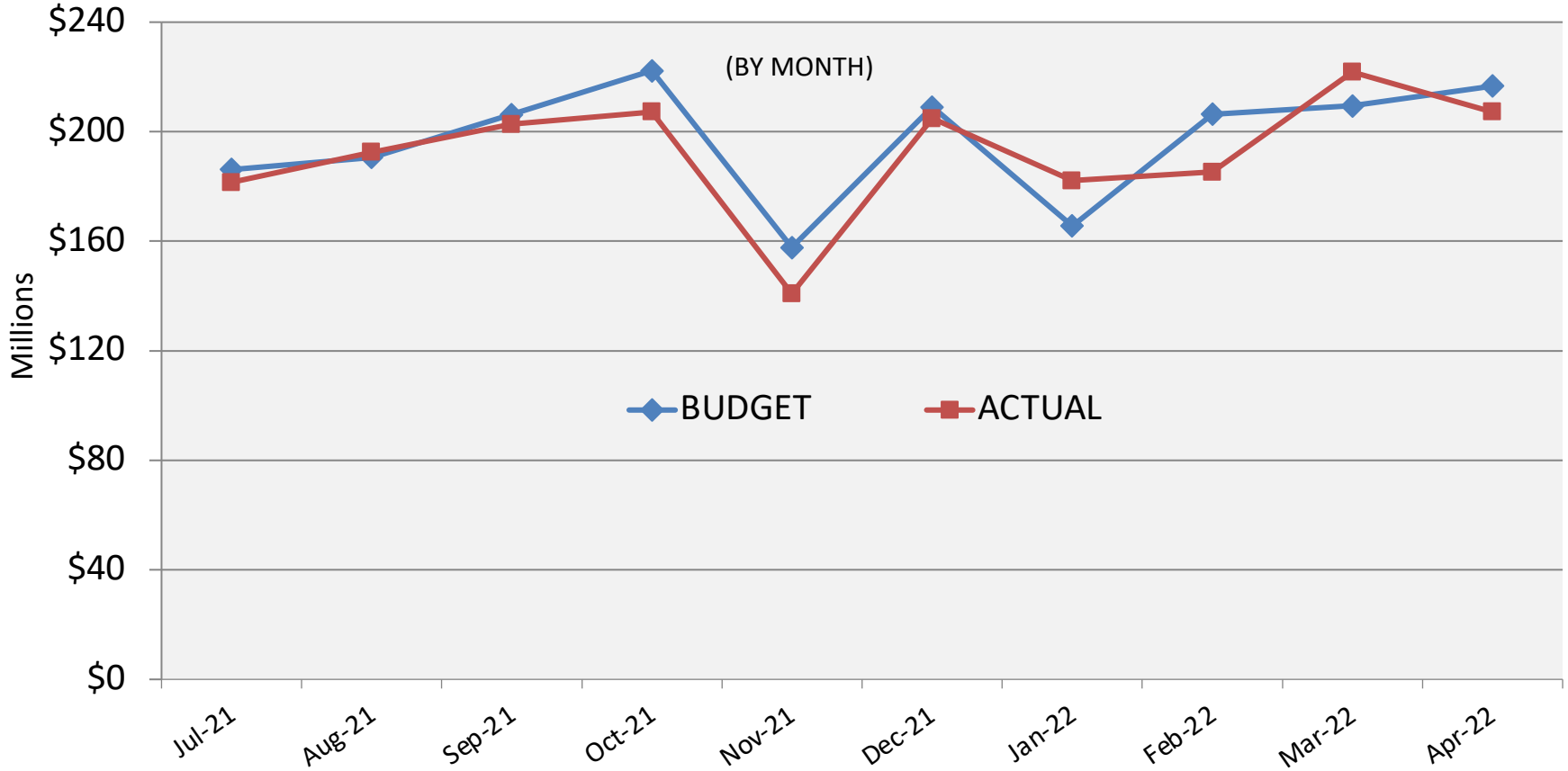
FY22 Enrollee Share Expense for GIC Premium Accounts



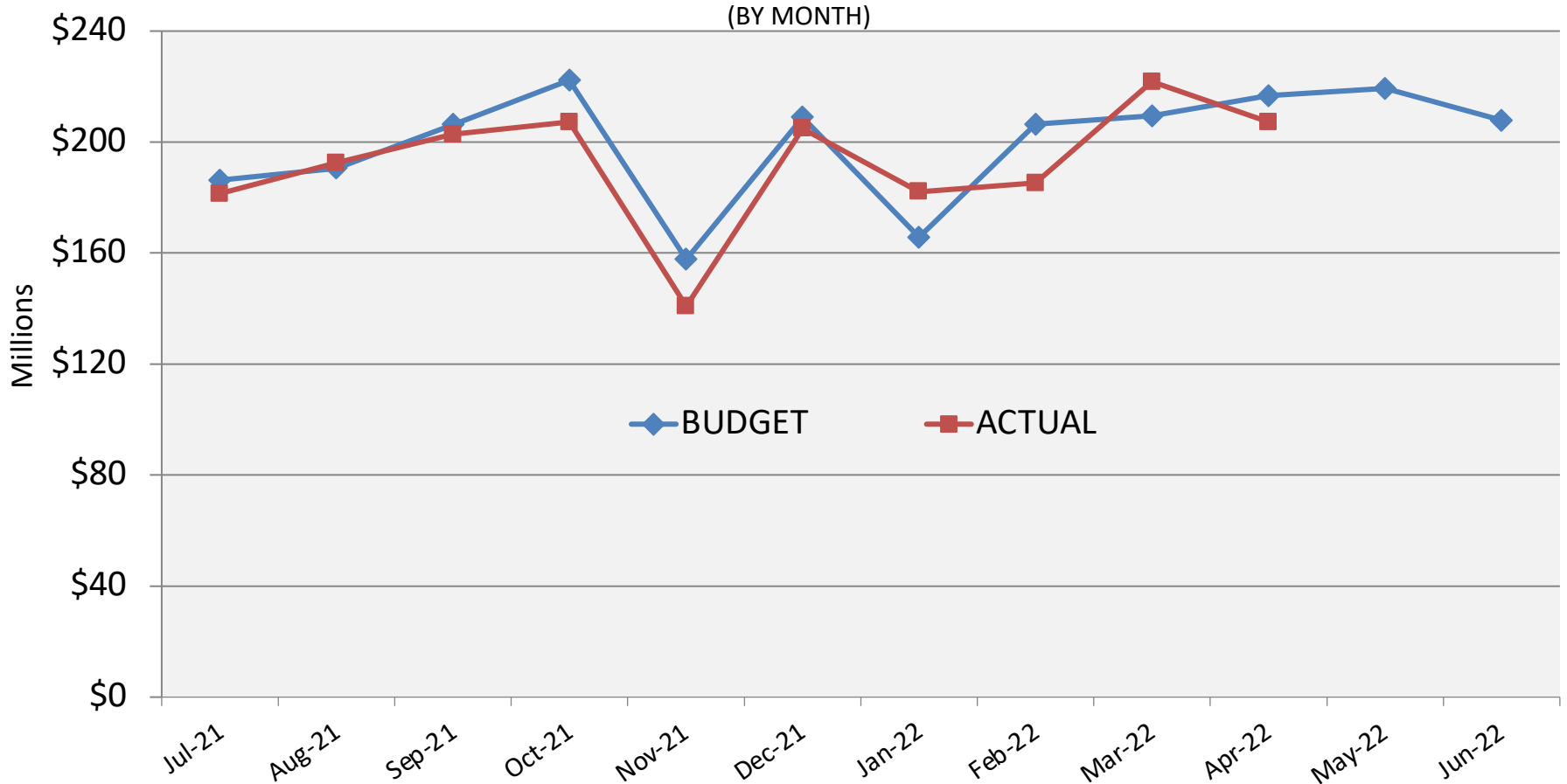
FY22 ENROLLEE SHARE EXPENSE FOR GIC PREMIUM ACCOUNTS														TOTAL
	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021	January 2022	February 2022	March 2022	April 2022				TOTAL
Allways Health Claims	\$2,008,098	\$1,540,255	\$2,072,808	\$1,534,786	\$1,715,588	\$2,379,246	\$1,987,624	\$1,804,140	\$2,268,041	\$2,026,680				\$19,337,266
Caremark/Express Scripts/SilverScript Claims	\$8,528,243	\$10,688,689	\$17,013,392	\$17,242,706	-\$9,792,663	\$10,258,127	\$6,444,251	\$10,412,444	\$14,864,231	\$13,107,807				\$98,767,228
Davis Vision Claims	\$6,160	\$6,835	\$5,816	\$5,184	\$5,799	\$5,753	\$6,400	\$7,058	\$8,279	\$6,212				\$63,496
Fallon Health Claims	\$1,631,579	\$1,898,720	\$1,558,378	\$1,638,853	\$1,921,981	\$1,742,292	\$1,651,293	\$1,415,042	\$1,464,142	\$1,849,296				\$16,771,577
Harvard Pilgrim Claims	\$9,561,245	\$9,474,611	\$7,362,637	\$7,290,362	\$9,218,420	\$7,099,154	\$6,916,415	\$7,814,251	\$9,464,092	\$7,452,191				\$81,653,378
Health New England Claims	\$2,158,467	\$2,484,394	\$2,001,785	\$1,884,623	\$2,582,789	\$2,156,941	\$2,122,590	\$1,888,905	\$2,777,920	\$2,025,019				\$22,083,433
Tufts Navigator Claims	\$9,368,030	\$7,527,759	\$7,825,241	\$9,761,157	\$7,981,667	\$11,667,024	\$7,848,346	\$8,509,934	\$9,679,584	\$10,642,804				\$90,811,546
Tufts Spirit and Medicare Complement Claims	\$1,270,371	\$959,669	\$875,647	\$1,088,481	\$702,840	\$1,098,036	\$916,332	\$1,165,848	\$1,228,025	\$1,197,813				\$10,503,061
Unicare Claims	\$12,017,842	\$16,089,479	\$13,673,480	\$13,610,635	\$21,852,721	\$14,432,626	\$20,386,580	\$16,010,824	\$16,692,074	\$15,124,310				\$159,890,571
Other costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				\$0
Claims sub-total	<u>\$46,550,036</u>	<u>\$50,670,411</u>	<u>\$52,389,185</u>	<u>\$54,056,786</u>	<u>\$36,189,141</u>	<u>\$50,839,200</u>	<u>\$48,279,831</u>	<u>\$49,028,446</u>	<u>\$58,446,388</u>	<u>\$53,432,131</u>				<u>\$499,881,554</u>
Basic Life	\$217,940	\$217,907	\$217,819	\$217,513	\$217,589	\$217,268	\$216,997	\$216,511	\$215,858	\$216,399				\$2,171,801
Optional Life	\$3,854,002	\$3,860,835	\$3,867,538	\$3,891,847	\$3,902,432	\$3,907,389	\$3,940,692	\$3,870,007	\$3,974,523	\$3,958,611				\$39,027,876
RMT Life	\$11,155	\$11,141	\$11,227	\$11,289	\$11,305	\$11,302	\$11,284	\$11,269	\$11,247	\$11,236				\$112,456
Long-Term Disability	\$1,054,431	\$1,048,632	\$1,047,746	\$1,050,234	\$1,051,303	\$1,051,101	\$1,066,459	\$1,064,834	\$1,063,898	\$1,066,850				\$10,565,487
Dental	\$1,993,257	\$1,990,149	\$2,005,562	\$2,012,768	\$2,017,438	\$2,020,678	\$2,040,269	\$2,044,918	\$2,052,753	\$2,057,971				\$20,235,764
Tufts Medicare Preferred	\$143,307	\$143,898	\$144,901	\$145,411	\$145,044	\$145,858	\$145,330	\$145,831	\$145,751	\$146,010				\$1,451,341
UBH Optum	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360				\$183,600
ASO Administrative Fee	<u>\$1,854,697</u>	<u>\$1,854,276</u>	<u>\$1,850,346</u>	<u>\$1,842,675</u>	<u>\$1,851,597</u>	<u>\$1,847,742</u>	<u>\$1,844,403</u>	<u>\$1,839,505</u>	<u>\$1,834,281</u>	<u>\$1,837,332</u>				<u>\$18,456,855</u>
Premiums sub-total	<u>\$9,147,151</u>	<u>\$9,145,198</u>	<u>\$9,163,498</u>	<u>\$9,190,097</u>	<u>\$9,215,068</u>	<u>\$9,219,698</u>	<u>\$9,283,795</u>	<u>\$9,211,237</u>	<u>\$9,316,670</u>	<u>\$9,312,768</u>				<u>\$92,205,181</u>
TOTAL	\$55,697,187	\$59,815,609	\$61,552,683	\$63,246,883	\$45,404,210	\$60,058,899	\$57,563,626	\$58,239,683	\$67,763,058	\$62,744,899				\$592,086,735

As expected, enrollee share paid claims have an identical pattern

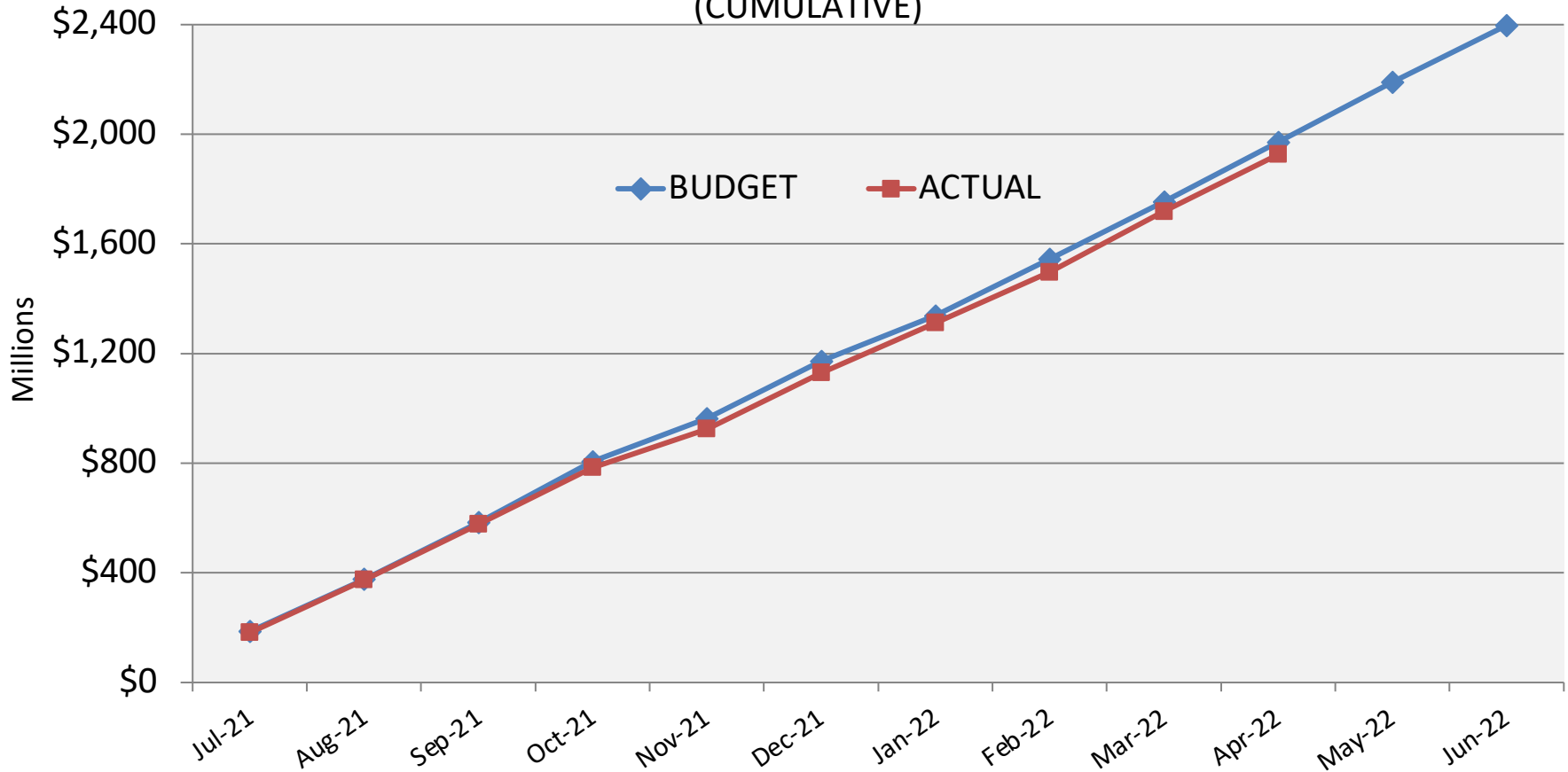
GROUP INSURANCE COMMISSION APPROPRIATION FOR PREMIUM ACCOUNTS FY22 BUDGETED VS. ACTUAL YEAR TO DATE



GROUP INSURANCE COMMISSION APPROPRIATION FOR PREMIUM ACCOUNTS FY22 BUDGETED VS. ACTUAL



GROUP INSURANCE COMMISSION APPROPRIATION FOR PREMIUM ACCOUNTS FY22 BUDGETED VS. ACTUAL (CUMULATIVE)



FY22 State Share Premium Budget for GIC Premium Accounts

as of April 30, 2022



	Budget*	Expenses	Under Budget / Over Budget	% VAR
Basic Life & Health Account #1108-5200 & #1599- 6152	\$1,961,393,809	\$1,918,378,087	\$43,015,722	2.2%
Active Dental & Vision Benefit Account #1108-5500	\$8,966,639	\$7,597,779	\$1,368,860	15.3%
Total State Share YTD	\$1,970,360,448	\$1,925,975,866	\$44,384,582	2.3%

* This account has received \$60 million in prior authorization continued (PAC) funding for FY2022. The surplus shown above reflects the GAA and the PAC funding.

May 19, 2022

Date: May 19, 2022
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. Please note that we will no longer be reporting on Covid-19 Vaccine numbers as they have plateaued significantly, and a robust communications update, much of which is related to Annual Enrollment, will be included in next month's report on that topic.

HUMAN RESOURCES:

Staffing Activity:

- There are two retirement announcements to share in this month's Executive Director's report:
 - o Ann Lopes retired on May 6 from her position on the Data Entry team after 14 years with the GIC
 - o Donna Thompson will be retiring from her position on the Life Insurance team on May 31 after 4 and half years with the GIC. Donna joined us after working earlier in her career at the Executive Office for Labor and Workforce Development.
 - o We appreciate all the important contributions that Ann and Donna have made to the GIC and we will miss them, but certainly wish them much happiness and enjoyment in their retirements.

LEGISLATIVE UPDATE:

The House of Representatives passed their budget on April 27. No budget language or amendments were adopted that would impact the GIC directly.

The Senate Ways and Means budget was released on May 10, 2022. The Senate will debate the proposed budget and amendments during the week of May 23rd and GIC staff will provide updates on that process as it unfolds.

As we are in the "homestretch" of the 2021-2022 legislative session, all eyes will be on Beacon Hill to see which major policy proposals will reach consensus and, ultimately, the Governor's desk. There are four significant healthcare bills we will be monitoring closely over the coming weeks and months:

SB2774 - *An Act investing in the future of our health (Governor's comprehensive healthcare bill)*

SB2695 - *An Act relative to pharmaceutical access, costs and transparency (Senate pharma bill)*

SB2584 - *An Act addressing barriers to care for mental health (Senate mental health bill)*

HB4262 - *An Act enhancing the market review process (House bill dealing with provider/hospital expansion)*

As you may recall, the House and Senate failed to come to an agreement on any healthcare related legislation in the last two legislative sessions so there will likely be additional political pressure to get something done this time around.

May 19, 2022

MUNICIPAL UPDATE:

The arrival of budget season also coincides with the time of year in which eligible GIC municipalities can request their medical claims data to take out to market. Thus far, the cities of Framingham and Gloucester have already made such a request. The towns of Haverhill, Salem, Sudbury, and Northampton have also signaled their intent to request their medical claims data.

This process typically involves a community, working with an independent consultant, evaluating the data and providing it to insurance carriers who will provide a cost estimate on moving to a fully-insured plan with a carrier or being self-insured and contracting with a carrier to serve as a third party administrator. The insurance consultant assists with the cost benefit analysis that will evaluate each option's benefits and drawbacks.

Although no new municipalities have joined the GIC in several years, we have maintained a stable municipal portfolio for nearly four years.