



Employer *Bulletin*

Employer Communication Center (608) 264-7900 Toll free: 1-888-681-3952 <http://etf.wi.gov>

Health Insurance It's Your Choice Information

It's Your Choice Enrollment Period is October 5-23, 2009

October 5-23, 2009 is the It's Your Choice Enrollment period for coverage effective January 1, 2010. It's Your Choice provides an opportunity for currently-insured subscribers (active employees, annuitants, and former employees who have continued their coverage) to change health plans and/or change from single to family coverage without a waiting period for pre-existing conditions.

Many employers are opting to distribute the 2010 *It's Your Choice* booklets via e-mail link to employees this year. We have included a sample e-mail that you can use for distribution. If you are distributing paper copies of the *It's Your Choice* booklets, they will be supplied to you the week of September 28. Employers enrolled in one of the health insurance Program Options (PO) listed immediately below will receive a separate addendum that must be provided to employees along with the *It's Your Choice* booklets:

PO3: Traditional HMO Option paired with the Standard PPP

PO4: Deductible HMO Option paired with the Deductible Standard Plan

PO5: Deductible HMO Option paired with the Deductible Standard PPP

The booklets and addendums will also be available on the Department of Employee Trust Funds (ETF) Internet site at <http://etf.wi.gov> that same week, to coincide with notification e-mails to employees (sample attached). Additional information about the Wisconsin Public Employers (WPE) Group Health Insurance program and other ETF-administered insurance programs is also available on this site, including the program option addendums.

The *It's Your Choice* booklet has been redesigned for 2010, and there is one very important change: This year all employees will receive two booklets – a *Decision Guide* and a *Reference Guide*. The *Decision Guide* provides members with the key information they need to make a health plan decision. The *Reference Guide* contains such technical information as the full certificate of coverage and required federal notifications.

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In November you will receive an *Employer Bulletin* containing additional It's Your Choice reporting instructions.

Note: Reference the rate sheets attached to this *Bulletin*. The health insurance program options are:

- Traditional HMO Option paired with the "Classic" Standard Plan (ET-2128; form number subject to change)
- Traditional HMO Option paired with the Standard Preferred Provider Plan (PPP) (ET-2157)
- Deductible HMO Option paired with the Deductible Standard Plan (ET-2158)
- Deductible HMO Option paired with the Deductible Standard PPP (ET-2159)

Refer to *Employer Bulletin*, Vol. 26, Local C, dated May 15, 2009, for additional information on these WPE Group Health Insurance program options.

It's Your Choice Kick-Off Meeting Reminder

Don't miss the annual It's Your Choice kick-off meeting:

When: Wednesday, September 23, 2009
9:00 a.m. - 11:30 a.m.

Where: Mendota Mental Health Institute, Conference Center Building, 301 Troy Drive
Madison, Wisconsin

For a map and directions, please refer to *Employer Bulletin*, Vol. 26, No. 8, dated May 7, 2009. Pre-registration is not required. Attendees can purchase coffee as well as other beverages and pastries at the site.

The It's Your Choice kick-off meeting provides an opportunity to receive information from health plans, pharmacy benefit manager (PBM) representatives, and ETF employees regarding health insurance program changes set to take place effective January 1, 2010.

Important Changes for 2010

Type of Changes	Plan Name	Change
New state and federal mandates on eligibility, benefits and review after grievance are effective January 1, 2010.	All Plans - For more information, see the Frequently Asked Questions section.	State law has added or increased coverage for autism, cochlear implants and hearing aids, mental health care, domestic partners, dependents up to age 27, and review at an Independent Review Organization (IRO). See questions 11 through 16 in the <i>Decision Guide</i> , and question 2 in the <i>Reference Guide</i> for more information.
		Federal law has increased coverage for mental health and drug and alcohol abuse. See question 13 in the <i>Decision Guide</i> .

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Type of Changes	Plan Name	Change
Health Plans newly available:	HealthPartners (carrier suffix 85)	Health Partners is an HMO that offers providers in Wisconsin's Pierce, Polk and St. Croix Counties and a number of Minnesota counties in and around Minneapolis.
SMP Counties no longer available:	SMP	SMP will no longer be available in Buffalo and Pierce Counties. Subscribers using providers in these counties must consider selecting another plan or will be limited to the SMP providers remaining in other areas.
Significant Plan Provider Network Changes	For examples, see below:	Some plans have made significant changes by adding or terminating contracts with provider groups. Refer to the map on page 26 and call the health plan for more detail.
	<i>Arise Health Plan</i>	Added Agnesian providers.
	<i>Health Tradition</i>	Added providers in Pepin County.
	<i>Humana Eastern and Western</i>	Offering HMO Premier providers in more areas.
Changes to Pharmacy out-of-pocket maximums	All except Standard Plan	The annual prescription drug out-of-pocket amount will increase to \$410 per individual and \$820 per family. See the Comparison of Benefit Options in the <i>Choose Your Health Plan</i> section for more information.
Changes to Dental Coverage	For examples, see below:	See the Health Plan Description pages in the <i>Choose Your Health Plan</i> section for more information.
	<i>Health Tradition</i>	Eliminating exclusions on dentures, bridges or replacement of appliance, crown, etc. Note, maximum benefit remains at \$500/person/year.
	<i>Medical Associates</i>	Clarification that fluoride treatments are only allowable for children age 19 and under.

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Type of Changes	Plan Name	Change
Other Information about ETF's website	All	The It's Your Choice <i>Decision Guide</i> and <i>Reference Guide</i> are available at etf.wi.gov . Any known printing discrepancies will be clarified on this site. Additional information about insurance programs, including the complete Report Card on health plans, is available.
Online help	All	Are you unsure where to start with the redesigned It's Your Choice <i>Decision Guide</i> and <i>Reference Guide</i> ? Review ETF's newest online tutorial, <i>It's Your Choice: Your Health Insurance Benefits for 2010</i> . The program explains how the books are organized, where to find specific information and highlights important factors to consider when choosing a health plan for 2010. Find it on ETF's Internet site, under the Group Health Insurance menu, at http://etf.wi.gov/members/health_ins.htm .

In addition, please note:

1. Low-Cost Health Plan in Counties with no “Qualified” Alternate Health Plan

This section only applies to employers located in counties in which there is no qualified alternate health plan. Currently, when there is no qualified alternate health plan in a county, the Standard Plan is designated as the low cost qualified health plan for purposes of determining employer contribution share under the 105% formula, in accordance with Wis. Admin. Code § 40.10. The health insurance contract allows the State Maintenance Plan (SMP) to be designated as the low-cost qualified health plan in those counties where it meets the minimum provider qualification requirements. Note: Low-Cost Health Plan information by program option will be available on ETF's Internet site the week of September 21. Individual letters will not be mailed this year. Please ensure you reference the program option applicable to your specific employer for the low-cost plan information.

2. Premium Contribution Under the ‘Tiered Formula’

The Group Insurance Board has approved the 2009 Tiering of health plans based upon their risk-adjusted efficiency and has determined that:

- Tier 1 plans include all health plans except for Anthem Blue plans, Humana plans and the Standard Plan.
- Tier 2 plan-No plans fall into Tier 2.
- Tier 3 plans include the Standard Plan, Anthem Blue Northeast, Northwest and Southeast; and Humana Eastern and Western

Please contact us if interested in learning more about this innovative approach to holding down health care expenses by creating incentives for health plans to reduce their costs and encourage employees to use more efficient health plans.

3. Important Issues for Subscribers'

Effective January 1, 2010, domestic partners (same and opposite gender) and their eligible dependents and adult children may be covered. Employees and retirees with domestic partners will be required to complete and submit an affidavit to ETF in order for partners to be eligible for the benefits administered by ETF. Adult children are eligible for coverage through the end of the month in which they turn 27 years of age as long as they are not married and not eligible for coverage under a group health plan offered by their employer for which the amount of their premium contribution is not greater than the premium amount for their coverage as a dependent under this program. Subscribers should file an application during the It's Your Choice enrollment period to add their domestic partner, their domestic partner's eligible dependents and their adult children to their policy for coverage effective January 1, 2010.

There are two important issues for subscribers with domestic partners or other dependents who are not tax dependents:

1. The fair market value (FMV) of insurance coverage provided for a domestic partner and his/her eligible dependents, or for other individuals who do not qualify as dependents under Internal Revenue Code (IRC) Section 152, is taxable. Therefore, the FMV of the health insurance benefit will be calculated and added to an employee's earnings as imputed income.
2. The employee's share of premium that is attributable to a non-qualifying dependent's coverage will be deducted on a post-tax basis. Employees may change from single to family coverage to add a newly eligible domestic partner or other dependent who does not qualify as a dependent under IRC Section 152 during the plan year, but the additional premium attributable to the non-qualified dependent will be taxable and deducted on a post-tax basis. It has not yet been determined if a person with family coverage can add a non-qualified dependent during the year.

Many details about these two provisions have not been finalized as of the printing of this Bulletin. As information becomes available, we will post it on our Internet site. Please consult with your benefit and tax advisors to determine how this affects your municipality.

General It's Your Choice Information

Employees wishing to continue participation in their current health plans should do the following:

- Verify that their current health plan will be available in their area for 2010.
- Verify that selected physicians, clinics, and/or hospitals will still be available under their health plan in 2010.
- Review changes in plans by reading the 'Important Changes for 2010' section, as well as the individual health plan descriptions, found in the *It's Your Choice: Decision Guide* booklet.
- Call the health plan directly with specific benefit or provider questions.

To change health plans or coverage levels, employees must return completed health insurance applications to their employers no later than 4:30 p.m. on Friday, October 23, 2009.

Employees may select any health plan (e.g., HMO or WPS Metro Choice) regardless of their county of residence, but should consider whether the providers are within a reasonable distance for medical care. The 2010 *It's Your Choice: Decision Guide* booklet identifies geographic areas covered by each health plan.

ETF mails *It's Your Choice* booklets, complete with special application forms and addendums, directly to retirees and former employees who have continued their health insurance coverage. Employees who wish to change health plans and who will retire effective January 1, 2010 or later, must complete their *It's Your Choice* applications as active employees. Changes in annuitant coverage will be handled by ETF when the employee applies for annuitant benefits.

***It's Your Choice* Booklet Distribution**

General Information

It's Your Choice booklets must be distributed in a timely manner to all insured employees, including:

1. Insured employees who have indicated they do not wish to make a change during *It's Your Choice*. Please remind these employees that they remain responsible for understanding the information contained in the ***It's Your Choice*** booklet and that the booklet serves as their certificate of coverage if enrolled in an HMO or WPS Metro Choice.
2. Insured employees on temporary layoff or leave of absence and those on permanent layoff paying premiums via sick leave through the employer. Employees who allowed health insurance coverage to lapse while on a leave of absence or a temporary layoff that encompassed the entire *It's Your Choice* enrollment period should be advised that they are eligible to make an *It's Your Choice* election within 30 days of returning from the leave or layoff.

Please remind your employees to keep the 2010 *It's Your Choice: Reference Guide* as a reference for the entire plan year.

Electronic Distribution of the *It's Your Choice* Booklets

Rather than distributing hard copies of the *It's Your Choice* booklet, some employers plan to e-mail a link to the booklet on ETF's Internet site. Following is information on items to consider as you develop your electronic link procedure and employee e-mail messages.

- Employers planning to distribute booklets electronically should develop a list of eligible employees and then use that list to match against their file of employee e-mail addresses.
- Once the address is verified, send the employee an e-mail with the link to the booklet.
- Due to federal regulations, employers must retain the list of employees who received an electronic copy of the booklet. For each employee who receives an e-mail message, the employer should receive a "reject" notice if the e-mail address is no longer into existence.

Note: New employees should receive a hard copy of the booklet. In addition, employees who do not have access to a computer and those employees who receive the electronic distribution but request a hard copy must be provided with one.

The following is a sample e-mail that could be sent to your current employees:

**IMPORTANT INFORMATION ABOUT
YOUR HEALTH INSURANCE FOR 2010**

The annual It's Your Choice enrollment period is October 5-23, 2009

During the It's Your Choice Enrollment period you may elect to:

- Change health plans
- Change from single to family coverage without restrictions

Changes become effective on January 1, 2010.

This fall the *It's Your Choice* booklet is being distributed to employees electronically. Simply click check the Group Health Insurance menu on ETF's Internet site at http://etf.wi.gov/members/health_ins.htm to review the various sections. If you wish to review or obtain a paper copy of the booklets, please contact your benefits office. The health plans do not have supplies of the booklets.

The booklets have been redesigned this year and all employees will actually receive two booklets for 2010: a *Decision Guide* and a *Reference Guide*. The *Decision Guide* provides key information that will help you make a health plan decision, and the *Reference Guide* contains such technical information as the full certificate of coverage and required federal notifications. Check out ETF's online tutorial providing more information on how to use these booklets.

The booklets contain important and useful information. We do not suggest printing the entire booklet, but you should retain the URL for reference throughout the year. Be sure to review the *Decision Guide* and pay particular attention to:

- The Important Changes for 2010 in the beginning of the booklet. Any health plans new to the program, or that will no longer be available in 2010, will be indicated.
- The 2010 Health Plans by Tier appears on pages 27 and 28 to help you determine if your selected health plan is in the same Tier as it was in 2009. A change in the Tier will increase or decrease your monthly health insurance contribution.
- A chart comparing all health plans offering Uniform Benefits on the basis of quality, wellness and disease management, on-line services, demographics and dental benefits appears on pages 34 through 37.
- Check your selected plan's 'Plan Description' starting on page 38 to see whether there is any change in basic dental coverage. Plans may add, change or drop dental coverage at their discretion.
- A glossary of commonly used terms appears in the back of the *It's Your Choice: Decision Guide* booklet.
- State and federal notifications appear in the *It's Your Choice: Reference Guide* booklet.

All HMOs and WPS Metro Choice plans provide a uniform set of benefits which is explained in the *It's Your Choice: Reference Guide* booklet, including the benefits and exclusions (does not apply to Standard Plan). If you wish to change plans or switch to family coverage:

1. Complete a *Group Health Insurance Application/Change Form* (ET-2301)
2. Deliver the completed application to your benefits office no later than 4:30 p.m. on October 23, 2009.

No action is necessary if you do not want to change plans or change coverage.

Wisconsin Deferred Compensation (WDC) Program

We also encourage you to use this communication to alert employees to the WDC Program. Please consider including this brief message with the It's Your Choice e-mail:

Have you given much thought to your retirement? Do you know where you will receive income from after you retire? Learn more about the Wisconsin Deferred Compensation Program at www.fascore.com/PDF/wisconsin/WDC_EZ_Enroll.pdf

Other Information

The *Group Health Insurance Application/Change Forms* (ET-2301) can be found in the back of the *It's Your Choice: Decision Guide* booklet. Applications can also be downloaded from ETF's Internet site at <http://etf.wi.gov/publications/et2301.pdf> or you may order applications by completing the Online Forms Order page found under the Employers menu on our Internet site, <http://etf.wi.gov>.

Employees must contact health plans directly to request the most up-to-date information regarding service area and/or provider availability related to It's Your Choice 2010.

Note: When contacting a health plan or Navitus, employees must identify themselves as a State of Wisconsin Plan subscriber in order to receive information pertinent to the Group Health Insurance program administered by ETF.

Health plans often report they are unable to contact current subscribers due to incorrect addresses on file. Please remind employees who participate in the Group Health Insurance program that they are responsible for providing address changes and revisions of other relevant information to you via the *Group Health Insurance Application/Change Form* (ET-2301). Employers are responsible for routing the forms to ETF. Once mailing addresses are updated, employees will receive provider information in a timely fashion, including information for the annual dependent verification process, which enables dependents who remain eligible in 2010 to continue their current health insurance.

Employer Application Processing Instructions for It's Your Choice 2010

1. Verify that the employee has completed the application in its entirety. Employees are encouraged, but not required, to list a physician/clinic name for each insured family member. If the information is not completed and the health plan requires it, the health plan will contact the subscriber directly. The employer is not responsible for obtaining this information.
2. Complete the Employer Portion and provide the following information on each It's Your Choice 2010 *Group Health Insurance Application/Change Form*:
 - Employer Identification Number (EIN)
 - Name of Employer
 - Program Option Code
 - Surcharge Code
 - Group Number

- Enrollment Type 40 for It's Your Choice; 43 for Change from Single to Family
 - Employee Type
 - Coverage Type Code
 - Carrier Suffix
 - Participant County Code – This county code represents the county in which your employee resides.
 - Date Received by Employer
 - Date WRS Employment Began – This box can be left blank, or insert the date on which employment began with your agency.
 - Monthly Employee Share
 - Monthly Employer Share
 - Event Date – Leave Blank
 - Prospective Date of Coverage of January 1, 2010
 - Payroll Representative Signature
 - Telephone Number
3. Make three copies of each application: the ETF Advance copy, the Employer copy and the Employee copy.
 4. Send the ETF Advance copy of the It's Your Choice applications directly to ETF on a weekly basis; all ETF Advance copies must be forwarded to ETF by November 7, 2009.

As ETF keys It's Your Choice applications into the system and creates a new contract effective 01/01/2010 with the new health plan selected by the member, the system will automatically terminate the current active contract effective 12/31/2009. This means as long as ETF has received an It's Your Choice application to key, employers will not be required to key terminations in the Health Insurance Enrollment Update screen for the employee's change in health plans.

Procedures for Withdrawing Dual-Choice Elections

Employees may rescind 2010 It's Your Choice elections by notifying their employers in writing prior to December 31, 2009. The written request should be filed with the employee's records. When you receive a request to rescind, make two copies of your copy of the It's Your Choice application initially submitted by the employee to select a change and write "Rescind" across each copy. Forward one copy to ETF as soon as you receive the request. Retain a copy for your records.

Additional It's YourChoice Instructions

Specific It's Your Choice instructions are found in Chapter 4 of your *Local Health Insurance Employer Administration Manual (ET-1144)*.

1. Refer to subchapter 401D if you have an employee initially eligible for coverage in November or December 2009, or who terminates employment in November or December 2009.
2. Refer to subchapters 404 and 405 for the procedure to follow if you receive an It's Your Choice application after October 23, 2009. Please note that late It's Your Choice material can be faxed to the attention of Brian Schroeder at (608) 266-5801.

Contact the Employer Communication Center toll free at (888) 681-3952 or locally at (608) 264-7900 with questions.

Contacting the Health Plans

The updated Health Plan Contact List (ET-1728) is meant for employers' use when contacting health plans for assistance with membership, supplies, etc. It is available on ETF's Internet site <http://etf.wi.gov/publications/et1728.pdf>. Note that employees in need of assistance should contact the health plan directly, using the information on the inside back cover of the *It's Your Choice: Decision Guide* booklet. These are customer service lines and are fully staffed to handle a large number of phone inquiries.

Informational Links:

- Plan Premium Rate Sheets at http://etf.wi.gov/members/health_ins.htm
- Health Plan Contact List (ET-1728) at <http://etf.wi.gov/publications/et1728.pdf>

Bulletin Attachment:

- Map: Location of Health Plans by County

The Department of Employee Trust Funds does not discriminate on the basis of disability in the provision of programs, services, or employment. If you are speech, hearing or visually impaired and need assistance, call the Wisconsin Relay Service at 7-1-1 or 1-800-947-3529 (English) 1-800-833-7813 (Español). We will try to find another way to get the information to you in a usable form.

This *Employer Bulletin* is published by the Wisconsin Department of Employee Trust Funds. Questions should be directed to contact persons listed in the Bulletin, or to the Division of Trust Finance and Employer Services (DTFES). Call John Vincent, DTFES administrator, at (608) 261-7942. Employer agents may copy this Bulletin for further distribution to other payroll offices, subunits or individuals who may need the information. Copies of the most recent Employer Bulletins are available on our Internet site at the following URL: <http://etf.wi.gov/employers.htm>. Wisconsin Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931; <http://etf.wi.gov>.