

**KY MINUTES OF MEETING
KENTUCKY GROUP HEALTH INSURANCE BOARD
KENTUCKY EMPLOYEES' HEALTH PLAN
MONTHLY MEETING APRIL 30, 2024, AT 2:00 P.M.
PERSONNEL CABINET, 501 HIGH STREET, FRANKFORT, KENTUCKY 40601
VIDEO TELECONFERENCE AND IN-PERSON HYBRID MEETING**

At the monthly meeting of the Kentucky Group Health Insurance Board held on April 30, 2024, the following members were present: Secretary Mary Elizabeth Bailey, Tommy Loving, Shawn Boggs as proxy for Sharon Clark, Jason McGinnis as proxy for Katie Comstock, Nancy Haggerty as proxy for John Hicks, Tiffany Yeast as proxy for Robin Kinney, Connie Pettyjohn, Jerry Powell, Matt Frey as proxy for Allison Ball, Elizabeth Cunningham as proxy for Holly Johnson, Adrienne Carter, and Steve Gillespie. Staff members present were Commissioner Chris Chamness, Jen Thompson, Jessica Hetrick, Donna Marcum, Paula Chisholm, and Will Adams. Also present were Carl Felix, Kristin Shramovich, Anna Brown, Leah Locknane, Camille Burgess, Jessica Hiler, and David Hume.

Mr. Tommy Loving called the meeting to order at 2:05 p.m. Ms. Jennifer Thompson called roll.

Mr. Loving asked for a motion to accept the March 26, 2024, board minutes as read and approved. The motion was made by Steve Gillespie and seconded by Jerry Powell. The motion passed unanimously.

Mr. Loving introduced agenda item *Kentucky Employees' Health Plan (KEHP) Update*. Commissioner Chamness updated the Board on the following items:

- Procurement Update:
 - The PBM RFP has been rescinded by the buyer at the Finance Cabinet; vendors were notified last week. The Cabinet is filing required documentation to Finance to begin the next steps. The Board will be updated throughout the process. The RFP was rescinded due to the new requirements required by SB 188, which changes the scope of PBM services and pricing for KEHP starting January 1, 2025.
 - The TPA RFP is on schedule and scoring is anticipated to start in May. All vendor questions have been answered by DEI and delivered to the Buyer at the Finance Cabinet.

- Wellness Fairs at correctional complexes in LaGrange are next week for Corrections Officers Appreciation Week. Jen has been coordinating all necessary preapprovals and checks to address the unique challenges of hosting a Fair in a secure facility.
- Several DEI employees attended the State and Local Government Benefits Association (SALGBA) Annual Conference in Louisville last week. The conference sessions were on several helpful topics, many focused on cost controls, pharmacy benefits (including GLP-1 drugs), and best practices with vendors. Commissioner Chamness presented on a panel with Gail Carbol of University of Kentucky about providing rural access to benefits through remote therapy and telehealth strategies, including Hinge Health.
- CVS Year-end Review: CVS reported on year-end performance for the Plan. As expected, pharmacy drug expenses grew significantly in 2023, with a 7.48% compound annual growth rate year over year (as net cost post all rebates). GLP-1 drugs were a major driver of added cost, through rebates through year end helped mitigate. GLP-1s are not going away, with new drugs expected to come on the market and new indicated conditions, from sleep apnea to fatty liver disease to Alzheimer's disease, expected to receive FDA approval in the coming years.
- Anthem Q1 Review: Overall good numbers including a stabilization of medical costs in the post-COVID cycle. Outpatient costs have grown as inpatient decrease, based largely on new surgical trends. We are also seeing sustained growth in vision and dental enrollment.
- DEI is working on contract renewals due 7/1 based on the budget biennium schedule, including for Aon, Blue & Co, RethinkCare and others.

Will Adams, Plan Attorney, gave an update regarding the legislative session: he discussed legislation that may impact KEHP, including SB 188 (PBM reform, passed) and SB 261 (KEHP-supported clean-up bill, did not pass).

Mr. Loving introduced the agenda item *Hinge Health – Program Update*. Anna Brown, Senior Client Success Manager, presented the board with the 2023 annual review details. A total addition of 4,867 new members joined Hinge Health in 2023. Significant outcomes included a 43% pain reduction in the first 90 days, and a 58% reduction in surgery likelihood. Anxiety and depression thresholds are also measured by Hinge Health as pain affects many aspects of the body, and significant reductions were made in those areas as well. A satisfaction score of 9/10 reflects members' overall fulfillment.

Mr. Loving introduced the agenda item *Old/New Business*. There being no further business, Mr. Loving asked for a motion to adjourn the meeting. The motion was made by Steve Gillespie and seconded by Jerry Powell. The motion passed unanimously. The meeting was adjourned at 2:47 pm.

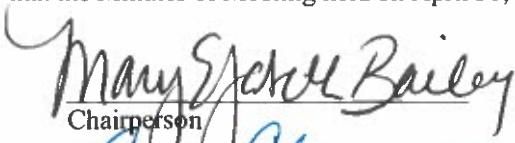

Copies of all documents presented are incorporated as part of the minutes of the Kentucky Group Health Insurance Board held April 30, 2024.

CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Board on the various items considered by it at this meeting. Further, I certify that all applicable requirements of KRS 61.805-61.850 were met in conjunction with this meeting.


Recording Secretary

We, the Chair of the Kentucky Group Health Insurance Board and Deputy Commissioner of the Kentucky Department of Employee Insurance, do certify that the Minutes of Meeting held on April 30, 2024, were approved on May 28, 2024.


Chairperson

Commissioner

I have reviewed the Minutes of the April 30, 2024, Kentucky Group Health Insurance Board Meeting for content, form, and legality.


Office of Legal Services

