



EMPLOYER BULLETIN

Employer Communication Center
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Vol. 23, Local K
October 12, 2006

Consider Participating in the Wisconsin Public Employers Group Health Insurance Program

Now is the time for employers participating in the Wisconsin Retirement System (WRS) to consider joining the Wisconsin Public Employers (WPE) Group Health Insurance Program. The WPE Group Health Insurance Program, authorized by the Group Insurance Board and administered by the Department of Employee Trust Funds (ETF), offers the following benefits:

- Competitive health insurance premium rates;
- One-stop shopping for access to more than twenty health plan service areas statewide; and
- A successful prescription drug program administered by a pharmacy benefits manager (PBM) credited with saving state and local employers millions of dollars in prescription drug costs.

To support its commitment to establish and maintain a quality, long-term partnership with participating local government employers, ETF offers two programs:

- A preferred provider plan (PPP) as an option to the classic fee-for-service Standard Plan.
- A deductible option for both Uniform Benefits and the Standard Plan or Standard PPP, offering premium rates averaging 10% below traditional rates.

The WPE Group Health Insurance Program currently offers two types of plans:

- 1) Managed Care Plans** (“Traditional HMO plan”) that include 15 participating health maintenance organizations (HMOs) and one participating preferred provider organization (PPO) with locations statewide. These plans

provide comprehensive benefits at a lower cost than the Standard Plan in exchange for some health care provider limitations. All employees enrolled in this type of plan have the same level of coverage called Uniform Benefits (with the exception of dental coverage, which may be offered at the discretion of the health plan). Uniform Benefits are designed to ease employee plan selection and assist ETF’s efforts to negotiate quality health care at the lowest possible cost. With Uniform Benefits, employees can select a plan based on cost, quality of services, and access to specific physicians or other health care providers.

- 2) The Standard Plan** (“Classic Standard Plan”) or fee-for-service indemnity, is a self-insured health plan that pools the combined claims experience of all participating local government employers. The State Maintenance Plan (SMP) is available in counties where no HMO meeting the minimum provider-availability requirements exists. WPS Health Insurance provides administrative services for the classic Standard Plan, Standard PPP, SMP, and their deductible options.

Employers may select from the two following options:

- **A Standard PPP option.** This option, available at a lower premium rate, allows participants to see the provider of their choice, but with differences in reimbursement, depending on whether participants go to an in-network or an out-of-network provider.

- A **deductible option** is available for employees and annuitants, in lieu of the traditional benefit plans. This deductible option has an up-front deductible of \$500 per individual / \$1000 per family per calendar year on all plans for medical services. Please be aware that employers are prohibited from paying the deductible on behalf of employees unless it is under a Section 125 Cafeteria Plan.

Note: The deductible does not apply to pharmacy benefits.

Once the deductible has been met, the traditional benefits are administered as described for each plan. The deductible option, when chosen, applies

to the HMOs, the Standard Plan, and the SMP plan option offered by the employer to all their employees and annuitants.

Options from which employers may select for plan year 2007 are listed below:

1. Traditional HMO Option paired with the Classic Standard Plan (Most common option offered by existing employers covered under WPE.)
2. Traditional HMO Option paired with the Standard PPP.
3. Deductible HMO Option paired with the Deductible Standard Plan.
4. Deductible HMO Option paired with the Deductible Standard PPP Deductible.

The chart below summarizes these non-Medicare benefit options available January 1, 2007:

UNIFORM BENEFITS	STANDARD PLAN BENEFITS OPTIONS	
Traditional Option above, Deductible Option Below	Classic Standard above Deductible Standard below	OR Standard PPP
Traditional Uniform Benefits	\$250/\$500 major medical deductible 80%/20% major medical coinsurance \$1250/\$2500 annual out-of-pocket maximum	<i>In-Network:</i> \$250/\$500 deductible 90%/10% coinsurance \$1000/\$2000 annual maximum <i>Out-of-Network:</i> \$500/\$1000 deductible 70%/30% coinsurance \$2000/\$4000 annual maximum
\$500/\$1000 deductible After deductible is met, Uniform Benefits apply	\$500/\$1000 upfront deductible 80%/20% coinsurance \$2000/\$4000 annual out-of-pocket maximum	<i>In-Network:</i> \$500/\$1000 deductible 80%/20% coinsurance \$2000/\$4000 annual maximum <i>Out-of-Network:</i> \$1000/\$2000 deductible 70%/30% coinsurance \$4000/\$8000 annual maximum

The 2007 monthly premium rates and a map showing plans available by county are included in this *Bulletin*. Plans underlined on the map are “qualified,” which is defined as meeting minimum requirements for the number of primary providers, including a hospital (if one exists in the county), pharmacy, chiropractor, and dentist (if applicable) physically located in specific counties. Plans on the map that are “non-qualifying” (not underlined) have limited

provider availability in the county.

Each employee has the choice of health plans offered by the employer when the employer elects to join the WPE Group Health Insurance Program. During the annual Dual-Choice enrollment period, which occurs in October, insured employees may elect, without restriction, to change to a different participating health plan within their option or to change from single to family coverage, effective the following January 1.

Joining the WPE Group Health Insurance program is as easy as filing a resolution to select the benefit option you will offer your employees and annuitants (for groups of less than 100 eligible employees). Coverage is effective on the first day of the month following 90 days after ETF receives the resolution, unless you specify a later date. Employers with 100 or more eligible employees must first go through group underwriters and then may join four times a year: January 1, April 1, July 1, or October 1. Underwriters, for employers with 100 or more eligible employees, will determine whether the group should be assessed a variable per-contract per-month surcharge for a specified period of time based on the group's risk characteristics. All WRS eligible employees must be offered the health insurance coverage. Eligibility includes current and future WRS retirees covered under your current group health insurance plan.

The WPE Group Health Insurance program currently has no individual underwriting and no waiting periods for pre-existing medical conditions for eligible employees and retirees covered under the employer's group health plan prior to coverage in the WPE Group Health Insurance Program.

For more information on joining the WPE Group Health Insurance Program, contact the Employer Communication Center Toll Free at 1-888-681-3952 or the local Madison number at (608) 264-7900, or e-mail ETF from the Contact Us page of our Internet site, <http://etf.wi.gov>.

More information regarding the WPE Group Health Insurance Program, such as the Department's brochure, *How to Become a Participating Employer Under the Wisconsin Public Employers' Group Health Insurance Program* (ET-1139), can be found on ETF's Internet site at <http://etf.wi.gov>.

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<p><i>The ETF EMPLOYER BULLETIN is published by the Wisconsin Department of Employee Trust Funds. There are three editions: one for all employers, one for local employers with items just for their interest,</i></p>	<p><i>and one for state agencies. Questions should be directed to contact persons listed, or to the Division of Trust Finance & Employer Services. Call John Vincent at (608) 261-7942.</i></p>
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