



STATE OF WISCONSIN  
Department of Employee Trust Funds  
Eric O. Stanchfield  
SECRETARY

801 W Badger Road  
PO Box 7931  
Madison WI 53707-7931

1-877-533-5020 (toll free)  
Fax (608) 267-4549  
TTY (608) 267-0676  
<http://etf.wi.gov>

**CORRESPONDENCE MEMORANDUM**

**DATE:** July 28, 2006  
**TO:** Group Insurance Board  
**FROM:** Arlene Larson, Manager, Self-Insured Health Plans  
**SUBJECT:** Plan Changes to the Optional Dental Benefits

This memo is provided to advise the Board that several health plans have proposed changes to their dental coverage effective January 1, 2007. This memo describes the proposed changes. It should be noted that all alternate health plans for State employees, except WPS Prevea Health Plan, will offer dental coverage effective January 1, 2007. For Wisconsin Public Employers (locals) seven plans will offer dental coverage through eight networks.

**This is for informational purposes only, no Board action is required.**

As described below, three plans will begin to offer dental benefits in 2007. Those plans are: Gundersen Lutheran Health Plan; UnitedHealthCare, both in the Northeast and Southeast networks; and Security Health Plan. Dean Health Plan has notified us that they will be slightly expanding their benefits for our members. Physician's Plus will be reducing benefits slightly. Network Health Plan is changing their benefit structure with minimal impact to our members. Benefit outlines provided by the plans are attached.

*Newly offered dental benefits:*

Gundersen Lutheran Health Plan is offering dental coverage for State and Local members.

- There will be no deductible.
- Preventative services are paid at 100%.
- Basic restorative services are covered at 80%.
- The annual maximum is \$500 per person.

Security Health Plan is offering dental coverage for State members only.

- There will be no deductible.
- Diagnostic and preventative services are paid at 100%.
- Orthodontia for dependents are covered at 50% up to age 19. The orthodontia lifetime maximum is \$1,200.

Reviewed and approved by Tom Korpady, Division of Insurance Services.

Signature \_\_\_\_\_

Date \_\_\_\_\_

| Board | Mtg Date | Item # |
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| GIB   | 8/29/06  | 2      |

UnitedHealthCare Northeast and Southeast is offering passive Preferred Provider Option (PPO) coverage for State and Local members. Under the passive PPO approach, benefits in- and out-of network are the same. However, members will see savings at in-network providers for services that involve coinsurance because the provider's discount is passed through to the member and reduces the member's out-of-pocket costs.

- There will be a deductible of \$50 single, \$100 family and a maximum benefit limitation of \$1,000. The deductible does not apply to preventative, diagnostic, or orthodontic coverage.
- Diagnostic and preventative services are paid at 100%.
- Basic restorative services such as fillings, extractions and anesthesia are covered at 50%. Other basic services such as root canals and periodontia are not covered.
- Orthodontia for dependents is covered at 50%. The orthodontia lifetime maximum is \$1,200.

*Plan offering a benefit increase:*

Dean Health Plan is converting their existing passive PPO to a true PPO. When members use in-network providers they will no longer have to pay a deductible. If they see out-of-network providers, they will continue to pay a \$25 single/\$75 family deductible.

*Plan offering a benefit decrease:*

Physician's Plus is reducing coverage for dentally appropriate, currently non-covered 'other services'. Currently Physician's Plus pays 50% of the cost of their services up to \$250 per year. The new maximum will be \$100. Examples of these types of services are crowns on back teeth, bridges, dentures, or a necessary, third annual exam.

*Plan Changing its benefit structure:*

Network Health Plan is converting their existing dental program to a passive PPO.

Attachments