

GROUP INSURANCE ADVISORY COMMITTEE (GIAC)

Meeting Minutes

August 21, 2024

A meeting of the State Group Insurance Advisory Committee was held on this date in the JRW West Conference Room, Boise, Idaho.

Members Present:

Steve Bailey, Director, Department of Administration

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

Senator Kevin Cook

Andrea Powers, Judiciary Member

Dick Humiston, State Retiree Member

Rob Sauer, School District Representative (via Webex)

Members Absent and Excused:

Representative Lauren Necochea

Others Present:

Faith Knowlton, DIIS Administrator, Department of Administration

Justin Seaman, Group Insurance Manager

Bailey Peterson, Chief Financial Officer, Department of Administration

Kim Rau, Program Specialist, Department of Administration

Frances Lippitt, Budget and Policy Analyst, LSO

Olga Voralik, Propel

Danielle Rauscher, Regence

Norm Varin, Pacific Source

Kim Tower, Pacific Source

Miriam Hull, Regence

Bret Rumbeck, BCI

Present via Webex:

David Hahn, DFM

Dan Satterlee, BCI

Sheryl Orton

Adrean Cavener

Michelle Anderson

Tyler Kapfhammer

WELCOME: Director Bailey welcomed the Committee and guests and called the meeting to order at 2:00 pm.

APPROVAL OF MINUTES

MOTION: Mr. Spannknebel moved to recommend we adopt and approve the April 25, 2024, minutes as amended, and it was seconded by Ms. Powers.

The motion passed unanimously.

FINANCIAL UPDATES

Medical: Chief Financial Officer Bailey Peterson referred to the following chart and pointed out that claims and expenses have been \$413,656,309 to date this fiscal year, which is a 9% increase over the prior fiscal year. The reserve balance is \$100,701,003. The FY2024 reserve projection is \$39,840,000.

**State of Idaho - Department of Administration
Office of Group Insurance - Medical (Includes Rx, Vision & EAP)
As of June 30, 2024**

	Year to Date Actual FY2023	Year to Date Actual FY2024	% Increase	% to Projection	November Milliman Report FY2024 (4)	
Total Claims (1), Admin Costs (2) & Expenses (3)	379,749,033	413,656,309	9%	96%	430,340,000	
<i>* Does not include employee cost sharing, copays & deductibles</i>						
Actual Ending Reserve Balance	85,395,260	100,701,003			84,240,000	
					End of FY2024	
Required Reserves						
Base Contractual @ 10% of expected Premiums	32,870,000	39,840,000			39,840,000	
Enrollees:						School Breakout
Active Employee	24,017	25,522			25,275	5,392
Active Dependents	33,351	35,213			27,351	7,247
Retiree	684	503			646	
Retiree Dependents	137	104			138	
COBRA Enrollee	87	92			87	
COBRA Dependents	31	41				
Appropriation Per Employee	12,267	13,373			12,826	
State Cash Cost Per Enrolled Employee (5)	14,038	14,736			14,627	
Notes:						
(1) Includes claims incurred in FY2024						
(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 \$20,877,803 which is an increase of 12% and 99% to projection. The reserve balance is currently \$2,080,000.

**State of Idaho - Department of Administration
Office of Group Insurance - Dental
As of June 30, 2024**

	Year to Date Actual FY2023	Year to Date Actual FY2024	% Increase	% to Projection	November Milliman Projection FY2024 ⁽³⁾
Total Claims ⁽¹⁾, Admin Costs ⁽²⁾ & Expenses ⁽³⁾	18,551,103	20,827,803	12%	99%	21,130,000
Ending Reserve Balance	2,372,784	4,061,191			5,650,000
					<i>End of FY2024</i>
Required Reserves					
Base Contractual @ 10% of expected Premiums	1,610,000	2,080,000			2,080,000
Enrollees:					
Active Employee	24,017	25,489			25,191
Active Dependents	31,479	33,313			33,304
COBRA	99	102			99
COBRA Dependents	51	52			
Appropriation Per Employee	233	377			174
State Cash Cost Per Enrolled Employee	273	272			276

Notes:

⁽¹⁾ FY2024 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

FY25 NEW PLAN YEAR

Group Insurance Benefits Manager Justin Seaman provided a FY25 new plan year overview for the Committee.

- This was the 1st Luma open enrollment that occurred, and it coincided with the carrier change, open enrollment, and the gap period. This was a successful endeavor, the vast majority of enrollees got enrolled without any issue. There were some end user issues, and a handful of configuration issues related to the gap period. Right now, OGI is regularly meeting with the SCO benefits sustainment team to ensure smooth implementation.
- The next big thing is the transition for the medical plan. Standing up such a large and complicated plan a massive undertaking requiring the coordination of dozens of team members and vendors. The transition to the Regence plan has been very successful, the account management team have been quick to respond and they're very accommodating.
- The 3rd challenge for OGI during this time was staffing. Several people resigned throughout this period between open enrollment and within the 1st months of go live with the Regence change. Due to the open enrollment with Luma and the carrier change, OGI experienced an unprecedented volume of emails and phone calls. This would have been difficult for a fully trained and fully staffed department, which we did not have during this period. I do want to commend the OGI team. They worked very hard and I'm proud of their effort. They worked long hours and working weekends was common, so they did a fantastic job. Coming this year in FY 25, we have five new school districts joining the plan. We also have the state public defender's office joining the plan. This will be

about 3000 new lives added to the plan. Additionally, there's a legislation that will be proposed. This legislative item will allow cities and counties and municipalities to join the OGI plan.

OTHER BUSINESS/NEXT MEETING

The next meeting of the GIAC is scheduled for:
December 10, 2024, 2:00 pm

ADJOURNMENT

MOTION: Ms. Powers motioned, and it was seconded by Mr. Humiston, to adjourn the August 21, 2024, meeting of the Group Insurance Advisory Committee at 2:18 p.m. The motion passed unanimously.

Kimberly Rau, Program Specialist
Department of Administration