

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
April 14, 2025

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

Attendance:

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

Public Comment:

No public comment.

Financials:

For the anticipated year-end balances, the projected appropriation balance for active healthcare is approximately \$30.4 million.

The combined balance for active employee healthcare and the FAD account is projected to be \$48.9 million at the year's end.

We are projecting a deficit of \$34.9 million for retired employees' healthcare. In terms of retired employee healthcare OPEB FAD accounts, we expect a projected balance of \$226.2 million at the end of the year.

Partnership:

As of April 1st, under Partnership 2.0, we have 171 groups enrolled, totaling just under 26,000 employees and over 61,000 members. One small group has been confirmed to join on May 1st.

Last Friday, we sent renewal letters to all existing partnership groups as we finalized the dental rates and plan changes. We have scheduled two quarterly update meetings for existing groups on April 22nd and 23rd.

Strong interest continues to come from new groups wanting to join the plan for 7/1. We have two groups confirmed, which would add approximately 700 new employees, and several more are expected to make a decision by the end of this month.

As for Partnership 1.0, we still have five remaining groups, totaling about 2,500 employees and 3,500 members.

High-Level Utilization:

We are still observing high trends in inpatient facilities. These claims reflect payments made through the end of February, showing an 11.3% increase for inpatient facilities. Outpatient professional services have also seen an uptick, though not as significant as inpatient services, with increases of 8.2% and 8.0%. Overall, the medical trend stands at around 8.6%. Additionally, pharmacy costs continue to be elevated at 13.7%, resulting in a total trend of approximately 9.5%.

Communications Update:

We continue to engage with our members through various outreach efforts.

We have created a slide highlighting how we communicate with our membership regarding Care Compass, benefits updates, and our usual chronic condition management and well-being seminars. An email has been sent to promote these seminars and provide information about ongoing improvements to the provider tool. These new features are designed to be very helpful for our plan members.

We have emphasized the importance of logging into the Benefits and HEP portal, as this will allow members to access the highest level of personalized features. When members enter their personalized benefits portal, they will find information tailored to their specific plan, making it easy to locate in-network providers, labs, and more.

Additionally, we are coordinate our marketing with Quantum in that they display similar topics each month that align with vendor or carrier program outreach to plan members. When members log in, they will see slides at the top of the portal, which we are actively managing to ensure

relevant information is displayed. We advise members to connect with a care coordinator for any benefits information as we lead up to open enrollment.

We also emphasize the importance of prevention and highlight the role of HEP in helping members meet their health requirements, avoid high-risk diseases, and maintain their well-being. This message is supplemented by Facebook ads, aligning with the ongoing shared communications.

Open enrollment is here again, and important information is being shared with employees and agencies. So, we're kicking things off with an Agency HR and Benefits Contact meeting this Wednesday. We will discuss what's new this year and where to find important information.

We have new mailers for retirees and active employees currently at the printers. We aim to get these out by May 1st, the earliest they've been sent out. While retirees may experience some delays based on location, we hope to get this information out to everyone soon.

In addition to the mailers, we will hold live informational webinars—two for active employees and one for retirees. As a valued tradition, recorded sessions will be easily accessible on Care Compass under the benefits enrollment page. This page contains everything employees need to know, including how to sign up and where to find plan information.

Starting the last week of April, we will send out weekly emails covering various topics related to open enrollment, including specialized emails focused on medical and dental plans until open enrollment closes.

We also have four planners and guidebooks available: healthcare options planners for retirees and active employees, as well as a new hire guide and a transition to retirement guide. All updates will be completed by May 1st, as we've been working to keep everything current throughout the year. With an ongoing commitment to enhancing the benefits access for our employees, we are continually making changes and adding new programs.

The new rates and plan comparison charts will be updated on the Care Compass benefits enrollment page, and any key changes to benefits this year will be prominently displayed at the top of that page. We encourage everyone to check their plans, as needs may have changed, and it's a good time to review options.

Additionally, we are excited to announce that we will hold an on-site open enrollment fair for the first time in a long while. We're not going back to the old model of simply standing at a table waiting for people to approach; instead, we aim to have a more accessible presence where multiple staff members can answer questions.

This year is an experimental phase for us as we evaluate how things will proceed. We reached out to the top three agencies that typically aren't at their desks or monitoring their computers, making it difficult for them to attend our live events. One of these agencies is the Department of Transportation (DOT). We have received a response from the DOT and are working with them.

Additionally, we will have roll call announcements for the DOT, the Department of Corrections (DOC), and the state public safety groups. We are actively working to provide information about Care Compass, the enrollment page, and any changes for this year.

Along with open enrollment, we gave Care Compass a facelift. It went live on Friday. We simplified the imagery, prominently featuring the Mystic Seaport lighthouse, which represents the state of Connecticut.

During the initial two-year run, our main focus was helping users log into the Quantum portal, which remains very important. We are pleased to report that 56% of our population has logged in or registered for the Quantum portal. According to Quantum, this number is higher than their average across other accounts, so we're happy with this progress, but are still striving to get even more people registered.

The updated portal includes several features and small enhancements. On the left side, you'll find information for different groups: state employees, state retirees, and Partnership. We created a partnership plan where users can easily access information about medical, dental, and other benefits, ensuring everyone can find it relevant.

The dropdown menu offers quick access to various resources. Currently, a carousel welcomes users to Care Compass and explains its features. As we approach open enrollment, this section will dynamically feature important updates, including details on medical and dental options.

I'm particularly excited about a new section indicated by the navy-colored bar, which includes a dropdown menu. This will provide specific information that users want to know, making it easy to find what they need. This section also includes the Care Coordinator's phone number for assistance.

At the bottom of the page, we will highlight testimonials, such as feedback from Virta, who shares positive experiences from participants in the state of Connecticut. We receive many great testimonials from our healthy living programs, including our Diabetes prevention program and orthopedic programs, and we'll start showcasing those to encourage further participation.

There are three main calls to action at the bottom, reflecting the needs we've heard from agencies: finding forms, locating a provider, and accessing health programs. You can also find these in the navigation bar at the top of the page, which I will discuss shortly.

Finally, there's a simplified login area at the top right, where users can easily access the benefits portal, get Quantum assistance, and connect to their health portal. We highly encourage everyone to utilize these resources.

I recently explored the state employee resources and found some valuable information. If you click on the state employees' section, you'll see various available resources. Some have been around for a while, while others are brand new and include important new employee information.

We've created a dedicated new employee page to provide easy access to information relevant to new hires. This page includes a new hire guide and benefits information, some of which have changed since last Friday.

The planners and guidance section contains important policies and forms. A wealth of great information is available, so I encourage everyone to explore those options.

In the middle of the page, I highlighted the "How can we help you?" section, particularly beneficial for new state employees, those ready to retire, and anyone experiencing life events. This section will guide you to our partners in the Retirement Services division to help integrate those resources.

The "Other Benefits" section leads to our supplemental benefits page and information about the healthy living program. Our goal is to make it easier for employees and our agencies to find the information they need so everyone can be informed about their benefits and the programs offered to them.

Additionally, I'm excited to announce that we have created a mental health page that includes all our existing programs. This page is under the Healthy Living Programs section, with a dedicated mental health tile. From there, users can find specific resources for various needs, such as seeking help for particular problems, general therapy, OCD, or eating disorders.

We're proud to make these programs more accessible to our members and hope they help them locate the support and providers they need.

Transparency Data Release

At the end of each fiscal year and calendar year, we release a public dashboard that contains valuable information regarding enrollment and utilization, including the most commonly used prescription drugs. This information is available on the Open Connecticut Transparency website, the state's official transparency portal, allowing the public to monitor costs, utilization, and enrollment numbers in the State Employee Health Plan and Partnership Plan.

We have provided this data for several years, resulting in a robust historical backlog of information. The latest update pertains to 2024 and has already been posted on Open Connecticut. I am sharing this announcement here and including the information in the slide deck for public awareness.

Virta Results

In March, we met with Virta to discuss their annual business report regarding their partnership with the state of Connecticut. Our discussion focused on their diabetes management and diabetes reversal program.

Previously, their outreach was limited regarding the number of individuals they could assist. However, they have recently expanded their outreach efforts, and we are eagerly anticipating the impact of this change.

The participants they managed before were primarily served through our former vendor, Livongo. Some individuals did not fall into high-risk or under-managed categories; instead, they were generally stable. Nonetheless, Virta has made significant progress with these participants.

They focus on three key areas. With our plan members, their performance guarantees are measured based on these three factors: lowering or controlling A1C levels for diabetes and adjusting medication as needed. This means they work diligently to reduce medications that are not clinically necessary, especially as participants lose weight through their type 2 diabetes reversal program, which emphasizes diet and exercise. Many individuals have successfully lost weight, resulting in a reduction or elimination of certain medications.

We aim to increase the percentage of members in the 'controlled' range. About 33% of participants were initially in this controlled range, while the higher risk with A1C levels was over 8%. However, as participants progress through the program over the year, more individuals achieve better control of their diabetes, leading to a decrease in medication where appropriate.

Another significant focus for our program is the elimination of insulin. While I won't delve too deeply into the clinical details, it's important to note that insulin has many unpleasant side effects that can be harmful. Therefore, whenever possible, Virta's professionals aim to reduce or eliminate the use of insulin and explore other medications to effectively manage A1C levels and overall health with fewer side effects.

For instance, Virta observed that 74% of participants have reduced their insulin doses, which is quite significant. Additionally, a member from Connecticut who, in just two and a half months, lost 20 pounds and was able to reduce or eliminate diabetes medications. This interactive program offers extensive support, providing a great testament to the effectiveness of our approach in helping those in need.

We will now discuss the Type 2 diabetes program, which focuses on weight loss. Aiming for at least a 5% reduction in weight leads to improvements in sleep, inflammation, blood pressure, and the risk of heart disease. This is a primary goal for participants, and we will review the outcomes for some individuals in this program.

Virta compares Type 2 diabetes medications and their effects on weight loss. Virta looks at the use of GLP-1 and its impact on weight loss compared to lifestyle changes without the prescription. Transitioning to a healthier diet can be challenging, but many participants successfully make these changes and report positive experiences. For those for whom this program works, it can be transformative.

Let's examine the performance guarantees and savings analysis. The goal is to reduce A1C levels by 1.0, achieve a 40% reduction in medication use, and facilitate a 5% weight loss. In the analysis, we included 311 participants. However, they achieved an A1C reduction of 0.69, which fell slightly short of the target of 1.0. It's important to note that the starting population was only mildly controlled, contributing to this outcome.

Despite not meeting the A1C target, the weight loss results are impressive, as more participants lost weight than anticipated. The reduction in diabetes medications was also significant, though slightly below the goal of 40%.

In the following slides, we will explore the program's perspective, particularly concerning the management of obesity and prediabetes within the population. To the right, we see a breakdown of Type 2 diabetic members, illustrating the impact of routine diet and exercise versus solely relying on GLP-1 medication.

The following slides showcase positive testimonials from participants in Connecticut who greatly benefit from the program and appreciate the support from coaches. Member retention stands at 63%, which is notable. Significantly, if members feel stable and confident in their progress, they may reduce their engagement with the app while being encouraged to return as needed. Overall, participant satisfaction is high, with a net promoter score of 88, indicating great strides and success in assisting our participants.

This is just another example of the progress someone has made in just two months. They have eliminated three medications and will soon eliminate a fourth while losing 24 pounds. Anyone with diabetes or who is overweight should be encouraged to consider this. This is just one testimonial from one of our satisfied clinical members.

RFP Update

We received the technical submissions on April 11 and expect the financial submissions on April 27. It's worth noting that the final call letter, which was released at the beginning of April, resulted in federal subsidies exceeding our expectations. We collaborated with Segal on this, and the numbers are promising. However, we are still waiting to see the bids from the bidders to better understand how much this may enhance our outlook for Medicare Advantage. The increase in federal reimbursements for Medicare Advantage plans as they are projected to be higher than what we estimated in January.

Regarding the RFP, we request a fully insured Medicare Advantage plan with prescription drug coverage, known as MAPD, which we currently have. Additionally, we seek a secondary option that would include a fully insured Medicare Advantage plan for medical services and a self-insured model for prescription drugs. Some indications separating these components could yield significant savings, but we will assess this during the RFP process.

Finally, we are also looking for a fully insured Medicare supplemental plan and a self-funded EGWP to evaluate the potential differences between the current Medicare Advantage model and a traditional Medicare plan. We will gather more insights into this as we proceed.

Flyte Results

We have conducted an 18-month analysis of the Flyte program, which launched simultaneously with Virta. One important aspect of the pilot program was Flyte's focus on analyzing its savings impact, and they contracted with Milliman to do that savings analysis.

Overall, the analysis found savings in several key areas. They identified \$1.2 million in GLP-1 costs avoided through effective medication management. This was mainly due to individuals who were initially prescribed GLP-1 weight-loss medication being switched to a different, more cost-effective option through Flyte. This could have included generic medication or a different GLP-1 that was less expensive than the original prescription.

Another significant finding was that medication adherence among Flyte members was substantially higher compared to those in the control group, which consists of our grandfathered members who were on GLP-1 medications prescribed outside of Flyte. Notably, these control group members had similar benefits, interactions with healthcare providers, and overall conditions, making it a reasonable comparison. Among Flyte participants, adherence was 86%, which is notably high, especially compared to national averages. In contrast, adherence for the non-participating group was 67%, which, while also high relative to national studies, did not match the performance of the Flyte population. This indicates less wasted effort on medications, with fewer patients discontinuing their prescribed treatments early.

Finally, we will look at the efficient use of resources within the Flyte program. We observed that individuals with Class 2 and Class 3 obesity were prescribed GLP-1 medications more frequently than those in the grandfathered group, where the majority were classified with Class 1 obesity.

You will see that the highest number of prescriptions in the grandfathered group tended to be in lower BMI ranges, with some fluctuations. In contrast, there is a consistent increase in GLP-1 usage among Flyte participants, with the lowest utilization observed in individuals with Class 1 obesity and the highest usage in those classified as Class 3 obesity (BMI of 45 or greater).

The study indicates \$1.3 million in savings on the pharmacy side alone. This comparison is between members who received GLP-1s through our program, Flyte, versus those who obtained GLP-1s outside of Flyte. It evaluates what our costs would be without Flyte compared to what they are with Flyte.

It's important to note the significance of the \$1.3 million in savings. However, we did incur more administrative fees during that time, about \$2.3 million.

This study did not assess any potential medical savings or evaluate whether there were improvements in medical costs associated with GLP-1s. Based on findings from other larger studies, we generally do not see savings on the medical side in the first year of treatment. In most cases, there are additional costs during that initial year. Over time, significant savings tend to emerge, particularly among individuals with Class 2 and Class 3 obesity, which is where we see long-term medical savings concentrated.

To date, over 12,000 individuals have signed up for the program via the app. After signing up, they create an account, complete all necessary onboarding tests, and eventually attend their first appointment. About 11,000 people have signed up on the app, with over 7,000 having completed their first appointment. Our NPS stands at 77.

One notable metric is the app's average daily engagement time, which is approximately 5 minutes. This duration is consistent with what one might expect for an app used for activities such as journaling or logging.

Let's highlight individuals enrolled in the program for 18 months. The exact numbers are unclear, but they are slightly over 300, possibly close to 400. The breakdown of their weight loss is significant. As is typical, we see more substantial weight loss among those with higher BMI, which aligns with our expectations. Notably, individuals classified with Class 2 and Class 3 obesity showed an average weight loss of 18.4% of their BMI, which is quite considerable.

The diagram presents a breakdown of various groups. Keep in mind that these numbers are relatively small since they only include participants who completed 18 months in the program. To be included in this analysis, participants would have needed to sign up within the first two months. We have requested a similar analysis for participants who have reached 12 months, which should yield a larger sample size, and we look forward to reviewing those results.

In terms of weight loss based on medication history, individuals who were never prescribed GLP-1 over the entire 18-month period lost an average of 10.3% of their weight. These individuals typically start at a lower weight and are categorized as lower-risk members. Participants who began on a non-GLP-1 medication but later transitioned to GLP-1 lost about 17% of their weight. Among those who started GLP-1 immediately upon entering the program, typically our highest-risk members, the weight loss approached 20%.

These are the main findings we wanted to share. There are smaller numbers in other clinical categories, such as A1C levels, but the figures are too limited to draw meaningful conclusions. However, it's worth noting that the trends are positive overall.

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.

A motion to adjourn was made by Dan Livingston and seconded by Greg Messner.

The meeting was adjourned.