

HEALTHCARE COST  
CONTAINMENT COMMITTEE



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

**HEALTHCARE COST CONTAINMENT COMMITTEE MEETING MINUTES**  
May 13, 2024

Meeting Called to Order by **Josh Wojcik**:

**Attendance:**

<b>Labor</b>	<b>State Comptroller Administrative Staff</b>
Carl Chisem – CEUI	Joshua Wojcik
Dan Livingston – SEBAC	Thomas Woodruff
	<b>Presenters</b>
	Bernie Slowik – OSC
	Rae-Ellen Roy – OSC
<b>Management</b>	Betsy Nosal -OSC
Gregory Messner	
Karen Nolen	
	<b>Consultants</b>
<b>Dept. of Insurance</b>	Terry DeMattie, Segal
Paul Lombardo	

**Public Comment:**

No public comment

**Financials:**

Our active healthcare appropriation is expected to have an \$8.6 million surplus by the end of the year, while the combined spending for medical and pharmacy is anticipated to reach \$144.7 million. Although there was a slight increase in claims last month, it had a minimal overall impact, with about \$2 million more than anticipated. Payroll deductions on the active side also

increased, indicating the possibility of new hires, possibly for state police or corrections officers. Any increase in new hires will result in a corresponding increase in our expenses.

The appropriation is expected to close at around \$4.3 million on the retiree side. Claims were higher this month than anticipated, at about a million and a half. We are looking to close the year at about \$226.2 million in the OPEB FAD accounts. These accounts are used as our checking accounts and hold our reserves. We are in a perfect position there. We are continuing to spend down the reserve on the retiree's side.

### **Partnership:**

As of May 1st, we have 156 groups enrolled, totaling just over 23,000 employees and approximately 50,000 members. We have 11 confirmed groups joining for July 1st this year, with approximately 2,800 new employees and about 6,300 new members.

We are holding open enrollment meetings for new and a few existing groups. These meetings are underway and are being well attended.

For Partnership 1.0, five groups remain, totaling about 2400 employees out of just under 3400 members.

### **Partnership 1.0 Rules:**

We seek an official vote to suspend the rate increase limits for UConn Health graduate students and postgraduates under Partnership 1.0. This group has been experiencing inadequate premiums to cover their claims for several years. We are proposing a four-year plan to bring the account back into balance to address this. Under the current rules, UConn could face an 8.2% rate increase each year for the next four years, which is higher than the state plans allowed 2% rate increase this year.

To address this, we are proposing a maximum increase of 1.05% under Partnership 1.0, which will still result in insufficient premiums to cover claims. I request that the parties vote to give the comptroller's office permission to suspend the  $\pm 3$  percentage point rule for UConn over the next four years.

*Parties approved to suspend the  $\pm 3$  percentage point rule for UConn over the next four years. Note: maintaining the rule and perpetually not collecting the required premium from UConn would be inconsistent with the statutory requirements.*

**Question:** Some of this was due to demographic changes in the population?

**Answer:** Yeah, that's correct. Also, the increase in utilization of that population when moving from their prior plan to the partnership plan was higher than expected. The mix of graduate students has changed in the last five years. There are now more families and couples. Additionally, students are staying longer than before. Previously, they used to stay for one or two semesters, but now many are staying for a longer period.

### **High-Level Utilization:**

We closely monitor our utilization, trends, and patterns every month. The total cost has increased to 4.3%, up from 2% several months ago. Pharmacy costs primarily drive this increase due to the inclusion of Prudent RX savings, our manufacturer assistance program savings, in our comparison base for the past 12 months. As a result, our pharmacy costs will continue rising over the next few months before we transition to a new contract with CVS, where we anticipate a decrease in pharmacy costs. However, we'll likely see a further increase before the costs start to go down again under the new contract.

According to what we've observed over the past few months, the other areas are performing consistently. I want to point out the inpatient facility, which had been negative for quite some time. They are now seeing an increase, but it's nothing outrageous.

### **HEP Compliance Update:**

Here are the compliance numbers for our 2023 compliance year as of May 5th. Household compliance is 85% compliant and 15% noncompliant. Total participant compliance: 91% compliant, 9% non-compliant for the same period last year; during the 2022 compliance year, the numbers were: Total household compliance: 73% compliant, 27% non-compliant. Total participant compliance: 83% compliant, 17% non-compliant.

We are currently in a good position, and although we still have two more months before the penalty hits on 8/1, we are making progress.

As of May 8th, we have the following partnership member compliance numbers for 2023: compliant 80%, noncompliant 20%. We are at 88% compliant and 12% noncompliant for participant compliance. For 2022, at the same time last year, the total household compliance was 70%, and noncompliance was 30% for participants. Noncompliance was at 81%, while compliance was at 19%.

The updated compliance total for 2024 is as follows: as of May 8th, 80% of participants are compliant, while 20% are noncompliant. The specific breakdown is 33.4% compliant and 66.6% noncompliant. In terms of preventative screenings, the percentages are as follows: dental exams at 51.1%, cholesterol screening at 80.88.6%, breast cancer screening at 87.1%, cervical cancer screening at 80.3%, colorectal cancer screening at 80.2%, and chronic condition screening at 16.7%.

## **Communications Update:**

We continue to increase our monthly emails in April in a deliberate effort to grab the attention of all employees and planned members. This reminds them to consider their benefits, as open enrollment started on May 1st.

We conducted our monthly chronic condition and well-being seminars. We reviewed the 2024 numbers on chronic diseases and received a breakdown from Quantum Health, highlighting the prevalence of certain chronic conditions. We identified a new group of individuals for 2024, so we collaborated with WellSpark to offer additional seminars on chronic conditions and diseases in the next six months to provide support. They can also call Quantum to speak to a nurse and refer to a quick sheet for assistance. We're committed to continuing efforts to provide education and support in this area.

Last month, we sent an all-user for the diabetes prevention program, a year-long program. Registration for this program happens approximately every quarter. We've had a great turnout and registration, with up to three sessions running at any given time as they phase the meeting cadence from weekly to monthly. The newest class has about 90 registrants, an excellent number for our new class. The previous class registration had 127 participants, so we're reaching more people to help prevent diabetes.

Our health plan overview was like a pre-open enrollment session. It was mainly about where to find your benefits information, how to access Care Compass, how to contact care coordinators when to contact your agency, and a bit of education about all your resources. This information was shared in early or mid-April, and then we officially started the open enrollment process in the last week of April. This allowed people to acknowledge and explore their options. They could access a dedicated benefits enrollment page within Care Compass, which provided all the necessary resources to make decisions or review their current plan details.

Open enrollment began last week. Agency benefit specialists were provided with all the necessary resources and tools, with advance notice of what to expect. We launched our open enrollment page with different versions for non-Medicare retirees, active employees, and new hires. They can choose a plan with rates that will be valid until the end of June. All the information, including plan documents, is current, including plan premiums that start in July. Our goal is to personalize the information based on everyone's situation. We created a flyer and shared it with various agency groups and committee members. We hope they will use their communication channels to share the flyer with a QR code, whether by posting it, emailing it, or providing information. We also distributed the flyer to the onsite dental initiative at various DOC locations for employees.

Last Wednesday, we had a successful live event with over 400 participants. There were many questions, and they were all great questions with great answers. It was a successful event. We have two more events scheduled for active employees and one for retirees. All events are recorded; participants can access the recording by clicking on the provided link. They can also find the link on the benefits enrollment page. A prerecorded PowerPoint presentation is also available for those who prefer to view the material in that format.

Mailers were sent out on May 2nd to active employees to their homes, and retirees should receive them between May 8th and the present, depending on their location. Currently, there are only five outstanding mailers. On May 17th, we created a payroll stuffer for the first time, a flyer about open enrollment for the around 8000 active and NM Retiree who receive their pay/pension check by mail. The information is also available electronically on Core for those who access their payroll that way. We are also promoting open enrollment on Facebook through flyers and encouraging the use of Care Compass. We will have more

detailed usage data next time we meet, but I can now compare the views from mid-April, when we started promoting the benefits, to the end of May. We had 30,000 views during that time, but from April 24th to May 7th, the views increased to 48,000, and are still increasing as we continue with Open Enrollment. This indicates that more people are starting to act.

**Josh Wojcik** – Invited other questions or comments from committee members and the public. There were no additional questions or comments, calling for a motion to adjourn.

Motion to Adjourn was made by Dan Livingston and seconded by Gregory Messner.

The meeting was adjourned.