

DRAFT

MINUTES

March 21, 2018

Group Insurance Board
State of Wisconsin



Location:
Lussier Family Heritage Center
3101 Lake Farm Road, Madison, WI 53711

BOARD MEMBERS PRESENT:

Michael Farrell, Chair	Jennifer Stegall
Stacey Rolston, Vice Chair	Nancy Thompson
Herschel Day, Secretary	Bob Ziegelbauer
Waylon Hurlburt	

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Bob Conlin, Secretary	Bureau of Budget, Contract
John Voelker, Deputy Secretary	Administration and Procurement:
Lisa Gurley, Board Liaison	Beth Bucaida
Office of Strategic Health Policy:	
Eileen Mallow, Deputy Director	
Sara Brockman, Rachel Carabell,	
Arlene Larson, Tara Pray	

OTHERS PRESENT:

Associated Bank	Navitus
Debra Kohler	Karen Markstahler
Association of Career Employees	Network Health
Sally Drew, Jack Lawton	Cara Techlin, Hannah Zillmer
Dean Health Plan	POWRS
Katie Beals, Penny Bound	Roger Springman
Department of Administration	Quartz
Derek Sherwin	Cari Alexander, Greg Skemp
ETF Staff	SEA
Monica Anderson, Bonnie Cyganek,	Bob Schaefer
Liz Doss-Anderson, Diana Felsmann,	Securian
Wes Gudenkauf, Dan Hayes, Tarna	Kjirsten Elsner, Jody White
Hunter, Nancy Ketterhagen, Mark	UnitedHealthCare
Lamkins, David Nispel, Mary	Forrest Burke, Jeff Harr, Linda
Richardson, Jessica Rossner,	Jones, Colleen McGlamry, John
Cherylynn Wilkins	Thompson

Board	Mtg Date	Item #
GIB	5.16.18	1

Group Health Cooperative
Elizabeth Dye
HealthChoice Insurance Solutions
Juliett Thill
Humana
Harmony Harrington
Johnson & Johnson
Tom Moore
Legal Fiscal Bureau
Rachel Janke
Legislative Audit Bureau
Martha Czerniakowski, Noah Natzke,
Sara Sanders

UW System
Erin Schoonmaker, Brianna Jobke
WEA Trust
Greg Cieslewicz
WI Association of Health Plans
Tim Lindquist
WORT Radio Station
Gregory Leboski

Michael Farrell, chair, called the meeting of the Group Insurance Board (Board) to order at 8:30 a.m.

CONSIDERATION OF FEBRUARY 21, 2018, OPEN MEETING MINUTES

MOTION: Ms. Thompson moved to approve the open session meeting minutes of the February 21, 2018, meeting as submitted by the Board Liaison. Ms. Rolston seconded the motion, which passed on a voice vote.

ANNOUNCEMENTS

Ms. Mallow made the following announcements:

- Shayna Schomber is no longer with the Department of Employee Trust Funds (ETF) as of March 1, 2018.
- Jessica Rossner has been promoted to the Lead Worker for Compliance and Data Analytics
- There are currently four vacancies for program managers within the Office of Strategic Health Policy (OSHP).
- The May Group Insurance Board meeting looks to be a long meeting with a full agenda.

Mr. Voelker informed the Board that ETF is in the final stages of recruitment for Lisa Ellinger's previous Director of OSHP position. ETF is currently scheduling second interviews.

Revise the Established *It's Your Choice* Enrollment Period

Ms. Brockman referred the Board to the memo, Revise the Established *It's Your Choice* Open Enrollment Period (Ref. GIB | 3.21.18 | 2.5). She provided an overview of the revised *It's Your Choice* (IYC) Enrollment Period and requested the Board approve

October 1-26, 2018, as the IYC open enrollment period for plan year 2019. Ms. Brockman said the reason for changing the previously approved IYC enrollment period is due to a revised enrollment finalization date for the payroll centers.

MOTION: Mr. Hurlburt moved to approve October 1 – 26, 2018, as the It's Your Choice (IYC) open enrollment period for plan year 2019. Mr. Day seconded the motion, which passed on a voice vote.

Medicare Advantage

Ms. Mallow provided an update on Medicare Advantage (MA) and reminded the board that the group health insurance program has offered an MA plan through Humana until the current plan year, when Humana withdrew its participation.

Ms. Mallow informed the Board that the MA recommendations from ETF are consistent with results from the Medicare Options member survey. She explained that the MA plan is simply another option and not a full replacement, and that the MA plan will continue alongside the current health plans using a Medicare supplement. She also explained that the proposed group MA plan is a lower cost option which is tightly regulated and subject to CMS regulations, and that the benefits with this plan are consistent with Uniform Benefits.

Ms. Mallow stated that in reference to Segal reports, the Board and public should be aware that the potential outcomes which have been identified in Segal's reports are not locked in stone. Ms. Mallow shared with the Board that staff consider Segal's recommendations as one item for consideration in implementing program changes. ETF recommendations also consider what the member wishes are regarding additions or changes in their health care options.

Ms. Pray referred the Board to the memo, Medicare Options Survey Results (Ref. GIB | 3.21.18 | 3) and provided an overview of the Medicare Survey. Among the key findings: respondents want low monthly premiums, a need for nationwide coverage, and respondents preferred to include familiar health plan and provider options. Ms. Pray stated there was a 61% response rate among those surveyed; 83% were retired; and the average age of participants was just under 71.

ASSESSMENT OF AND DELIBERATION ON PROPOSALS FOR MEDICARE ADVANTAGE (ETH0020)

Ms. Carabell presented the RFP results for the Medicare Advantage (MA) Proposals (ETH0020). She provided background information pertaining to the goals of this RFP selection process – these included expanding Medicare offerings that have lower monthly premium costs than the current Medicare options; deliverance of high-quality and high-value services; an array of benefit packages; and choices for the participants that reflect their input.

Ms. Carabell highlighted benefits of providing an MA plan. These include: CMS oversight; quality; simplicity; and lower cost. A significant advantage is the use of star ratings that are given from CMS to applicable plans. Ms. Carabell also explained that the MA bid options could include a medical-only or a medical and prescription drug bid from potential vendors. Provider networks included in the bid options were either a nationwide passive PPO plan or a regional plan for Wisconsin only. Vendors that submitted nationwide proposals had to include a bid for both medical and prescription drugs.

Ms. Carabell highlighted the RFP scoring categories, which included experience, service, implementation, management of health, providers, data, and costs and networks available.

Ms. Larson discussed the proposals that were received, which included two nationwide passive PPOs and three Wisconsin regional only plans. She highlighted that the MA recommendation was to award the contract to one nationwide vendor that offered lower premiums, was consistent with participant survey feedback, and one who could further ETF's goal to maintain a competitive insurer environment. Ms. Larson said that ETF will present the final rates and technical contract changes to the Board in May.

The Chair announced the Board would convene in closed session pursuant to Wis. Stats. § 19.36 (5) in accordance with the exemptions contained in Wis. Stats. § 19.85 (1) (e) to deliberate or negotiate the investing of public funds or to conduct other specified public business, whenever competitive or bargaining reasons require a closed session. Staff from ETF, the Department of Administration (DOA), Jack Lawton from ACE, and actuarial advisors from Segal Consulting (Segal) were invited to remain during the closed session.

MOTION: Ms. Stegall moved to convene in closed session, pursuant to Wis. Stats. §. 19.85(1) (e) and 19.36 (5) to: deliberate or negotiate the investing of public funds or to conduct other specified public business, whenever competitive or bargaining reasons require a closed session; and, presentations that may contain information that has been designated as confidential and proprietary. Ms. Thompson seconded the motion, which passed on the following roll call vote:

Members Voting Aye: Day, Farrell, Hurlburt, Rolston, Stegall, Thompson, Ziegelbauer

Members Absent: Grapentine, Neitzke, Sullivan, Wieske

The Board convened in closed session at 9:07 a.m.

The Board reconvened in open session at 10:50 a.m.

Announcement of Business Deliberated During Closed Session

Mr. Farrell announced that the Board heard presentations from ETF staff and the recommended vendor on proposals for Medicare Advantage in closed session.

Issuance of Letter of Intent to Award Contract

MOTION: Mr. Ziegelbauer moved to grant authority to the Secretary of ETF to issue a letter of intent to award the contract for Medicare Advantage (MA) (RFP # ETH0020) to UnitedHealthCare (UHC) with prescription drug coverage offered by Navitus Health Solutions (Navitus) for the period of May 16, 2018 through December 31, 2021, with the potential for two, two-year extensions, subject to successful contract negotiations, and to accept staff recommendation that the Medicare Advantage Plan (ETH0020) be provided in addition to current offerings with coverage effective January 1, 2019. Ms. Rolston seconded the motion, which passed on the following roll call vote:

Members Voting Aye: Day, Farrell, Hurlburt, Rolston, Stegall, Thompson, Ziegelbauer

Members Absent: Grapentine, Neitzke, Sullivan, Wieske

OPERATIONAL UPDATES

Mr. Farrell referred the Board to the Operational Updates in the Board packets (Ref. GIB | 3.21.18 | 5) and offered that staff were available if the Board had questions.

Mr. Conlin highlighted a revised GIB Correspondence policy regarding timeliness of correspondence received by the board.

Ms. Mallow discussed GIB correspondence further. Topics from letter writers included member-specific concerns, the Medicare Advantage RFP, and questions regarding limitations on health insurance coverages.

Ms. Mallow directed the Board to the Wisconsin Public Records Law Training presentation and reminded them that acknowledgement of completion should be returned to the Board Liaison prior to departing from the day's meeting.

ADJOURNMENT

MOTION: Ms. Thompson moved to adjourn the meeting. Mr. Ziegelbauer seconded the motion, which passed unanimously on a voice vote.

The meeting adjourned at 11:01 a.m.

Date Approved: _____

Signed: _____

Herschel Day, Secretary
Group Insurance Board