

**HEALTHCARE COST
CONTAINMENT COMMITTEE**



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

**HEALTHCARE COST CONTAINMENT COMMITTEE MEETING MINUTES
September 14, 2026**

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

Attendance:

Labor	State Comptroller Administrative Staff
Carl Chisem – CEUI	
Logan Place – SEBAC	Rae-Ellen Roy
	Presenters
Dan Livingston	Alex Humble – OSC
	Rae-Ellen Roy - OSC
Management	Betsy Nosal -OSC
Gregory Messner	
Rachel Runkle	
	Consultants
Dept. of Insurance	Terry DeMattie, Segal

Public Comment:

No public comment.

Financials:

This is the first review of our financial status for the fiscal year regarding the active and retiree health accounts. It is still early in the year, so we can expect some flexibility and volatility in spending patterns as the year progresses. We will continue to monitor these trends.

As of now, the active health appropriation is nearly zero, with a projected account balance of \$430,000. Currently, the Active Health FAD accounts show that the medical account is projected to have a deficit of about \$2 million, while the prescription account is expected to have a deficit of approximately \$50 million. This brings the total projected deficit to around \$51.8 million.

We have an IBNR adjustment built into the premium-equivalent rates that will help balance the prescription FAD account. On the active account side, it is challenging to accurately monitor and forecast overall health spending for the year due to our ongoing contract finalization with Anthem. Without the final contract, we have not been able to make our administrative fee payments, which means the active medical spending numbers are largely estimates at this point.

On the retiree side, we are still projecting a \$56 million deficit in the retiree health appropriation. We intend to take a deduction from the OPEB trust fund to cover this balance, and we are working on the policy details with the relevant parties.

Regarding the OPEB FAD account for retirees, we have about a \$223 million surplus in the medical account, offset by an \$81 million deficit in the pharmacy account. These figures result in a net surplus of approximately \$142 million, which we are gradually spending down. Similar to the active account, the health medical account remains somewhat volatile as we try to determine the balances for the Anthem accounts.

Partnership:

As of September 1st, we have 207 groups enrolled in our partnership, representing approximately 32,000 employees, or just under 75,000 members. We will be holding another quarterly meeting for existing partnership administrators and brokers on September 15th and 16th.

Last week, we released the Medicare Advantage renewal rates effective 1-1-27 for the groups currently enrolled. So far, we have confirmed three new groups for the Medicare plan starting on January 1. We expect to have a few more confirmed by October 1.

For Partnership 1.0, as of September 1st, four groups remain, totaling approximately 2,300 employees or 3,000 members.

High-Level Utilization:

These trends are largely consistent with what we have observed in previous years, and the data presented here were used to forecast spending in the prior budget report.

For the medical plan, we are observing an overall trend of approximately 5.5%. The most significant change compared to previous observations is in professional services. This increase is attributable to a notable population rise in the partnership plan that took effect on July 1. This analysis includes claims up to July 31, or possibly the 26th. When large groups join the partnership plan, we often see an initial surge in utilization. Individuals transitioning from a less comprehensive plan tend to be eager to access the enhanced services available under the new plan, which has led to the uptick we've noticed in professional services.

On the pharmacy side, we are experiencing a 14.2% increase. As noted in previous reports, this rise is primarily driven by specialty pharmacy costs, with an increase of \$12.49 attributed solely to specialty pharmacy. We will continue to monitor this trend closely. Additionally, we plan to release our PBM RFP within the next week or two. This process will be crucial as we seek to manage and potentially reduce spending on specialty medications.

Communications Update:

In August, Care Compass was relatively quiet concerning our email communications. We continued our usual monthly well-being and chronic condition seminars and educational sessions, which were sent to all audiences.

One notable change in our chronic well-being seminars is that we now incorporate all our program solutions. For example, Virta conducted a workshop that was included in our wellness content. Additionally, Lyra offers multiple topics each month related to mental and behavioral health, with several sessions scheduled for each. This provides a wide variety of options for participants.

As we prepare for the fall, we have developed a comprehensive timeline of communications. We started with information from Kroll and Quantum Health, which was shared not only with our employees but also at special meetings with our agency and partnership leaders to ensure everyone received the correct messages. Care Compass includes the Kroll phone number and an FAQ section for additional support.

We also have ongoing initiatives with Hinge Health and Virta, whose mailers and emails have been approved for distribution. Regarding upcoming features, we will soon send an email about some spotlight topics. Quantum Health will highlight the benefits of using its portal and app to access customer care and look up providers in its network.

As we move into October, we will spotlight Cigna Dental and, for the first time during open enrollment, focus on flexible spending accounts. To round out the fall, we will review the Healthy Living Program, which includes Virta for diabetes management, Hinge and Upswing for orthopedic care, and Lyra Health for mental health and behavioral health programs, alongside our wellness webinars.

In addition, we will send out an email to remind everyone about flu season and vaccinations, which are covered 100%. We will also support our HEP with a series of emails and letters to ensure compliance as we approach the end of the year, with a specific focus on the transition into 2026. We'll coordinate with the Quantum team to ensure their call centers are prepared for an expected increase in inquiries, as we aim to finish the year strong.

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

Motion to Adjourn was made by Dan Livingston and seconded by Rachel Runkel.

The meeting was adjourned.