

# Group Insurance Board Programs

Item 4B – Employee Trust Funds Board

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# Informational Item Only

No Board action is required.

# Agenda

- Programs Offered
- Who We Serve
- Program Costs
- Focus Areas
- Program Administration








([Ref. GIB | 11.13.19 | 5C](#))

# Programs Offered

## Group Health Insurance Program

-  Health\*
-  Pharmacy\*
-  Uniform Dental\*
-  Wellness\*

## Other Programs

-  Life\*
-  Pre-tax Savings\*
-  Accident\*
-  Supplemental Dental\*
-  Vision\*
-  Long-Term Care
-  Income Continuation Insurance\*

*\*Included in IAS implementation*

# Life Insurance

- First program overseen by the then Group Life Insurance Board
- Single vendor
- Three products offered

# Health/Medical Insurance

Group Life Insurance Board expands to medical in 1959

1960: Begins offering Standard Plan under State Group Health Insurance Program

Managed care and managed competition model starts in the 90s

Today most employees are in managed care plans

# Uniform Benefits

- Medical and prescription drug benefits standardized in 1994
- Updated periodically for state mandates
- Major update in 2010 for Affordable Care Act
  - All Essential Health Benefits (EHB) covered
  - Four non-EHB benefits included
- Prescription drug benefits moved to Uniform Pharmacy Benefits in 2019

# Pharmacy Benefit Carve Out

Staff investigation of carve out began in 2002, RFP released



Board selects DeanPoint, which became Navitus Health Solutions



Single, consistent pharmacy benefit provided to all members



# Uniform Dental Benefits (UDB)

- Strategic Workgroup recommendation
- Carved out in 2016
- Preventive-focused benefit
- Single administrator and self-funded, similar to Pharmacy

# Wellness Program

All health plans offer wellness starting in 2013

Incentive standardized to \$150 in 2014; participation still minimal

ETF issued first wellness vendor RFP in 2016; awarded contract to StayWell (now WebMD)

# Additional Benefit Plans

## Pre-Tax Savings Accounts

- Flex-spending accounts (FSAs)
- Limited-purpose flex spending accounts (LPFSAs)
- Health Savings Accounts (HSAs)
- Commuter Fringe Benefit Accounts
- Dependent Daycare Accounts

## Income Continuation Insurance

## Employee-pay-all plans

- Accident
- Supplemental Dental
- Vision
- Long-Term Care (individual plan)

# Who We Serve

~268,000  
covered lives in  
GHIP

217,000 covered  
lives in Life  
Insurance

211,110 Uniform  
Dental members

32,588 Accident  
Plan members

57,232  
Supplemental  
Dental members

57,776 Vision  
Plan members

# GHIP Eligibility

- State and local employees, retirees, and their dependents
- Defined in statute
- All state agencies must participate in GHIP
- Local employers can opt in/out

# Program Costs

- Health Insurance: \$2.2 billion in 2024
  - Up from \$2.02 billion in 2023
- Annual cost trend 6.7%
  - Medical = 7.9%
  - Drug = 2.4%
  - Dental = 3.6%
- Medical costs driven primarily by outpatient utilization

# Focus Areas

## Plan Design

- Comparison to other states, employers
- Simplification/ease of use
- Cost control options

## Local Employer Program

- Opportunities for managing annual premium increases

## Benefits and Coverage

- GLP-1s and weight management

# Program Administration

- Group Insurance Board Oversight
- Rates and valuations work done with contracted actuaries
  - Delegated to GIB by ETF Board



# Office of Strategic Health Policy

## Staff:

- Director
- 2 Section Chiefs
- 18 Staff (Program Managers & Analysts)

## Services:

- Contract oversight
- Rate & contract negotiations
- Program & policy development
- Data analysis & research
- Benefits communication & education

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# Questions?