

# Legislature Approves FY2024 Insurance Package for Gov't Employees, Highlighting \$400K Savings

Health / **Published On September 23, 2023 06:48 AM /**

Janeka Simon **September 23, 2023**

Image not found or type unknown



In the latest session of the 35th Legislature on Friday, lawmakers approved the insurance package for government employees and retirees for the fiscal year 2024. Beverly Joseph, chair of the Government Employees Service Commission (GESC) Health Insurance Board of Trustees, presented the recommendations for the next fiscal year's group insurance contracts during a Committee of the Whole hearing.

The approved package, which includes medical, prescription drug, dental, vision, and life insurance benefits, is set to be provided by Cigna, United Healthcare, and Standard Insurance. The decision to retain these current providers was based on their competitive offers in a bidding process, leading to a notable decrease in total costs by \$400,000.

"For all insurance coverage combined (including dental, vision and life), plan outlays will decrease from \$183.1 million in FY23 to \$182.7 million in FY24. This is a decrease of approximately \$403,000," Ms. Joseph told lawmakers.

Some changes have been made to some programs to ensure that premiums remain stable, Ms. Joseph said. Rather than accept a 20% increase in rate to the existing medical insurance plan for government retirees over the age of 65, it was instead decided to extend the \$500 deductible currently in place for retirees under 65 to the older age category, as well as including hospital admissions copays and emergency room copays, capped at an annual maximum of \$1000.

Lawmakers learned that the board is currently working on several initiatives aimed at controlling and ultimately reducing healthcare costs, including two new programs introduced by Cigna aimed at providing greater primary and specialty medical care management, as well as increased education and support to members on how to optimize their benefits.

During discussion on the proposal, senators generally expressed their support of the measure, however some complained about being presented with the information just prior to being required to vote on it. "I am one of those senators that do[es] get annoyed when we have to hear this and then vote the same day," said Senator Alma Francis-Heyliger. "I'm not too keen on that." However, Senate President Novelle Francis disclosed later on in the session that the proposal had come to the legislature just seven days prior, with Senate staffers then working assiduously to prepare it for presentation on Friday.

Ms. Joseph said that the board had not planned for the package to be completed so late, but "we pushed hard to negotiate and it was a lot going back - it's not that easy." She noted that the negotiation with United Healthcare took some time to complete, but that the board did what was necessary because "our fiduciary duty is to the members."

Senator Franklin Johnson was pleased at the prospect of stability in premiums for workers, noting that some government workers have not received raises for some time as contract negotiations are outstanding.

Ms. Joseph responded to concerns from Senator Carla Joseph that one of the programs included in the insurance package was only available to spouses of policyholders and not dependents. She told the senator that the "Motivate Me" program was being rolled out in phases – it began with just the active policyholder before being extended for the first time. Sen. Joseph asked her to urgently consider extending the program again so that families can be incentivized to exercise together as a unit.

Senator Diane Capeheart asked about behavioral health programs, especially in the aftermath of the pandemic. "The territory deserves affordable access to mental health care with psychiatrists and mental health therapists on the island," she declared. Ms. Joseph noted the existence of the Employee Assistance Program, which provides behavioral healthcare benefits. "Stress is a killer," Ms. Joseph noted, stating that the board had reserved funds to assist the Division of Personnel with hosting a forum for mental health. Employee Assistance Program hours will also be used for counselors to visit government departments and agencies, Ms. Joseph said, "because everyone is impacted in some form when it comes to mental health."

Despite various concerns about program specifics, lawmakers ultimately voted to approve the insurance package for government employees and retirees when it came up for a vote in the Senate's legislative session late Friday.

