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Correspondence Memorandum

Date: August 8, 2018

To: Group Insurance Board

From: Tricia Sieg, Supplemental Plans Manager
 Office of Strategic Health Policy

Subject: University of Wisconsin Hospital and Clinics Supplemental
 Plans Changes

The memo is for informational purposes only. No Board action is required.

Background

In November 2014, March 2015 and February 2016 the Board issued directives related to uniformly offering supplemental insurance plans to all state employees. This memo updates the board on the supplemental insurance plans offered by University of Wisconsin Hospital and Clinics and how they differ from the plans offered to a majority of state employees.

The UW System (UW) and UW Hospitals and Clinics (UWHC) have been allowed to offer grandfathered supplemental insurance plans to their employees in addition to those provided to other state employees and annuitants ([Ref. GIB | 2.17.18 | 7A](#)). The rationale for offering supplemental plans different from what the Board offers is based on 1978 Wis Admin. Code §26.03 (renumbered as ETF10.20).

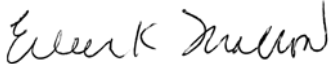
ETF received information from UWHC on August 6, 2018, about upcoming modifications to two of their existing, grandfathered benefit plans. Attachment A is a memo from UWHC explaining their supplemental plan changes.

Accidental Death and Dismemberment (AD&D) Supplement Plan Update

UWHC does not offer ETF's AD&D benefit to employees; however, it offers a similar plan, also offered through Zurich North America. UWHC is adding identity theft protection to its coverage certificate.

UWHC's Grandfathered Supplemental Dental Plan Update

UWHC is modifying its existing supplemental dental plan, offered through Delta Dental of Wisconsin. The plan is similar to the Uniform Dental Benefits plan offered by the state

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy  Electronically Signed 8/13/18

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group health insurance program; however, UWHC employees will be able to buy preventative dental coverage without belonging to state plan. These employees will also be eligible to enroll in one of the Board's supplemental dental plans.

Staff will be available at the Board meeting to answer any questions.

Attachment: University of Wisconsin Hospital and Clinic's Request to Update Benefits

Correspondence Memorandum

Date: August 7, 2018
To: Group Insurance Board
From: Anthony J. Dix, MBA, SPHR, SHRM-SCP Director, HR Services UW Health
Subject: Request to update benefits offered through current UWHC Grandfathered Plans

UWHC is requesting to make some enhancements to our current benefit plans upon the January 1, 2019 renewal:

1) AD&D coverage offered through Zurich

- Include an ID Theft Benefit
 - Given the growing amount of individuals' identities being compromised, we feel strongly that adding this coverage will certainly assist our employees and family members. Not only will they have the necessary resources needed to navigate through these situations, they will have the benefit of a very strong and reputable insurance carrier behind them. Unfortunately, no one is isolated from identity theft and we feel being allowed to offer this benefit enhancement to our employees will certainly prove to be very positive for all in the long run. UWHC employees are not eligible for the ID Theft Benefit which will be offered through the State AD&D plan effective January 1, 2019, this change will allow UWHC employees the opportunity to still receive similar benefits that are available to other State employees.

2) Delta Dental coverage

- Change annual deductible from individual \$25 PPO network and \$50 Premier network to \$50 Individual/\$100 Family
- Change sealant coverage to 100% and increase to age 19
- Change basic coinsurance to 100% for the PPO network (while retaining 80% for the Premier network)
- Add composite (white) fillings coverage on posterior (back) teeth, not subject to the amalgam allowance

This request allows UWHC to continue offering benefits which stay within current market trends. In addition, for those employees who are not enrolling in the medical benefit through the State and therefore will not be eligible for Uniform dental, the opportunity to enroll in similar basic dental coverage.

Thank you for your consideration of our requests.