

June 20, 2024

Date: June, 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 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 Updates

Aylin Pena joined the GIC in March and is working in the Operations Department Medicare Enrollment unit reporting to Stacie Hickey. Aylin brings a strong background in customer service and processing transactions and was most recently working as a Program Payment Specialist at Metro Housing Boston. Please join me in welcoming Aylin to the GIC.

HR Program updates

We have announced to GIC employees that we will again offer the opportunity of a compressed summer workweek this upcoming summer between the July 4 and Labor Day holidays. The program, which provides employees with the option to work their full number of weekly hours over less than five full weekdays, has been popular with employees and allows them to have more time for personal activities during the summer months. Managers will work with interested employees to ensure that schedules provide adequate coverage in all units.

The deadline for Commonwealth employees to complete the FY24 annual mandatory training programs assigned by the Human Resources Division was May 31. The GIC had a 100% completion rate for the courses, and managers worked with employees during the year to be sure they had time to focus on the required programs.

LEGISLATIVE & MUNICIPAL

Legislative

With the end of the biennial session approaching, there is a flurry of activity on Beacon Hill. Presently, we are monitoring the FY25 budget process along with two major pieces of legislation that have some momentum and are of interest to the GIC.

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FY25 Budget:

The FY25 Budget is currently in conference committee awaiting agreement from both chambers before it goes to Governor Healey for her approval. The GIC's funding was included as requested. We are monitoring an outside section regarding the increase of basic life insurance from the current \$5,000 policy to \$10,000 for FY25.

H4653, An Act enhancing the market review process:

This piece of legislation has garnered quite a bit of interest since it was released this Spring. At a very high level, the legislation would 1) change the Health Policy Commission (HPC) health care cost growth benchmark structure; 2) create a Division of Health Insurance which would be separate from the existing Division of Insurance (DOI); and 3) establish a "rate equity target" for certain hospitals. While the bill does not directly amend GIC's statute, it does have the potential to be inflationary to GIC premiums at a time when our recent trends are already very concerning. The GIC provided feedback regarding the potential impact and will continue to stay engaged as the legislative process moves forward.

S2520, An Act relative to pharmaceutical access, costs and transparency (PACT Act):

Senate leaders promote the PACT Act (S2520) as an effort to "make urgent and much-needed reforms to the pharmaceutical system in the state by lowering the cost of drugs at the pharmacy counter and improving oversight of the pharmaceutical industry." The bill would add a wide range of entities in the prescription drug value chain to state oversight through HPC and the Center for Health Information and Analysis (CHIA), require pharmacy benefits managers (PBMs) to be licensed and monitored by the DOI, and establish a range of new rules on PBMs. As prescription drug costs continue to be a primary driver of rising premiums, we have serious concerns with provisions that would undermine tools available to PBMs and payors to manage these costs. Again here, the GIC provided feedback regarding the potential impact and will continue to stay engaged as the legislative process moves forward.

Municipal

As is typical for this time of year, we continue to receive data requests from existing GIC municipalities as they weigh their options for the next plan year. The data team is processing these in a timely manner, as usual. We also continue to make ourselves available, at the request of municipalities not currently enrolled with the GIC, to provide information on joining the GIC. These meetings include a basic overview of the GIC and offerings, as well as highlighting the value that the GIC offers. At this time, we have not received notice that any municipality will be joining or leaving the GIC as these notices usually come much later in the year. We will continue to keep the Commission updated as we receive more information.

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COMMUNICATIONS**GIC New Benefits Law Reduced Waiting Period (RWP)**

With the RWP project go-live date just a couple of weeks away, the GIC Communications team is finishing the implementation of the RWP communications plan. This plan began in the Fall of 2023 and will run through July 1, 2024. More than two dozen email communications have been sent, including various project updates, GIC staff and coordinator training invitation emails, and resources such as training recordings, presentations, and important items to provide to new hires.

The GIC held Coordinator trainings during the last week of May that were very well attended (342 HR/Payroll specialists), and 250 questions were answered by GIC staff. The Communications team tracked FAQs from the trainings and created a new RWP section within the [GIC's FAQ page](#) for coordinators to reference. The FAQs will be updated regularly as we receive more questions.

The Communications team also created a new [MyGICLink resources page](#) with videos and guides, including new hire instructions on how to register and login to MyGICLink and complete their enrollment application within 21 days of their hire date. Four new pages were also created on the GIC website, including a main [New Hire Benefits Law page](#) and [three sub-pages for each GIC Coordinator type](#), where coordinators can find previous communications and resources to help them prepare for and implement this important change. These pages are highlighted on the main [GIC Coordinators page](#) via an alert banner and a promotion section at the very top of the page for easy finding and will continue to serve as a resource to coordinators. As we previously discussed, we are issuing an Administrative Bulletin in conjunction with the amended regulations to provide guidance to offline and municipal entities about the process changes and to emphasize the agencies responsibilities as we roll out RWP. A copy of the bulletin was included in your packet.