



Commonwealth of Massachusetts
Group Insurance Commission

COMMISSION MEETING

September 15, 2022



MA Group Insurance Commission



Group Insurance Commission



@MassGIC

	Topic	Speaker	Schedule
I	Minutes, June 16, 2022 (VOTE) Executive Session Minutes, March 24, 2022 (VOTE)	Valerie Sullivan, Chair Andrew Stern, General Counsel	8:30-8:40
II	Executive Director's Report (INFORM)	Matthew Veno, Executive Director & Members of Senior Staff	8:40-8:55
III	Plan Audits (INFORM)	Michelle Suckow, Vice President, CTI James Rust, Chief Financial Officer	8:55-9:30
IV	EAP Procurement Update (INFORM)	Stephen Kuhn, Lisa Bertola, & Sarah Gunderson— Segal Jannine Dewar, Health & Pharmacy Benefits Manager	9:30-9:55
V	Municipal Presentation (INFORM)	Mike Berry, Director of Government Affairs	9:55-10:15
VI	CFO Year End Report (INFORM)	James Rust, Chief Financial Officer	10:15-10:25
VII	Other Business & Adjournment	Valerie Sullivan, Chair Matthew Veno, Executive Director	10:25-10:30

Motion

That the Commission hereby approves the minutes of its meeting held on June 16, 2022 as presented.

- Valerie Sullivan, Chair
- Bobbi Kaplan, Vice-Chair
- Kelly Govoni (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

Motion

That the Commission hereby approves the minutes of the Executive Session held on March 24, 2022, as presented.

- Valerie Sullivan, Chair
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- Timothy D. Sullivan



II. Executive Director's Report (INFORM)

Matthew Veno,
Executive Director
&
Members of Senior Staff

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	Vote: FSA Procurement	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: EAP Procurement	Vote: Pharmacy Benefit (PBM)
Report: Out of Pocket		EAP Procurement Consultant Update				EAP Procurement Update			Municipal Presentation			Municipal Update
Public Info Sessions					FY23 Annual Enrollment							Annual Stewardship Report
Stakeholder Engagement				Health Benefit Procurement								

* Topics and meeting dates are subject to change



III. Plan Audits (INFORM)

Michelle Suckow,
Vice President, CTI

James Rust,
Chief Financial Officer

Claim Administration Audits

AllWays Health Partners, Harvard Pilgrim
Health Care, and Tufts Health Plan

Presented to



**Commonwealth of Massachusetts
Group Insurance Commission**

September 15, 2022



**CLAIM TECHNOLOGIES
INCORPORATED**

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 paid; and
 - Any claim administration, eligibility maintenance systems, or processes need improvement.

Audit Components

- Random Sample Audit of 200 claims
- 100% Electronic Screening with 150 targeted sample analysis (ESAS®)
- Data Analytics – an additional analysis of the plan claim files to assess provider discounts, correct coding, and compliance
- Operational Review – including extensive questionnaire and administrative management interviews
- Plan Documentation Analysis

FY2021 Claims Audit

Audit Period: Claims incurred July 1, 2020, through June 30, 2021, paid through December 31, 2021	
AllWays Health Plan (AllWays)	
Plans Audited	Complete HMO
Total Paid Amount	\$87,953,022
Number of Claims Processed	251,159
Median Claim Turnaround Time	8 days
Harvard Pilgrim Health Care (HPHC)	
Plans Audited	Independence, Primary Choice, and Medicare Enhance
Total Paid Amount	\$420,983,155
Number of Claims Processed	1,817,688
Median Claim Turnaround Time	12 days
Tufts Health Plan (Tufts)	
Plans Audited	Navigator, Spirit, and Medicare Complement
Total Paid Amount	\$506,854,671
Number of Claims Processed	1,964,613
Median Claim Turnaround Time	8 days

Random Sample Audit – Performance Summary

Administrator Performance by Quartile					
KEY PERFORMANCE INDICATOR	Quartile 1	Quartile 2	MEDIAN	Quartile 3	Quartile 4
	<i>Lowest</i> —————→ <i>Highest</i>				
AllWays					
Financial Accuracy		98.02%	98.55%		
Accurate Payment	94.00%		96.36%		
Accurate Processing	93.00%		95.64%		
HPHC					
Financial Accuracy	96.41%		98.55%		
Accurate Payment		95.50%	96.36%		
Accurate Processing		95.50%	95.64%		
Tufts					
Financial Accuracy			98.55%	98.97%	
Accurate Payment		96.00%	96.36%		
Accurate Processing			95.64%	96.00%	

AllWays Key Findings

- Random Sample Audit of 200 Claims
 - 98.02 percent Financial Accuracy Rate (1.98 percent error rate)
 - Twelve claims identified with payment errors totaling \$26,807.97 in underpayments and \$4,807.79 in overpayments
 - Nine of the 12 errors adjudicated automatically, the remaining three adjudicated manually
 - Sixteen claims in which COVID-19 cost share was waived incorrectly
- 100% Electronic Screening with 150 Targeted Samples
 - Paid excluded services for investigational/experimental treatment
 - Paid incorrect primary care provider copays
 - Over accumulated deductibles for individual and family in-network claims

HPHC Key Findings

- Random Sample Audit of 200 Claims
 - 96.41 percent Financial Accuracy Rate (3.59 percent error rate)
 - Nine claims identified with payment errors totaling \$22,816.61 in underpayments and \$270.00 in overpayments
 - Six of the nine errors adjudicated automatically, three adjudicated manually
 - Seven claims in which COVID-19 cost share was waived incorrectly
- 100% Electronic Screening with 150 Targeted Samples
 - Paid Medicare-eligible member claims with end stage renal disease (ESRD)
 - Paid excluded services for physician assistant, nurse practitioner, or nurse surgery assistant
 - Paid duplicate claims
 - Paid incorrect copays for primary care provider and inpatient facility

Tufts Key Findings

- Random Sample Audit of 200 Claims
 - 98.97 percent Financial Accuracy Rate (1.03 percent error rate)
 - Eight claims identified with payment errors totaling \$817.73 in underpayments and \$612.39 in overpayments
 - Three of the eight errors adjudicated automatically, the remaining five adjudicated manually
 - Nine claims in which COVID-19 cost share was waived incorrectly
- 100% Electronic Screening with 150 Targeted Samples
 - Paid greater than charged amount
 - Paid excluded services for physician assistant, nurse practitioner, or nurse surgery assistant
 - Paid duplicate claims

Recommendations for All Administrators

1. The GIC should meet with its administrators to discuss audit findings, focusing on steps necessary to improve Financial Accuracy, Accurate Payment Frequency, and Accurate Processing Frequency as needed. For any systemic financial errors, the administrators should run impact reports to identify and adjust all affected claims.
2. The GIC should confirm with its administrators its agreement regarding COVID-19 claims and whether it should waive cost-share on all service lines when a COVID-19 test was present on the claim.
3. The administrators should conduct focused analysis of errors identified through ESAS to determine if overpayment recovery and/or system improvements are possible to reduce or eliminate similar errors going forward. CTI will provide administrators with claim detail to use in this analysis.
4. The administrators should conduct a focused analysis of the NCCI Procedure-to-Procedure and Medically Unlikely Edit exceptions to identify code editing enhancement opportunities.

Recommendations for All Administrators

5. The administrator should conduct a focused analysis of the categories identified through the preventive services screenings where deductible and copayments were applied. CTI will provide claim detail for administrators to use in their analysis.
6. The GIC should verify fees owed to outside vendors used by each administrator and confirm overpayment recovery fees are only charged for situations within GIC's control, such as retro-active eligibility changes.
7. The GIC should implement authority limits requiring GIC approval for any third-party liability lien reductions exceeding an agreed upon percentage.
8. The GIC should confirm that all administrators pass 100% of all manufacturer rebates they receive for specialty drugs processed under the medical benefits through to the GIC.

Additional Recommendations

For HPHC Only

1. HPHC should review the results of its turnaround time reported on the randomly sampled claims to determine ways to reduce both the mean and median turnaround time for claims processing.
2. HPHC should perform a focused review of its appeals handling as it is overturning many more appeals than it is upholding.

For HPHC and Tufts

3. The GIC should update its Plan Booklets to clarify its intent for coverage of marriage counseling services.

Thank You!



**Commonwealth of Massachusetts
Group Insurance Commission**



**CLAIM TECHNOLOGIES
INCORPORATED**



IV. EAP Procurement Update (INFORM)

Stephen Kuhn, Lisa Bertola, & Sarah Gunderson,
Segal

Jannine Dewar,
Health & Pharmacy Benefits Manager



The Commonwealth of Massachusetts Group Insurance Commission

Procurement Update – EAP Program

Steve Kuhn/Lisa Bertola/Sarah Gunderson

September 15, 2022

September 15, 2022 Status Update

2022	EAP Procurement Timeline		Completed
July	25	Program and Request For Responses (RFR) minimum requirements meeting	✓
August	17	Release of the RFR for EAP services	✓
September	2	Bidder's conference to address bidder questions	✓
	15	Status update before the Group Insurance Commission	✓
	16	Proposals due date / opening of bids	
October	14	Complete proposal evaluations and select finalists	
	21-25	Conduct finalist interviews and reference checks	
	28	Best and final offers due	
November	17	Recommendation of the EAP vendor to the Group Insurance Commission	
December		Contract authorization/approval	

September 15, 2022 Status Update - *continued*

2023		EAP Procurement Timeline	Completed
Jan-Apr		Implementation meetings	
Mar-June		Finalize plan documentation, communication materials, benefit summaries, facilitate termination and transition of services from incumbent EAP provider (if applicable)	
Apr-May		Annual enrollment and meeting attendance	
July	1	Program effective date	

Key EAP Program Goals and Vendor Criteria

EAP Program Goals

Provide short-term needs assessments, counseling, and referrals for GIC participants

Engage GIC agencies and participating employers with training and critical incident resources

Enhance awareness and establish outreach campaigns, leveraging EAP vendor and GIC resources

Vendor Criteria

Ease of use, expanded access, clinical competence, and evidence-based approaches

Demonstrated ability to meet the diverse needs of the GIC's structure

A partnership commitment to provide multi-media outreach and meet annual GIC communication milestones

**Selected
EAP
Vendor
as of
July 1,
2023**

Key EAP Features and Vendor Criteria

EAP Features

Measurable Performance Indicators

Creative Engagement Platforms and Outreach

Competitive Financials and Performance Guarantees

Vendor Criteria

Validation metrics: engagement, satisfaction scores, outcomes, and year-over-year change analyses

Innovative services and coordination with GIC Human Resources and Communication Teams

Alignment of cost and utilization, administrative ease, and fees based on measurable performance



Thank You





V. Municipal Presentation (INFORM)

Mike Berry,
Director of Government Affairs

Goals

1

Provide an overview of the MA municipal insurance landscape

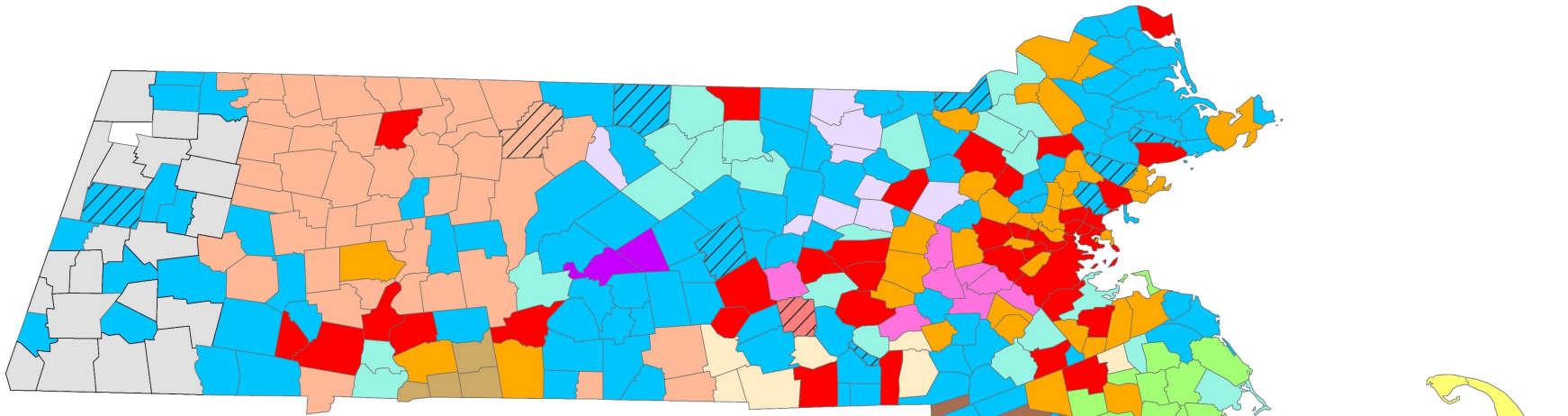
2

Provide background of Municipal reform

3

Develop a better understanding of municipal data request and renewal process

Municipal Insurance Marketplace Map



Health Insurance Purchasing Group

- | | |
|---|--|
| Former GIC Community (10) | MIIA (109) |
| BCBS (30) | Mass. Strategic Health Group (7) |
| Berkshire Health Group (20) | Mayflower Municipal Health Group (13) |
| Cape Cod Municipal Health Group (20) | Minuteman-Nashoba Health Group (9) |
| Gateway Health Group (2) | No Employee Health Insurance (1) |
| Group Insurance Commission (38) | Quabbin RSD (2) |
| HPHC (1) | Scantic Valley Regional Health Trust (4) |
| Hampshire County Group Insurance Trust (44) | Southeastern MA Health Group (7) |
| Independent/Multiple Carriers (36) | West Suburban Health Group (8) |

Municipal Insurance Reform History & Current Status

2007

- January: the City of Springfield enrolls in the GIC as part of state mandated restructuring to improve its fiscal health.
- July: Governor Patrick signs into law a bill allowing municipalities to join the GIC with 70% approval of their Public Employee Committee (PEC).

2011

- The Legislature adds two provisions to the 2007 municipal insurance law (Sections 19-23).
- One allows cities and towns to replicate the plan design of the highest GIC enrolled plan (“benchmark plan”) without joining.
- The other allows for a 30-day negotiation with unions if GIC enrollment projects a cost savings greater than plan design changes alone.

2015

- Governor Baker signs into law a provision reducing the automatic rollover of GIC municipalities from three years to two years.

2022

- Our staff continues to be a resource for municipalities that are in the process of evaluating their employee health insurance options.

GIC Municipal Portfolio

48 GIC Municipalities and Regional School Districts (RSD): M.G.L. 32B entities

59,374 total subscribers

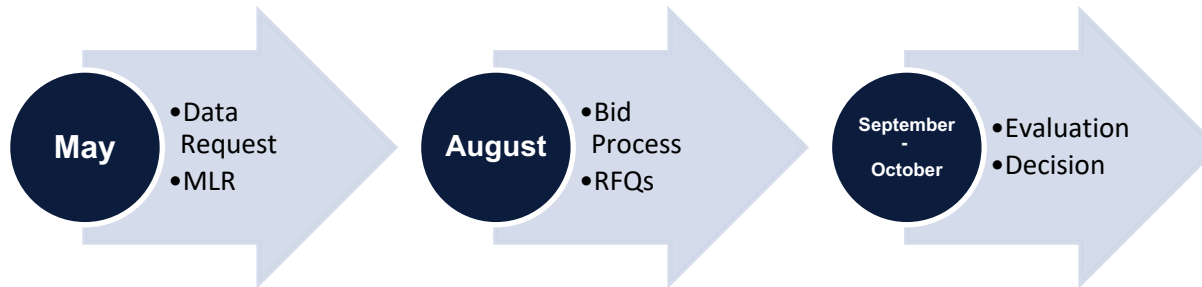
Municipal employees make up 23.5% of GIC subscribers

- Town of Arlington
- Town of Ashland*
- Town of Bedford*
- Town of Brookline*
- Town of East Bridgewater
- Town of Easton
- Town of Framingham
- City of Gloucester
- Town of Groveland
- **City of Haverhill**
- Town of Hingham
- Town of Holbrook*
- **City of Lawrence**
- Town of Lexington
- **City of Lowell**
- South Essex Sewer District
- Town of Lynnfield
- Town of Marblehead*
- City of Medford
- City of Melrose*
- Town of Middleborough*
- Town of Millis*
- Town of Monson
- Town of North Andover*
- City of Northampton
- Town of Norwood
- Town of Randolph*
- **City of Salem**
- City of Somerville
- **City of Springfield**
- Town of Stoneham
- Nashoba Valley Reg. HS
- Town of Sudbury
- Town of Swampscott*
- Town of Wakefield
- Town of Watertown
- Town of Weston*
- Town of Westwood*
- Town of Weymouth
- Town of Winthrop
- Mohawk Trail RSD
- Hawlemont RSD
- Gill Montague RSD
- Athol-Royalston RSD*
- Blue Hills Regional High School
- Northeast Regional Vocational*
- Pentucket RSD
- LABB Collaborative

* Offers GIC retiree dental plan
Bold Italics denotes a Gateway City

Largest: Springfield, Lowell, Lawrence, Framingham, Brookline
Smallest: Nashoba Valley HS, Hawlemont RSD, Groveland

Data Requests / Evaluating Non-GIC Options



- When a GIC municipality or school district is up for renewal they can request 24 months of medical claims data, along with monthly eligibility and large loss information. Data requests usually occur between April and June.
- The entity typically retains an insurance consultant to analyze claims spending and premium data and develop a loss ratio.
- After further refining the net loss ratio, the information is presented to the municipal officials and the PEC. Depending on the results of the analysis, the decision will be made whether to issue an RFQ to insurance carriers or remain in the GIC. The issuance of the RFQ and evaluation of results are typically done over the summer.
- In August/early September, the consultant prepares an analysis of the proposals for the municipality. The PEC will then reconvene to review the information and, if the proposals from carriers show promise (either through cost savings, a different plan design, or both), they will begin potential negotiations.
- Once a final decision has been made, the municipality must notify the GIC by December 1 of the city/town's intention for the following fiscal year. A community that is in renewal and does not inform the GIC of their intentions automatically renews for a two-year period.

2022 Data Requests

The following 11 municipalities and Regional School District are up for renewal and have requested their medical claims data.

1	CITY OF LOWELL	4065
2	TOWN OF FRAMINGHAM	3131
3	CITY OF MEDFORD	1805
4	CITY OF SALEM	1597
5	CITY OF NORTHAMPTON	1385
6	CITY OF GLOUCESTER	1384
7	TOWN OF NORWOOD	1273
8	TOWN OF SUDBURY	703
9	ATHOL-ROYALSTON RSD	354
10	TOWN OF MONSON	311
11	TOWN OF MILLIS	304

The total membership represents 16,312 total members.

Conclusions

GIC is one of many health insurance options for municipalities and regional school districts, which can offer value to a municipality depending on its unique circumstances.

Municipal insurance coverage is an intensely localized process. GIC cannot tailor its offerings or plan design to meet all the needs of the municipal insurance marketplace.

While GIC does not actively solicit business, we gladly engage with any entity interested in learning more about our insurance coverage options.

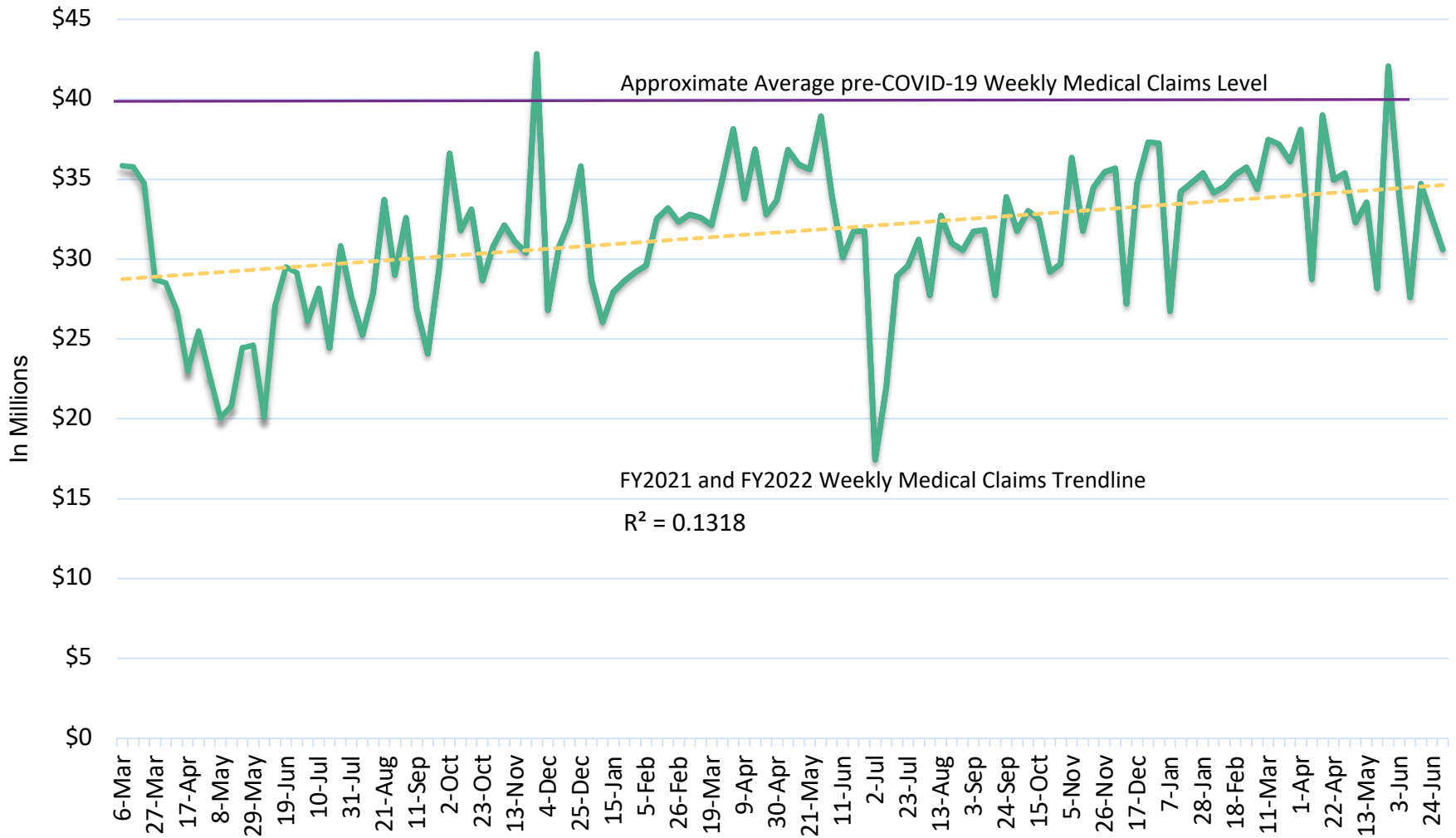


VI. CFO Year End Report (INFORM)

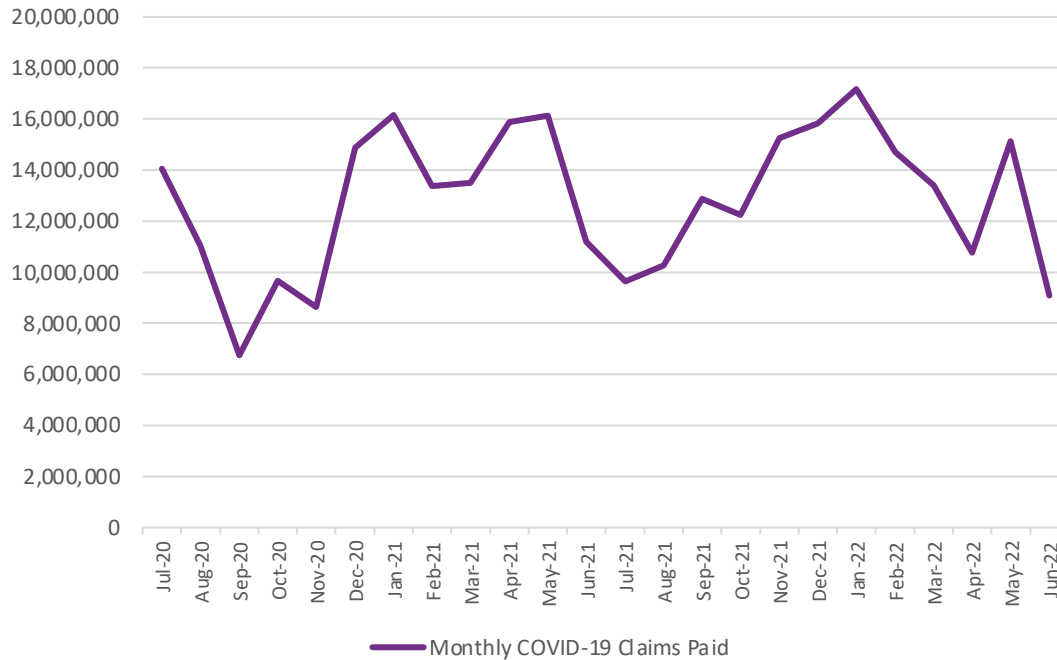
James Rust,
Chief Financial Officer

- FY22 Budget Results
- COVID 19 Spending Update

GIC Medical Claims for the weeks ending 3/6/2020 – 6/30/2022



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
May-22	15,135,362	298,648,754
Jun-22	9,090,667	307,739,421
FY22 COVID-19 Claims to Date		156,433,481
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		351,100,628

- COVID-19 claims remained consistent through much of FY22
- There is a 4-6 week lag in reporting so more recent waves are not yet reflected in this spending data

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	May 2022	June 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	\$7,386,522	\$6,317,210	\$79,386,615
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	\$42,685,436	\$64,298,160	\$495,672,266
Davis Vision Claims	\$34,908	\$38,730	\$32,960	\$29,373	\$32,861	\$32,602	\$36,266	\$39,994	\$46,914	\$35,202	\$35,972	\$36,956	\$432,737
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	\$8,318,965	\$4,662,118	\$71,011,443
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	\$34,401,424	\$18,714,221	\$354,408,966
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	\$9,117,059	\$6,203,151	\$92,011,874
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	\$30,407,550	\$26,898,470	\$383,977,596
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	\$3,670,824	\$3,080,351	\$45,606,017
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	\$68,225,567	\$61,344,101	\$704,145,594
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>\$83,179</u>	<u>\$436,000</u>	<u>\$4,545,978</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>\$204,332,498</u>	<u>\$191,990,738</u>	<u>\$2,231,199,088</u>
Basic Life	\$804,276	\$804,087	\$803,255	\$802,050	\$801,751	\$800,510	\$799,130	\$797,051	\$794,846	\$796,249	\$794,959	\$767,331	\$9,565,495
Optional Life	\$0	\$0	\$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	\$45,922	\$45,671	\$551,589
Long-Term Disability	\$0	\$0	\$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	\$788,317	\$828,419	\$8,854,706
Tufts Medicare Preferred	\$674,902	\$676,817	\$680,111	\$681,927	\$680,146	\$682,554	\$679,502	\$681,149	\$680,155	\$680,433	\$681,829	\$693,482	\$8,173,006
UBH Optum	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$104,040	\$1,248,480
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>\$6,710,621</u>	<u>\$6,531,751</u>	<u>\$80,803,121</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>\$9,125,687</u>	<u>\$8,970,694</u>	<u>\$109,196,396</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	\$213,458,185	\$200,961,432	\$2,340,395,483

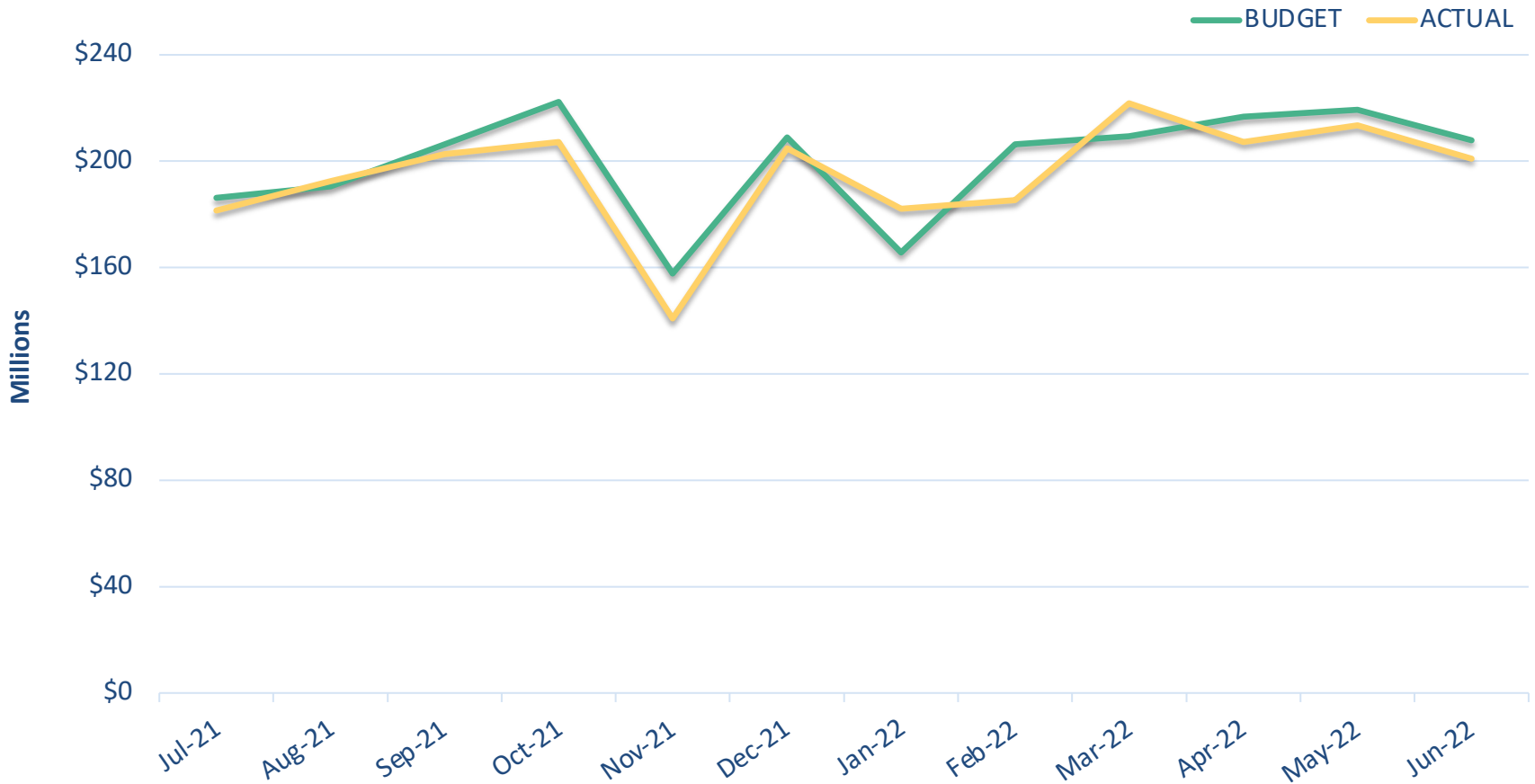
Through May, spending reflects, on average, a continued, gradual and volatile return to pre COVID-19 levels throughout FY22

FY22 Enrollee Share Expense for GIC Premium Accounts

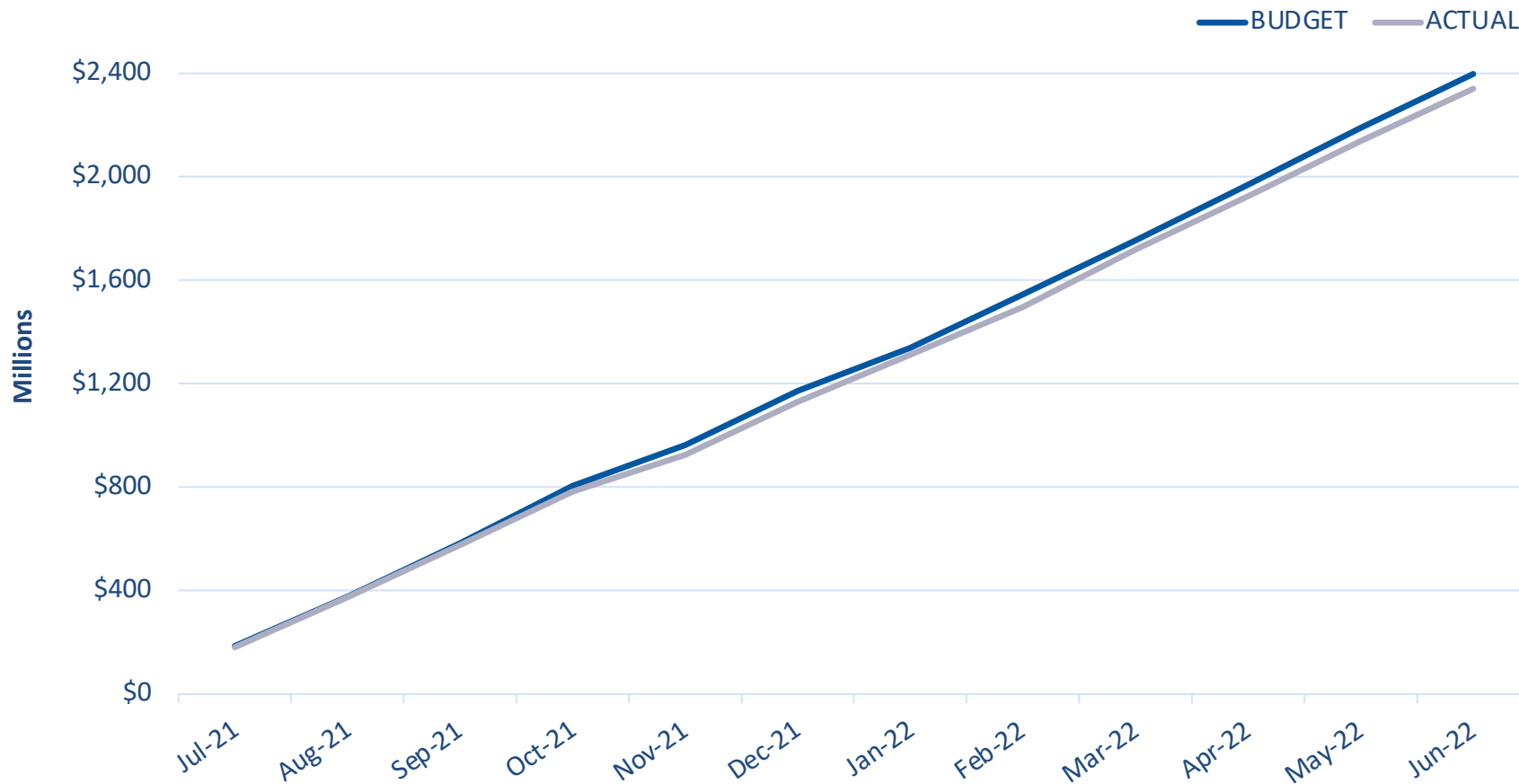
	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	TOTAL
Allways Health Claims	\$2,008,098	\$1,540,255	\$2,072,808	\$1,534,786	\$1,715,588	\$2,379,246	\$1,987,624	\$1,804,140	\$2,268,041	\$2,026,680	\$2,170,658	\$1,857,002	\$23,364,926
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	\$12,059,904	\$19,784,753	\$130,611,885
Davis Vision Claims	\$6,160	\$6,835	\$5,816	\$5,184	\$5,799	\$5,753	\$6,400	\$7,058	\$8,279	\$6,212	\$6,348	\$6,522	\$76,365
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	\$2,397,706	\$1,344,406	\$20,513,688
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	\$7,403,597	\$6,985,463	\$96,042,437
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	\$2,621,800	\$1,783,898	\$26,489,131
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	\$8,464,045	\$7,486,430	\$106,762,020
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	\$996,750	\$829,804	\$12,329,615
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	\$18,967,915	\$17,202,944	\$196,061,430
Other costs	\$0	\$0	\$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>\$55,088,723</u>	<u>\$57,281,220</u>	<u>\$612,251,498</u>
Basic Life	\$217,940	\$217,907	\$217,819	\$217,513	\$217,589	\$217,268	\$216,997	\$216,511	\$215,858	\$216,399	\$216,196	\$208,143	\$2,596,140
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	\$3,954,375	\$3,584,682	\$46,566,933
RMT Life	\$11,155	\$11,141	\$11,227	\$11,289	\$11,305	\$11,302	\$11,284	\$11,269	\$11,247	\$11,236	\$11,228	\$10,923	\$134,607
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	\$1,066,208	\$1,030,879	\$12,662,574
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	\$2,061,466	\$2,049,927	\$24,347,158
Tufts Medicare Preferred	\$143,307	\$143,898	\$144,901	\$145,411	\$145,044	\$145,858	\$145,330	\$145,831	\$145,751	\$146,010	\$146,404	\$149,608	\$1,747,353
UBH Optum	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$18,360	\$220,320
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>\$1,833,962</u>	<u>\$1,776,864</u>	<u>\$22,067,681</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>\$9,308,198</u>	<u>\$8,829,386</u>	<u>\$110,342,765</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	\$64,396,921	\$66,110,606	\$722,594,263

As expected, enrollee share paid claims have an identical pattern

GIC Appropriation for Premium Accounts FY22 Budgeted vs. Actual



GIC Appropriation for Premium Accounts FY22 Budgeted vs. Actual



FY22 State Share Premium Budget for GIC Premium Accounts Final Results

	Budget*	Expenses	Under Budget / Over Budget	% VAR
Basic Life & Health Account #1108-5200 & #1599- 6152	\$2,386,778,807	\$2,331,108,040	\$55,670,767	2.3%
Active Dental & Vision Benefit Account #1108-5500	\$10,759,967	\$9,287,443	\$1,472,524	13.7%
Total State Share YTD	\$2,397,538,774	\$2,340,395,483	\$57,143,291	2.4%

* 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.



VII. Other Business & Adjournment

Valerie Sullivan,
Chair

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

October 2022

20

November 2022

17

December 2022

15

January 2023

19

February 2023

16

March 2023

2

Appendix

Commission Members

GIC Leadership Team

GIC Goals

GIC Contact Channels

Commission Members

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

GIC Leadership Team

Matthew A. Veno, Executive Director

Erika Scibelli, Deputy Executive Director

Emily Williams, Chief of Staff

Stephanie Sutliff , Chief Information Officer

Paul Murphy, Director of Operations

James Rust, Chief Financial Officer

Andrew Stern, General Counsel

Brock Veidenheimer, Director of Human Resources

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
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	unicarestatplan.com

September 15, 2022

Date: September 10, 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.

HUMAN RESOURCES:

GIC IT Organization Leadership:

Following the retirement of John Harney, we have worked with ANF IT leadership to put in place new a new leadership structure for the GIC IT team. I am pleased to announce several changes to our IT organization that will provide strong ongoing leadership and support for the critical technology programs and systems at the GIC.

- Stephanie Sutliff:

Stephanie Sutliff has accepted the position of A&F IT, Associate Deputy, CIO for the Group Insurance Commission. Stephanie's career as a Commonwealth employee spans over 34 years and her experience in the IT domain over the past 25 years positions her well for success in this new role. Most recently Stephanie served as the A&F IT, Director of Strategic Initiatives where she managed high level projects within the Secretariat including playing a key role in multiple GIC projects. Stephanie's contributions to the GIC have included project management for the GIC MAGIC Migration to AWS and for the ongoing GIC Membership Engagement Transformation (MET) – Modernization Initiative and Self-Service Portal.

- Stephan Girard:

Stephen Girard has accepted the position of A&F IT, IT Lead, at the Group Insurance Commission. Stephen is a seasoned technical expert who has been with the GIC for over seven years and has played instrumental roles in the creation of the Employer Group Waiver Plans (EGWPs) process, the conversion of the MAGIC Mainframe system to the "New MAGIC" system that is in operation today, and in the transition to electronic submission of all GIC forms in order to reduce the use of paper in the organization. Stephen's technical acumen encompasses a broad range of systems, applications, and project leader expertise. He will help Stephanie lead the team of application developer/analysts in support of all GIC IT related matters.

- Kratika Gupta:

Kratika Gupta, A&F IT Technical Project Manager, will be working with the GIC as Project Manager on the GIC Member Experience Transformation (MET) Phase IV initiative as well as the Zscaler internet security service project. Kratika recently joined the Commonwealth and these two projects with the GIC will be her initial assignments. She will bring her experience in both development and project management to her work at the GIC.

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Staffing Activity:

We have three new employees joining our Operations department this month:

- Stephanie Medina joined the GIC on August 29 as an Office Support Specialist on the Life Insurance unit. Stephanie is transferring to the GIC from the Massachusetts State Retirement Board where she has been a Disability Case Counselor for the past three years. Prior to her work at the State Retirement Board, Stephanie held positions at North Suffolk Mental Health, Boston Medical Center, and Lynn Community Health Center. Stephanie holds a Bachelor of Arts degree in Social Work from Wheelock College and is bilingual in English and Spanish.
- Christine Arsenault is joining the GIC on September 19 as an Office Support Specialist on the Data Entry unit. Christine is coming to the GIC from Lahey Hospital and Medical Center where she has worked for the past 7 years, most recently as a Patient Access Specialist. Christine held earlier positions at Hallmark Health, Dana Farber Cancer Institute, as well as at previous roles at Lahey. She holds a Bachelor of Science degree in Biology and Chemistry from Salem State University.
- Kristen Bent is joining the GIC on September 26 as an Office Support Specialist on the Medicare Enrollment unit. Kristen is joining the GIC from the Dimock Center in Boston where she has been their Office Manager for the past 6 years. Prior to her work at the Dimock Center, Kristen worked in Account Representative and Office Management roles at Harvard Pilgrim Health Care and Milton Chiropractic. She has strong experience working with Medicare and with insurance and billing programs.
- In addition, Donna Carbone, who recently retired after over 40 years with the GIC has returned on a part-time basis as a post-retirement employee and will be working 2 days/week with the Data Entry unit while that unit searches for new employees following the retirements of Donna and Ann Lopes.

HR Programs:

- Our summer compressed workweek program wrapped up at the end of August and again was very popular with GIC employees. The program provides employees with the option to work their full number of weekly hours over less than five full weekdays, and over half of the GIC employees took part this summer. Managers worked with participating employees to ensure the schedules provide adequate coverage in all units.

COMMUNICATIONS UPDATE:

- Now that MyGICLink, **GIC's Member Benefits Portal**, is available to active employees and retirees, GIC communications has been working on a 3-month marketing campaign beginning in September 2022 to increase the number of registrations for the portal by the end of 2022. This campaign consists of emailing GIC members that have received a MyGICLink registration email as of August 1, 2022 and are not yet registered for the portal. During this campaign, GIC communications will also be promoting multiple weekly social media posts that encourage members to sign up for the portal, provide portal tutorials, and help members understand the

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benefits of this new self-service tool. During this time, GIC staff are encouraged to help promote the portal by using newly created MyGICLink virtual backgrounds during meetings. Once this campaign ends, GIC communications will shift the focus to promoting MyGICLink during GIC's annual information sessions.

- GIC communications has partnered with the Human Resources Division (HRD) to **promote GIC open positions** via LinkedIn, where their Commonwealth of Massachusetts account reaches 74.7k followers. GIC has encouraged staff to promote these positions in their networks and to participate in the Commonwealth's new referral program which allows eligible Commonwealth employees to earn a \$2,500 bonus when they refer a qualified candidate for a Commonwealth position.
- In an effort to increase internal communications and connections amongst GIC staff, the GIC has created an **internal newsletter**. This newsletter is designed to keep GIC staff informed about events, news, projects, and initiatives across all departments within GIC. Also, in an effort to regularly highlight and better introduce GIC staff and the work that we are doing, we added a *Meet GIC* section to this newsletter. This section features our departments and spotlight individuals within GIC.
- GIC communications created a **staff resources page** on the internal SharePoint site, where new and current employees can find tools, templates, guides, and more to help them succeed at the GIC. Examples include GIC's branding one-pager, virtual backgrounds, letterheads, logos, staff trainings, and more.
- GIC communications has continued to collaborate with **Mass4YOU's** benefit manager to create ongoing social media posts that align with Mass4YOU's monthly emails in order to increase usage and awareness of the program. Every issue of the GIC's new internal newsletter has promoted the program internally and GIC staff have been encouraged to use newly created Mass4YOU virtual backgrounds during meetings to help promote this program.
- **The Fiscal Year (FY) 2020 & 2021 annual report** was released over the summer and highlights how GIC has adapted to a new normal through strategic investments in state-of-the-art technology to evolve our digital footprint, bolster our business operations, and make it faster and simpler for our members to interact and engage with GIC.

LEGISLATIVE UPDATE:

The 2021-2022 legislative session ended on August 1 after both chambers pulled an all-nighter to finish their business.

Amidst the last-minute rush to get legislation to the Governor's desk, one healthcare related bill made it to the finish line to become law: "The Mental Health ABC Act." Highlighted below are just four of the many components of this legislation.

Guaranteeing Annual Mental Health Wellness Exams: This bill requires the GIC to cover an annual mental health wellness exam and exempts annual mental health wellness examination from cost sharing (unless otherwise required by federal law).

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Reimbursing Mental Health Providers Equitably: The bill seeks to level the playing field for reimbursement to mental health providers by requiring an equitable rate floor for evaluation and management visits.

Reforming Medical Necessity and Prior Authorization Requirements: This bill mandates coverage and eliminates prior authorization for mental health acute treatment and stabilization services for adults and children.

Looking ahead, now that mental health has been addressed it will shift focus in the next legislative session to those bills and policy proposals that did not become law. Those subject areas include pharmacy benefits and prescription drugs, community hospitals, and medical provider expansion.

Legislative elections will occur this November where all 200 legislators are up for reelection (40 Senators, 160 Representatives), in addition to all our Constitutional Officers. As always, elections bring new faces, (sometimes) new leadership, and a reorganized list of priorities.

MUNICIPAL UPDATE:

GIC received 11 medical claims data requests from the following municipalities:

CITY OF LOWELL
TOWN OF FRAMINGHAM
CITY OF MEDFORD
CITY OF SALEM
CITY OF NORTHAMPTON
CITY OF GLOUCESTER
TOWN OF NORWOOD
TOWN OF SUDBURY
ATHOL-ROYALSTON REGIONAL SCHOOL DISTRICT
TOWN OF MONSON
TOWN OF MILLIS

These communities and districts have until December 1 to notify the GIC of their intent to withdraw from the GIC (or rollover for an additional two years). All entities can also negotiate longer term enrollments with their Public Employee Committees beyond the two-year roll over.

Additionally, the GIC has received outreach from the Town of Grafton and the City of Holyoke regarding the possibility of joining to the GIC for Fiscal Year 2024. Director of Government Affairs Mike Berry recently joined a virtual meeting of the Grafton PEC to answer general questions about GIC insurance coverage. An engagement with officials from the City of Holyoke is scheduled later in September. Both communities have stated they are eagerly anticipating outcome of the medical insurance carrier procurement.