

**STATE OF WISCONSIN
DEPARTMENT OF EMPLOYEE TRUST FUNDS
801 West Badger Road
Madison, WI 53702**

CORRESPONDENCE MEMORANDUM

DATE: May 24, 2002
TO: Group Insurance Board
FROM: Kari Jo Zika, Manager of Quality Assurance
SUBJECT: Health Plan Grievances and ETF Complaint Reports

Attached you will find two separate reports provided for informational purposes. The reports are used to identify notable trends within the health plans that warrant attention by the Department. A summary chart of the data will also be included in the Report Card section of the *2003 It's Your Choice* booklet.

I. 2001 Health Plan Grievance Report for State of Wisconsin & Local Employees

This report summarizes annual data provided to the Department by all plans participating in the state health insurance program. The report was compiled by reviewing each plan's annual grievance report, which was submitted on March 1. Notable highlights include:

- The total number of grievances reported decreased from 1,012 in 2000 to 831 in 2001.
- The percentage of grievances overturned by the plan (in favor of the member) stayed consistent with past years at 54%. However, I would like to point out that both Humana Eastern and CompcareBlue SE experienced "overturn rates" over 70%.
- The grievance category with the most grievances across plans concerned non-covered services (25.8%). Unauthorized service grievances were also high again this year at 22% of the total reported. The majority of these types of complaints involve members seeking health care outside of their plan service area or network.

II. 2001 ETF Complaint Activity Report

This report provides summary data on complaints processed by the Department in calendar year 2001. This report includes information on complaints regarding all insurance programs. Notable highlights include:

- For the third year in a row, no complaints were received by ETF on the following plans: Health Tradition (formerly Greater LaCrosse Health Plan) and Mercycare. Other plans where no complaints were filed in 2001 include Atrium, Compcare Northeast and Touchpoint.
- Standard Plan complaints continued to decline, accounting for 27% of new complaints. In 2000, 43% of new complaints were about the Standard Plans, and in 1999, that number was 72% due to the new claim payment system implemented in 1998. The majority of Standard Plan complaints concern billing issues, UCR (usual, customary and reasonable) payments, and non-covered services.

- CompcareBlue (all plans combined) from the Milwaukee area stands out as having the highest number of managed care complaints with 19% of new health insurance complaints filed by members. Humana, another Milwaukee area plan, accounted for 8% of new complaints.
- The three most common complaint types for managed care plans were billing issues, non-covered services and unauthorized services.
- Active state employees registered the most complaints (51.4% of total complaints), half of which were filed by University of Wisconsin employees. Annuitants accounted for 32% of new complaints.
- Complaints concerning disability programs, including Income Continuation Insurance and Long Term Disability Insurance were 9% of new complaints. This is due to the change in administrators of the disability programs to CORE, Inc. Types of disability complaints primarily involved plan service and administration, such as delayed checks, incorrect tax withholdings, and lack of response from the disability administrator to member inquiries.
- Of the total number of complaints closed in 2001, 60% were resolved in favor of the member. Of these, 13% were closed through the plan grievance process with a favorable resolution. This is evidence of the growing need to educate participants on how to successfully work with their health plan to resolve issues before contacting ETF.
- We continue to receive general complaints regarding issues such as dental coverage (e.g., lack of uniform dental coverage and availability of dentists), lack of preferred provider plan options, weight loss surgery benefits, and rising premiums for annuitants.

Attached you will find several charts which depict ETF complaint activity. These include a comparison of complaints received and closed, new complaints received in 2001 compared to previous years and complaint activity by plan.

III. ETF Complaint Survey

In 2001, as part of customer service initiatives for the Department, we began surveying complainants after ETF completed its review of the complaint. A copy of the survey is attached for your reference.

In general, members are satisfied with the ombudsperson services offered through ETF. The following depicts the percentage of respondents answering “strongly agree” or “agree” to the following questions:

- | | |
|---|-----|
| 1. My complaint was handled in a timely manner. | 62% |
| 2. The ombudsperson was professional and courteous. | 84% |
| 3. The assistance provided by the ombudsperson was helpful. | 67% |
| 4. Regardless of the outcome, the complaint process provided an adequate opportunity to favorably resolve my complaint. | 60% |
| 5. The information provided by the ombudsperson and the responses to my questions were precise and understandable. | 73% |
| 6. Regardless of the success in resolving my complaint, I found the knowledge and assistance from ETF to be a valuable benefit. | 73% |

In December 2001 we hired a new ombudsperson, Liz Doss-Anderson, to work on decreasing the length of time it takes to review a complaint. Since this hire, the backlog of open health insurance complaints has been steadily decreasing from a high of 108 in October 2001, to most recently, 62 open complaints at the end of April 2002.

We will continue to send surveys out to all members using the ombudsperson services through the formal complaint process at ETF. We believe it will be a valuable tool as we continue to evaluate how we can improve customer service.

If you have any questions about the information provided, I will be available at the Board meeting. Thank you.

Attachments (Saved as separate documents.)