

HEALTHCARE COST  
CONTAINMENT COMMITTEE



165 Capitol Ave  
HARTORD, CONNECTICUT  
06106-1775  
Telephone (860) 702-3480  
Facsimile (860) 702-3556

**STATE OF CONNECTICUT**  
HEALTHCARE POLICY & BENEFIT SERVICES DIVISION  
OFFICE OF THE STATE COMPTROLLER

**HEALTHCARE COST CONTAINMENT COMMITTEE MEETING MINUTES**  
**July 8, 2024**

Meeting Called to Order by **Rae-Ellen Roy**

**Attendance:**

<b>Labor</b>	<b>State Comptroller Administrative Staff</b>
Carl Chisem – CEUI	
Dan Livingston – SEBAC	Thomas Woodruff
	<b>Presenters</b>
	Bernie Slowik – OSC
	Rae-Ellen Roy – OSC
<b>Management</b>	Betsy Nosal -OSC
Gregory Messner	
Karen Nolen	
	<b>Consultants</b>
<b>Dept. of Insurance</b>	Terry DeMattie, Segal
Paul Lombardo	

**Public Comment:**

No public comment

**Financials:**

This is our second to last report for the fiscal year 2023-2024. This report includes anticipated adjustments for benefits billing, non-pension retirees, and additional transfers. We've also accounted for fringe benefit transfers for UConn Health Center and the Board of Regents. We are looking to close the year with an active appropriation balance of nearly \$251,000, almost at zero.

We have a healthy surplus in our FAD balances for overall claims and ASO payments, with a balance of about \$128.1 million.

On the retiree appropriation side, we are showing a surplus balance of \$1.1 million. The June payroll came in slightly lower than expected, which means we will have a balance to return to the general fund. On the retiree OPEB FAD account side, we have a strong reserve fund of just over \$220 million.

### **Partnership:**

Partnership 2.0, as of July 1st, it has 167 groups enrolled, totaling just over 25,000 employees and just under 60,000 members. Our existing partnership groups have quarterly update meetings scheduled for July 16th and 19th. During these meetings, we will review utilization trends and HEP updates for 2023 compliance.

Partnership 1.0 still has the five remaining groups with about 2,400 employees and just under 3,400 members.

### **High-Level Utilization:**

There are no significant standout changes compared to the previous report. Our medical plan shows a 3.5% trend for pharmacy costs, which is lower than the market average of 8%. It's important to note that our savings from Prudent RX offset this 8% trend, so we have significant savings included in that figure.

We are aware that the costs of brand drugs continue to rise, which is a significant factor driving overall outpatient and inpatient medical care expenses. However, we have observed a slight decrease in inpatient surgery, possibly due to a shift towards outpatient surgery and earlier discharges from inpatient care.

Professional services costs have increased slightly, while our commercial plan membership has declined slightly. This decline is partly due to members' transition to the retiree health plan and the Medicare Advantage plan. We do anticipate an increase in membership due to the inclusion of several groups in the partnership plan.

We expect that the overall membership numbers will stabilize in the coming years, but it's important to understand the factors influencing our overall costs.

### **Communications Update:**

In June, we focused on simplifying our communications after a very active month in May for open enrollment. We sent our regular well-being chronic condition email to keep everyone engaged in webinars, covering HEP chronic disease education, and general well-being topics. Also included in this monthly email is an on-demand Upswing Health webinar. Last month, we also sent an all-user email about the Provider of Distinction program. This program is easily featured in the new provider search tool that went live during open enrollment. This email serves as a follow-up to the

April mailing to all employees about the Provider of Distinction program. We also collaborated with Quantum to encourage employee usage of the benefits portal, emphasizing the ease of access and personalization. In addition, the overarching theme was how preventive care can be helpful and easy with Quantum Health's Care Coordinators and portal. A bifold mailer and an email were sent to communicate this information.

### **Open Enrollment:**

This year's open enrollment period was relatively quiet. The data on the slide presented summarizes the overall activity that occurred during open enrollment. Most of the activity involved individuals not previously enrolled in coverage signing up for medical plans. We had about 350 new enrollees on the medical plan side who had previously waived coverage, which is great to see. There was a transition from the Quality First Select Plan to the Point of Service Plan on both the active and retiree sides. While some current enrollees moved away from the Quality for Select Access Plan, it is still a popular choice for new hires, so the overall population continues to grow.

On the dental side, we observed a similar trend as last year, shifting from the DHMO plans to the Basic or Enhanced plans. There was a significant increase in enrollment in the Enhanced plan this year, likely due to the increased focus on orthodontia during our open enrollment meetings. Overall, there was relatively light activity during open enrollment this year.

*Question from Dan Livingston:* The minus 142 active enrollees in Quality First Select Access are out of a population of how many? What were the numbers last year before that?

*Answer:* We don't have the information but will get it and send it to the group. The total number is a few thousand, approximately 3000, but this is an estimate. We will make sure to get the exact figure for you. These numbers are relatively small for each plan's total; the activity is not significantly high. A significant portion of the movement is due to our audit of enrollments in that plan, which revealed that several people who had selected the plan live outside the state. While they haven't experienced any issues yet, they would likely encounter problems with overall benefit coverage. As a result, we reached out to these members living out of state and asked them to switch to a separate plan.

**Rae-Ellen Roy** – Invited other questions or comments from committee members and the public. There were no additional questions or comments, call for motion to adjourn.

Motion to Adjourn was made by Gregory Messner, seconded by Dan Livingston

*Meeting was adjourned.*