



STATE OF WISCONSIN
Department of Employee Trust Funds

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CORRESPONDENCE MEMORANDUM

DATE: August 1, 2004

TO: Group Insurance Board

FROM: Pam Henning, Director, Office of Strategic Services
 Kari Jo Zika, Director, Quality Assurance Services Bureau

SUBJECT: Correspondence and Complaint Summary

This summary is provided for informational purposes and contains a listing of issues raised by participants relating to insurance benefits under the authority of the Group Insurance Board (GIB). The below table includes a summary of the following: (1) correspondence received by the Department written to the Secretary or GIB; and (2) the number of written complaints or informal complaints (usually via the telephone) handled by the ombudspersons in the Quality Assurance Services Bureau. The information provided below is from the time period of May 1, 2004, to August 1, 2004.

Correspondence:

	Number
Health Insurance	4
<i>Issues:</i> <ul style="list-style-type: none"> • <i>Dissatisfaction with Blue Cross Blue Shield United's high costs and lack of choice since January 1, 2004</i> • <i>Use of accumulated sick leave credits to purchase private health insurance – unaffordable out-of-state retiree health care costs</i> • <i>SMP eligibility for those living in neighboring counties</i> • <i>Concern with high cost of Standard Plan since merger of Standard Plan I with Standard Plan II</i> 	 1 1 1 1
Pharmacy Benefit	8
<i>Issues:</i> <ul style="list-style-type: none"> • <i>Requesting ETF not force retirees into the new Medicare prescription drug plan</i> • <i>Specific non-covered drug copayment issue</i> • <i>Dissatisfaction with Navitus due to prescription drug changes (insulin), customer service, and three level drug plan</i> 	 1 1 1

Board	Mtg Date	Item #
GIB	8/24/2004	7

<ul style="list-style-type: none"> • Request for 90-day supply of prescription drugs versus 30-day supply • Level 3 drug usage and 30-day supply • Complaint about who makes decisions on what drugs to prescribe, Navitus or the physician • Concern with information provided on change to Navitus 	<p>1 2 1 1</p>
Disability Benefits	1
<i>Issues:</i> <ul style="list-style-type: none"> • Income Continuation Insurance denial (lack of clinical evidence) 	1
Other	1
<i>Issue:</i> <ul style="list-style-type: none"> • Life insurance cancellation 	1

Formal Written and Informal Complaints:

In May, June and July, the ombudspersons handled over 200 informal and formal complaints regarding insurance programs. The majority of these complaints involved health insurance, disability programs and the pharmacy benefit. The following highlights the variety of issues handled by the ombudspersons.

	Number
Health Insurance Complaints	65 (32%)
Health Maintenance Organizations <i>Most Common Issues:</i> <ul style="list-style-type: none"> • Non-covered Services (23%) • Eligibility and Enrollment (23%) • Billing (20%) 	40
Standard Plans (all) <i>Most Common Issues:</i> <ul style="list-style-type: none"> • Referrals/Prior Authorizations (20%) • Billing (20%) • Eligibility and Enrollment (12%) 	25
Pharmacy Benefit Complaints	76 (38%)
<i>Most Common Issues:</i> <ul style="list-style-type: none"> • Copayment Reduction (25%) • General Program Design (22%) • Non-covered Drugs (14%) • Prior Authorizations (12%) 	

Disability Program Complaints	56 (28%)
Income Continuation Insurance <i>Most Common Issues:</i> <ul style="list-style-type: none"> • <i>Overpayments (30%)</i> • <i>Payment/Check Error (14%)</i> • <i>Initial Claim Processing (11%)</i> • <i>Integration of Benefits (9%)</i> 	46
Disability Retirement (§ 40.63)	2
Duty Disability (§ 40.65)	1
Long-Term Disability Insurance	7
Other Program Type Complaints (Life, ERA, EPIC, Spectera)*	5 (2%)

*It is not common to receive a large number of complaints regarding these programs because the availability of ombudsperson assistance isn't as widely known, and most of the programs are not under contract with ETF, rather approved for payroll deduction by the Board.

We will be available at the Board meeting to address any questions you have regarding this report. Thank you.