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CORRESPONDENCE MEMORANDUM

DATE: January 9, 2013
TO: Group Insurance Board
FROM: Emily Loman, Manager, Alternate Health Plans
Bill Kox, Deputy Administrator, Division of Insurance Services
SUBJECT: GUIDELINES and Uniform Benefits – Timeline and Discussion Regarding Contract Changes and Clarifications for Year 2014

This memo is for informational purposes only. No Board action is necessary.

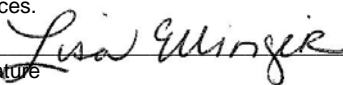
In the past, a discussion group (Study Group) composed of ETF staff developed recommendations for changes to the GUIDELINES and Uniform Benefits for the next contract year. Recently, Group Insurance Board (Board) members, or their designated staff, have joined the study group. Should the Board wish to continue this process for contract year 2014, we are providing the following information on the expected issues and timelines for the development of the GUIDELINES.

This year the Study Group will meet four times between early February and the end of March. In the past, it met only twice. Staff anticipates that meeting more frequently will provide more time to complete its work, including consideration of written feedback and recommendations submitted by health plans, health plan associations, participants, and other interested parties. Due to the potential impact on future negotiations, meetings are not open to health plans or other insurers.

The anticipated timeline for the 2014 contract is as follows:

- **January 25, 2013** – Health plans may submit to ETF by this date written recommendations identifying issues that warrant clarification or change in the GUIDELINES and Uniform Benefits. Throughout January and February, staff will draft preliminary recommendations for changes/clarifications for the 2014 contract year, with input from the Board’s actuary.

Board	Mtg Date	Item #
GIB	2.5.13	4A

Reviewed and approved by Lisa Ellinger, Administrator, Division of Insurance Services.

Signature _____ Date 1/22/13

GUIDELINES and Uniform Benefits – Timeline and Discussion Regarding Contract Changes and Clarifications for Year 2014

January 9, 2013

Page 2

- **February 5, 2013** – Board meeting; Board will review ETF memo outlining certain anticipated issues for the 2014 contract.
- **February 13, 2013** - *Study Group Meeting #1* - On or around this date, the Study Group will meet to identify issues to be included in the first draft of the GUIDELINES and Uniform Benefits.
- **February 27, 2013**, *Study Group Meeting #2* – On or around this date, the Study Group will meet to review issues to be included in the first draft of the GUIDELINES and Uniform Benefits.
- **March 1, 2013** - On or around this date, ETF will send health plans a draft of the GUIDELINES and Uniform Benefits.
- **March 8, 2013** – Health plans have until this date to submit comments on the draft GUIDELINES and Uniform Benefits changes.
- **March 13, 2013** - *Study Group Meeting #3* - On or around this date, the Study Group will meet to discuss health plan comments and identify issues to be included in the final draft of the GUIDELINES and Uniform Benefits.
- **March 27, 2013** – *Study Group Meeting #4* - the Study Group will meet to finalize recommendations to the Board.
- **April 10, 2013** - Deadline for the Study Group to finalize and submit recommendations and comments to ETF.
- **April 25, 2013** – ETF's deadline for finalizing GUIDELINES and Uniform Benefits memo to the Board.
- **May 21, 2013** – Board meeting; recommended changes to the GUIDELINES and Uniform Benefits are set for review and approval at this meeting.

Board members may recall that Wisconsin Statute §40.03 (6)(c) prevents the Board from modifying or expanding the health insurance program in a manner that materially changes the level of benefits or the premium unless required by law to provide the benefit. The Board is also required by statute to keep benefits substantially equivalent to

those offered under the Standard Plan. Traditionally, this results in a benefit cost calculation whereby any benefit increase is offset by a similar decrease.

The following bulleted items provide a brief summary of contract issues that may be reviewed during this process. Participants, health plans or staff members have raised these issues over the course of the past year. We also welcome comments or suggestions from the Board. Please note some items may have associated costs, while others may be clarifications of existing practice (with no expected cost). Cost factors, if any, will be identified by the Study Group and presented to the Board in the final recommendation.

Possible Changes to Administration:

- Continue to analyze federal health care reform to determine how GUIDELINES should be modified in order to comply with federal law.
- Review the current Wellness program incentive for members who complete an annual Health Risk Assessment (HRA) and biometric screening and determine if future incentives could incorporate a premium differential.
- Review biometric testing requirements to determine whether to require members to undergo annual glucose and cholesterol tests regardless of a member's health status or to allow tests to be performed according to accepted medical guidelines. Also, review whether biometric screening tests should be required as fasting tests or to allow non-fasting tests performed according to accepted medical guidelines.
- Update GUIDELINES to reflect the Board's November, 2012 decision to refer all medical necessity disputes to independent review under Wis. Stat. §632.835 and Wis. Admin. Code § INS 18.11 as of January 1, 2014.
- Review enrollment and disenrollment opportunities for adult dependents.
- Clarify prescription drug coverage for vaccinations when Medicare may be the primary payer so vaccinations are properly paid under the prescription drug benefit, not the medical services benefit.
- Examine a suggestion from a health plan to amend plan language to facilitate the subrogation process.
 - Under Miscellaneous Provisions, recommended is language that would require members to provide all pertinent information requested by the health plan or members' claims could be denied for failure to cooperate.
 - Under Exclusions and Limitations, recommended is language that would exclude health services for injury or illness for which there is other non-group insurance providing medical expense coverage, regardless of whether the other coverage is primary, excess, or contingent to the plan.

GUIDELINES and Uniform Benefits – Timeline and Discussion Regarding Contract Changes and Clarifications for Year 2014

January 9, 2013

Page 4

Possible Changes to Benefit Plan:

- If approved by Board, review language to offer optional dental coverage under a uniform benefit for dental services.
- Review the status of the existing 90%/10% coinsurance cost-sharing measure to decide whether an actuarially-equivalent co-pay arrangement would be preferable.
- Continue to analyze federal health care reform to determine if or how benefits should be modified in order to comply with federal law.
- Determine whether to offer in-network benefits to students who attend school outside of the service area; also, consider as in-network benefits for routine allergy shots to students who attend school outside of the service area.
- Consider adding coverage for the surgical treatment of obesity (i.e. gastric bypass) at the recommendation of participants and a few health plans.
- Determine whether 10% coinsurance charges should be waived for services associated with obtaining biometric screening tests and other specific preventive services and how to pay for this benefit change (e.g. increase the prescription drug benefit co-pay, or reduce other benefits).

Staff will be at the February 5, 2013, meeting to answer any questions.