

2018 Health Insurance Program Overview

GIB Item 7A

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Overview

- Negotiations
- Plan Changes
- Member Impact & Disruption
- Medicare
- Communications Plan

Background



Factors Impacting Negotiations

Affordable Care Act (ACA)

- Uncertain future at national level
- National insurers have withdrawn from state exchanges and markets across the country

State Biennial Budget

- Significant required program savings
- Stalled. No final statutory language on requirement

Group Insurance Board

- Staff aimed to be consistent with Board's direction to maintain benefits for 2018

Negotiations

- Aggressive stance based on budget-required savings. Aimed for:
 - Minimal 2018 medical premium increases
 - Tight requirements for Tier 1 participation
- Result: 10 participating insurers for 2018
 - Most efficient insurers stayed & met premium requirements
 - Less competitive insurers terminated
 - Concern: Data submission requirements for the Truven data warehouse
- Must still make significant draw on reserves to meet savings target

6 Health Plans Leaving

	Area Served	Members Served
Anthem Blue Preferred Northeast	Northeast WI	4,300
Arise Health	Northeast WI	1,700
Health Tradition Health Plan	Western WI	4,600
Humana Eastern and Western, including Medicare Advantage	Eastern & Western WI Medicare Advantage: Nationwide	18,100
UnitedHealthcare of Wisconsin	Eastern WI	14,000
WPS (Contract terminates Dec. 31, 2017)	All of WI, nationwide and the MedicarePlus population	10,600

Health Plans Exiting

- Several lower-performing plans have terminated
 - In terms of quality, grievances and customer service issues
- Terminating health plans are not allowed to re-enter for 3 years

Overall Performance Rating	
Health Plan	Star Rating
Network Health (all plans) ³	★☆☆☆☆
UnitedHealthcare of Wisconsin	★☆☆☆☆
Arise Health Plan	★★☆☆☆
Humana (all plans) ²	★★☆☆☆
Medical Associates Health Plans	★★☆☆☆
Anthem Blue	★★★☆☆
GHC of Eau Claire	★★★☆☆
GHC of South Central Wisconsin	★★★☆☆
Health Tradition Health Plan	★★★☆☆
MercyCare Health Plans	★★★★☆
Physicians Plus	★★★★☆
Unity Health Insurance (all plans) ⁵	★★★★☆
WEA Trust (all plans) ⁶	★★★★☆
Gundersen Health Plan	★★★★☆
Security Health Plan (all plans) ⁴	★★★★☆
Dean Health Insurance (all plans) ¹	★★★★★
HealthPartners Health Plan	★★★★★

2018 Health Plans (Pending Board Approval)

Dean Health
Insurance and Dean
Health Insurance-
Prevea360

Group Health
Cooperative of
Eau Claire

Group Health
Cooperative of South
Central Wisconsin

HealthPartners
Health Plan

Medical Associates
Health Plans

MercyCare Health
Plans

Network Health

Security Health Plan –
Central and Valley

Quartz –
Community and UW
Health

WEA Trust
East, Northwest Chippewa Valley
and Mayo Clinic Health System
IYC Access Plan, Medicare Plus
and State Maintenance Plan

Merger: Quartz

- Gundersen Health Plan, Physicians Plus & Unity Health Insurance
- Offered under the name “Quartz”
- Participants will be automatically enrolled

The Quartz logo is rendered in a bold, red, sans-serif font. The letter 'Q' is notably large and features a thick, rounded tail that curves under the letter.

WPS Replacement: WEA Trust

- Replaces WPS in 2018 for the:
 - IYC Access Plan
 - Medicare Plus
 - State Maintenance Plan
- Offered on a fully insured basis
- Participants will be automatically transitioned

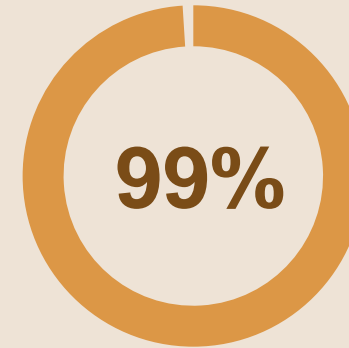


Member Impact



~53,000 Members

Required to change
health plans in 2018



Most members will be
able to keep their current
doctor

Member Impact – Disruption

Facilities



No longer in-network	400
With 2016 claims <\$1k	200
With 2016 claims <\$10k	330
With 2016 claims >\$100k	15
With only 1 patient disrupted	300
Average patients disrupted per facility	3

Member Impact – Disruption

Providers



No longer in-network	1000
With 2016 claims >\$100k	7
With >25 patients disrupted	13
Average patients disrupted per provider	2

Members



Total members disrupted	4500
Total member physician disruption	2500

State Maintenance Plan (SMP)

**1 County for 2018:
Florence**
Compared to 8 in 2017

Minimizing Member Disruption

**ETF & remaining
health plans
identified key gaps
in network**

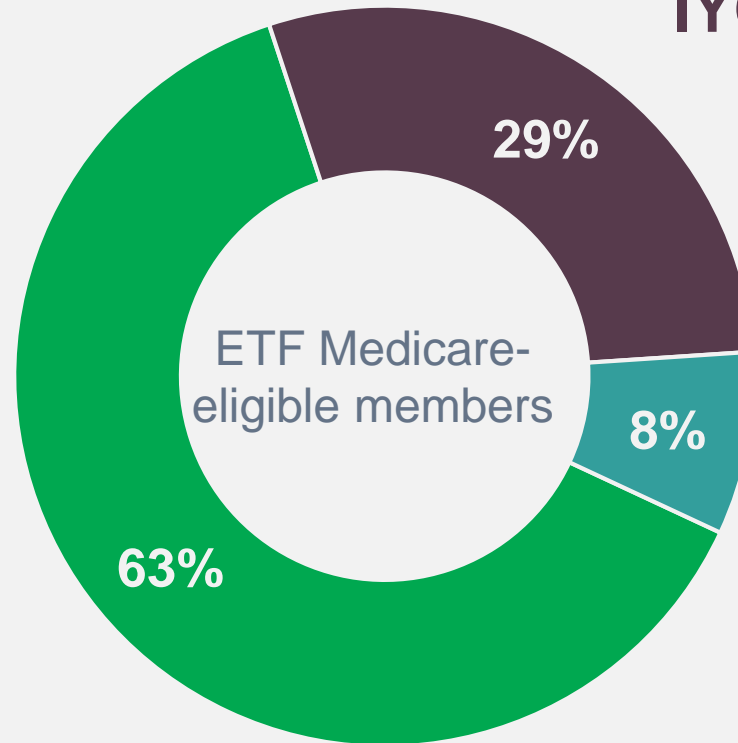
Some plans were able to make affordable expansions to networks to minimize disruption

**Nationwide:
1 clinic not
included**

Of 50 most heavily utilized facilities in 2016

Medicare Options

IYC Health Plan – Medicare
Uniform Benefits



IYC Medicare Plus

Medicare supplement plan
National network

IYC Medicare Advantage

Uniform Benefits, Nationwide Access
No longer available in 2018
RFP to solicit proposals for Medicare Advantage plan starting in 2019

Communications Plan

- Extensive plan targeting: staff, active members, retirees, employers (state & local), health plans, media, the Legislature and other stakeholders
 - Participating health plans: Annual subscriber letter, September
 - Terminating health plans: Mailing to members mid-August, 2nd mailing September
 - For retirees: ETF's communication channels will include the health plans, advocacy groups, direct mail and the website.

Questions?

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