

**DRAFT**

# MINUTES

February 25, 2013

Group Insurance Board  
Strategic Planning Workgroup  
State of Wisconsin



**Location:**

Department of Employee Trust Funds  
801 W Badger Road, Madison, WI

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**WORKGROUP MEMBERS PRESENT:**

Bonnie Cyganek, Chair  
Brian Yerges, Vice-Chair  
Michael Farrell, Secretary  
Chuck Grapentine  
Brian Hayes

Jessica O'Donnell  
Esther Olson  
J.P. Wieske for Daniel Schwartzer  
Nancy Thompson

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**PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:**

Division of Insurance Services:  
Lisa Ellinger, Administrator  
Bill Kox, Deputy Administrator

Division of Management Services:  
Liz Jones-Queensland, Sharon Walk,  
Board Liaisons

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**OTHERS PRESENT:**

ETF Secretary's Office: Rob Marchant  
ETF Legal Services: Dan Hayes  
ETF Division of Insurance Services:  
Jeff Bogardus, John Bott,  
Holly Klawitter, Arlene Larson,  
Emily Loman

Department of Administration:  
Jenny Kraus, Mickie Waterman  
Unity Health Insurance:  
Kathy Ikeman

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Ms. Cyganek called the meeting of the Group Insurance Board (Board) Strategic Planning Workgroup (Workgroup) to order at 9:36 a.m.

Ms. Ellinger introduced Liz Jones-Queensland. Ms. Jones-Queensland has been hired as an administrative assistant and will be assisting Ms. Ellinger with preparations for future Workgroup meetings.

Ms. Ellinger noted that the purpose of convening this Workgroup is to discuss long term strategic policy issues such as wellness, disease management, the Patient Protection

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and Affordable Care Act (PPACA) and health data collection and dissemination. The goal of today's meeting is to discuss provisions in the Governor's biennial budget relating to the GIB programs, research and analysis that has been done by ETF over the past several months, and the topics of focus for future meetings.

### **Strategic Planning Workgroup Meeting Structure**

Ms. Ellinger referred the Workgroup to the memo from Employee Trust Funds (ETF) General Counsel David Nispel. Per suggestions from Mr. Nispel, these meetings will be noticed as open meetings and officers will be elected.

### **Election of Officers**

***Motion: Ms. O'Donnell moved to nominate Bonnie Cyganek as Chair, Brian Yerges as Vice-Chair and Michael Farrell as Secretary of the Workgroup. Nancy Thompson seconded the motion, which passed unanimously on a voice vote.***

### **Biennial Budget**

Ms. Ellinger referred the Workgroup to the document titled *Summary of 2013-2015 Budget Bill*, which outlines the issues that will be discussed by the Workgroup. She reviewed the summary with the Workgroup.

The Workgroup discussed the proposed high deductible plan and whether this would be available to local government plans. Mr. Kox indicated that it could also be made available to local government plans.

The effect of the Health Savings Accounts (HSA) on annuitants was discussed as well as the \$50 monthly premium surcharge for participants who use tobacco products which was included in the Governor's budget.

Ms. Ellinger discussed the data warehouse that the Wisconsin Health Information Organization (WHIO) has been compiling. The goal is to make this information available to the public for use in making health care decisions. As part of the budget bill, the Governor included \$5 million to help the data collection efforts.

Brian Hayes requested a briefing on the data that is being collected by WHIO. Mr. Farrell asked that a copy of the WHIO annual report be provided to the Workgroup.

### **Request for Information**

Ms. Ellinger advised the Workgroup that ETF has had discussions with the Administration regarding the potential costs or savings involved with moving to a self-insured health insurance model. Deloitte will be assisting in the gathering of information from health plans participating in the state employee health insurance program and a project scope document was distributed for discussion. Deloitte is in the process of

preparing a Request for Information (RFI) to gather information about potential program costs if all medical plans offered by ETF were self-insured. The RFI is likely to be released later this week. The health plans will be notified today that the RFI is being released. Ms. Ellinger noted that the email being sent to the health plans has been shared with the Governor's Office and the Department of Administration. The Workgroup received a copy of the email for the health plans and requested receiving the RFI that is being sent to the health plans.

The Workgroup discussed the feasibility of implementing a self-insured plan in 2014.

### **Deloitte Study**

Ms. Ellinger presented two studies to the Workgroup: *Medical Self-Insured Financial Impact Overview* and *Medical Cost Containment Strategies for Key States*. Both of these reports were prepared by Deloitte. The studies reviewed states that had a self-insured model, a high deductible model, HSAs, and/or robust wellness programs. She recommended that the group review these documents and that discussion about the reports be added to the next agenda.

The Workgroup discussed the pros and cons of communicating the potential switch to a self-insurance model with members. Ms. Ellinger noted that ETF has been in touch with the Administration to discuss the public outreach and communication strategy. Ms. Ellinger asked Mr. Hayes to assist with this discussion.

Mr. Marchant noted that while ETF is well-positioned to be the messenger, it is important that any information about potential changes be disseminated as a joint effort of ETF and the Administration.

***Motion: Mr. Yerges moved that, since this forum is a Workgroup and not a Board, ETF continue to work on the messaging aspect. Mr. Grapentine seconded the motion, which passed unanimously on a voice vote.***

Ms. Ellinger reiterated her desire to work with the Administration on any messages that are sent to our members.

### **Future Items for Discussion**

The following items were noted:

1. Prioritize the biennial budget items.
2. Premium Surcharge:
  - a. Address the administrative aspect of the premium surcharge.
  - b. Participation in a wellness initiative.
  - c. Current cessation programs available to members.
  - d. Federal law limitations.
3. Discuss the self-insured health insurance model and results of the RFI.
4. Discuss the Deloitte studies.

5. Review deductible limits that will be attached to the HSA options.

Ms. Ellinger noted that Deloitte may call in for the April meeting to discuss the RFI and the reports that were provided at today's meeting.

The Workgroup requested that information to be discussed at meetings be provided as far in advance as possible.

### **Adjournment**

***Motion: Ms. Thompson moved to adjourn the meeting. Mr. Farrell seconded the motion, which passed unanimously on a voice vote.***

The meeting adjourned at 10:58 a.m.

Date Approved: \_\_\_\_\_

Signed: \_\_\_\_\_

Michael Farrell, Secretary  
Group Insurance Board  
Strategic Planning Workgroup