

Hickory R. Hurie of Madison, Wisconsin

January 26, 2016

Michael Farrell, Chair
Wisconsin Group Insurance Board
% Board Liaison, Department of Employee Trust Funds
PO Box 7931
Madison, Wisconsin 53707-7931

Dear Mr. Farrell

Watching the progress of GIB discussions on the group insurance system, I continue to have two concerns about the Board's directions related to A) the Board's openness and B) its head long plunge toward self-insurance.

I believe the Board yet has an opportunity to be more open about its deliberations on the public group health insurance system and its impacts on Wisconsin lives. I also believe that the Board's own actions, the first years of experience under the ACA, the delays and questions regarding the ACA surcharge, and changes in the health care market place present new opportunities for the Board (and ETF) itself to re-assess its major policy decisions with regard to its own role in health care insurance provision.

A: ISSUE: OPENNESS: I have been deeply disappointed in the Board's passive efforts to gather feedback and opinion from the public regarding its major decisions on group health insurance. As a small example, I was one of those who waited outside during the Board's July 12 secret interviews with the wellness vendor finalists. When the Board reconvened in open session, the Board was quick to take up a motion to enter into sequential negotiations with the three finalists. A vote was taken on the motion to proceed without any substantive discussion as to why the Board choose to proceed with one group over the other two. This deprives the public of the Board's own rationale and direction for a program that is to affect every one of the over 240,000 participants in 2017.

Again, when the agenda for the August 16 meeting first appeared on August 8, there were several key attachments missing regarding the scheduled business of the Board. On August 15 at 1:00 PM, less than 20 hours before the meeting, the electronic version of the Board agenda still omitted two key memos for action before the Board: "2018 contract changes" and an "update on guidelines and uniform benefit changes for 2017", as well as the May 18 open meeting minutes. In addition, the Board made no background material available concerning even the alternatives the Board was scheduled to take up in closed session, such as the set of service area qualifications or the criteria for tier assignments.

SUGGESTION: MORE PUBLIC INPUT: The GIB has no scheduled meeting time for public comment, and does not appear to acknowledge nor respond to written public correspondence received prior to Board meetings (except to the recent DOJ memo regarding Board/ETF July action). The adoption of a seven-day advance availability of key discussion documents would seem to me essential for any public input into Board discussion or understanding of how Board decisions affect participants, the health providers, and Wisconsin communities. Further the Board, its chair, or ETF staff could at least summarize key issues raised by any correspondence to the Board, and provide some sort of brief comment, similar to those summaries of comments found in the Federal Register.

B. ISSUE: MANY CHANGES, LITTLE ASSESSMENT: Second, the Board's major policy decisions

regarding fewer providers, fewer regions, higher out of pocket costs for participants, tiering readjustments, an apparent trend toward higher overall administrative costs, and extensive State collection of personal health information were primarily predicated on the Segal goal of avoiding ACA high value plan surtaxes, and building an extensive proprietary data warehouse center. Yet the health care market has changed. The benefit to the State of taking on more financial risk, of reducing consumer choice, of reducing provider competition, of becoming even more intrusive in doctor-patient relationships, and of relying on Big government regulatory powers to monitor each health system encounter through a reimbursement request method as the ways to cut costs are the wrong approaches to improving what many now regard as a fairly effective and efficient health care system. Further it seems that these public State initiatives place the broader private health care market and its local economies at tremendous risk.

SUGGESTION: BENEFIT-COST STUDY (by someone other than Segal): Hence I would suggest that the Board delay its initiatives to collect personal level health data in an expensive data warehouse, and use the long experienced WHIO aggregated data base as the basis for rate-setting for 2017. I suggest the Board delay its plunge toward more self-insurance, and back off the Board's efforts to shift more participants to the HDHP program, which is the Wisconsin plan most in danger of meeting the ACA Cadillac tax thresholds. Instead I would suggest that the GIB take some time to gather more feedback via surveys and focus groups from its current health care plan participants and the providers, to take stock of what it has done thus far, and what alternatives to the system might meet the twin goals of better health care at reasonable costs. Further I would suggest that the Board/ETF engage in a more thoughtful and analytical study of the benefits and costs if these current policy directions, and examine possible more fruitful alternatives.

I appreciate the opportunity to offer some suggested issues regarding these issues of openness and more thoughtful analytics, and I hope that they will contribute to a better discussion at your coming meetings.

Sincerely,

Hickory R. Hurie

CC: Other members of the GIB, where addresses are available



STATE OF WISCONSIN
Department of Employee Trust Funds
Robert J. Conlin
SECRETARY

801 W Badger Road
PO Box 7931
Madison WI 53707-7931


1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

August 19, 2016

HICKORY HURIE

Dear Mr. Hurie:

This is to acknowledge receipt of your January 26, 2016 letter (received August 16, 2016) to the Group Insurance Board. Your letter will be provided to the Board for review in advance of its November 2016 meeting.

The Board will continue to discuss and analyze the Segal Report recommendations (Observations and Recommendations for 2017 and Beyond) over the next several months. The best way to stay informed is to monitor the work of the Board. Board meeting dates and agendas are located on the ETF website at http://www.etf.wi.gov/boards/board_gib.htm. You may also sign up for automatic e-alerts by clicking the red envelope on our home page. 

Thank you again for your interest in the state health insurance program.

Sincerely,

Sara C. Brockman
Health Policy Advisor

CC 16-053

Hickory R. Hurie of Madison, Wisconsin

Hand delivered to Board staff November 25, 2016

GIB Board Liaison
% ETF Offices
Badger Road
Madison, Wisconsin 53707-7931

Dear Ms. Brockman

During the mid-meeting break of the August 16, 2016 GIB Board meeting, I hand delivered to ETF staff twenty copies of a letter to the Board raising some concerns about public input and the need for an unbiased benefit/cost study of a move toward self-insurance. (The letter was mistakenly dated January 26 although its content was relevant to the August meeting.)

You indicated that while the Board would not receive the letter at that meeting, you would send the letter to the Board in advance of its November meeting. You kindly sent me a follow-up letter dated August 19, 2016, saying that my "letter will be provided to the Board for review in advance of its November meeting..."

When I reviewed the November 30 GIB agenda, I did not see my letter listed as part of item 5. GIB Correspondence.

Respectfully, I ask that you send the letter to the Board prior to their November 30 meeting. The letter raises two issues relevant to the Board's agenda for the November meeting:

- a) The apparent lack of Board openness to public comment, and
- b) The need for additional and unbiased study of the benefits, costs and externalities of any move toward self-insurance. Thus far, the Board has conducted its decision-making about the future of the health insurance program without much of either.

Allow me to cite two suggestions from my letter of August 15:

"SUGGESTION: MORE PUBLIC INPUT: The GIB has no scheduled meeting time for public comment, and does not appear to acknowledge nor respond to written public correspondence received prior to Board meetings (except to the recent DOJ memo regarding Board/ETF July action). The adoption of a seven-day advance availability of key discussion documents would seem to me essential for any public input into Board discussion or understanding of how Board decisions affect participants, the health providers, and Wisconsin communities. Further the Board, its chair, or ETF staff could at least summarize key issues raised by any correspondence to the Board, and provide some sort of brief comment, similar to those summaries of comments found in the Federal Register...."

"SUGGESTION: BENEFIT-COST STUDY (by someone other than Segal): ... I would suggest that the Board delay its initiatives to collect personal level health data in an expensive data warehouse, and use the long experienced WHIO aggregated data base as the basis for rate-setting for 2017. I suggest the Board delay its plunge toward more self-insurance, and back off the Board's efforts to shift more participants to the..."(the Standard Plan now called IYC Access)...", which is the Wisconsin plan most in danger of meeting the ACA Cadillac tax thresholds. Instead I would suggest that the GIB take some time to gather more feedback via surveys and focus groups from its current health care plan participants and the providers, to take stock of what it has done thus far, and what alternatives to the system might meet the

twin goals of better health care at reasonable costs. Further I would suggest that the Board/ETF engage in a more thoughtful and analytical study of the benefits and costs of these current policy directions, and examine possible more fruitful alternatives....”

I appreciate the opportunity to comment, and hope that you indeed will provide this letter and the earlier letter to the Board prior to its November 30 meeting.

Sincerely,

Hickory R. Hurie

CC: Michael Farrell, Chair
Wisconsin Group Insurance Board
% Board Liaison, Department of Employee Trust Funds
PO Box 7931
Madison, Wisconsin 53707-7931

Other members of the GIB, where addresses are available