

## **GROUP INSURANCE ADVISORY COMMITTEE (GIAC)**

Meeting Minutes

April 25, 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 Spannknobel, Business Support Manager, Veterans Services, Active Employee Member

Senator Kevin Cook

Representative Lauren Necochea

Andrea Powers, Judiciary Member

Dick Humiston, State Retiree Member

Rob Sauer, School District Representative

### **Others Present:**

Faith Knowlton, DIIS Administrator, Department of Administration

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

Tyler Kapfhammer, Propel

Danielle Rauscher, Regence

### **Present via Webex**

David Hahn, DFM

Sheryl Orton

Carlie Foster

Meghan McMartin

Addy-Moda Health

Carlie Foster

Dan Satterlee

Lisa Rebman

Meghan McMartin

Scot Brannon

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. Spannknobel moved to recommend we adopt and approve the December 19, 2023, 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 \$296,306,929 to date this fiscal year, which is a 9% increase over the prior fiscal year. The reserve balance is \$104,496,144. 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 March 31, 2024**

|  | Year to Date<br>Actual FY2023 | Year to Date<br>Actual FY2024 | %<br>Increase | % to<br>Projection | November<br>Milliman<br>Report<br>FY2024 (4) |
|--|-------------------------------|-------------------------------|---------------|--------------------|--|
| Total Claims (1), Admin Costs (2) & Expenses (3)                         | 270,795,821                   | 296,306,929                   | 9%            | 69%                | 430,340,000                                  |
| <i>*Does not include employee cost sharing, copays &amp; deductibles</i> |                               |                               |               |                    |  |
| Actual Ending Reserve Balance  | 95,451,870                    | 104,496,144                   |               |                    | 84,240,000                                   |
| <i>End of FY2024</i>   |                               |                               |               |                    |  |
| Required Reserves  |                               |                               |               |                    |  |
| Base Contractual @ 10% of expected Premiums                              | 32,870,000                    | 39,840,000                    |               |                    | 39,840,000                                   |
| Enrollees:   |                               |                               |               |                    |  |
| Active Employee  | 23,898                        | 25,391                        |               |                    | 25,275                                       |
| Active Dependents  | 33,301                        | 35,243                        |               |                    | 27,351                                       |
| Retiree  | 727                           | 583                           |               |                    | 646  |
| Retiree Dependents   | 157                           | 112                           |               |                    | 138  |
| COBRA Enrollee   | 101                           | 88                            |               |                    | 87   |
| COBRA Dependents   | 35                            | 40                            |               |                    |  |
| Appropriation Per Employee   | 12,267                        | 13,373                        |               |                    | 12,826                                       |
| State Cash Cost Per Enrolled Employee (5)                                | 14,038                        |                               |               |                    | 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 \$15,925,909 which is an increase of 17% and 75% to projection. The reserve balance is currently \$2,080,000.

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

|  | Year to<br>Date Actual<br>FY2023 | Year to Date<br>Actual<br>FY2024 | % Increase | % to<br>Projection | November<br>Milliman<br>Projection<br>FY2024 (3) |
|--|----------------------------------|----------------------------------|------------|--------------------|--|
| Total Claims (1), Admin Costs (2) & Expenses (3) | 13,641,191                       | 15,925,909                       | 17%        | 75%                | 21,130,000                                       |
| Ending Reserve Balance                           | 2,495,081                        | 3,839,612                        |            |                    | 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                                  | 23,898                           | 25,392                           |            |                    | 25,191   |
| Active Dependents                                | 31,483                           | 33,545                           |            |                    | 33,304   |
| COBRA  | 114                              | 98                               |            |                    | 99   |
| COBRA Dependents                                 | 52                               | 49                               |            |                    |  |
| Appropriation Per Employee                       | 233                              | 377                              |            |                    | 174  |
| State Cash Cost Per Enrolled Employee            | 273                              |                                  |            |                    | 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

### **PLAN PROCUREMENT STATUS**

Director Bailey let the Committee know that while he could not comment on anything regarding the selection of Regence and the associated ITN due to pending litigation, the contract with Regence has been signed and the implementation process has begun, and we are now in the act of the open enrollment period that started on Monday and goes through May 10th.

### **PLAN IMPLEMENTATION FEATURES**

DIIS Administrator Faith Knowlton shared a benefits comparison sheet highlighting comparisons of the PPO, Traditional, and High Deductible health plans. Ms. Knowlton also provided a comparison of the different services and programs offered by both. Open enrollment has gone well so far without any major issues. The State Controller's Office did a great job with the change.

### **ACTION ITEMS**

- Make changes to the benefits comparison chart to highlight the areas that have changed and post it on the website for employees
- Improve the retiree portion of the website for open enrollment

### **OTHER BUSINESS/NEXT MEETING**

The next meetings of the GIAC are scheduled for:

August 21, 2024, 2:00 pm

December 10, 2024, 2:00 pm

### **ADJOURNMENT**

**MOTION: Ms. Powers motioned, and it was seconded by Mr. Humiston, to adjourn the April 25, 2024, meeting of the Group Insurance Advisory Committee at 2:20 p.m. The motion passed unanimously.**

Kimberly Rau, Program Specialist  
Department of Administration