

Letter 11 and Attachment

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Subject: Serious Concerns on Insurance Board Wed., March 21st Actions
Date: Monday, March 19, 2018 10:11:32 AM
Attachments: [POWRS GIB Medicare Advantage 3-18.docx](#)

To Members of the Group Insurance Board, Joint Finance Committee, and Joint Survey Committee on Retirement Systems along with Leaders of the Wisconsin Coalition of Annuitants and Dept. of Employee Trust Funds:

POWRS (Protect Our Wisconsin Retirement Security) is deeply concerned about intended actions at the March 21st meeting of the Group Insurance Board. What is very troubling is the late release of Medicare Advantage survey information on the very day the GIB intends to take action on an "intent to award". There has been no open discussion with active employees and retirees on survey results, and **open discussion is NOT allowed at GIB meetings**. Just when are active employees and retirees going to have an opportunity to discuss their concerns about the survey and the move toward Medicare Advantage plans if not now?

We are requesting that the GIB drop their intended "intent to award", agenda item #4, until such time as active employees and retirees have an opportunity to engage in full discussion on these matters, and be allowed to raise appropriate questions in such a forum. That is a fair and appropriate request given what is at stake. See our attached memo for complete details.

Formally submitted, POWRS Steering Committee, Bill Franks and Roger Springman, Co-Chairs

Protect Our Wisconsin Retirement Security(POWRS)

MEMORANDUM

March 18, 2018

TO: Group Health Insurance Board (GIB)

FROM: POWRS Steering Committee; Bill Franks and Roger Springman Co-Chairs

RE: Serious Medicare Advantage Initiative Failings and Deep Concerns

For the better part of 2017, Employee Trust Funds (ETF) made it clear they would be developing a fair and open appraisal of Medicare Advantage health plan opportunities. That did not happen. On Wednesday, March 21st, it appears the GIB not only intends to finally release Medicare Advantage survey information for the first time, but immediately announce an "intent to award" with significant discussion in closed session. POWRS views this process and agenda as a violation of the open communication standards needed to give active employees and retirees a voice in a policy decision that could have profound impacts on them.

POWRS formally requests the GIB to cancel agenda item 4 regarding the "intent to award" until such time as survey results have been fairly and widely distributed to all partner organizations of the WCOA and such groups as POWRS, AFT-W, and WI Alliance of Retired Americans. Moreover, because such organizations have, once again, been prevented from participating in deliberative meetings where the full range of questions can be asked, it is imperative that an open dialogue format be created BEFORE any contract awarding occurs.

To be sure, in early August 2017, POWRS sent a letter to Sec. Conlin regarding the planned Medicare Advantage Survey and we got a response from the Secretary that said, "*We plan to release both the survey and Medicare Advantage request for proposals early this fall. The survey results will provide insights into what retirees value most in a MA plan and be used in evaluating the strengths of vendor proposals and future program changes*".

So, that was the ETF plan in early August, but what really happened? The survey was finally released in mid-November (hardly early fall) and results were never shared with the WCOA or any other organization at separate meetings. Everyone finds out survey results on the same day and at the same time of the "intent to award" notice. Moreover, in the survey summary provided by ETF, there is no indication of the statistical validity of the survey. 1500 people received the survey, but how many responded by class? Finally, it must be noted that no attempt was made to fully educate respondents on the strengths and dangers of Medicare Advantage programs. We find this omission very alarming. Health care plans are complicated and by not providing fully vetted Medicare Advantage information, the results of the survey must be questioned!

The potential adding of a Medicare Advantage option is no small matter. Medicare Advantage plans are "outside" of CMS control and insurance providers are given wide flexibility in making annual benefit/cost changes. **POWRS takes the position that any Medicare Advantage plan must first be a voluntary choice of active employees and retirees and that ETF/GIB cannot artificially or deliberately manipulate current conventional program benefits or costs to force or induce health plan switching.**

Cc Joint Survey Committee on Retirement Systems, Joint Finance Committee, WCOA, ETF Sec. Conlin

POWRS is a voluntary organization of statewide retiree activists. Follow us on FB @POWRS. Contact us at hotpeppers2@ charter.net