HEALTHCARE COST CONTAINMENT COMMITTEE

165 Capitol Ave
HARTORD, CONNECTICUT
06106-1775
Telephone (860) 702-3480
Facsimile (860) 702-3556

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

HEALTHCARE COST CONTAINMENT COMMITTEE MEETING MINUTES
June 9, 2025

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

Attendance:

Labor	State Comptroller Administrative Staff
Carl Chisem – CEUI	
Logan Place – SEBAC	Thomas Woodruff
	Josh Wojcik
	Presenters
	Bernie Slowik – OSC
	Rae-Ellen Roy - OSC
Management	Betsy Nosal -OSC
Gregory Messner	Tracy Cellillie- OSC
Karen Nolen	
	Consultants
Dept. of Insurance	Terry DeMattie, Segal
Paul Lombardo	

Public Comment:

No public comment.

Financials:

This is the review of our monthly budget update as we approach the end of the year. We expect to close the active appropriation with an approximately $29.5 million surplus.

Currently, we are experiencing higher-than-anticipated claims in the active FAD accounts. As a result, our overall surplus in those accounts has decreased slightly, but we still maintain a surplus of $30.28 million in active FAD accounts.

We are projected to end the year with approximately a $27.6 million deficit on the retiree appropriation account. This amount is lower than our surplus in active accounts, allowing us to utilize the Financial Advisory Committee to adjust those funds accordingly.

Regarding the retiree OPEB accounts, we have a just over $201 million surplus. We plan to spend down this balance, and you will notice that in the upcoming fiscal year, we will be spending it faster to support the budget for the coming year.

Partnership:

As of June 1st, we have enrolled 172 groups in Partnership 2.0, totaling just under 26,000 employees and over 61,000 members.

Additionally, 15 new groups will join, bringing our total to 7,125 members. One group will terminate in July, while another will transition from Partnership 1.0 to 2.0, adding approximately 3,000 employees and over 6,000 members.

We will also schedule two quarterly update meetings for existing groups in July; the exact dates are still to be determined.

In Partnership 1.0, we currently have five groups remaining, with a total of approximately 2,500 employees and 3,500 members.

Question: What's the group that's going from 1.0 to 2.0?
Answer: City of New London.

High-Level Utilization:

The area with the most significant change is inpatient hospital utilization, which has decreased to 5.1%. This has been the most significant driver of our trends over the past several months, consistently in double digits. It's encouraging to see some moderation in this area finally.

On the downside, outpatient utilization remains a bit high at 6.4%, slightly above our preferred level. However, this figure aligns closely with our historical data.

Professional services have risen to 7.4%, so we will need to examine that further. Pharmacy costs are still somewhat elevated, but they have decreased by a couple of percentage points compared to recent months. We are committed to conducting a thorough analysis of pharmacy utilization. We plan to present additional recommendations in the coming months to help moderate these costs while ensuring that our population can access necessary medications. There are opportunities to drive these numbers down further.

Additionally, we discussed a few initiatives in the past months that will be implemented soon. This will help us bring these figures down to more manageable levels.

In summary, pharmacy costs currently stand at 7.6%, the lowest we have observed since August last year. This is a positive note amidst the overall trend.

Communications Update:

May is a particularly busy month for communications due to open enrollment. While we maintain monthly outreach to our plan members regarding benefits and themes, our efforts significantly increase from the last week of April through the last week of May. During this period, we had about seven different outreach campaigns, including emails and mailers sent to retirees and active plan employees concerning open enrollment.

In terms of engagement, we saw a strong open rate, especially for personal emails, which tend to have higher visibility. The initial email announcing the start of open enrollment typically sees the highest engagement, and interestingly, so does the email marking its conclusion, likely because people appreciate a deadline.

I want to highlight an all-user email regarding the quality of the Select Access Plan, which Dan requested last month. While it didn't generate a significantly larger response, it maintained a consistent open rate among those who recognized the Care Compass brand and the subject of open enrollment.

Moving on to live webinars, I've found these events effective for Q&A sessions and addressing general questions, especially since the pandemic. This year, we reduced our offerings to two live events for active employees and one for retirees, resulting in condensed attendance and increased on-demand views, as participants can now easily access recordings through Care Compass.

The first webinar had 790 attendees, representing 67% of registered participants, and we received 461 unique questions. Our second active webinar saw 466 attendees, about 65% of the registration, with over 300 questions posed. It's clear that these sessions are being well-utilized.

We've been directing participants to the care coordinators at Quantum Health for assistance. All resources are available on the Care Compass benefits enrollment page. We hope this will guide individuals to the support they need and their respective agencies, if applicable.

Additionally, the on-demand views for the active webinars totaled nearly 2,500, demonstrating significant engagement even beyond the live attendance. Overall, there has been a lot of activity during this busy open enrollment period.

The data highlights website traffic on Care Compass, which serves as the official site for the state health plan. Notably, the active enrollment benefits page received the highest number of visits.

The homepage functions as a landing page; however, when we provide direct links through our emails or webinars to the benefits enrollment page, users tend to go directly there instead of navigating through the homepage. This approach has proven effective. For instance, in May 2024, we recorded approximately 22,000 visits, which increased to 32,000 visits in May 2025, indicating substantial growth in usage from the previous year. In April, prior to open enrollment, we only

saw around 4,000 visits, demonstrating how our focus on open enrollment information ramps up engagement. Each time we send an email or mailer, there is a noticeable spike in traffic, reflecting our weekly outreach efforts.

This year, we observed interesting trends with the medical and dental decision making tools. The medical tool, designed to help users determine which plan is right for them by answering a few questions, saw a decrease in usage compared to previous years. This fluctuation may depend on individual considerations regarding their plan options. In contrast, the dental tool gained traction, indicating that many users continue to seek the right dental plan and better understand their options.

We made several enhancements to both tools this year. Cigna improved the dental tool, and we upgraded the medical tool, making them clearer and easier for users to navigate. We hope these tools will remain helpful for new hires and anyone entering the open enrollment period next year.

Open Enrollment:

We had a particularly busy season this year for open enrollment, and there was a clear trend in what employees were looking to do. As of this past week, 5,500 employees and retirees elected to make changes during the open enrollment period, although entries are still being processed. Of those 5,500, 4,200 active employees used E-Benefits, which is encouraging, indicating a shift towards utilizing the more advanced services and tools we offer.

Out of the 5,500 employees and retirees, approximately 2,400 opted to change their medical coverage, whether that meant changing their benefit plans or their dependents. Additionally, just over 3,500 changed their dental coverage, altering either their plans or their dependents.

Starting with the medical plans, 301 individuals had previously waived coverage and are now enrolled in health benefits for the open enrollment period. This is a significant number, as we don't usually see so many individuals electing coverage during open enrollment.

Notably, there was a substantial shift towards the Expanded Access and Quality Select Plans, with many individuals moving away from the Standard Access and Primary Care Access plans. As the rates for these plans begin to converge, employees think that having the option for out-of-network benefits makes the extra cost more justifiable.

Regarding the dental plans, we closed the DHMO to new enrollments this year. The total care DHMO offers the same benefits but with a higher level of coverage at about the same cost within the same network. Many members of the DHMO decided to switch to this enhanced and more efficient plan rather than remain with the previous plan. We also saw 134 individuals who had previously waived dental coverage opting to enroll this year.

As for changes to dependents, we encountered a mixed situation. We anticipated that the initial DEVA notice, which indicated an audit on dependents, would lead to a significant number of individuals removing ineligible dependents from coverage. We saw just over 1,000 dependents removed. However, alongside this, many employees chose to enroll in coverage or realized they

needed to add dependents. Consequently, about 2,200 dependents were added to coverage. This resulted in a net increase of around 1,200 dependents during this open enrollment period.

We expect the DEVA audit to continue reducing the overall number of dependents covered. Additionally, since the completion of open enrollment, we have received a file from the PDA regarding deaths, leading to a few hundred dependents being removed from coverage as these cases are processed in the coming weeks.

On the medical side, we have noticed a trend in recent years toward more individuals enrolling in the Expanded Access Plan. I am pleased to report some positive movement towards quality focused options. However, one limitation we faced was the ability for members to search for their providers to verify if they participate in the Quality First program and to understand their tier status.

We've encountered difficulties with the data from Anthem regarding the tiering system, making it challenging to identify which providers are Tier 1 and which are Tier 2. We need to explore this further as we prepare for the upcoming medical RFP. We need to ensure that the tiering information is clear and accessible to members, reducing confusion about whether their provider will be Tier 1 or Tier 2.

On the dental side, I also want to highlight the significant increase in enrollment in the Enhanced dental plan. This reflects the success of the adjustments we made last month, which members were informed about. Many members appreciated the enhancements to the plan, and we have seen a notable rise in interest in the enhanced option. Previously, we experienced a decline in enrollment in this plan, so this turnaround is encouraging.

Overall, members will now receive higher benefits than they did before. Additionally, having more people in the dental network will help us, or Cigna, negotiate better and manage costs in the long term. This is excellent news for everyone involved, and I also wanted to bring it to our attention.

DEVA Audit Update:

The DEVA audit focuses on verifying the eligibility of spouses and children for members enrolled in Connecticut's health plan, including active employees and retirees.

We sent announcement letters in May introducing our vendor, Part D Advisors. These letters included a list of each employee's or retiree's current dependents enrolled in the health plan.

The verification letters are scheduled to be sent out in the next couple of weeks. These letters will instruct members on how to download the required supporting documents online or mail them directly to Part D Advisors.

The letters will outline the acceptable verification documentation and provide a dedicated phone number for any questions specific to the audit. This number will connect members to Part D Advisors.

Lastly, suppose an employee or retiree does not respond in a timely manner. In that case, the Healthcare Cost Containment Committee will review their case, and dependents may be removed from coverage.

HEP Compliance:

We are focusing on 2024 because the penalty phase will begin in the next couple of months, specifically on August 1st, when the penalties will take effect.

As shown in the chart, compliance for households under the state plan is just under 88%, while compliance for the partnership is about 83%. This results in an overall compliance rate of just under 87%, which is encouraging.

From a participant perspective, compliance for the state is around 92%, and for the partnership, it is about 89.4%. This leads to a total compliance rate of just over 91%.

In the coming weeks, we will communicate with the approximately 15,000 to 16,000 members still in a non-compliant status for 2024. We have been reaching out regarding 2024 compliance for the past 15 months and are approaching the end of this cycle.

Here are the upcoming communications for the 2024 compliance year:
We will stagger communications to effectively manage the volume of phone calls to the Quantum customer service center.
The fifth non-compliance letter will be sent to members still in that status between June 2nd and June 6th.
From June 3rd to June 5th, we will send a chronic condition email to members who need educational information about their chronic conditions and HEP.
- The sixth non-compliance email will follow the letter and go out from June 17th to June 19th.
- Lastly, the non-compliance penalty email, which serves as one of the final reminders, will be sent alongside the non-compliance penalty letter between June 15th and June 17th.

This is a busy time for HEP compliance for 2024, so please remind your teams to encourage members to take action promptly. Quantum Health is available to answer any questions from members, and members can also log into the portal for assistance.

Joshua Wojcik – Invited other questions or comments from committee members and the public. There were no additional questions or comments; call for a motion to adjourn.

Motion to Adjourn was made by Greg Messner and seconded by Logan Place.

The meeting was adjourned.