

Rise Update for January 28, 2023

Below are several items of interest to RISE supporters. I am having difficulty with the hyperlinks in the Sender communications editor. I am trying to find a solution to this problem. If you want to use the link, highlight the link, right click, and choose "Open in new tab." If you click on the new tab, you should be on the correct webpage.

1. Notes from the 1/23/2023 State Employee Benefits Committee (SEBC) meeting and subcommittees provided by Tom Pledge

Thanks, Tom!

HIGHPOINTS OF THE SEBC COMMITTEE MEETING OF January 23 AND SUBCOMMITTEE MEETINGS OF JANUARY 17, 2023

These Highpoints mostly reflect the issues directly impacting State Retirees, and the Meeting Minutes should be consulted for breadth of material covered.

SEBC meeting:

- A lot of time spent on the upcoming survey of Active employees per their benefits.
- Discussion on the relationship of the FY 2022 State Benefits Office Plan and the GHIP Strategic Framework. Lots of good thoughts, i.e., pay for value, hospital cost transparency, etc..... but few real deliverables in the next year. Those controlling cost are outside the control of the SEBC, i.e., hospitals, docs, and drug companies.
- SEBC will vote next month on the PrudentRx program offered by CVS for 1600 users of high-cost drugs. Anyone affected should get list of potential drugs from SBO.
- Reviewed efforts to highlight the cost impact of diabetic care. Various initiatives are to reduce costs by 8%.

Financial Subcommittee Meeting, January 17, 2023:

- The State of DE Health Fund continues to run \$1.5m over Budget.
- In a post-Covid Delaware, Per Member Per Year (PMPY) costs are trending higher for ER, Facility Visits, and Outpatient Procedures. For example, utilization of the ER year over year went up 131%.
- Medical trend PMPY is up 9.1% and Rx up 7.2%. Lab outpatient cost up 28.7% likely due to Covid testing.
- Leading Clinical conditions were 1. Hypertension, 2. Low back, 3. Depression, 4. Diabetes, and 5. Anxiety. Behavioral health also experienced significant increases for diagnostics and BH therapy.
- For High-cost Claimants, costs have skyrocketed since Covid, PMPY up 37% since FY 19.
- The state is facing challenges in steering ER cases to Urgent Care and Primary Care sites.

Health Policy and Planning Subcommittee Meeting, January 17, 2023:

- Deputy Dir Hinkle made a statement that the State is no longer considering 'decoupling' the pre54 Retirees from Active Employees for FY 24 rate setting. I asked if this means that both groups will be facing a 17% rate increase come July 1, 2023. To Be Answered???
- The use of the Prudent Rx model for the 1600 non-Medicare individuals with high specialty drug costs was recommended for approval by the SEBC at the meeting next Monday. This will save the State \$6m a year.

- The SBO consultant Willis Towers Watson (WTW) believes there is too much “Richness” in the current State provided health program. According to WTW, the State should be closer to the ‘new’ WTW Delaware Employers Model of 31 DE employers and thus reduce costs to the State by \$4,000 PMPY though added co-pays, and deductibles –see attached WTW FY 24 Planning document for discussion, and specific attachment of p. 25. They also suggest increasing deductibles to \$100/200 per year could save \$13.7m per year. Wonder if the WTW contract @ \$935,000 per year also has too much richness!!!

2. Join Finance Committee Hearings for Tuesday, January 31, 2023

Thanks to Steve LePage for the update!

Link to Steve LePage’s helpful legislation page:

<https://retirees.inthefirststate.com>

Tuesday’s schedule has three hearings of interest as you can see below. Remember, last year there was no detail in these presentations regarding the plan to move retirees into Medicare Advantage. As with the SEBC meetings, it would be helpful to have people watching these proceedings. The Joint Finance Committee Hearing Room is not large, but people may register to join the meeting virtually using this link:

Joint Finance Committee Budget Hearing Information

<https://legis.delaware.gov/Committee/JointFinance/BudgetHearingInformation>

1/31

10:00 Orientation

10:30 Statewide Financial Overview

12:00 Lunch

12:30 Office of Management and Budget

1:00 Human Resources

1:30 Finance

Agency Budget Presentations (Will be located here when they become available)

<https://legis.delaware.gov/Committee/JointFinance/BudgetHearingInformation>

Public Comment

Members of the public may provide public comment in person or virtually through the Zoom webinar during these hearings at a designated time following each state agency’s presentation. Individuals will be limited to two minutes and organizations will be limited to three minutes. Limited seating will be available for members of the public who wish to provide public comment in person in the JFC Hearing Room, with overflow space available in the cafeteria.

All virtual public commenters must register by accessing the daily meeting links posted to the legislative calendar and/or public meeting calendar. Upon clicking the registration link, registrants will be required to enter their first name, last name, and email address. An optional question allows the registrant to list their organizational affiliation if any. Once the registration is complete, the registrant will receive an email (to the address they registered with) that includes the joining link, meeting ID, and password.

Written comments can be submitted at any time to the following email address:

JFC_Public_Comment@delaware.gov.

Request for access to the meeting:

<https://legis.delaware.gov/Mee...>

3. Especially for retirees in the Newark area:

Representative Baumbach (23rd District) sent this link to a Facebook Live Chat that he is holding on retiree healthcare at 4:00 p.m. tomorrow, January 29.

<https://fb.me/e/2eVEIAv9R>

Log in or sign up to view

See posts, photos and more on Facebook.

4. Public Testimony

We realize that RISE supporters have varying personal opinions as to what the State should do about our health insurance. Beginning with the filing of the RISE lawsuit, we agreed that we deserve to keep the medical benefits we had when we retired. In other words, the State should leave us in traditional Medicare with a Medicare supplement plan.

Some retirees have publicly expressed a willingness to pay more for our medical benefits. While RISE has not taken that position, we respect everyone's right to share their opinions -- as long as they don't purport to speak for RISE. We don't want to send mixed messages from RISE to the State. So, a good way to begin any comments would be: "I am Jane Notbornyesterday. I support RISE but I am speaking only on my own behalf."

This Facebook page is open to all retirees who want to join in our fight to keep our Medicare supplement plan. We welcome and appreciate your support!

<https://www.facebook.com/groups/1131036457767524>

5. Welcome UD retirees:

As a result of a meeting last week where Ray Seigfried spoke to both current UD faculty and retired faculty, we had a number of UD folks sign up for our updates. Welcome!

6. To make sure that you receive RISE Updates: Add elisa.diller@risede.com to your contact list to make sure the updates end up in your inbox and not your spam or trash folder.

Thanks!

Lisa Diller