

GROUP INSURANCE ADVISORY COMMITTEE (GIAC)

Meeting Minutes

January 14, 2025

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 Spannknobel, 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

Others Present:

Faith Knowlton, DIIS Administrator, Department of Administration

Glenda Smith, Chief Financial Officer, Department of Administration

Kim Rau, Program Specialist, Department of Administration

Frances Lippitt, Budget and Policy Analyst, LSO

Olga Voralik, Propel

Tyler Kapfhammer, Propel

Danielle Rauscher, Regence

Present via Webex

David Hahn, DFM

Sheryl Orton

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

APPROVAL OF MINUTES

MOTION: Mr. Humiston moved to recommend we adopt and approve August 21, 2024, meeting minutes and it was seconded by Ms. Powers.

The motion passed unanimously.

FINANCIAL UPDATES

Medical: Chief Financial Officer Glenda Smith referred to the following chart and pointed out that claims and expenses have been \$138,548,221 to date this fiscal year, which is an 11% increase over the prior fiscal year. The reserve balance is \$82,703,341. The FY2025 reserve projection is \$39,840,000.

State of Idaho - Department of Administration
Office of Group Insurance - Medical (Includes Rx, Vision & EAP)
As of October 31, 2024

	Year to Date Actual FY2024	Year to Date Actual FY2025	% Increase	% to Projection	October Milliman Report FY2025 ⁽⁴⁾
Total Claims (1), Admin Costs (2) & Taxes (3)	124,908,917	138,548,221	11%	31%	445,710,000
<i>*Does not include employee cost sharing, copays & deductibles</i>					
Actual Ending Reserve Balance	96,954,937	82,703,341			74,590,000
					<i>End of FY2025</i>
Required Reserves					
Base Contractual @ 10% of expected Premiums	32,870,000	39,840,000			39,840,000
Enrollees:					
Active Employee	24,017	26,696			26,148
Active Dependents	33,351	36,939			36,294
Retiree	684	546			520
Retiree Dependents	137	101			92
COBRA Enrollee	87	111			71
COBRA Dependents	31	70			
Appropriation Per Employee	13,373	12,826			12,999
State Cash Cost Per Enrolled Employee (5)	14,742	14,815			14,815

Notes:

⁽¹⁾ Includes claims incurred in FY2025

⁽²⁾ Includes RBSI Administrative Fees, Variable Administrative Fees, and Miscellaneous Expenses, LESS Shared Savings

⁽³⁾ Includes Taxes and Fees

⁽⁴⁾ Milliman Report, October 30, 2024

⁽⁵⁾ Retiree subsidy included in the State Cash Cost Per Employee calculation

Dental: Claims to date are \$7,588,009 which is an increase of 16% and 33% to projection. The reserve balance is currently \$3,654,987.

**State of Idaho - Department of Administration
Office of Group Insurance - Dental
As of October 31, 2024**

	Year to Date Actual FY2024	Year to Date Actual FY2025	% Increase	% to Projection	November Milliman Projection FY2025 ⁽³⁾
Total Claims ⁽¹⁾, Admin Costs ⁽²⁾ & Expenses ⁽³⁾	6,559,443	7,588,009	16%	33%	22,660,000
Ending Reserve Balance	2,945,546	3,654,987			1,440,000
					<i>End of FY2025</i>
Required Reserves					
Base Contractual @ 10% of expected Premiums	2,080,000	2,180,000			2,180,000
Enrollees:					
Active Employee	25,283	27,204			26,548
Active Dependents	33,366	36,097			35,336
COBRA	99	86			85
COBRA Dependents	58	61			
Appropriation Per Employee	377	174			174
State Cash Cost Per Enrolled Employee	313	311			311

Notes:

⁽¹⁾ FY2025 incurred claims in the previous plan year

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

⁽³⁾ Milliman Report, October 30, 2024

FY25 PLAN STATUS

OGI's Group Insurance Manager Justin Seaman shared a presentation with the Committee which included the following:

Overview of the Office of Group Insurance: 8 full-time employees, annual personnel and operating budget for FY2024-\$1,233,900

Growth of the plan since 2020: Greater than 33% increase since beginning of FY21 with 64000 members.

Regence plan transition:

- Member Disruption – Most get resolved after escalation (98% within 48 hours).
- Common issues were related to Rx prior authorization, formulary/costs, physical therapy pre-authorizations and enrollment data migration (membership).
- OGI staffing level was our biggest challenge.
- Regence Account Management team quick to respond, great follow-through, very accommodating.
- Standing up such a large and complicated plan as ours was a massive effort.
- Transition was very successful.

Regence performance update:

Category	Guarantee Measure	Target	Fees at Risk	Results	Timeframe
Customer Service	Abandonment rate	<3%	\$50,000 flat fee	0% abandonment	Quarterly
	Average speed of answer	30 seconds	\$50,000 flat fee	9 seconds	Quarterly
	Initial contact resolution	90% within 30 calendar days	\$25,000 flat fee	93%	Quarterly
	Member satisfaction	85% satisfied	\$25,000 flat fee	92%	Quarterly

Category	Guarantee Measure	Target	Fees at Risk	Results	Timeframe
Claims	Claims dollar accuracy	98%	\$50,000 flat fee	100%	Quarterly
	Claims processing accuracy	97%	\$50,000 flat fee	99%	Quarterly
	Claims turnaround timeliness	98% within 30 calendar days	\$25,000 flat fee	100%	Quarterly

Account management: Account Management team received 140 inquiries from July 1- Sept 30. Ninety-seven percent of all inquiries were resolved in seven days or less: average turnaround time of two days.

Quarterly reporting:

- Total prescriptions filled July – September: 143,543
- 74 pre-authorization requests were appealed
- These appeals account for .05% of all prescriptions filled
- 47 of the appeals were approved (denial was overturned)
- 27 of the appeals were denied (denial was upheld)

What to expect looking forward:

- OGI has been reconstituted and focused on operational processes and members.
- Monitor carriers, get back to doing plan analytics, and look for solutions for member issues.
- Improve LUMA functionality.
- Replace paper enrollment for non-SCO's (Universities, School Districts, etc.).
- Turn our new website into a business tool.
- Watch upcoming legislation allowing cities and counties to join the plan.
- Monitor healthcare landscape, look for opportunities, and keep vendors competitive.

ACTION ITEMS

Provide documents that provide the details on appeals to GIAC as requested by Senator Cook, to include total appeals for medical and pharmacy for July-Sept and the outcomes.

OTHER BUSINESS/NEXT MEETING

The next meeting of the GIAC:TBD

ADJOURNMENT

MOTION: Ms. Powers motioned, and it was seconded by Mr. Humiston, to adjourn the January 14, 2025 meeting of the Group Insurance Advisory Committee at 2:37 p.m. The motion passed unanimously.

Kimberly Rau, Program Specialist
Department of Administration