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EXECUTIVE COMMITTEE
ACCOMPLISHMENTS REPORT
December 2018 – February 2019

This quarterly report highlights significant Department of Employee Trust Funds operational accomplishments – daily business activities, process improvements, successes and milestones – achieved from December 2018 through February 2019. All accomplishments relate to the four focus areas of the 2015-2019 strategic plan.

FINANCIAL STEWARDSHIP (maintaining compliance; administering program benefits for members and employers)

- Successfully completed processing the 145 remaining Long-Term Disability Insurance (LTDI) claims that were pending approval after the program was closed January 1, 2018, and transferred LTDI administrative functions and overall program administration from The Hartford to ETF. Also completed the annual process of crediting LTDI supplemental contributions to approximately 2,000 Wisconsin Retirement System (WRS) member accounts, which was previously performed by The Hartford.
- Initiated a project to plan the changes in IT systems and business documentation based on the following Board-approved changes, which become effective January 1, 2020:
 - a. Assumed Rate of Investment Return: Reduced from 7.2% to 7.0%,
 - b. Assumed Wage Growth: Reduced from 3.2% to 3.0%,
 - c. Assumed Price Inflation: Reduced from 2.7% to 2.5%

This project will create a single source of documentation to describe the changes and will perform the identified changes to the systems and processes.

- Announced an intent to award a contract with ConnectYourCare for administration of state employees' Health Savings Accounts (HSA), Section 125 Cafeteria Plans, Employee Reimbursement Accounts (ERA) and Commuter Fringe Benefit Accounts. The new contract will first apply to employee accounts effective January 1, 2020. Under the new contract, employer administrative expenses will be lower. ETF expects employees to have an improved customer experience with this new vendor.

Reviewed and approved by Pamela Henning, Assistant Deputy Secretary

Pamela L Henning

Electronically Signed 3/8/19

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EXC	3.20.19	4A

- Issued a Request-for-Information (RFI) for the Wisconsin Public Employee (WPE) Group Life Insurance Program to assess whether there is sufficient interest in the life insurance market to have a competitive procurement. ETF received responses from six vendors, all indicating an interest in submitting a proposal for the program. Based on the feedback received from the RFI, the Group Insurance Board approved issuing a Request-for-Proposal (RFP) for a new contract effective January 1, 2022.

QUALITY AND VALUE (incorporating documentation, testing, risk management; expanding metric-based decision-making; process improvements)

- Implemented a Value-Based Insurance Design (VBID) benefit for members with diabetes. Eligible members participating in a StayWell diabetes management program are enrolled in the program and eligible to receive free or reduced cost-sharing for their diabetes-related prescriptions. ETF expects that this benefit will help members better manage their disease by improving adherence to their treatment plans.
- Expanded the Data Governance Council to have agency-wide focus to support the launch of ETF's Business Intelligence program, including our first two pilots.
- Conducted training sessions for Agile Development for more than 50 ETF staff. The training will help position us to use an more outcome-based, iterative development process for future ETF technology modernization efforts.
- Completed our second ETF 20 subproject in January 2019, to further enhance our information security with better hardware inventories that define where our security defenses and protections should be focused.
- Finished revising ETF's Department Terms & Conditions, making our contractual requirements more standards-based and less prescriptive. This should give ETF greater coverage in our contracts with less time required to draft and negotiate terms.
- Completed internal audit of ETF's Continuity of Operations (COOP) Plan, in which the audit pointed out many positive results such as a strong control environment, defined governance and competent COOP plan management and response teams. The audit included 3 recommendations for improvement, including completion of IT Disaster Recovery planning, expanded testing of essential business services, and improvement for secondary review of essential business services.
- Streamlined the process for handling hardship lump sum distribution requests that occur between the beginning of the year and annual interest rate crediting. The process eliminated some steps and connects the member directly with the supervisor making the approval decision.

- Implemented regular peer review of one-on-one retirement appointments in the Member Services Bureau (MSB). Lead workers use a scorecard while observing the appointment and offer feedback to the staff member who conducted the appointment.
- Updated 17 procedures in MSB, including revamping forms and brochures to improve business processes and staff training.

INNOVATIVE SOLUTIONS (BAS; broader efforts to integrate systems, increasing security and flexibility)

- Implemented the use of data dashboards from IBM-Watson Data warehouse to better inform the decision-making process. Group Insurance Board members were introduced to dashboards at the February 2019 meeting.

CUSTOMER ENGAGEMENT (educating and communicating with customers to meet their needs; enhancing employee skills, collaboration, productivity)

- Increased employer engagement with 2018 WRS Annual Reconciliation training webinars, both live and recorded. This includes:
 - 315 live webinar attendees, a 94% increase over 2017.
 - 386 recorded webinar attendees, a 60% increase over 2017.
- Increased employer readiness for annual reconciliation. Training stresses the importance of maintaining accurate records throughout the year, resulting in fewer periodic transactions processed during annual reconciliation to correct previously reported information. As of February 21, 2019:
 - Employers submitted a total of 6,818 periodic transactions during 2018 Annual Reconciliation. This is a 19% decrease over last year.
- Successfully prepared staff to work from home during the onset of severe weather in January, including the official closure of the Hill Farms State Office Building on January 30. ETF maintained uninterrupted services and was able to accommodate member needs by providing virtual appointments and/or effectively rescheduling appointments. Staff completed 844 retirement estimates during the week, a significant increase above the average 476 estimates per week.
- The ETF Website Redesign Project reached its half-way milestone and remains on target to launch this summer. The team has created landing, basic, comparison table, home and education landing pages. Plans are in place to transition staff to use of the new site; quality assurance planning is under way.

- A project focused on employer interaction with our legacy system recently wrapped up with three improvements, which will:
 - Allow employers to view and delete certain transactions for improved accuracy, reduce ETF staff interaction and promote employer self-service,
 - Split additional contributions with improved accuracy, protect member privacy, and reduce multi-day processing time to overnight, and
 - Add more years of contribution rates in our system for improved accuracy, create a significant reduction in staff manual processing and promote employer self-service.

- Completed phase two of a project that will establish business process management as a sustainable asset for ETF. Phase 2 trained 17 staff in business process management and engaged them in pilot projects. Through a multi-phased approach, ETF will create the infrastructure, enhance skills, execute pilot process improvement projects and shift the organizational culture related to business process management.

- Transitioned new Supplemental Dental and Vision Plans to new vendors and different benefit designs effective January 1, 2019. In 2018, ETF modified the process for procuring vendors for the Supplemental Benefit Plans to streamline the benefits and reduce the number of vendors providing these benefits. As a result, dental benefits transitioned to Delta Dental and vision benefits transitioned to Vision Service Plan, known as VSP.