

Supplemental Insurance Program Proposals



Item 5B - Group Insurance Board

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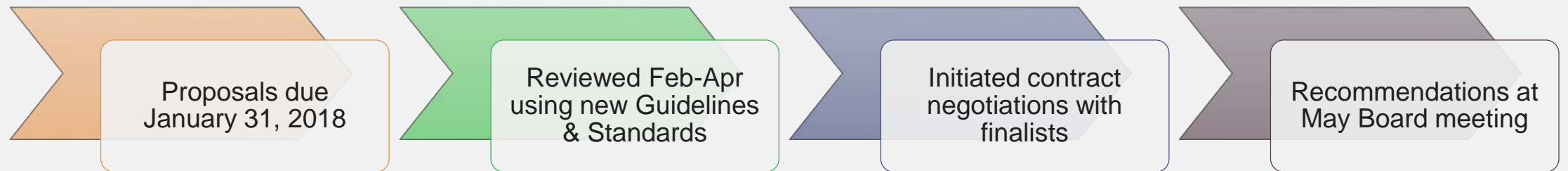
Office of Strategic Health Policy



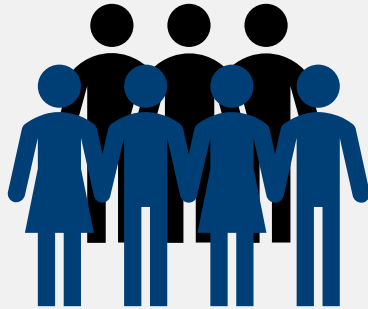
Staff recommends the Board approve contracting with:

- Delta Dental (Delta), for two supplemental dental plans
- VSP, for vision coverage
- Zurich, for AD&D coverage

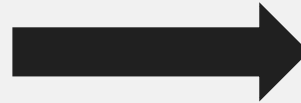
Revised proposal process



Proposals received



Seven Vendors



Fourteen Proposals

Successful vendors:

- ✓ Met all criteria listed in the guidelines
- ✓ Passed reference checks
- ✓ Offered the best value for the best price
- ✓ Will provide technical assistance and marketing plans for 2019 onboarding
- ✓ Have made substantial progress in contract negotiations to date

Recommended vendors

Delta Dental of WI

- Supplemental dental plans

Zurich North America

- AD&D

Vision Service Plan (VSP)

- Vision coverage

Delta Dental Plan Design

- Does NOT duplicate any Uniform Dental benefits
- Two coverage tiers → members may select one
- Higher coverage tier includes:
 - Broader network
 - Lower deductible
 - Higher benefit maximum
 - Adult orthodontia
- No waiting period before benefits take effect

Delta Dental 2019 Premiums

Plan Type	Exclusive Plan Active Employee Premiums	Exclusive Plan Retiree Premiums	Choice Plan Active Employee Premiums	Choice Plan Retiree Premiums
Employee or Retiree Only	\$8.55	\$14.25	\$16.19	\$25.83
Employee or Retiree + Spouse	\$17.10	\$28.50	\$32.38	\$51.66
Employee or Retiree + Child	\$11.54	\$19.24	\$29.95	\$47.79
Family	\$20.52	\$34.20	\$49.38	\$78.78

Zurich Plan Design

- AD&D coverage is similar to 2018 policy
- Added Identity Theft Protection
 - Cost = \$0.002 per \$1,000 coverage

Zurich Premiums

Plan Type	Premium
Employee Only (General)	\$0.028 per \$1,000
Employee Only (Protective Occupations)	\$0.046 per \$1,000
Family (General)	\$0.038 per \$1,000
Family (Protective Occupations)	\$0.062 per \$1,000

VSP Plan Design

- Benefits increased to 2018 in order to meet loss ratio shortfall
- Proactive changes in 2019 proposal
 - Additional \$30 for preferred brand name frames
 - Standard progressive lenses covered at no charge to member
 - Active employee rates decreased by 2.4%
 - Retiree rates decreased by 3.3%
- Rates guaranteed through 2022

VSP Premiums

Plan Type	Actives	Retirees
Employee or Retiree Only	\$6.38	\$6.38
Employee or Retiree + Spouse	\$12.76	\$12.76
Employee or Retiree + Child	\$14.38	\$12.76
Family	\$22.98	\$14.98

Long-term care proposal

- One proposal received from Mutual of Omaha
- Does not meet Standards criteria
- Staff does not currently recommend contracting with vendor in 2019
- Option: pend decision until August and work with HealthChoice to facilitate contract negotiations



Questions?

Thank you



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