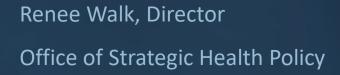
Group Insurance Board Programs

Item 4B – Employee Trust Funds Board





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*



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



Questions?