

It's *Your* Benefit

Health insurance and other benefit programs for state and local employees and retirees



Developing and delivering quality benefits and services to members while safeguarding the integrity of the Trust Funds.

Health Insurance Premium Rate Increases Kept to Single Digits

Health insurance premium rate increases will be kept to single digits for the seventh straight year thanks, in large part, to the Department's unique program design and an especially successful health plan negotiation process. The Group Insurance Board and Department of Employee Trust Funds (ETF) recently announced that 2011 premium rate increases will average about 5.2% for the state plan and a weighted average of about 6.2% for the Wisconsin Public Employers Group Health Insurance Program — although there are wide variations in the rates across the state. More than 380 local

government employers participate in the the local health insurance program this year.

"We've been seeing rate increases in the range of 6.5%-10% or more among our peers in other states," said ETF Secretary David Stella. "We are pleased that the strategies put in place seven years ago continue to provide quality health care at a reasonable cost to employees and employers."

This edition of *It's Your Benefit* provides an overview of some health insurance benefit changes in the local and state health insurance programs. Please refer to the 2011 *It's*

Rates, continued on page 2

It's Your Choice Enrollment Period October 4-29

The It's Your Choice health insurance enrollment period is set for October 4-29, 2010. This enrollment period is for currently-insured active employees and retirees who participate in the state group health insurance program or the local employer group health insurance program. Subscribers may change from one health plan to another, switch from single to family coverage, or add/delete certain dependents. Changes become effective January 1, 2011.

Even if you are satisfied with your current plan, you should take the time to review any changes to the plan's premium, service area and health care providers. If you want to remain with your current plan, you do not need to do anything if it is still offered in 2011.

NEW THIS YEAR: Instead of filing a paper application form, make your changes electronically with our new online service,

myETF Benefits*. With this secure system, you can switch health plans or change coverage levels for 2011 (e.g., single to family), view your health insurance benefit information, and even review historical changes related to your coverage. See page 5 for more details.

* *Employees of the University of Wisconsin (UW) System will not be able to use the myETF Benefits System and should continue to submit paper applications. The UW is working to implement its own benefits administration system.*

Active employees: If you want to switch plans or change your level of coverage for 2011, you must make the change during the enrollment period. You can make the change online through the myETF Benefits system (not applicable to UW System employees), or submit a paper application to your payroll

Enrollment, continued on page 2

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September 2010

Rates, cont.

Your Choice booklets if you are seeking more detailed information. The booklets will be available on our Internet site in late September.

Some notable changes for 2011:

New federal mandates become effective

January 1, 2011. Among the changes:

- Health plan lifetime dollar maximum amounts have been eliminated.
- There will be an open enrollment period this October for your adult child who previously was not eligible for coverage. For example, married children are now eligible to be covered up to the end of the month in which he/she turns 26.
- The pre-existing condition waiting period for members who are late entrants and are younger than age 19 has been eliminated.

New health plan

WEA Trust Preferred Provider Plan (PPP), a Wisconsin-based health plan, is new to the program in 2011. This plan offers Uniform Benefits when in-network providers are used. WEA Trust PPP has providers in 24 eastern Wisconsin counties. Greater out-of-pocket costs will be assessed if out-of-network providers are used.

Significant service area changes

A number of health plans made changes to their service areas. Some have made significant changes by adding or terminating contracts with certain provider groups. Following is a list of the most substantial changes:

- Anthem Blue Northeast has added Affinity providers in Northeastern Wisconsin.

- GHC-Eau Claire is no longer offering providers in the following counties: Buffalo, Clark, Jackson, Pierce, St. Croix and Trempealeau.
- Health Tradition Health Plan is no longer offering Luther Midelfort and Red Cedar providers in its network. This affects Barron, Chippewa, Dunn, Eau Claire, Grant, Pepin and St. Croix Counties.
- Network Health Plan has added Thedacare providers. This affects Calumet, Outagamie, Shawano, Winnebago and Waupaca Counties.
- State Maintenance Plan (SMP) is newly available in Buffalo and Vilas Counties. SMP will no longer be available in Crawford County. Subscribers using providers in this county must consider selecting another plan or will be limited to the SMP providers remaining in other areas.
- UnitedHealthcare Southeast has added providers in Dodge, Jefferson and Rock Counties.

Significant health plan change

Humana Eastern and Western Medicare-eligible members will be enrolled in Humana's Medicare Advantage Preferred Provider Organization (MA-PPO), rather than the current Medicare Advantage Private-Fee-For-Service plan. Humana will mail important information regarding providers and benefits to currently-enrolled subscribers.

Any known printing discrepancies in the *It's Your Choice* booklets, along with other/new information about insurance programs, will be posted on our Internet site as the information becomes available.

Enrollment, continued from page 1

representative by 4:30 p.m. October 29.

Retirees: If you want to make a change, you can either make the change online through the myETF Benefits system, or submit a completed application to the Department of Employee Trust Funds, postmarked no later than October 29.

Significant health plan changes will be listed in the *It's Your Choice* booklet, which you will receive prior to the beginning of the enrollment period. It is especially important that you take the time to ensure that your

plan and/or plan service area will be offered in 2011 and review the premium rate information.

Reminders:

- Many state employees (including UW System employees) will receive, from their employers, e-mail notification of the booklet's availability online.
- The online version of *It's Your Choice* is very user friendly. Find it on our Internet site at <http://etf.wi.gov>.

Enrollment Opportunities for Other Benefit Programs

The following optional insurance plans will offer enrollment opportunities this fall. There is no employer contribution for these benefits. Members are responsible for paying the entire premium.

For active state employees only:

Anthem DentalBlue (DentalBlue) offers a Dentacare Health Maintenance Organization Plan, a Preferred Provider Network Plan and a Supplemental Plan designed to “wrap around” the dental coverage offered by some participating health plans. DentalBlue will offer an open enrollment period October 4-29, for coverage effective January 1, 2011. To obtain enrollment information active employees should contact their benefits/payroll/personnel office.

EPIC is a supplemental plan that includes dental, excess medical, and accidental death and dismemberment coverage. EPIC will offer a special enrollment period October 4-29, for coverage effective January 1, 2011. Eligible employees and their dependents have the option of enrolling with or without the vision (no exam)

benefit. To obtain enrollment information, active employees should contact their benefits/payroll/personnel office.

For active state employees and retirees:

The **Vision Service Plan (VSP)** plan covers a vision exam plus eyeglass lenses once every calendar year and eyeglass frames once every other calendar year. There is also an option of contact lenses every calendar year instead of eyeglasses. VSP will offer an open enrollment opportunity for eligible active employees October 4-29 and eligible retirees October 4-November 12, for coverage effective January 1, 2011. VSP will mail personalized enrollment materials directly to your home. To obtain additional program information, including how to locate a VSP provider, you may:

- Call VSP Customer Service toll free at 1-800-400-4569.
- Active employees: visit the VSP Internet site at www.vsp.com/go/stateofwiemployees.
- Retirees: visit the VSP Internet site at www.vsp.com/go/stateofwiretires.

Watch for Annual Mailing on Eligibility of Adult Children

This information is for members who have dependents age 19 or older (other than spouses and domestic partners): This fall your health plan will mail you a letter containing information about covering your adult children on your health insurance policy. You will **not** need to complete and return a questionnaire as you may have done in the past.

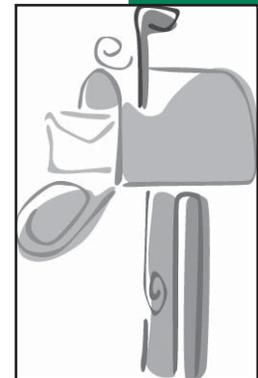
Here are some important reminders about eligibility of adult children:

1. Married children may be covered until the end of the month in which they turn 26 (his/her spouse and dependents are not eligible.) Unmarried children may be

covered until the end of the month in which they turn 27.

2. The It's Your Choice enrollment period is your opportunity to add or drop your eligible adult child to/from your policy. The change will be effective January 1.

3. Notify your employer if your dependent will no longer be eligible for health insurance coverage. Among other things, failure to do so may result in loss of insurance continuation rights.



State Employees

Enroll in the Employee Reimbursement Accounts (ERA) Program and Save Money

Open enrollment for medical expense and dependent day care reimbursement accounts for the 2011 plan year runs from October 4 to November 12. Employees should watch for an e-mail from their employers for more information regarding the ERA enrollment period. Detailed program and enrollment information will also be available by late September on the Department of Employee Trust Funds (ETF) Internet site at <http://etf.wi.gov>.

How to save...

When you participate in the ERA Program, the money you pay for insurance premiums or deposit into your medical expense and/or dependent day care reimbursement account comes straight out of your gross pay before taxes are calculated.

A medical expense reimbursement account allows you to contribute money on a tax-free basis to pay for your family's health plan co-payments, deductibles, and other qualifying expenses that you pay out-of-pocket such as dental, orthodontics, and vision care. You can contribute up to \$7,500 annually. A dependent day care reimbursement account allows you to contribute up to \$5,000 annually on a tax-free basis to pay for dependent day care expenses.

How to participate...

ETF Internet site:

<http://etf.wi.gov/members.htm>

Telephone: 1-800-847-8253

Additional Resources: ETF Health Insurance-Related Videos

- *Medicare and Your WRS Health Insurance Benefits*
- WRS disability benefits:
- *Income Continuation Insurance Benefits*
 - *Disability Retirement Benefits (40.63)*
 - *Long-Term Disability Insurance*
 - *40.65 Duty Disability and Survivor Benefits*

Important Change for 2011: Most OTC items no longer eligible

The federal Patient Protection and Affordable Care Act changes the way many over-the-counter (OTC) items qualify for reimbursement. Beginning January 1, 2011 most OTC drugs (other than insulin) will no longer be eligible for reimbursement without a prescription or letter of medical necessity from your medical provider.



Over-the-counter drugs must be purchased prior to January 1, 2011 in order to be reimbursable. The Internal Revenue Service is working to provide more specific information, including a list of affected OTC items and the documentation required for reimbursement of a prescribed OTC drug. Both ETF and FBMC, administrator of the ERA Program, will provide updates as they become available.

Find these informative videos, with links to pertinent ETF forms and brochures, in our video library at <http://etf.wi.gov/webcasts.htm>

ETF Launches New Online Service for Members

The Department of Employee Trust Funds (ETF) is pleased to announce a significant step forward in offering online services to Wisconsin Retirement System (WRS) members. The “myETF Benefits” system is now available.

Members covered under the state and local employers group health insurance programs administered by ETF can now view online their health benefit information, historical changes related to health insurance coverage, and information on various benefit topics. During the October It’s Your Choice enrollment period, this new system can be used to make changes to health insurance coverage. We encourage you to log in to myETF Benefits to view your information. Instructions for accessing the system are at right.

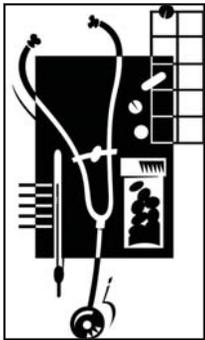
Important note: Employees of the University of Wisconsin (UW) System will not be able to make changes using the myETF Benefits system because the UW System will implement its own benefits administration system in 2011. UW System employees should continue to submit paper applications for the upcoming enrollment cycle.

How to log in to myETF Benefits:

1. Click on the secure “myETFBenefits for Members” link under either the Members or Retirees tabs on our website, <http://etf.wi.gov>.
2. Select the myETF Benefits link, which will take you to the myETF Benefits log on page.
3. Select the Register Now button if you haven’t already registered for online access. Follow the on-screen instructions to set up a Wisconsin User ID and password. Note: You will also be asked for your ETF Member ID during this registration process.
4. If you previously registered for online access and therefore already have a Wisconsin User ID, then follow the prompts for registered users.

Need help?

- Read the instructions (find them on the myETF Benefits log on page).
- View the instructional webcast (also on the myETF Benefits log on page).
- Call ETF toll free at 1-877-533-5020 or (608) 266-3285.



Members Ask About Federal Health Insurance Changes

The federal Patient Protection and Affordable Care Act and the Health Care and Education Affordability Reconciliation Act will make changes to health insurance coverage.

It will take some time for the Department of Employee Trust Funds (ETF) to completely determine how the Acts will affect our health insurance programs, primarily because the federal government is still developing the associated rules.

Please note: Members have asked about the Early Retiree Reinsurance Program (EERP), which is a federal grant program to which ETF, as administrator of the State of Wisconsin

Group Health Insurance Program, has applied. **EERP is not something that retirees can apply for an individual basis.**

For information about the provisions that become effective in 2011 and how those provisions affect the coverage provided by our programs, refer to your 2011 *It’s Your Choice* booklets. Look for the booklets in late September under the Group Health Insurance menu at http://etf.wi.gov/members/health_ins.htm.

In the meantime, we have posted answers to some questions about the provisions — questions posed by members covered under our state and local health insurance programs. Look for *Federal Health Insurance Changes* under the “What’s New” section of our Internet site.

Be Sure Your Covered Dependents Are Eligible

Plans are underway for an audit of listed dependents to determine if there are covered dependents who are ineligible for the health insurance program. Therefore, check that your dependents are still eligible and remove those who are no longer eligible.

Your failure to remove ineligible dependents may result in you being responsible for premium and claims payments.

For information on dependent eligibility criteria, see the Frequently Asked Questions section of your 2011 *It's Your Choice: Decision Guide* or the Uniform Benefits definition of dependent, found in your *It's Your Choice: Reference Guide*.



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