COMMISSION MEETING

November 20, 2025

MassGIC

Group Insurance Commission

MA Group Insurance Commission

Public Notice: G.L. C-30A, Sec. 14, November, 2025

Agenda

- **I. Minutes, October 16, 2025 (VOTE)** — 8:30-8:35
  - Valerie Sullivan, Chair
  - Andrew Stern, General Counsel
- **II. Executive Director's Report (INFORM)** — 8:35-8:45
  - Matthew Veno, Executive Director
  - Members of Senior Staff
- **III. FY2024 Plan Audit Update (INFORM)** — 8:45 –9:30
  - Rachelle Mercier, Deputy General Counsel
  - Marie K. Pollock, HIA, Director of Audits , CTI
- **IV. Discussion about Balancing Benefits with the Budget (INFORM)** — 9:30–10:25
  - Chris Marino, Assistant Secretary for Budget, A&F
  - Matthew Veno, Executive Director
- **V. Other Business/Adjournment** — 10:25-10:30
  - Valerie Sullivan, Chair
  - Matthew Veno, Executive Director

I

Approval of Minutes (VOTE)

Valerie Sullivan, Chair
Andrew Stern, General Counsel

Motion

That the Commission hereby approves the minutes of its meeting held on October 16, 2025 as presented

- Valerie Sullivan, Chair
- Bobbi Kaplan, Vice-Chair
- Dana Sullivan (A&F Designee)
- Rebecca Butler (Designee for DOI)
- Darren Ambler
- Edward Tobey Choate
- Martin Curley
- Tamara Davis
- Jane Edmonds
- Gerzino Guirand
- Eileen P. McAnneny
- Kristin Pepin
- Dean Robinson
- Melissa Murphy-Rodrigues
- Jason Silva
- Anna Sinaiko
- Catherine West

II

Executive Director's Report

Matthew Veno, Executive Director
Members of the Senior Staff

III

FY2024 Plan Audits

Rachelle Mercier, GIC Deputy General Counsel

Marie K. Pollock, HIA
Director of Audits, Claims Technology Incorporated

Mental Health Parity Audit Results

NQTL Comparative Analysis and QTL Analysis

Performed for: Commonwealth of Massachusetts Group Insurance Commission (GIC)

Presented by: CXC Solutions and Claim Technologies (CTI)

Introduction and Acronym Key

- Fiscal Year 2024 (7/1/23-6/30/24) plan year
- Audit performed for four separate administrators:
  - Health New England (HNE)
  - Mass General Brigham (MGB)
  - Harvard Pilgrim Health Care (HPHC)
  - Wellpoint
- Audit Scope:
  - Mental Health Parity and Addiction Equity Act (MHPAEA) Comparative Analysis Report
    - Comparison of Non-Quantitative Treatment Limitations (NQTL) applied to Mental Health/Substance Use Disorder (MH/SUD) and Medical/Surgical (M/S) benefits
  - Mental Health Parity and Addiction Equity Act (MHPAEA) Quantitative Treatment Limitation Analysis Report
    - Analysis of Mental Health/Substance Use Disorder (MH/SUD) and Medical/Surgical (M/S) benefits subject to Financial Requirements (FRs) and Quantitative Treatment Limitations (QTLs)
- What is a Finding?
  - Findings are areas that the auditor flags or identifies as potentially problematic (needs more information or investigation) or actual non-compliance

Audit Process

- CXC met with the GIC to determine audit scope
- CXC sent information and data requests to plans
- CXC analyzed data and information for potential compliance issues
- Plans were given an opportunity to respond to draft reports
- CXC provided draft audit findings, draft reports, and plan responses to GIC

Currently in progress:

- GIC and CXC are discussing draft findings, draft reports, and plan responses together and with plans individually
- Findings and reports are being updated
- Final reports and findings will be issued

Preliminary HNE Findings

- Financial Requirement (FR)/Quantitative Treatment Limitation (QTL) testing results identified for further review
  - Copayments for MH/SUD claims in the Outpatient-Other – Tier 1 benefit classification
    - GIC should evaluate plan design for copays and make changes if necessary
  - Minute/Visit Limitations for the following services:
    - 4 visits – Nutritional Counseling*
    - 90 visits/episode of care – Physical Therapy and Occupational Therapy
    - 300-minute limit – Smoking Cessation*
- Non-Quantitative Treatment Limitation (NQTL) Results
  - Four areas of potential non-compliance were identified:
    - Concurrent Review, Network Reimbursement, Network Adequacy, and Coverage Scope
  - Areas of improvement for carrier documentation:
    - Written documents outlining the factors and evidentiary standards used in the design and application of NQTLs related to Network Adequacy and Geographic Restrictions imposed on the Plan

*These QTL issues were identified in the last audit and the current plans have removed these limits

Preliminary HPHC Findings

- FR/QTL results flagged for further review
  - Copayments for MH/SUD claims in the Outpatient Tier 1-3 benefit classifications for all plan options
    - GIC should evaluate plan design for copay and make changes if necessary
  - Visit Limitations for the following services:
    - 3 visits – Nutritional Counseling*
    - 30 visits – Physical Therapy and Occupational Therapy
- NQTL Results
  - Three areas of potential non-compliance were identified for GIC to further examine:
    - Network Reimbursement, Network Adequacy, and Exclusions

*These QTL issues were identified in the last audit and the current plans have removed these limits

Preliminary MGB Findings

- FR/QTL results flagged for further review
  - Copayments for MH/SUD claims in the Outpatient Tier 1-3 benefit classification
    - GIC should evaluate plan design for copay and make changes if necessary
  - Minute/Visit Limitations for the following services for MH/SUD claims:
    - 30 visits – Physical Therapy and Occupational Therapy
    - 300-minute limit – Smoking Cessation*
- NQTL Results
  - Three areas of potential non-compliance were identified for GIC to further examine:
    - Prior Authorization, Retrospective Review, and Network Reimbursement
  - Areas of improvement for carrier documentation:
    - Written documents outlining the factors and evidentiary standards used in the design and application of NQTLs related to Experimental/Investigational Determinations

*These QTL issues were identified in the last audit and the current plans have removed these limits

Preliminary Wellpoint (UniCare) Findings

- FR/QTL results flagged for further review
  - Copayments for MH/SUD claims in the Outpatient Tier 1-3 benefit classification
    - GIC should evaluate plan design for copay and make changes if necessary
  - Minute/Visit Limitations for the following services:
    - 30 visits – Physical Therapy and Occupational Therapy
    - 300-minute limit – Smoking Cessation*
- NQTL Results
  - Two areas of potential non-compliance were identified for GIC to further examine:
    - Treatment Plan and Exclusions
  - Areas of improvement for carrier documentation and operational reporting:
    - Written documents outlining the factors and evidentiary standards used in the design and application of NQTLs related to Concurrent Review, Treatment Plans, Provider Credentialing, and Network Adequacy
    - Additional data regarding the operation of the Plan related to Provider Credentialing and Network Adequacy

*These QTL issues were identified in the last audit and the current plans have removed these limits

Summary and Next Steps

- The audit process is ongoing
- Findings are not yet final
- Vendor meetings and discussion – some have taken place, some are forthcoming
- GIC continues to work with the plans and CXC to investigate findings to assess compliance

Fiscal Year 2024
Claim Administration Audits

Health New England and Wellpoint

Presented to

Commonwealth of Massachusetts
Group Insurance Commission

November 20, 2025

CLAIM TECHNOLOGIES INCORPORATED

PART OF THE BROWN & BROWN TEAM

Audit Objectives

- The goal of CTI's medical claim audits was to determine whether:
  - GIC contract terms were followed;
  - Claims were paid according to plan documents and if those provisions were clear and consistent;
  - Members were eligible and covered by a GIC plan at the time a service was incurred; and
  - Any claim administration, eligibility maintenance systems, or processes need improvement.

Audit Components

- Random Sample Audit of 200 claims
- Electronic Screening of 100% of Claims Followed by a Review of 150 Targeted Samples
- Operational Review – including extensive questionnaire and administrative management interviews
- Plan Documentation Analysis

FY2024 Claims Audit

AUDIT PERIOD: through	Claims Incurred Between July 1, 2023 and June 30, 2024, paid December 31, 2024
Health New England (HNE)	
Plans Audited	HMO, MedPlus
Total Paid Amount	$131,794,150
Number of Claims Processed	534,662
Median Claim Turnaround Time	13 days
Wellpoint (formerly UniCare)	
Plans Audited	Community Choice, PLUS, Total Choice, and Medicare Extension
Total Paid Amount	$1,107,437,772
Number of Claims Processed	5,121,107
Median Claim Turnaround Time	2 days

Random Sample Audit – Performance Summary

Administrator Performance by Quartile					
KEY PERFORMANCE INDICATOR	Quartile 1	Quartile 2	MEDIAN	Quartile 3	Quartile 4
	Lowest →				*Highest*
Financial Accuracy					
ADMINISTRATOR	*91.75% - 98.00%*	*98.01% - 99.05%*		*99.06% - 99.78%*	*99.79% - 100%*
HNE			99.05%		100%
Wellpoint		98.42%			
Accurate Payment Frequency					
ADMINISTRATOR	*89.33% - 96.00%*	*96.01% - 97.78%*		*96.79% - 98.89%*	*98.90% - 100%*
HNE			97.78%		100%
Wellpoint	95.00%				
Accurate Processing Frequency					
ADMINISTRATOR	*88.00% - 96.00%*	*95.01% - 97.71%*		*97.72% - 98.81%*	*98.82% - 100%*
HNE			97.71%		100%
Wellpoint	94.50%				

HNE Key Findings

- Random Sample Audit of 200 Claims
  - We did not identify any errors of any kind (financial or procedural) in the 200 claims selected for the random sample
- 100% Electronic Screening with 150 Targeted Sample Analysis
  - Paid duplicate claims, claims without investigating for potential third-party recovery, and paid provider fees that were greater than charged
  - Paid claims that CMS (Center for Medicare and Medicare Services) would not have paid for preventive services, National Correct Coding Initiatives (NCCI), and respiratory pathogen panel testing
  - Applied incorrect copayments
- Operational Review
  - 65% of appeals HNE denied were overturned upon further review

Wellpoint Key Findings

- Random Sample Audit of 200 Claims
  - 98.42 percent Financial Accuracy Rate (1.58 percent error rate)
  - Errors on eleven (including one non-financial error) claims, the impact of which was $279.23 in underpayments and $13,573.46 in overpayments
    - Four of the 10 financial errors adjudicated automatically, six adjudicated manually
- 100% Electronic Screening with 150 Targeted Sample Analysis
  - Paid plan exclusions for non-surgical weight loss treatment, cosmetic abdominoplasty and liposuction, investigational treatment, and paid dental claims incorrectly under medical
  - Made large payments directly to members
  - Paid duplicate claims
  - Exceeded member out-of-pocket expenses
  - Incorrectly denied preventive services

Recommendations – HNE and Wellpoint

1. Carriers to conduct a focused analysis of the findings identified during our 100% Electronic Screening with 150 Targeted Sample to determine if overpayment recovery and/or system improvements are required. For systemic errors, HNE and Wellpoint should run impact reports to identify all affected claims and discuss findings with the GIC to determine next steps that will not negatively impact members. CTI has provided claim detail for use in this analysis.

2. Carriers to seek approval before settling subrogation cases where recovery is less than defined amounts, for example, where settlement is less than 50% for any subrogation lien of more than $100,000.

3. GIC to consider negotiating contract language requiring HNE and Wellpoint to compensate the GIC or its members for claim processing errors made at no fault of the GIC or it's members.

HNE-Specific Recommendation

1. HNE to review its appeals process to determine why 65% of appeals were overturned and examine the root cause to develop an action plan for improvement moving forward.

Wellpoint-Specific Recommendations

1. Meet with Wellpoint to discuss random sample findings; focus on improving Wellpoint's Financial Accuracy, Accurate Payment Frequency, and Accurate Processing Frequency. For systemic errors, Wellpoint should run impact reports to identify and adjust affected claims as directed.
2. Wellpoint to analyze results of turnaround time based on the randomly sampled claims to determine if its 2-day median turnaround time is too quick and negatively impacting overall financial and claims processing accuracy.
3. Wellpoint should review its fraud, waste, and abuse process including use of the Office of Inspector General's List of Excluded Individual's and Entities to avoid making payments to indicted or sanctioned providers. There were a total of 63 claims from three sanctioned providers submitted and paid during the audit period.
4. Request Wellpoint have an off-cycle audit performed in fiscal year 2025 (to be paid for by the carrier) to ensure necessary changes have been made and any required system updates or process enhancements have been completed.

Thank You!


Commonwealth of Massachusetts
Group Insurance Commission


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IV

Balancing Benefits with the Budget

Chris Marino, Assistant Secretary For Budget, A&F

Matthew Veno, Executive Director

A&F Budget Overview

Discussion of Benefit Options

The Purpose of Today's Discussion

- The GIC faces a known $77M budget deficiency for FY26, due to policy decisions enacted in the FY26 budget related to premium contribution splits and GLP-1s to treat weight loss.
  - GIC's claims experience over the fiscal year may add to this deficiency.

- As budget pressure is expected to continue, the GIC is evaluating potential benefit design changes for FY27, weighing the Commonwealth's budget savings against impact on the GIC's strategic priorities.

- Benefit design changes would generate near-term budget savings, but GIC's health care spending is determined by **utilization** and **unit cost** of health care services and prescription drugs.
  - Unit cost is determined by health plan negotiations with providers, and by PBM negotiations with drug manufacturers, factors over which the GIC has limited influence.
  - Utilization has increased more than expected nationally over the last 3 years.
    - Management programs to decrease utilization take longer to have impact.

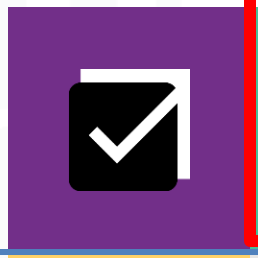
The purpose of this agenda item is to review specific plan design levers available, evaluate potential actions in light of GIC's strategic priorities, and discuss the inherent tradeoffs.

No recommendations or decisions will be made today. Commission feedback is welcome.

Plan sponsors have four categories of levers to lower healthcare spending

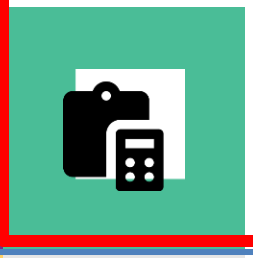
Participation

Fewer plan members lowers total medical spending



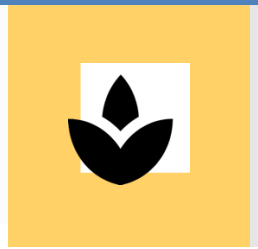
Plan design and cost sharing

Shifting costs and tweaking plan design can lower employer costs and utilization



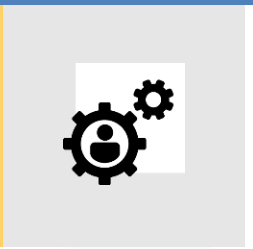
Population Health programs

Improving health and navigation can lower costs but takes effort and savings are lagged



Carrier and PBM accountability

PBMs and carriers impact unit cost and utilization



Most health plan sponsors have few tools to impact unit cost other than through carrier contracting. The GIC is also evaluating options to address unit cost, some of which would require legislative action

GIC's Strategic Framework

The GIC developed its three strategic pillars and guiding principles to govern its prioritization and decision-making process for all strategic opportunities, in alignment with its goals

Guiding Principles

- Utilize buying power to make healthcare affordable by addressing underlying problems
- Use buying power to improve quality and outcomes for GIC members and others
- Carefully consider and manage member disruption
- Present low implementation risk
- Improve access to mental health and substance use disorder services
- Address diversity, equity and inclusion and social determinants of health
- Improve member experience, including navigation
- Play to the strengths of health plan partners and tap into specialized solutions to supplement weaknesses
- Align with other Massachusetts government agency initiatives

Options for Benefit Design Changes

Legend

- Not applicable
- Some misalignment with GIC priorities
- Strongly misaligned with GIC priorities
- Aligned with GIC priorities

Initiative	Estimated Annual Savings	Alignment with GIC Strategic Priorities: Member Affordability	Behavioral Health	Health Equity
Plan Design Changes				
Increase urgent care copay $20 to $30*	$	Some misalignment	Not applicable	Not applicable
Remove three free mental health visits (telehealth)	$	Some misalignment	Strongly misaligned	Not applicable
Increase ER copay from $100 to $150*	$	Some misalignment	Not applicable	Not applicable
Limit coverage for hearing aids to only what is mandated in MA: ▪ Reduce coverage for those <21 from every 24 months to every 36 months ▪ Remove coverage for 22+ age group	$	Some misalignment	Not applicable	Strongly misaligned

*While these changes represent a cost shift to members, it's important to consider that the GIC's urgent care and ER copays are currently below market. Raising copays for any service could impact timely access to needed care for members with lower incomes. Lower utilization could lead to additional cost savings.

Options for Benefit Design Changes

Legend

- Not applicable
- Some misalignment with GIC priorities
- Strongly misaligned with GIC priorities
- Aligned with GIC priorities

Initiative	Estimated Annual Savings	Alignment to GIC Strategic Principles: Member Affordability	Behavioral Health	Health Equity
Plan Design Changes				
Increase out of network coinsurance for plans that cover out-of-network services	$$	Strongly misaligned with GIC priorities	Strongly misaligned with GIC priorities	Not applicable
Implement a uniform methodology for health carrier reimbursement to out-of-network providers in Massachusetts*	$$$	Aligned with GIC priorities	Not applicable	Not applicable
Increase office visit copays: PCP: $10/$20/$40 → $15/$30/$60 Specialist: $30/$60/$75 → $35/$70/$90	$$$	Some misalignment with GIC priorities	Not applicable	Not applicable

* If accompanied by member protection legislative language, an OON reimbursement cap would encourage providers to stay in-network and improve member accessibility/affordability. Without this legislative language, members may be turned away from OON providers.

Options for Benefit Design Changes

Legend

- Not applicable
- Some misalignment with GIC priorities
- Strongly misaligned with GIC priorities
- Aligned with GIC priorities

Initiative	Estimated Annual Savings	Alignment with GIC Strategic Priorities: Member Affordability	Behavioral Health	Health Equity
Deductible Increases – Commercial Plans*				
Increase Medical deductible by $100/$200 (individual/family) National/Broad networks: $500/$1,000 → $600/$1,200 Limited networks: $400 → $500	$$$			
Increase Medical deductible by $250/$500 (individual/family) National/broad networks: $500/$1,000 → $750/$1,500 Limited networks: $400 → $650	$$$$			

*Higher deductibles impact member affordability. Research shows higher deductible leads to utilization of needed care, which is especially impactful to lower income members The deductible does not apply for behavioral health services.

Options for Benefit Design Changes

Legend

- Not applicable
- Some misalignment with GIC priorities
- Strongly misaligned with GIC priorities
- Aligned with GIC priorities

Initiative	Estimated Annual Savings	Alignment with GIC Strategic Priorities: Member Affordability	Behavioral Health	Health Equity
Pharmacy				
Copay assistance card program (Prudent Rx)*	$$$$	Strongly misaligned / Aligned	Not applicable	Not applicable
Obesity Management: Remove GLP-1 coverage	$$$$$	Strongly misaligned	Not applicable	Strongly misaligned
Dental Contribution Ratio				
Increase member contribution rate from 15% to 25%, aligning it to the predominant premium split that exists for medical coverage	$	Strongly misaligned	Not applicable	Not applicable
Surviving Spouse Contribution Ratio				
Increase contribution rate of surviving spouses from 10% to match the decedent's contribution ratio (10%, 15%, 20% or 25%)	$$	Strongly misaligned	Not applicable	Not applicable

*Impact on member affordability will depend on member participation. Members who enroll in the Prudent Rx solution have lower OOP costs, but members pay higher coinsurance if they do not participate. Robust communications and outreach are key to program engagement.

Discussion

- What principles would you like to see staff follow and prioritize when considering potential budget saving measures?

- Are there any additional strategies, beyond those listed, that the Commission would like to see the staff evaluate for consideration?

V

Other Business/Adjournment

Valerie Sullivan, Chair
Matthew Veno, Executive Director

2025 Group Insurance Commission Meetings & Schedule

January	February	February	April	May
16	6	27	17	15

June	September	October	November	December
18	18	16	20	**18**

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 **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.

Note: Topics and meeting dates are subject to change

Appendix

- Commission Members
- GIC Leadership Team
- GIC Goals
- GIC Contact Channels

Commission Members


Valerie Sullivan, Public Member, Chair


Michael Caljouw, Commissioner of Insurance

Darren Ambler, Public Member


Edward Tobey Choate, Public Member

Martin Curley, Public Member


Tamara P. Davis, Public Member


Jane Edmonds, Retiree Member

Gerzino Guirand, Council 93, AFSCME, AFL-CIO


Eileen P. McAnneny, Public Member


Bobbi Kaplan, NAGE, Vice-Chair


Matthew Gorzkowicz, Secretary of Administration & Finance

Kristin Pepin, NAGE

Dean Robinson, Massachusetts Teachers Association


Melissa Murphy-Rodrigues, Mass Municipal Association

Jason Silva, Mass Municipal Association


Anna Sinaiko, Health Economist


Catherine West, Public Member

GIC Leadership Team

Matthew A. Veno, Executive Director

Erika Scibelli, Deputy Executive Director

Emily Williams, Chief of Staff

Jennifer Hewitt, Chief Fiscal Officer

Paul Murphy, Director of Operations

Andrew Stern, General Counsel

Stephanie Sutliff , Chief Information Officer

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 from GIC (email, phone, mail)
Email	gicpublicinfo@mass.gov	
Telephone	(617) 727-2310, M-F from 8:45 AM to 5:00 PM	
Office location	1 Ashburton Place, Suite 1413, Boston, MA, Not open for walk-in service	
Correspondence & Paper Forms	P.O. Box 556 Randolph, MA 02368	Allow for processing time. Priority given to requests to retain or access benefits

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
Mass General Brigham Health Plan	(866) 567-9175	massgeneralbrighamhealthplan.com/gic-members
Harvard Pilgrim Health Care	(844) 442-7324	point32health.org/gic
Health New England	(800) 842-4464	hne.com/gic
Tufts Health Plan (Medicare Only)	(855) 852-1016	Tuftshealthplan.com/gic
Wellpoint Non-Medicare Plans Medicare Plans	 (833) 663-4176 (800) 442-9300	wellpoint.com/mass