



Janet T. Mills
Governor

**STATE OF MAINE
STATE EMPLOYEE HEALTH COMMISSION
61 State House Station
Augusta, ME 04333-0061**

Jonathan French
Labor Member, Co-Chair

Breana Bissell
Management Member, Co-Chair

STATE EMPLOYEE HEALTH COMMISSION MEETING

**Thursday, October 17, 2024 @ 8:30am
Microsoft Teams Meeting**

Governor Hill Mansion
136 State Street
Augusta, ME 04330

Commission Members in Attendance: Olivia Alford, Diane Bailey, Lois Baxter, Claire Bell, Breana Bissell, Jenny Boyden, Cecile Champagne-Thompson, Lynn Clark, Kevin Dionne, Laurie Doucette, Kelly John, Rebekah Koroski, Doris Parenteau, Shonna Poulin-Gutierrez, Joanne Rawlings–Sekunda, and Kim Vigue.
(Total = 16)

Commission Members Absent: Jonathan French, Danielle Murphy, Heidi Pugliese, Chris Russell, Frank Wiltuck and Nathaniel Zmek.

Vacant Seat(s): 3

Others Present: Neva Parsons, Paige Lamarre, Devon French, Charles Luce, Nathan Morse, Roberta DuPont and Emma-Lee St.Germain – The Office of Employee Health, Wellness, and Workers’ Compensation; Paige McCullough and Deborah Palmer– CompPsych; Laura Roberts – Sun Life; Sabrina DeGuzman-Simmons and Kevin Fenton – Aetna; Kristine Ossenfort and Becky Craigue – Anthem Blue Cross and Blue Shield; Libby Arbour and Kristin Poulin– MCD Global Health; Kathryn Lachlan – Carrum Health; Amy Deschaines and Ken Ralff – Lockton; Trevor Putnoky and Lisa Nolan – Health Purchasers Alliance.

Agenda Item	Discussion	Action/Next Steps
I. Call Meeting to Order (8:33 am)	Management Member, Breana Bissell called meeting to order. Labor Member, Rebekah Koroski, will be acting co-chair in Labor Member, Jonathan French’s absence.	
II. Introductions		
III. Review and Approval of Minutes (September 19th, 2024)		Labor Member, Kevin Dionne, made a motion to approve the September 19 th , 2024, minutes. Labor Member, Lois Baxter, seconded the motion. Motion passed.
IV. Recurring Monthly Business		
a. Open Discussions/Questions on Vendor Reports – All	Information contained in written report; highlights and discussion noted below: <ul style="list-style-type: none"> No questions or comments were brought to the commission. 	



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<p>b. Employee Health and Wellness Highlights – The Office of Employee Health, Wellness, and Workers’ Compensation</p>	<p>Information contained in written report; highlights and discussion noted below:</p> <p>Wellness Highlights –</p> <ul style="list-style-type: none"> • <u>Vaccination Clinics</u>: As of October 4th, 2024, 31 vaccination clinics have been completed with 1,331 total vaccinations administered. • <u>2025 Health Premium Credit</u>: More than 1,700 active health plan members completed the 2025 Health Premium Credit Program requirements by the end of September 2024 marking this as the highest first month completion rate in 3 years. • <u>Virta Health</u>: The Virta Health program kicked off on October 1st, 2024, and received more than 275 plan member applications for enrollment by the end of business day October 2nd, 2024. <p>Communication Highlights –</p> <ul style="list-style-type: none"> • <u>2025 Health Premium Credit Program (HPCP)</u>: All active employees were sent a postcard and an email in early September promoting the 2025 Health Premium Credit Program launch. Other Health Premium Credit Program communications included website updates and constant contact email, and communications will continue throughout the program year. • <u>Vendor Engagement</u>: The Department of Administrative and Financial Services (DAFS) Employee Recognition Event was held on September 12th, and the following Employee Health & Wellness vendors attended: Anthem, Aetna, Delta Dental, Capital Rx, Hinge Health, Carrum Health, WellStarME, Living Resources Program, Livongo, Empower, Voya, Cambridge Financial, MaineGeneral Ergonomics, and Osco Pharmacy. 	



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- Constant Contact: The following campaigns have been sent to one or more of the State of Maine groups – 2025 Health Premium Credit Program (45% Open Rate, 2% Click Rate), 2024 Vaccination Clinic Promotion (48% Open Rate, 1% Click Rate), Carrum Health Promotion (40% Open Rate; 1% Click Rate).

General Reminders –

- Medicare Advantage Plan updates for 2025 plan year will be listed on the Employee Health and Wellness website.
- FSA and Wellness Wallet open enrollment is in November.
- The cancellation of coverage process now includes Maine Revenue Services as a method of fund recovery.
- Two new Benefits Specialists, Miranda Kinney and Jennifer Marks, have been hired in the Office of Employee Health and Wellness.

V. SEMI-ANNUAL UPDATES

a. Carrum Health – Carrum

Information contained in written report; highlights and discussion noted below:

2023 – 2024 Fiscal Year State of Maine Executive Summary –

- Key Results: State of Maine saw a gross savings of \$2.68M with an 87% increase in transactions from FY23. Utilization was at 53% with 64 surgeries, 28 avoided surgeries and a 16% decrease in exceptions.
- Joint Accomplishments: Carrum hosted a co-branded webinar with Hinge Health, sent broad mailers to plan members, updated the State of Maine benefits website including a detailed plan guide, and added cancer care treatment bundles for FY25.

State of Maine Surgical Overview –



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- Member Pipeline July 2023 - June 2024: There were 439 member registrations on the Carrum platform. Members who identified the medical care they needed created 255 cases yielding 86 consultations which then resulted in 64 surgeries.
- Transactions: Carrum saw an 87% increase in consults and surgeries from State of Maine over the last fiscal year.

Completed Surgical Surgeries and Consults –

- Surgeries by Type: Major joint replacements led with 53 surgeries followed by 9 bariatric, and 1 each for cardiac surgery and sports medicine.
- Consults by Type: Major joint replacements led with 21 consults, followed by 2 bariatric consults.

Meaningful Activity –

- Active Surgical Cases 10/08/24: There have been 13 surgeries completed since July 1, 2024, with 11 additional scheduled transactions (consults and surgeries) in addition to 15 more qualified members who have met the requirements.

Exceptions –

- Carrum has an exceptions process in place for required total joint surgeries that was created in partnership with the Office of Employee Health and Wellness.
- From July 2023 to June 2024 there were 25 exceptions for Center of Excellence clinical exclusion criteria, 5 for lack of travel companion, 3 for severe financial hardship, 2 each for medically unsafe to travel, surgery too complex and 150-mile exception, and 4 for "other". This is a 16% decrease in exceptions from the previous fiscal year, which is normal. Additionally, there was an exception which was only available for the first year, called a grace period, so members who already had surgeries scheduled when the



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requirement was started fell into the grace period, which accounted for some of that decrease.

Savings Methodology –

- Bundled Savings: Carrum employs a bundle fee structure inclusive from pre-op to post-op and warranty, and negotiates the best price with Centers of Excellence, usually 10%-30% below market. Carrum takes the historical paid amount per episode on State of Maine claims, then subtract the Carrum cost bundle as well as travel expenses, resulting in bundle savings amount.
- Avoided Surgeries: Members fall into the avoided surgeries category either through a consult with Carrum Centers of Excellence or through a pre-consult phase with their patient care team recommending a non-surgical treatment plan. Of these patients, Carrum allows for the 15% of patients who will elect to have surgery regardless. Avoided surgeries savings are calculated by subtracting the Carrum consultation fee and travel expenses from the historical paid amount per bundle category.

2024 Surgical Savings Overview –

- Bundle Savings: The Carrum cost with travel of \$1.76M subtracted from the carrier baseline cost benchmark of \$3.23M resulted in bundle savings of \$1.47M.
- Avoided Surgery Savings: Carrum consultations at \$59K subtracted from carrier cost of intended surgeries resulted in avoided surgery savings of \$1.21M.
- Return on Investment: Total savings of bundle and avoided surgeries of \$2.68M divided by per employee per month (PEPM) fees of \$154K results in a return on investment (ROI) of 17:1.

VI. COMMITTEE UPDATES



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**a. Plan Design Committee:
Recommendation and Vote –
Lockton**

Highlights and discussion noted below:

When the Inflation Reduction Act was enacted, it resulted in a 28% increase in premiums on Part A and Part B which affects the majority of State of Maine retirees. By State statute, premiums can only be increased by consumer price index (CPI) plus 3%, which meant that the 28% renewal increase had to be reduced to 5.99%. The following plan design changes are recommended to achieve this reduction:

- Deductible: Increase from \$300 to \$350 (\$3.82 per member per month)
- Specialist Copay: Increase from \$25 to \$30 (\$3.04 per member per month)
- Inpatient Copay: Increase from none to \$200 (\$3.21 per member per month)
- Hearing Aids: Move to Nations Hearing Network (\$7.40 per member per month)
- Chiropractic: Move from unlimited to 24 visits per year (\$.68 per member per month)
- Emergency Room Copay: Increase from \$75 to \$100 (\$2.20 per member per month)
- Healthy Rewards: Remove benefit (\$.62 per member per month)
- Meals After Inpatient Stay: Reduce from 42 meals to 28 meals (\$.62 per member per month M)
- Over the Counter Benefit: Decrease from \$60 per quarter to \$30 per quarter (\$1.49 per member per month)

The drug benefit was left unchanged; however, a series of drug pricing changes are anticipated next year necessitating a review of the drug benefit at that time.

The proposed plan changes reduced the 28% increase to 12%. Additionally, there was conversation with the Commissioner’s office and with Aetna exploring options to get closer to the 5.99% premium increase without completely stripping the plan.

Aetna’s offer was to spread the renewal increase over two years, so that the 01/01/26 renewal premium will have \$10 deferred from the 01/01/25 premium.

The recommendation of the Plan Design Committee is to make the proposed plan design changes and accept Aetna’s offer to spread the remaining increase over two years.

Labor Member, Diane Bailey, asked the result of the discussion with the Commissioner regarding funds to defray the premium increase.

Management Member, Jenny Boyden, responded that with the statutory restriction on premium increases, she’s concerned that cash balance funds can’t be used for this purpose as premiums will only continue to increase. She will research it further.

Management Member, Breana Bissell, made a motion to implement an increase to the Aetna deductible from \$300 to \$350, implement an increase to the Aetna Specialist copay from \$25 to \$30, implement an inpatient copay for Aetna of \$200, add Nations Hearing Network, for \$7.40, per member per month, reduce the amount of chiropractic visits from unlimited to 24 visits per year, increase the Aetna emergency room copay from \$75 to \$100, remove the Aetna



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		Healthy Rewards benefit, reduce the meals after inpatient stay from 42 to 28, and decrease the over the counter benefit from \$60 per quarter to \$30 per quarter; Labor Member, Rebekah Koroski seconded the motion. Management Member, Kelly John, abstained. Motion passed. Management Member, Kelly John abstained.
VII. OTHER BUSINESS		
b. Open Discussion	Highlights and discussion noted below: <ul style="list-style-type: none"> No items were brought to the commission. 	
VIII. REQUEST MOTION TO ADJOURN		
a. X. Adjourn Meeting (9:26 am):		Labor Member, Lois Baxter, made a motion to adjourn; Labor Member, Laurie Doucette, seconded the motion. Motion passed.

2024 meeting schedule available at www.maine.gov/bhr/oeh