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Correspondence Memorandum

Date: September 22, 2025
To: Budget and Operations Committee
From: Michelle Baxter, Director
Office of Enterprise Initiatives
Subject: ETF Modernization Projects Update

This memo is for informational purposes only. No Committee action is required.

Below are the Department of Employee Trust Funds' (ETF's) modernization projects updates through the date of this report. This provides the Budget and Operations Committee (Committee) with an overview of modernization highlights, health, major milestones, and key issues and risks.

Executive Summary

The Insurance Administration System (IAS) program is designed to streamline the administration of multiple insurance benefits, enhance process efficiency, and improve customer service through online access. The overall program status is "On Target" and the program successfully completed the launch of the eligibility and enrollment functionality for active employees with the Universities of Wisconsin (UWs) on July 1, 2025.

As previously communicated, the Office of Internal Audit (OIA) is conducting an independent review of the IAS program. This review aims to assess program management and ensure the achievement of key outcomes. See Attachments A, B, and C for the associated reports.

The Pension Administration System (PAS) Search and Selection Project's overall health remains "On Target," although schedule for individual milestones may be slightly at risk.

IAS Implementation

UWs Launch

ETF proceeded with a limited implementation with the UWs and successfully launched eligibility and enrollment functionality for active employees on July 1, 2025.

Reviewed and approved by John Voelker, Secretary
Electronically Signed 09/11/2025

Board	Mtg Date	Item #
BUD	10.02.25	5

To support this approach, the team developed interim solutions, including:

- myETF Benefits (MEBs) Bridge automation to streamline transaction entry into the legacy system, reducing manual dual entry and supporting billing processes.
- COBRA notice generation to ensure compliance.

While a few challenges arose post-launch, they were quickly and efficiently addressed through strong cross-team collaboration. The system is now operating effectively, and initial user feedback has been positive.

Remaining Employers

ETF will launch My Insurance Benefits with the Wisconsin Department of Administration (DOA) in a focused implementation on May 1, 2026. DOA's implementation will consist of the same functionality as the recent UWs launch, which focused on eligibility and enrollment. The May 1, 2026, launch will not include My Insurance Benefit's COBRA or billing and payment functions.

ETF will launch My Insurance Benefits for the remaining employers and members, as well as retirees, on July 1, 2026. This launch will contain the full range of My Insurance Benefits functionality including COBRA and billing and payment for all employers, including DOA and the UWs.

Several factors influenced the decision to go with two launches and the timing of those launches, including:

- The July 1 timeline for locals allows us to be responsive to local employer requests for a summer launch due to high demands on their resources during the beginning of the year, such as tax reporting and WRS annual reconciliation.
- The IAS Program learned a great deal from the UWs My Insurance Benefits launch, which will position us for success with other employers. Doing another focused implementation with an employer the size of DOA will increase the lessons learned that the team can apply to the July 1, 2026, launch.
- Leadership considered the impact of open enrollment and annual processing on ETF in decision making.
- We will have additional opportunities to optimize the customer experience within the system.

This decision was made in close consultation with program leadership and key stakeholders, all of whom have expressed their support for this revised approach. The decision reflects our commitment to ensuring a stable, successful transition that prioritizes system readiness, data integrity, and user adoption.

With the new implementation approach, a comprehensive replanning effort is underway for the remaining components of the broader program.

IAS OIA's Observations and Status

Recommendation: Project managers complete their projects' work plans, and the program managers complete a review of the work plans. This ensures task end dates are consistent (if impacting multiple projects), reasonable, achievable, and aligned with the needs of the overall program timeline.

Status: Replanning efforts are underway and expected to be completed by early October.

Recommendation: ETF work with the UWs and obtain the signed memorandum of understanding (MOU) clarifying responsibilities. We also recommend that a MOU with DOA be completed and signed before the May 1, 2026, DOA go-live.

Status: ETF drafted both MOUs and worked through edits with UW and DOA; however, ETF has not received sign off from UW even after several request attempts.

IAS Summary

UWs Launch:

- Provided UWs with temporary, highly focused HyperCare approach to support the launch of My Insurance Benefits from June 2 through August 15, 2025. It involved monitoring, real-time resolution, and direct user support to ensure a smooth transition and reduce operational risks. During that time, the HyperCare team tracked 170 total issues, with 0 earning critical and high priority and 39% resolved within the same business day.
- Created on-demand training resources, including a Human Resources Administrator Guide and Qualifying Life Events (QLE) Guide and updated Employer Manual for UWs. ETF also introduced Employer Procedures, a new step-by-step reference tool for employers.
- Prepare the annual renewal project for the 2026 Open Enrollment period, which focuses on populating rates, finalizing testing, training, and communications.
- Continue to deliver MEBs Bridge automation for additional transactions.
- Continue to work through the remaining issues for the COBRA interim solution.

Remaining Employer Launch:

- Continuing to work on Automated Benefit Detail Extract automation, requirements, testing, and validation.
- Reviewing upcoming Securian workshop processes.
- DOA finalized their payroll testing for Cycle 5 successfully with all tests passing.
- Replanning efforts are currently underway for the remaining employers, including resolution of outstanding defects and the addition of an end-to-end testing cycle that is expected to run through September.
- Preparing the ETA to allow for Local Employers to submit data in preparation for the July 1, 2026, launch.

Table 1. IAS Health

Overall Health	Schedule	Scope	Budget	Transition Management
On Target	On Target	On Target	On Target	On Target





Table 2 provides an overview of project timelines, progress, and status, offering a snapshot of each project's performance.

Table 2. IAS Project Status

Project	Overall Project Health	Start Date	End Date
Annual Renewal		10/14/2024	12/30/2025
Billing and Payment Application		08/16/2024	04/01/2026
COBRA		04/03/2024	06/30/2026
Content Management		03/28/2024	10/17/2025
Cutover		07/01/2024	12/30/2025
Data Transformation		08/12/2024	07/01/2026
DOA-STAR, Non-STAR		08/16/2024	04/20/2026
Local Employers		08/06/2024	07/31/2026
Reporting	TBD	05/23/2025	02/27/2026
Retirees		05/20/2024	04/01/2026
Testing	TBD	TBD	TBD
Universities of Wisconsin		08/10/2022	08/05/2026
User Access Management		08/16/2024	04/01/2026
UWHC		06/16/2023	12/11/2025
Vendor Integrations		09/09/2021	01/07/2027

Note: End dates may not be accurate as replanning is underway.

Table 2. IAS UWs Launch: Key Risks

#	Risk Description Summary of the risk.	Impact Rating: 1 (low) to 5 (high)	Probability (Prob.) Rating: 1 (low) to 5 (high)	Priority (IMPACT x PROB.)	Mitigation Notes What can be done to lower or eliminate the impact or probability.	Trend 
1.	<p>UWs Launch</p> <p>a. The MEBs Bridge and COBRA solutions are interim and will need to be replaced with the July 1, 2026, launch.</p> <p>b. Continued reliance on the legacy introduces operational risk if future changes or resource constraints impact support.</p> <p>c. Some manual processes have been reduced but not full eliminated, which may still pose efficiency and error risks.</p>	3	3	9	Monitoring	
2.	Data availability – BenefitFocus has not been able to deliver COBRA related data impacting the reporting team’s ability to get the data into the data lake for report development.	5	4	20	Need for the data has been escalated.	
3.	Annual salary updates for Income Continuation Insurance and Life Insurance have not been solutioned resulting in the inability to update salary and premium information accurately and timely.	5	3	15	Teams are currently evaluating options, and an enhancement request has been made with BenefitFocus.	

PAS Search and Selection

Accomplishments

- Joint Committee on Finance approved funding on May 29.
- Negotiations regarding department terms and conditions with both vendors are nearing completion.
- Three Proof of Concept (PoC) participant sessions are scheduled focused on preparing them for their roles and responsibilities with the PoC.
- PoCs are scheduled and will occur September 29 – November 21, 2025.

Table 3. PAS Search and Selection: Health





Overall Health	Schedule	Scope	Budget	Transition Management
On Target	At Risk*	On Target	On Target	On Target

Table 4. PAS Search and Selection: Project Milestones

	Start Date	End Date	% Complete: Duration	Status
Initiation	03/18/2024	05/03/2024	100%	Complete
System Requirements	04/08/2024	08/30/2024	100%	Complete
Develop, Write and Publish RFP	08/19/2024	09/27/2024	100%	Complete
Initial Vendor Selection for PoCs (includes initial Department Terms and Conditions (DTC) contract negotiations)	10/15/2024	09/29/2025	85%	At Risk
PoC (includes all PoC related activities)	03/21/2025	12/17/2025	62%	On Target
Final Vendor Selection (includes contract negotiations)	12/17/2025	3/26/2026	0%	Not Started

* DTC contract negotiations are now occurring prior to the PoC. With this change, the schedule has extended past the original target completion date slightly due to the time needed for contracting.

Table 5. PAS Search and Selection: Top Risks

#	Risk Description	Impact Rating: 1 (low) to 5 (high)	Probability (Prob.) Rating: 1 (low) to 5 (high)	Priority (IMPACT x PROB.)	Mitigation Notes What can be done to lower or eliminate the impact or probability.	Trend 
1.	Resource: Insufficient resources may lead to delays.	5	5	25	Focus on resource allocation – assigning individuals not assigned to IAS. Also, completing pre-work in advance to limit the resource time needed.	
2.	Overlap of PAS PoC with IAS related activities including IAS go live scheduling changes.	5	5	25	With the IAS implementation approach there will be an overlap between the two projects. Will review resourcing needs to evaluate impact.	
3.	Resource – Overburdening staff who are already assigned to other projects.	5	4	20	Focus on resource allocation – assigning individuals not assigned to IAS and identifying areas where there is overlap. In addition, PoC participation has been limited to 28 hours per week.	

Status Key:

Status	Description
Completed	Completed.
On Target	On track to meet expected end date.
At Risk	At risk of not meeting expected end date. Requires attention.
Late	Past expected end date. Requires immediate attention and mitigation.

Risk Key:

PROBABILITY	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
IMPACT						

Staff will be at the Committee meeting to answer any questions.

Attachment A: [IAS Program Review June Report](#)

Attachment B: [IAS Program Review July Report](#)

Attachment C: [IAS Program Review August Report](#)