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## Correspondence Memorandum

**DATE:** May 1, 2015  
**TO:** Group Insurance Board  
**FROM:** Liz Doss-Anderson, Ombudsperson  
Allen Angel, Ombudsperson  
Vickie Baker, Ombudsperson  
Dan Hayes, Attorney/Supervisor  
**SUBJECT:** 2014 Ombudsperson Contact Report

**This memo is for informational purposes only. No Board action is required.**

This report contains information about complaints and inquiries received at the Department of Employee Trust Funds (ETF) by Ombudsperson Services staff. The complaints and inquiries came from members, their families, employers, and external advocacy organizations as they relate to Wisconsin Retirement System (WRS) benefits.

### Complaint and Inquires Overview

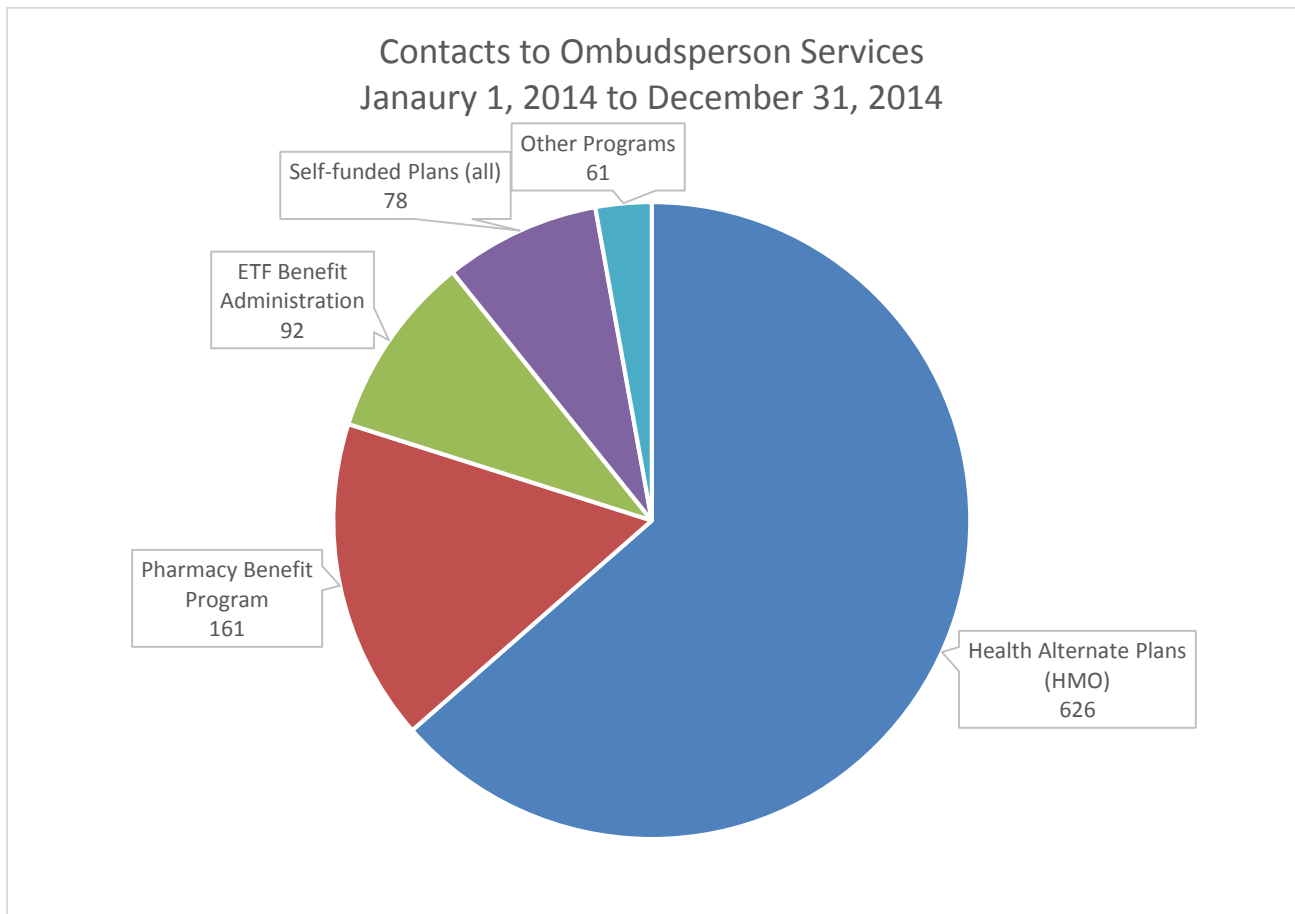
In 2014, Ombudsperson Services received 1,018 complaints and inquiries. This is an increase of 59 (6%) from the 959 total contacts in 2013. The health insurance program generated the majority of contacts including 626 complaints and inquiries (61% of total contacts) derived from health plan decisions or other plan actions. Please see the chart below for a breakdown of complaints and inquiries.

In addition, there were 92 contacts (16%) related to ETF Benefit Administration issues. The ETF Benefit Administration category relates to health insurance contacts regarding matters that do not involve action by a health plan. These contacts include member complaints or inquiries, and educational contacts regarding benefit design or enrollment and eligibility provisions.

Reviewed and approved by David Nispel, General  
Counsel, Legal Services

Electronically signed:  
5/8/15

Board	Mtg Date	Item #
GIB	5.19.15	7A



Please note that the “Other Programs” category includes: contacts regarding WageWorks ERA/Commuter Benefits Programs, ICI, optional Dental plans, EPIC, LTC Insurance, Life Insurance, VSP Vision Plan, Deferred Compensation, Duty Disability, and the Sick Leave Conversion Credit program.

### **Types of Complaints and Inquiries**

The health insurance program continues to represent the largest number of contacts, and the most complex and time consuming issues for ombudsperson staff to resolve. The types of issues with the most complaints and inquiries included:

- General program provisions and design (327 contacts)
- Enrollment and eligibility (185 contacts)
- Billing and claims processing (100 contacts)
- Non-covered Services (71 contacts)

There were two additional categories that received a relatively high number of contacts. Those were premium issues with 64 contacts, and plan service and administration with 57 contacts.

#### General program provisions and design

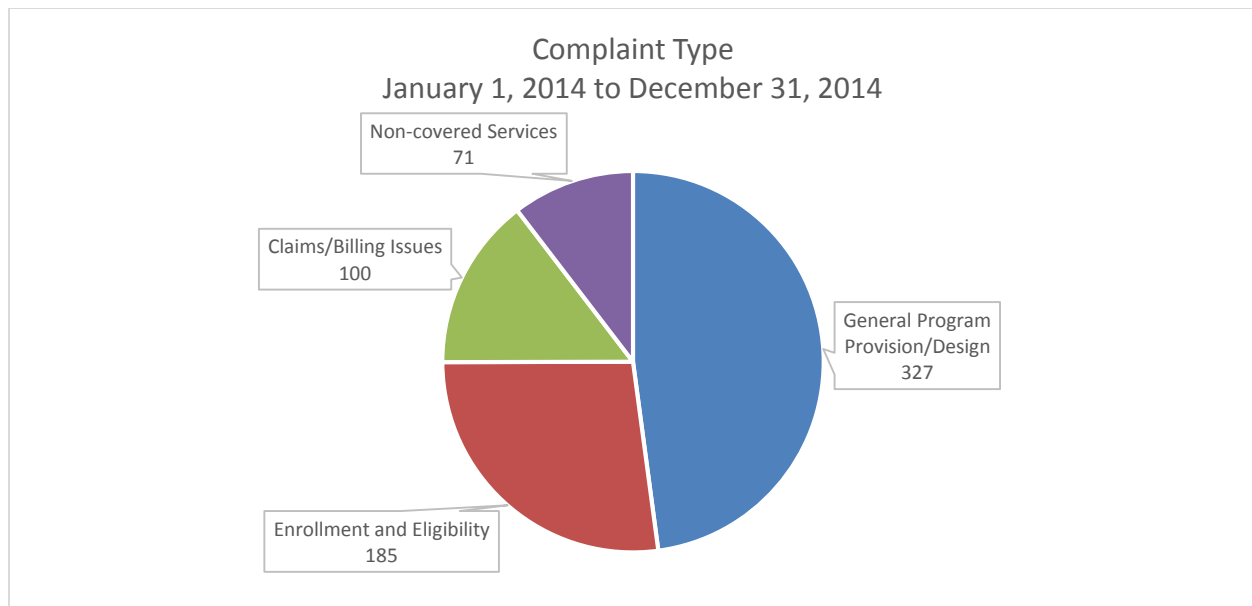
In 2014, there was a significant increase in complaints regarding general program provisions and design. There were 327 contacts in this category compared to 110 contacts in 2013. This increase is partially due to adding a high deductible health plan in conjunction with a health savings account and the implementation of uniform dental benefits in 2014.

Dental uniform benefits (UB) established the same level of benefits for all our members with dental coverage. The dental UB change also resulted in some members losing specific types of dental coverage that were previously provided when individual plans chose the dental benefit package to be offered. In addition, some plan dental provider networks changed and members were unhappy because access to their long-time dental provider was lost.

#### Enrollment and eligibility

Enrollment and eligibility issues were also up significantly from 2013, with 185 contacts in 2014 compared to 123 in 2013. Health plan enrollment and eligibility issues can be caused by problems with the ETF system limitations, human error, employer error, or misinformation within the member's health plan. Enrollment issues can also occur with the Navitus Medicare RX Part D plan based on required Medicare Part D participation and federal rules administered by the Center for Medicare and Medicaid Services (CMS).

Ombudsperson Services works closely with all of the participating health plans to resolve claims and billing issues. This is an on-going, year-round process. Our resolution of member's unpaid claims contributes, in large part, to the smaller number of formal written complaints ETF receives.



## Trends

Based on benefit changes for 2014, Ombudsperson Services focused on helping members better understand the following topics:

- Prior authorization requirements for high-tech radiology and low-back surgery; questions carried over from 2013 continued to be a topic of concern from WRS members.
- The newly offered High Deductible Health Plan (HDHP) and accompanying Health Savings Account (HSA).
- The implementation of income taxes on the wellness incentive benefits members earned by participating in health risk assessments and biometric screenings as well as other wellness-related benefits offered by health plans.
- Seven health plans had significant provider network changes, two health plans were no longer available in specific areas of the state, and two health plans expanded their network of providers.

Because of the changing nature of benefits, especially in the health insurance program, Ombudsperson Services continues to have a strong focus on member outreach and education as well as continuing to resolve member complaints.

We believe the 2014 It's Your Choice open enrollment period went well considering the number of major changes. There were a few enrollment issues when some members picked the HDHP without fully understanding the option they chose. There were also

those who wanted the HDHP and mistakenly enrolled in one of the full coverage HMO plans. Both of these issues were resolved through the late It's Your Choice enrollment appeal process.

### **Looking Ahead**

As we look to the remainder of 2015, some benefit related changes will continue to require close observation. Those will be:

- Continuing to monitor and educate members about the HDHP and associated HSA options.
- Assisting with issues regarding the Flexible Spending Account and Commuter Benefits Programs and TASC, the new third party administrator.
- Attending the ETF Study Group meeting in preparation for the 2016 contract changes.
- Refining our education and outreach efforts related to 2016 and future health insurance program changes.

2014 also afforded the Office of Legal Services an opportunity to develop strategic planning goals for the next 18 months and formulate a mission statement. Our mission statement, "To provide WRS members, ETF staff and partners with high quality, timely advice, education and issue resolution in support of all WRS benefits and ETF services," reflects our yearly and ongoing goals and efforts. As always, we continue to search for new and better ways to provide excellent customer service as well as refine our outreach and education efforts.

Ombudsperson Services also continues to minimize the number of appeals to ETF-related boards and plays a major role in resolving member complaints by intervening and/or providing education shortly after a member's contact with ETF. Based on the very small number of formal appeals, our work demonstrates the value and efficiency of early intervention. The educational aspects and timeliness of early intervention also help Ombudsperson Services maintain and improve quality customer service and the administration of WRS benefit programs. In addition, we work with the Office of Strategic Health Policy, to identify areas of improvement with all our health plans and pharmacy benefit manager.

Attached please find the 2014 Contacts per 1,000 ETF Members chart that show the contacts ratio to the number of members enrolled in each health plan.

Staff will be available at the Board meeting to answer any questions.

**2014 Contacts (rate per 1,000 ETF members)**

*lower is better*

