

STATE OF WISCONSIN Department of Employee Trust Funds

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CORRESPONDENCE MEMORANDUM

DATE: August 21, 2015

TO: Group Insurance Board

FROM: Roni Harper, Manager of Optional Insurance Plans

Michael Bormett, Deputy Director, Office of Strategic Health Policy

SUBJECT: Status update on contracts with Optional Insurance Plans

This memo is for information only. No Board action is needed.

Background

The Group Insurance Board (Board) voted at its November 18, 2014 meeting to make Board-approved optional insurance plans uniformly available to state agencies and for the Board to establish group master contracts with those approved plans. On March 25, 2015 the Board approved the Department of Employee Trust Funds (ETF) recommendation to phase in this uniformity by focusing on agencies included in the technology initiative known as State Transforming Agency Resources (STAR) for plan year 2016.

Status Update

- Aflac Accident and Injury Insurance will no longer be offered after December 31, 2015. Aflac advised ETF that the company declined to enter into a contract for 2016.
- 2. Three insurers have signed the new Group Master Contract:
 - EPIC: Benefits+ and Dental Wisconsin
 - Anthem DentalBlue
 - Vision Service Plan (VSP)
- 3. The Hartford, which offers accidental death and dismemberment insurance (AD&D) has asked for additional time to review the contract. One issue is the specific language regarding privacy and confidentiality assurances, because AD&D plans are exempt from HIPAA but have other governing privacy laws.

Optional Plan Standardization for 2017

ETF has met with payroll and benefits staff from the University of Wisconsin System

Reviewed and approved by Lisa Ellinger, Director, Office of Strategic Health Policy

Lisa Electronically signed: 8/21/15

Board	Mtg Date	Item #
GIB	8.25.15	7A

Optional Plans Contract Update August 21, 2015 Page 2

and the University of Wisconsin Hospital and Clinics to begin the process of identifying possible overlaps and gaps in current optional insurance offerings. ETF will work with these entities, as well as representatives from all state payroll centers, to further identify areas where insurance administration can be standardized, while also identifying situations that may point to the need for exceptions to standardization of insurance availability.

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