

DRAFT

MINUTES

February 17, 2016

Group Insurance Board
State of Wisconsin



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

BOARD MEMBERS PRESENT:

- | | |
|----------------------------|-----------------|
| Jon Litscher, Chair | Michael Heifetz |
| Bonnie Cyganek, Vice Chair | Ted Neitzke |
| Michael Farrell, Secretary | Stacey Rolston |
| Terri Carlson | Daniel Schwartz |
| Herschel Day | Nancy Thompson |
| Chuck Grapentine | |

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

- | | |
|--|-----------------------------------|
| Bob Conlin, Secretary | Office of the Secretary: |
| John Voelker, Deputy Secretary | Sara Brockman, Board Liaison |
| Office of Strategic Health Policy: | Tarna Hunter, Legislative Liaison |
| Lisa Ellinger, Director | |
| Eileen Mallow, Tara Pray, Sherry Etes, | |
| Jennifer Stegall | |

OTHERS PRESENT:

- | | |
|--|----------------------------|
| Government Accountability Board: | MercyCare: |
| Jonathan Becker | Tracy Craker |
| ETF Information Technology Services: | Michael Best Strategies |
| Ryan Perkins | Andrew Hitt |
| ETF Legal Services: | Momentum Insurance: |
| Liz Doss-Anderson, Diana Felsmann | Stephanie Steel |
| ETF Office of Communications: | Navitus: |
| Mark Lamkins | Steve Alexander, Pam Olson |
| ETF Office of the Secretary: | Network Health: |
| Vickie Baker, Dan Hayes, Pam Henning | James Dahlke |
| ETF Office of Strategic Health Policy: | Optum: |
| Jeff Bogardus, Sarah Bradley, James Cooper, Arlene Larson, Jessica | Mike Wall |
| | Physicians Plus: |
| | Ron Sebranek |

Board	Mtg Date	Item #
GIB	5.8.16	1

Rossner, Shayna Schomber, Joan Steele	Securian:
Anthem Blue Cross Blue Shield: Brian Martin, Debra Schwen	Kjirsten Elsner, Chris Schmelzer
Aurora Health Care: Andrew Hanus	Security Health Plan: Becky Gorst
Baraboo Ambulance: Troy Snow	Serve You Custom Prescription Management: Sharee Bowsher
BSG Analytics: Peter Garner	The Alliance: Annette Cruz, Calvin Rigsby
Colonial Life: Pat Flanagan	United Healthcare: Kathy Stachura
Dean Health Plan: Katie Beals, Mirannda Radde	Unity Health Insurance: Cari Alexander, Brian Collien, Rob Plesha
Division of Personnel Management: Chelsea Daley, Paul Ostrowski	UW Hospital and Clinics: Anthony Dix
EPIC Life Insurance Company: Wendy Hougan	UW System Administration: Beth Ritchie
Group Health Cooperative – South Central Wisconsin: Elizabeth Dye	WEA Trust: Greg Cieslewicz
Gundersen Health Plan: Sam Schmirler	Wells Fargo: Thomas Harkless
Health Choice: Cliff Morris, Bob Pearson	Wisconsin Association of Health Plans: Phil Dougherty, Nancy Wenzel
Health Tradition: Mike Eckstein, Chris Massa	Wisconsin Hospital Association: Joanne Alig
Humana: David Ehrenfried, Elisabeth Wright	Wisconsin Medical Society: Rick Abrams, Chris Rasch
Johnson & Johnson: Dennis Majeskie	Wisconsin Public Radio: Shamane Mills
Legislative Audit Bureau: Emily Pape	WPS: David Grunke
Legislative Fiscal Bureau: Paul Onsager	WPS Arise: Carrie Helms

Jon Litscher, Chair, called the meeting of the Group Insurance Board (Board) to order at 8:31 a.m.

Mr. Litscher acknowledged the receipt of correspondence from program members and other concerned individuals since the January 7, 2016 meeting. Mr. Litscher thanked the authors for the time and effort required to express their views and ideas to the

Board. He stated that the Board and ETF take the contents of these letters very seriously, and additional discussion by the Board will address many of the concerns communicated therein.

CONSIDERATION OF NOVEMBER 17, 2015 OPEN & CLOSED MEETING MINUTES

MOTION: Ms. Thompson moved to approve the open and closed session meeting minutes of the November 15, 2015 meeting as submitted by the Board Liaison. Mr. Heifetz seconded the motion, which passed unanimously on a voice vote.

CONSIDERATION OF JANUARY 7, 2016 OPEN MEETING MINUTES

MOTION: Ms. Thompson moved to approve the open session meeting minutes of the January 7, 2016 meeting as submitted by the Board Liaison. Mr. Heifetz seconded the motion, which passed unanimously on a voice vote.

ANNOUNCEMENTS

Ms. Ellinger made the following announcements:

- WisconsinEye was on-site to record the meeting. (Note: Due to bandwidth issues, WisconsinEye was unable to stream the meeting live as originally planned. The recording is available online at the [WisconsinEye website](#).)
- Staffing:
 - Diana Felsmann has accepted the position of Attorney with the Office of Legal Services.
 - James Kates has accepted a position with the Ombudsperson Services staff in the Office of Legal Services.

ELECTION OF OFFICERS

MOTION: Mr. Day moved to nominate Bonnie Cyganek as Vice Chair and Michael Farrell as Secretary of the Group Insurance Board. Mr. Grapentine seconded the motion, which passed unanimously on a voice vote.

MOTION: Mr. Farrell moved to nominate Jon Litscher as Chair of the Group Insurance Board. Mr. Neitzke seconded the motion. The motion passed unanimously on a voice vote, with Mr. Litscher abstaining.

EDUCATION

Ethics Code and Lobbying Law

Mr. Becker, Division Administrator, Wisconsin Government Accountability Board, made a presentation entitled *Ethics Code and Lobbying Law* to the Board (Ref. GIB | 2.17.16 | 4A). The presentation provided an overview of the Ethics Code and lobbying law statutes that are pertinent to the role of a Board member.

The presentation also included information regarding:

- Use of Office for Private Benefit
- Accepting Gifts
- Food, Drink, Transportation and Lodging
- Influence and Reward
- Conflicting Interests
- Disqualification and Abstention
- Use of Confidential Information for Private Gain
- Advisory Opinions

HEALTH INSURANCE

Establish It's Your Choice Open Enrollment Dates

Ms. Pray referred the Board to the memo, Establish It's Your Choice (IYC) Open Enrollment Dates (Ref. GIB | 2.17.16 | 5A). Staff recommended shifting the start of open enrollment two weeks later than the traditional time frame, to October 17 – November 11, 2016 for the IYC open enrollment period for 2017.

IYC open enrollment has typically occurred during the four full weeks of October to allow a two-month timeframe for payroll centers to set up employee contributions between the end of open enrollment and the start of the new plan year. With the implementation of the State Transforming Agency Resources (STAR) initiative, transactions now occur in real-time or one month in advance.

The shift would allow more lead time for ETF to finalize communication materials, distribute these materials to employers and health plans, and for training efforts. Local employers would also have more lead time after the deadline to file resolutions changing program options and prior to the enrollment period, which has been challenging in the past.

ETF reached out to several major employers and health plans regarding the potential date change. Overall, employers support the proposed change, as a later start date would provide more time to prepare materials and train staff in advance of open enrollment. The health plans did not anticipate any major issues and stated that the revised timeline could be accommodated.

MOTION: Ms. Carlson moved to approve October 17 – November 11, 2016 as the It's Your Choice open enrollment period for 2017. Ms. Thompson seconded the motion, which passed unanimously on a voice vote.

Self-Insuring Medical Claims – Request for Proposals

Ms. Ellinger presented the Self-Insuring Medical Claims – Request for Proposals memo (Ref. GIB | 2.17.16 | 5B). Ms. Ellinger provided an overview of the memo contents, including a brief history of self-insured analysis, discussion regarding self-insurance, and actuarial analysis to date.

The actuarial analyses performed by Deloitte, the Board's former consulting actuary, and Segal Consulting, the current benefits consultant and consulting actuary, have received a considerable amount of attention, especially in regards to the differences between their respective reports. Ms. Ellinger stated that these varied estimates can largely be attributed to a difference in theoretical outlook as to how the market would react to a restructuring of the group health insurance program, and whether the existing discounts leveraged today would still be available in a self-insured environment.

Ms. Ellinger stressed the importance of the areas where the two reports are in agreement, the most notable being the conclusion that issuing an RFP is the best way to obtain information about the real costs and potential savings associated with restructuring the program. Ms. Ellinger also noted that the determination of which plans or providers would be included or benefit offerings is a separate and distinct discussion from self-insuring the program.

ETF is in the early stages of RFP development. Segal will continue to work closely with ETF to develop the RFP and provide actuarial evaluation. The Board will receive more detailed information regarding the proposed contents of the RFP at the May 2016 meeting.

It is the intent of ETF to present the most comprehensive information possible at the November 2016 meeting, enabling the Board to make thoughtful and informed decisions moving forward. The RFP will be structured to evaluate a variety of components, including program structure, performance measures, multi-year contracting, provider access, cost impact, and value-based plan design.

Proposed Implementation Timeline:

- RFP Development: January – July 2016
- RFP Distribution: July 2016
- RFP Responses Due: August – September 2016
- RFP Evaluation: September – November 2016
- RFP Results Presentation to GIB: November 2016

ETF seeks the approval of the Board to develop and issue the RFP in advance of the July release date so that potential bidders can prepare accordingly, and so that ETF staff may operate with the knowledge that they are moving in the desired direction of the Board.

Ms. Ellinger stated that the aggressive timeline is necessary to provide the Board with comprehensive information at the November 2016 meeting in order to make program changes for 2018, should the Board desire to do so.

The Board emphasized that ETF staff will serve as the lead authors and steer the direction of any and all RFPs, with assistance from Segal and other entities that may provide essential information. Ms. Ellinger stated that the evaluation team will not be comprised solely of ETF staff, and that a volunteer from the Board would be welcome to participate.

The Board referenced the length of discussion in regards to self-insurance, a minimum of three years, during which time the Affordable Care Act has been implemented and various markets have changed accordingly as a result, including acquisitions and mergers throughout Wisconsin and an increase in outside controlling interests.

The Board stressed that the RFP process is intended to collect objective information and data to inform future Board decisions, and that this information was necessary for the Board to make an informed decision regarding self-insurance.

The Board acknowledged that the timeline put forth by ETF is aggressive in regards to staff resources, but noted that the Board has engaged in transparent deliberation regarding self-insurance for over three years. The Board reiterated that its goal is to maintain the current level of excellent benefits, and that individuals are welcome to continue expressing their thoughts and concerns to the Board for consideration, as self-insurance is a topic of mutual interest and concern.

MOTION: Mr. Neitzke moved to approve the development and issuance of a Request for Proposal (RFP) to evaluate the impact of self-insuring the group health insurance program. Ms. Cyganek seconded the motion, which passed unanimously on a voice vote.

Segal Recommendations – Proposed Implementation Timelines

Ms. Ellinger presented the Segal Recommendations – Proposed Implementation Plan memo (Ref. GIB | 2.17.16 | 5C). The purpose of the memo was to establish the Board's preferred approach to address the additional recommendations from the November 2015 Segal Report, [Observations and Recommendations for 2017 and Beyond](#).

Ms. Ellinger reviewed the ETF staff recommendation to move forward with the development and distribution of the following RFPs in 2016:

- Evaluate Self-Insurance
- Data Warehousing and Business Intelligence
- Wellness Program
- Pharmacy Benefit Manager

Additional ETF recommendations for 2016 include:

- Minimal benefit changes for 2017. Given the larger structural program changes under consideration, ETF recommended maintaining stable benefits in the short-term, as previously discussed at the November 2015 and January 2016 Board meetings. Ms. Ellinger described the following rationale for this approach:
 - ETF has experienced an increase in call volume due to newly implemented deductibles and cost-sharing measures for the pharmacy program.
 - The benefit changes approved by the Board for 2016 have exceeded the savings target set by the biennial state budget.
 - Minimizing benefit changes will save significant staff time.
 - The exception to this recommendation would be necessary changes to the wellness program, should the Board decide to move forward with a separate vendor to administer the program. This would result in a benefit carve-out reflected in the health plan contracts and enrollment materials.
- Delay procurement for a Medicare Advantage vendor until 2017. Staff supports the Segal recommendation to explore and potentially contract with a Medicare Advantage vendor, as there are potential savings for ETF's annuitant population by moving to that model and offering. Rationale for this recommendation included:
 - The delay would allow staff time to address other Board-established priorities.
 - The other planned RFPs have the potential for significant cost savings for the state.
- Delay the Segal-recommended streamlining of the local government plan offerings to mirror the state plan options. Should the Board decide to move the state program to a self-insured and/or regional model, the local program would follow suit. Ms. Ellinger described the following aspects of the program:
 - Local employers currently have four program options available. Two options mirror the state employee plans, the other options include a comprehensive full-pay plan and a lower-deductible plan.

- Out of approximately 360 local employers, only a dozen currently participate in the plans that mirror the state program offerings. Streamlining the current offerings would require a significant transition on part of the local employers and employees.
- There are no cost savings associated with this change.

RFP for Data Warehousing and Business Intelligence (BI) Vendor

A data warehousing and BI vendor would collect information to help drive disease management programming and wellness program activities, as well as capture and compare the performance measures that are integral to Segal's self-insuring and regionalization recommendations. ETF considers a data warehousing and BI vendor to be an essential part of the foundation from which to build additional program changes.

Proposed Implementation Timeline:

- RFP Development: January – May 2016
- RFP Distribution: June 2016
- RFP Responses Due: July 2016
- RFP Evaluation: August - September 2016
- Vendor Selection: September 2016

ETF staff are currently developing the RFP, and anticipate bringing additional details to the Board in May 2016. The target date for issuing the RFP is June 2016.

Ms. Ellinger stated that it would be preferable to have a vendor on board in early 2017 to begin data collection, as there will be inevitable data transmission and other issues to address in 2017. Ms. Ellinger added that the assistance of DOA procurement staff would be a valuable resource for ETF staff, given the large number of prospective RFPs under consideration.

RFP for Wellness Program

Ms. Ellinger noted the wellness program RFP is based on Segal's recommendations, which are in line with the Board's long-term interest in wellness incentives and growing program participation. The goal of carving out the wellness benefit would be more consistent and robust administration, resulting in increased participation in wellness activities.

Proposed Implementation Steps/Timeline:

- RFP Development: January – March 2016
- RFP Distribution: March 2016
- RFP Responses: April 2016
- RFP Evaluation: April – May 2016
- Vendor Selection: May 2016

Per Ms. Ellinger, the proposed implementation timeline is aggressive, and being driven by the goal of having a finalized contract and vendor on board by the summer of 2016. The vendor would then be able to lead the education of state employees in regards to wellness benefit changes for 2017 during open enrollment in the fall.

Ms. Ellinger stated that the RFP for the Wellness Program is another effort where the assistance of DOA Procurement would be welcome.

RFP for Pharmacy Benefit Manager (PBM)

ETF has exhausted all contract extensions available with the current PBM, Navitus. The current contract expires at the end of 2017, making the RFP for a PBM a required activity.

Proposed Implementation Steps/Timeline:

- RFP Development: August – November 2016
- RFP Distribution: November 2016
- RFP Responses: February 2017
- RFP Evaluation: March – May 2017
- Vendor Selection: May 2017

ETF proposes to issue the RFP in late 2016 and bring a vendor recommendation to the Board in May 2017. In the event that a vendor other than Navitus is selected, this transition would require sufficient lead-time to prepare for a January 1, 2018 implementation of the new PBM.

The Board noted that data warehousing, wellness, PBM, and self-insurance concepts are all very important to the health and well-being of state employees, and to the Board itself as the managing body that is accountable to taxpayers. While self-insurance has generated a greater amount of interest and attention, all of the proposed initiatives and RFPs contribute to the enhancement of the state employee program.

MOTION: Ms. Cyganek moved to accept the recommendations for the development and distribution of the following Requests for Proposals (RFP) in 2016:

- ***Evaluate Self-Insurance***
- ***Date Warehousing and Business Intelligence***
- ***Wellness Program***
- ***Pharmacy Benefit Manger***

The staff recommendations also includes the following:

- ***No benefit changes for 2017, except Wellness benefits***
- ***Delay development of Medicare Advantage RFP until 2017***
- ***Delay streamlining of local government options***

Mr. Day seconded the motion, which passed unanimously on a voice vote.

Administrative Services Contract Extension for the Self-Insured Plans

Ms. Ellinger directed the Board to the memo, Administrative Services Contract Extension for the Self-Insured Plans (Ref. GIB | 2.17.16 | 5D).

Wisconsin Physicians Insurance Corporation (WPS) is the administrator of the self-insured health insurance plans: Standard Plan, State Maintenance Plan (SMP) and Medicare Plus. The current two-year contract extension with WPS ends December 31, 2016.

An additional two-year contract extension is available, which would extend the contract through the end of 2018. Given the Board's interest in potential benefit changes for 2018, ETF recommends extending the contract for one year.

The proposed one-year contract extension has been discussed with WPS and they are amenable to the one-year timeframe.

MOTION: Mr. Grapentine moved to approve the extension of the Administrative Services Only contract with WPS Health Insurance for one year. Mr. Farrell seconded the motion, which passed unanimously on a voice vote.

LIFE INSURANCE

2017 Life Insurance – Contract Extension

Ms. Etes referred the Board to the memo, Minnesota Life Insurance Company Name Change and Contract Extension (Ref. GIB | 2.17.16 | 6).

Name Change

Securian Financial is the parent company of the underwriter, Minnesota Life Insurance Company. Securian has completed a brand transition for the group life insurance market, resulting in a name change from Minnesota Life to Securian.

All related forms and the ETF website have been updated with the new name. An email announcing the name change was sent via GovDelivery to employers and members on January 27, 2016.

Contract Extension

In February 2010, Securian was awarded a five-year contract that allowed for two one-year extensions. The first extension was approved in November 2014 and runs from January 1, 2016 through December 31, 2016.

Securian has been the administrator for the group life insurance program for 58 years. Securian has provided excellent service to plan participants, as evidenced by

consistently meeting and exceeding the nine customer service standards required annually within the contract. Ms. Etes stated that Securian has a long history of consistently offering a competitive product and providing excellent service to program members and ETF staff.

ETF staff requested that the Board exercise the option to extend the current contract for one year, and proposed amending the contract to include an additional two-year extension. This action will extend the contract from January 1, 2017 through December 31, 2019.

Ms. Etes stated that the additional two-year extension will avoid diverting Board time and staff resources during the development and evaluation of multiple RFPs moving forward. It will also provide uninterrupted member access to a quality product and customer service team, as well as consistent administration of the group life insurance program.

MOTION: Ms. Rolston moved to approve the extension of the current contract with Securian Financial Group for one year and amend the contract to add an additional two-year contract extension. Ms. Carlson seconded the motion, which passed unanimously on a voice vote.

2017 OPTIONAL INSURANCE PLANS

Optional Insurance Plans and Uniform Availability Across State Agencies

Ms. Stegall referred the Board to the memo, Optional Insurance Plans and Uniform Availability Across State Agencies (Ref. GIB | 2.17.16 | 7A).

The Board requested additional staff direction relating to the implementation of uniform Optional Insurance Plan offerings. An ETF-recommended option and an alternative option were included in the memo for the Board's consideration and presented by Ms. Stegall.

Background

In November 2014, the Board directed ETF to hold a master contract with all optional insurance providers and ensure that all state agencies were offering the same optional insurance plans to their employees. Prior to November 2014, each state agency held individual agreements with insurers. The Board's rationale was based on the STAR implementation and avoiding costly system customization. Additionally, the Board wanted to ensure that state employees moving between state agencies to have access to the same optional insurance plans.

In March 2015, the Board approved the staff recommendation to adopt a phased approach to implementation, first addressing all STAR agencies, securing agreements

with optional insurance plans, and ensuring that all STAR agency employees had access to the same optional insurance plans.

The phased approach was largely approved because the University of Wisconsin System (UWS) and the UW Hospital and Clinics (UWHC) had expressed concerns about losing control over their individual agreements and the discretion to decide which plans to offer employees.

2016 Current State

The Optional Insurance Plans approved by the Board for 2016 are Anthem Dental Blue, EPIC Dental Wisconsin, EPIC Benefits Plus, Vision Service Plan (VSP), and Hartford AD&D. UWHC also offers Delta Dental as a supplemental plan since the Board approved this plan offering in 2003.

Ms. Stegall provided an overview of 2015 Optional Insurance Plan enrollment rates and data related to employee transfers across state agencies.

ETF-Recommended Option

- Beginning in plan year 2017, require non-STAR agencies, except the UWS and UWHC, to offer all Board-approved Optional Insurance Plans.
 - STAR agencies are already required to offer these plans.
- UWS and UWHC Optional Insurance Plans continue to require Board approval per Wis. Stat. § Chapter 20.
- The Board continues to sign, and ETF manages, the insurer contracts for Optional Insurance Plans (except for those only applicable to UWS and UWHC, i.e. Zurich AD&D and Delta Dental supplemental plans).
 - UWS and UWHC continue to maintain relationships with insurers like VSP and EPIC Benefits Plus through administrative agreements to manage payroll, enrollment, member services issues, etc.

Under this option, non-STAR agencies, other than UWS and UWHC, would align their offerings with STAR agencies. UWS and UWHC would maintain their current state.

Ms. Stegall cited several discussion points from the memo in support of this option, including:

- The primary motivation for pursuing uniform plan offerings was in response to STAR. Alignment across STAR agencies has been achieved, starting with the 2016 plan year. Per Ms. Stegall, the Board's primary concern has already been addressed.
- Requiring non-STAR agencies to offer all Board-approved plans expands the pool of employees that would experience minimal disruption when moving between state agencies.
 - Excluding the UWS and UWHC from this requirement has a minimal impact because of the relatively low transfer rate between those entities

and other state agencies. Additionally, UWS and UWHC offer some of the same plans as STAR agencies, creating a reduced impact on transferring employees.

Additional Considerations

An additional consideration for plan year 2017 is moving from Hartford AD&D to Zurich AD&D for all state agencies. This change would align the AD&D offering with UWS and UWHC. The Board will review and approve Optional Insurance Plan Offerings at the May 2016 meeting.

The Board noted that the ETF-recommended option is more favorable to UWS and UWHC.

Alternative Option

- Beginning with plan year 2017, require STAR and non-STAR agencies, including UWS and UWHC, to offer all Board approved Optional Insurance Plans.
 - UWHC would no longer offer Delta Dental. Instead, UWS and UWHC would offer Anthem Dental Blue and UWHC would offer EPIC Dental.
- Contingent upon Board approval in May, offer Zurich AD&D to STAR and non-STAR agencies and drop Hartford AD&D coverage.
- The Board signs and ETF manages all of the insurer agreements, including the AD&D agreement.

Ms. Stegall stated that this alternative option reflects the Board's initial directives, providing uniform offerings across all state agencies with ETF managing the agreements for all plans.

Ms. Stegall also stated that this option creates a fair amount of disruption for minimal gain. As noted earlier, the STAR issue has already been largely addressed, few people transfer between UWS and UWHC and other state agencies, and UWS and UWHC do offer some of the same plans as other state agencies.

MOTION: Ms. Carlson moved to approve the ETF staff recommendation for Optional Insurance Plans administration for 2017 to standardize optional plan offerings for all non-STAR agencies except UWS and UWHC. Mr. Schwartzer seconded the motion, which passed unanimously on a voice vote.

Revisions to "Guidelines for Offering Optional Insurance Plans"

Ms. Stegall presented the Revisions to "Guidelines for Offering Optional Insurance Plans" (Revisions) memo to the Board (Ref. GIB | 2.17.16 | 7B). Ms. Stegall stated that revisions have been made to the Guidelines in order to streamline the document. Language that was more contractual in nature has been moved to Optional Insurance

Plan agreements, and language related to the responsibilities of employers or payroll staff will now be covered in the Administrative Manual.

A checklist has also been added to the Guidelines so that insurers know exactly what information needs to be submitted to ETF for a proposal and what would be expected should they be approved as an Optional Insurance Plan provider moving forward.

MOTION: Ms. Thompson moved to approve the revised version of the “Guidelines for Offering Optional Insurance Plans.” Mr. Schwartz seconded the motion, which passed unanimously on a voice vote.

Status of Long Term Care Agreements

Ms. Mallow referred the Board to the memo, Status of Long Term Care (LTC) Insurance Agreements (Ref. GIB | 2.17.16 | 7C). Ms. Mallow provided a status update in regards to contracting with Long Term Care insurers for 2016.

ETF staff was directed at the November 2014 Board meeting to bring all LTC agreements under a standardized contract under the Board’s purview as part of the initiative to standardize plan offerings for the STAR project. Ms. Mallow stated that ETF has been working with interested providers since October 2015, and that the memo outlines all actions and communications regarding LTC contracting efforts.

As of the week of February 15, 2016, ETF has Memorandums of Understanding signed with two brokers, SeniorCare and Health Choice. A contract to provide long-term care insurance has also been offered to Transamerica.

Ms. Mallow noted that ETF has also been working with Mutual of Omaha. ETF received a response regarding the proposed contract on February 2, 2016, and ETF does not believe the proposed terms are acceptable to the Board. Per Ms. Mallow, unless Mutual of Omaha is willing to consider different terms that the Board will find acceptable, ETF is not willing to pursue a contract with Mutual of Omaha at this time.

Revised standards for LTC contracts will be presented at the May 2016 meeting.

OPERATIONAL UPDATES

The Chair referred the Board to the Operational updates in their Board packets (Ref. GIB | 2.17.16 | 8) and offered that staff were available if the Board had any questions.

The Board took a break from 10:15 a.m. to 10:25 a.m.

The Chair announced that the Board would convene in closed session pursuant to Wis. Stat. § 19.85 (1) (a) for the purpose of quasi-judicial deliberations on an appeal. Ms.

Gibson, Ms. Brockman, Ms. Walk, Mr. Ostrowski and Ms. Daley were invited to stay for closed session.

MOTION: Ms. Thompson moved to convene in closed session, pursuant to the exemptions contained in Wis. Stat. § 19.85 (1) (a) for the purpose of quasi-judicial deliberations on an appeal. Mr. Grapentine seconded the motion, which passed on the following roll call vote:

Members Voting Aye: Carlson, Cyganek, Day, Farrell, Grapentine, Heifetz, Neitzke, Rolston, Schwartzer, Thompson, Litscher

The Board convened in closed session at 10:27 a.m. and reconvened in open session at 10:40 a.m.

ANNOUNCEMENT OF ACTION TAKEN ON BUSINESS DELIBERATED DURING CLOSED SESSION

APPEAL NO. 2014-185-GIB

During closed session, the Board moved to adopt the hearing examiner's proposed decision with modifications as recommended by counsel.

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 10:48 a.m.

Date Approved: _____

Signed: _____

Michael Farrell, Secretary
Group Insurance Board