

DRAFT

MINUTES

March 18, 2014

Group Insurance Board
Strategic Planning Workgroup
State of Wisconsin



Location:

Lussier Family Heritage Center
3101 Lake Farm Road, Madison, WI

WORKGROUP MEMBERS PRESENT:

Bonnie Cyganek, Chair	Charles Grapentine
Andrew Hitt, Vice Chair	Jon Litscher
Michael Farrell, Secretary (phone)	Jessica O'Donnell
Terri Carlson	Daniel Schwartzer
Herschel Day	Nancy Thompson

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Secretary's Office:	Division of Management Services:
Rob Marchant, Deputy Secretary	Sherry Etes, Board Liaison
Division of Insurance Services:	Sharon Walk, Executive Staff Assistant
Lisa Ellinger, Administrator	
Bill Kox, Deputy Administrator	

OTHERS PRESENT:

Deloitte:	Navitus:
Timothy Gustafson	Steve Alexander, Pam Olson
Dan Plante	Network Health Plan:
Patrick Pechacek	James Dahlke
ETF Division of Insurance Services:	Office of the Commissioner of Insurance:
Arlene Larson, Mary Statz, Jeff	Jennifer Stegall
Bogardus, Tara Pray, Shayna	Office of State of Employment Relations:
Gobel, John Bott, Sarah Bradley,	Paul Ostrowski
Roni Harper	Physicians Plus:
ETF Legal Services:	Ron Sebranek
Liz Doss-Anderson, Allen Angel,	Security Health Plan:
David Nispel	Becky Gorst, Ginger Wolf
ETF Office of Communications and	SSM Health Care Wisconsin:
Legislation:	Andrew Gustafson
Nancy Ketterhagen, Tarna Hunter,	United Health Group:
Mark Lamkins	Amy Boyer

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Anthem Blue Cross Blue Shield: Brian Martin	Unity Health Insurance: Kathy Ikeman
Baraboo Ambulance: Troy Snow	UW Hospital: Trina Ruppert, Beth Ritchie
Colonial Life: Pat Flanagan	WEA Trust: Mary Karsten
Dean Health Plan: Peter Kammer, Penny Bound,	Wisconsin Association of Health Plans: Phil Dougherty
Department of Administration: Jenny Kraus, Mickie Waterman	Wisconsin Association of Health Underwriters: Alice O'Connor
Delta Dental: Steve LeRoy	Wisconsin Hospital Association: Joanne Alig
Group Health Cooperative – South Central Wisconsin: Emily Daws	Wisconsin Health News: Tim Stumm
Legislative Audit Bureau: Jake Gasser, Garrett Gardner	Wisconsin Legislative Fiscal Bureau Art Zimmerman, Paul Onsager
Medical Associates Health Plan: Joy Kaiser	WPS: Greg Nelson, David Grunke,

Ms. Cyganek called the meeting of the Group Insurance Board (Board) Strategic Planning Workgroup (Workgroup) to order at 9:02 a.m.

CONSIDERATION OF JANUARY 7, 2014, OPEN MEETING MINUTES

Mr. Grapentine stated that on page one of the draft open minutes, Mr. Hitt was in attendance, but was not listed as being present. He asked that this error be corrected.

MOTION: Ms. Thompson moved approval of the January 7, 2014, open meeting minutes as submitted by the Board Liaison with the change as noted above. Mr. Grapentine seconded the motion, which passed unanimously on a voice vote.

ANNOUNCEMENTS

Ms. Ellinger had several announcements:

- Theodore Neitzke has been appointed to the Group Insurance Board. Mr. Neitzke will be replacing Brian Yerges.
- Emily Loman, former Alternate Plans Manager, has taken a new position with the Department of Health Services in the Medicaid program. The Department of Employee Trust Funds (ETF) will begin recruiting for her replacement.

ELECTION OF OFFICERS

MOTION: Ms. Cyganek moved to nominate Andrew Hitt as the Vice Chair of the Group Insurance Board Strategic Planning Workgroup (Workgroup) and Michael Farrell to continue as Secretary of the Workgroup. Mr. Grapentine seconded the motion, which passed unanimously on a voice vote.

MOTION: Mr. Hitt moved to nominate Bonnie Cyganek as Chair of the Workgroup. Ms. Carlson seconded the motion, which passed unanimously on a voice vote.

BENEFITS CONSULTANT REQUEST FOR PROPOSAL

Ms. Ellinger directed the Workgroup to the memo (ref. GIBSPW | 3.18.14 | 4) Benefits Consultant Update. ETF staff and Department of Administration (DOA) procurement staff are working collaboratively to develop a Request for Proposal (RFP) for a benefits consultant. The benefits consultant will be expected to perform a range of services for ETF and the Group Insurance Board related to the analysis, design, management, and communications of the State of Wisconsin health insurance program. Staff plan to issue the RFP by the end of April, and have the benefits consultant contract begin in September 2014.

HIGH DEDUCTIBLE HEALTH PLAN/HEALTH SAVINGS ACCOUNTS

Policy and Administration Issues

Mr. Kox discussed several topics with the Workgroup regarding the implementation of the High Deductible Health Plan (HDHP) and Health Savings Accounts (HSA) (ref. GIBSPW | 3.18.14 | 5A) in preparation for making recommendations to the Board at the May meeting.

Items discussed include:

- Establishment of the premium bid ratio for the HDHP
- Administration of the HSA
- HDHP annual enrollment and frequency of change

- Technical issues with data exchanges between health plans and the Pharmacy Benefit Manager
- Prescription drugs that could be considered preventive under HDHP and eligible for first dollar coverage
- Employee education and communication
- Offering the HDHP and HSA to local employees
- Offering the HDHP and HSA to graduate students
- HDHP/HSA issues that are under purview of OSER and/or DOA:
 - Level of HSA funding
 - Level of HDHP employee premium contribution
 - Payment of HSA account fees
 - Timing of HSA deposits

Deloitte Presentation

Mr. Pechacek and Mr. Plante presented and discussed actuarial considerations for the HDHP/HSA plan design (ref. GIBSPW | 03.18.14 | 5B). The illustrative example of a cost neutral HDHP/HSA plan design included the following components:

- Deductible: \$1,500 single/\$3,000 family
- Employee contributions set at approximately 35% of the employee contribution for the HMO plan
- Assumed premium rate increase of 7.5%
- 90% of HSA accrual estimated to be used in 2015; remaining 10% rolled over/used for other expenses
- The Office of State Employment Relations (OSER) will establish HSA funding amounts
- Maintenance fees will be determined through contract negotiations with the HSA vendor

GUIDELINES STUDY GROUP UPDATE

Mr. Kox directed the Workgroup to the Guidelines and Uniform Benefits – Informational Update (ref. GIBSPW | 03.18.14 | 6). The purpose of providing this information is to present the Workgroup with Guidelines-related topics that require thorough discussion and input for its continued consideration in the Study group process.

Items discussed included:

- Health plan participation in the Wisconsin Health Information Organization (WHIO)
- End of Life / Advanced Care Planning Long-Term Goals
- Depression, Substance Abuse, Tobacco Use Screening in Health Risk Assessments (HRA)

- Premium Differentials Based on Completion of HRA and Biometric Screening
- Wellness Incentive Plan Design and Taxability
- Specialty Medications Limited to FDA-Approved Indications
- Specialty Medications and Preferred Specialty Pharmacy Vendors
- Copays, Coinsurance and Out-of-Pocket Limits
- Review of Coinsurance Amounts to Determine if Certain Copays are Preferable
- Use of Third Party Administrator to Provide All Wellness Programming
- Stand-Alone Dental Benefits

STRATEGIC PLANNING UPDATE

Ms. Ellinger presented an update on the Health Benefits and Insurance Services Bureau's Strategic Planning initiative (ref. GIBSPW | 03.18.14 | 7). The objective is to draft a long term strategic plan to guide future efforts of ETF and the GIB/Workgroup.

The presentation outlined:

- The Mission and Vision of the Health Benefits and Insurance Services Bureau
- Priority Issue Areas
- Work Plans Outline and Content
- Examples of Objectives
- An Example of 2014 Planned Activities
- Next Steps

The Workgroup discussed "employee-plus-one" options, consideration of stand-alone dental for local employers, prioritization, the use of a benefits consultant in this process, and adding telehealth to the list of issues.

OPERATIONAL UPDATES

Proposed 2015 Workgroup Meeting Dates

Ms. Ellinger directed the Workgroup to a memo (ref. GIBSPW | 03.18.14 | 8A) that listed proposed Workgroup meeting dates for 2015. These meetings will take place at the Lussier Family Heritage Center.

FUTURE ITEMS FOR DISCUSSION

- Rate-setting process
- Update on Strategic Planning

ADJOURNMENT

MOTION: Mr. Litscher moved to adjourn the meeting, seconded by Ms. Thompson which passed unanimously on a voice vote.

The meeting adjourned at 11:20 a.m.

Date Approved: _____

Signed: _____

Michael Farrell, Secretary
Group Insurance Board
Strategic Planning Workgroup