

GROUP INSURANCE ADVISORY COMMITTEE (GIAC)

Meeting Minutes

April 25, 2023

A meeting of the State Group Insurance Advisory Committee was held on this date in the JRW West Conference Room, Boise, Idaho. Deputy Director Bailey called the meeting to order at 2:00 pm.

Members Present:

Keith Reynolds, Director, Department of Administration

Paul Spannkebel, Business Support Manager, Veterans Services, Active Employee Member

Senator Kevin Cook

Representative Lauren Necochea

Andrea Powers, Judiciary Member

Members Absent:

Dick Humiston, State Retiree Member

Others Present:

Jennifer Pike, Statewide Group Insurance Manager, Office of Group Insurance (OGI)

Bailey Peterson, Chief Financial Officer, Department of Administration

Kim Rau, Program Specialist, Department of Administration

Steve Bailey, Deputy Director, Department of Administration

Frances Lippitt, Budget and Policy Analyst, DFM (via Webex)

Olga Voralik, Propel (via telephone)

Tyler Kapfhammer, Propel (via telephone)

Bret Rumbeck, Blue Cross of Idaho

Dan Satterlee, Blue Cross of Idaho

APPROVAL OF MINUTES

MOTION: Ms. Powers moved, and it was seconded by Mr. Spannkebel, that the minutes of the December 13, 2022, Group Insurance Advisory Committee meeting be approved as written. THE MOTION PASSED UNANIMOUSLY.

LEGISLATIVE UPDATE

Director Reynolds gave an update regarding this year's Legislative Session. The legislature approved appropriation for an additional \$21,000,000 in ARPA funds, in addition to the \$25,000,000 approved the prior year and the \$13,000,000 the year prior to that.

Also approved is a supplemental to add a new FTP to the Office of Group Insurance for an Employee Benefits Specialist. Department of Administration sponsored one piece of legislation adds a requirement that this committee have at least one member from a participating Idaho school district.

OPEN ENROLLMENT/NEW PLAN YEAR UPDATE

Jennifer Pike, OGI Administrator, shared that open enrollment for benefits is now through May 12.

Jennifer provided a handout to the committee detailing the FY2024 New Plan Year Highlights for plan year July 1, 2023 through June 30, 2024.

FOR ALL ACTIVE MEDICAL PLANS:

- **Employer-Funded Health Savings Accounts (HSA)** for eligible High Deductible Health Plan

(HDHP) members (See more HSA information below.)

- **Lower Premiums on the High Deductible Health Plan (HDHP) for Active Employees**
- **Specialty Pharmacy Cost Relief (PPO & Trad Only)**
Members on certain specialty medications can receive their medications at a reduced rate.
- **PPO Coinsurance Increase**
Coinsurance will increase to 20% in-network and 40% out-of-network.
- **Traditional Deductible, Coinsurance and Out-of-Pocket Maximum Increase**
Coinsurance increases to 30%, Deductibles increase to \$500 individual / \$1,400 Family, and Out-of-Pocket Maximums increase to \$4,350 Individual / \$8,700 Family.
- **High Deductible Health Plan** will now utilize a PPO network once the deductible has been met.
- **MDLive medical & behavioral health services** will continue to be covered at 100% for all health plans.
- **At-Home COVID Test Kits** will continue to be covered by the plan but will require submission of a paper claim for reimbursement.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

Starting July 1, all EAP services will be provided by BPA Health®

BPA Health is an Idaho-based company with a broader provider network, online scheduling tools, and access to 10,000 providers via BetterHelp.com (virtual visits that can be scheduled within 72-hours.)

HEALTH SAVINGS ACCOUNTS (HSA)—Only for those with HDHP

- Employer contributions will be \$500 Single coverage / \$1,000 Family coverage prorated over the course of the plan year.
- You may also contribute pre-tax dollars through payroll deductions, up to the federally allowed maximums.
- HSA funds are yours to keep if you leave employment.
- A Limited Purpose Health Care FSA is now available to be used in conjunction with the HSA to pay for dental and vision expenses.

FLEXIBLE SPENDING ACCOUNTS (FSA)

- Day Care FSA limits have returned to a maximum contribution of \$5,000 per household.
- Health Care FSA maximum contribution limit increased to \$3,050 & carryover increased to \$610.
- Limited Purpose Health Care FSA maximum contribution limit increased to \$3,050.
If you leave employment, you can also COBRA your FSA to continue contributing and using funds; otherwise, your FSA dollars can only be used for expenses incurred prior to your termination date.

SCHOOL DISTRICTS UPDATES

Ms. Pike shared that

FINANCIAL UPDATES

Medical: Chief Financial Officer Bailey Peterson referred to the following chart and pointed out that claims and expenses have been \$270,795,821 to date this fiscal year. The reserve balance is \$95,451,870. 40 % higher than last year. The FY2023 reserve projection of \$32,870,000 includes \$25,000,000 of ARPA money.

**State of Idaho - Department of Administration
Office of Group Insurance - Medical (Includes Rx, Vision & EAP)
As of March 31, 2023**

	Year to Date Actual FY2022	Year to Date Actual FY2023	%	% to Projection	November Milliman Report FY2023 (4)	
Total Claims (1), Admin Costs (2) & Expenses (3)	216,779,225	270,795,821	25%	81%	335,600,000	
<i>*Does not include employee cost sharing, copays & deductibles</i>						
Actual Ending Reserve Balance	68,223,668	95,451,870			59,160,000	
					<i>End of FY2023</i>	
Required Reserves						
Base Contractual @ 10% of expected Premiums	29,690,000	32,870,000			32,870,000	
Enrollees:						School Breakout
Active Employee	18,568	23,898			22,919	4,900
Active Dependents	27,269	33,301			32,293	6,111
Retiree	604	727			754	
Retiree Dependents	164	157			191	
COBRA Enrollee	142	101			129	
COBRA Dependents	61	35				
Appropriation Per Employee	11,425	12,267			12,267	
State Cash Cost Per Enrolled Employee (5)	13,762				14,891	

Notes:

- (1) Includes claims incurred in FY2023
- (2) Includes BCI Administrative Fees, Premium Tax, Health Care Reform Fees and COBRA
- (3) Includes dependent eligibility verification expense
- (4) Milliman Report, November 2023
- (5) Retiree subsidy included in the State Cash Cost Per Employee calculation

Dental: Claims to date are \$11,054,298 which is a year-over-year increase of 23%. The reserve balance is currently \$2,495,081.

**State of Idaho - Department of Administration
Office of Group Insurance - Dental
As of March 31, 2023**

	Year to Date Actual FY2022	Year to Date Actual FY2023	%	% to Projection	November Milliman Projection FY2023 ⁽³⁾
Total Claims (1), Admin Costs (2) & Expenses (3)	11,054,298	13,641,191	23%	67%	20,410,000
Ending Reserve Balance	2,556,008	2,495,081			1,910,000
					<i>End of FY2023</i>
Required Reserves					
Base Contractual @ 10% of expected Premiums	1,500,000	1,610,000			1,610,000
Enrollees:					
Active Employee	18,568	23,898			22,917
Active Dependents	25,810	31,483			30,653
COBRA	149	114			147
COBRA Dependents	81	52			
Appropriation Per Employee	225	233			233
State Cash Cost Per Enrolled Employee	296				361

Notes:

⁽¹⁾ FY2023 incurred claims in the previous plan year

⁽²⁾ Includes BCI Administrative Fees, Premium Tax, Health Care Reform Fees and COBRA

⁽³⁾ Milliman Report, November 2023

MEDICAL RFP/ITN UPDATE

Department of Administration’s Division of Purchasing Administrator Valerie Bollinger was unable to attend the meeting due to being actively involved in negotiations regarding the medical ITN. The evaluators have gone through original submissions and are now going through negotiation with the venders that bid. The expectation is that a contract should be awarded by July 1, 2023, going into effect July 2024.

OTHER BUSINESS/NEXT MEETING

The next meetings of the GIAC are scheduled for:

August 22, 2023, 2:00 pm

December 19, 2:00 pm

ADJOURNMENT

MOTION: Ms. Powers motioned, and it was seconded by Rep. Necochea, to adjourn the April 25, 2023, meeting of the Group Insurance Advisory Committee at 2:32 p.m. The motion passed unanimously.

Kimberly Rau, Program Specialist
Department of Administration