



STATE OF CONNECTICUT
HEALTHCARE POLICY & BENEFIT SERVICES DIVISION
OFFICE OF THE STATE COMPTROLLER

HEALTHCARE COST CONTAINMENT COMMITTEE MEETING MINUTES
May 9, 2022

Meeting Called to Order by Josh Wojcik:

Attendance:

Labor	State Comptroller Administrative Staff
Carl Chisem – CEUI	Joshua Wojcik
	Thomas Woodruff
Dave Glidden – CSEA	
	Presenters
	Bernie Slowik – OSC
Management	Rae-Ellen Roy – OSC
Gregory Messner	Betsy Nosal – OSC
	Consultants
Dept. of Insurance	Terry DeMattie, Segal
Paul Lombardo	

Public Comment

No public comment

Partnership:

Bernie Slowik: As of 5/1/22, Partnership 2.0 has 154 groups enrolled totaling approximately 26,000 employees and over 64,000 members, 107 groups who have completed their 3-year contract commitment under Partnership and had the option of leaving the plan without an early termination penalty. To date, no group has left Partnership 2.0. A meeting was held on April 27 to discuss the renewal for current groups for 7/1/22 and explain a change to the projection process for next year. Will continue to provide initial projection for January and updated projection figures prior to April when rates are finalized to help the groups monitor their budget more closely. The market is seeing higher than normal rate impacts for FY23 due to COVID utilization. And over the past three years, impact was 10% for 7/1/22, 0.9% for 7/1/21, 3% for 7/1/20, averaging 4.8%. Four groups committed to join 7/1/22, potentially three more (currently in contract negotiations).

Partnership 1.0 still has 5 groups remaining totaling approximately 2,400 employees and just under 3,400 members.

Tom Woodruff: Have you heard from brokers or others on what other increases are like, as market is up? Bernie: it depends on the groups size, seems to be in line with the market.

Financials:

Rae-Ellen Roy: The active account had initially included a \$6.5M deficiency bill holdback, but the final passed budget included a \$25M deficiency bill holdback, so the account balance assumed for the active appropriation is closer to \$10.7M and not the \$29M reported (updated report in attached). The active health FAD account currently has a balance of \$115.2M and Rx is around \$36.3M. The retiree appropriation balance is seeing around \$1.3M, this assumed 250 plan members who had intended to retire by April 1 but did not. These individuals are now factored into July 1 retirements and those assumptions show a small savings related to this. On the FAD OPEB accounts, still anticipating \$254M at year end.

On rate renewal, the active medical rate is seeing an increase of 9.9% and prescription of 9.8% due in part to an increase in services as members are accessing services that had been delayed due to COVID. This unanticipated increased spend had a direct affect on the needed IBNR reserve and depleted some of the savings previously incurred.

The dental rate decreased on the DHMO for actives -2%, while the basic and enhanced plan decreased -8.7% on rates overall.

The overall impact on the general fund appropriation is \$738M anticipated to be spent in total, increase of 8.2% over FY22. The SEBAC17 agreement aligns union, non-union and new hire rates so there will be one set of medical rates going forward.

Tom Woodruff: what is the increase is trended form 2019, prior to COVID impacting utilization? Rae-Ellen: that trend is closer to 6% which is what was budgeted and anticipated.

Greg Mesner: how does the projection compared against the appropriation? Rae-Ellen: it is still within the appropriation target.

Karen Nolan: on providing clarification of new plan names,

Rae-Ellen: provided clarification and noted where the information could be found.

On the Retiree side, the overall medical rate for non-Medicare retirees will increase 4.4%, pharmacy rate will have a -5.1% decrease. Retiree spend was not as drastic as the active spend for the prior year, thus we did not need to utilize any of our IBNR funds and do not have to increase the IBNR reserve for the coming year. Retiree dental DHMO will decrease -2% and the rate for Basic and Enhanced dental will remain flat, 0% change. Overall, FY23 spend including the increased population and rate increases is projected to be \$863M. A 17.2% increase over FY22 spend is mostly attributable to the population shift. This anticipated spend falls within our appropriated FY23 budget.

Communications Update:

Betsy Nosal: Reviewed activity on Care Compass website and Google Ads, seeing an increase in activity with more members accessing. Full year tracking shows an increase from last year. Facebook slowly growing a following with members searching for

information on State of CT benefits and educational pieces referencing CDC and other educational materials. Events including orthopedic webinars, April spotlight from carriers CVS, Cigna and Anthem, also posted to website. The Providers of Distinction program was also announced on the website and via all user email along with other benefits information. Webinars have been very well attended.

Greg Mesner motioned to adjourn, Dave Glidden second