



**STATE OF WISCONSIN**  
**Department of Employee Trust Funds**  
 Robert J. Conlin  
 SECRETARY

Wisconsin Department  
 of Employee Trust Funds  
 PO Box 7931  
 Madison WI 53707-7931  
 1-877-533-5020 (toll free)  
 Fax 608-267-4549  
 etf.wi.gov

**Correspondence Memorandum**

**Date:** November 5, 2018  
**To:** Group Insurance Board  
**From:** Eileen Mallow, Director  
 Office of Strategic Health Policy  
**Subject:** GIB Research Topics Progress Update

**This memorandum is for Informational purposes only. No Board action is required.**

At the August 22, 2018 meeting, ETF was asked to research issues that are of interest to the Board. This memo provides an update and planned next steps on the suggested research areas.

Issue: Research bariatric surgery coverage statistics

ETF will add this item to the list of benefit changes for the 2020 plan year. As with any benefit change evaluation, we will collect best practices for providing coverage, including using Centers of Excellence; evaluate possible benefits; and use the actuary to estimate cost to the program. Bariatric surgery was not adopted for the 2019 plan year, after the estimated cost to the plan was determined to cost \$800,000 to \$2.6 million annually. In 2016, the last year bariatric surgery was available as a covered benefit, 26 members used the benefit.

Issue: Improve Board member input for establishing Board meeting agendas

The OSHP Director will offer a tentative agenda for the next regularly scheduled meeting. (Ref. GIB | 11.14.18 | Item 13) addresses this question.

ETF has also created a “base agenda” for the regularly scheduled board meetings to assure that items needing GIB votes are presented in a timely fashion. A copy of the base agenda is included as an attachment to this memo.

Issue: Research On-Site Clinics

A discussion memorandum, summarizing ETF research to date related to an on-site clinic offering (Ref. GIB | 11.14.18 | Item 12A2), is included in this meeting’s materials. The memo includes initial data evaluation to identify possible diagnoses that could be

Reviewed and approved by John Voelker, Deputy Secretary  
  
 Electronically Signed 11/9/18

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addressed in an on-site clinic; feedback from insurers and other states about costs and their experience in establishing on-site clinics; the results of a conference attended by OSHP staff, and next steps. One future area of investigation is the availability of telemedicine as a cost-effective substitute for on-site clinics. We will complete our evaluation for the Board's consideration at the February 2019 meeting.

Issue: Feasibility options for self-insuring the health plan for 2020

In its recommendations to the GIB in 2015, Segal Consulting recommended self-insuring as a modernization step. ETF issued a Request for Proposals (RFP) to determine the feasibility and financial impact of self-insuring and the results were presented to the Board at its December 13, 2016 meeting (Ref. GIB | 12.13.16 | 4A). Following the direction established by the Legislature's Joint Committee on Finance (JFC), the self-insuring plan adopted by the Board was submitted for JFC approval and was subsequently voted down 16-0 in June 2017. The requirement for JFC prior approval of any self-insured health plan offering remains a requirement.

To be able to move a self-insuring plan forward, the following would need to occur, with estimated timelines to complete:

1. Re-draft the previous RFP, updating for programmatic changes that have occurred. (4 months)
2. RFP released to proposers (2 months)
3. RFP responses evaluated (4-6 months, depending on number of proposals received)
4. Secure Board approval (1 month)
5. Submit plan to JFC for approval (3 months)
6. Implementation would need to be completed by mid-July prior to an open enrollment period.

Given the timeline outlined above, the earliest a self-insured plan could be put in place would likely be the 2021 plan year. Prior to re-submitting a self-insured plan to the JFC, ETF would recommend that we undertake an effort to understand the JFC's objections to the prior plan, so the issues can be addressed and resolved.

Issue: Research Administrative Fee Changes

(Ref. GIB | 11.14.18 | 12A1) is a memorandum from Cindy Klimke-Armatoski, summarizing administrative fee changes over the past six years. The primary reason for the increase in administrative fees is the payment to employees who successfully completed a health risk assessment and wellness activity.

Issue: Research Possibility of a Focus Group

ETF established the Member Communication and Education (MC&E) committee in 2016 to collect input from members and employers and to educate committee members on changes to our plan offerings. ETF staff continue to research additional options to collect this information for presentation to the Board. An update will be provided at the February 2019 meeting.

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Issue: Research “Right to Shop” options

ETF continues to research reference pricing models that would help members identify the most cost-effective providers for specific medical procedures. We are evaluating a Value Based Insurance Design (VBID) options that could be piloted with our members.

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

Attachment: Base Agenda

## Group Insurance Board Base Agendas

(Include sub-points for each base agenda item from past agendas)

February	May	August	November
<ul style="list-style-type: none"> <li>✓ Call to Order</li> <li>✓ Minutes</li> <li>✓ Announcements</li> <li>✓ Election of Officers</li> <li>✓ Health Insurance                             <ul style="list-style-type: none"> <li>▪ Guidelines/Uniform Benefits Timelines and Discussion</li> <li>▪ <i>It's Your Choice</i> Enrollment Statistics and Open Enrollment</li> </ul> </li> <li>✓ Employee Reimbursement Account and Health Savings Account Programs                             <ul style="list-style-type: none"> <li>▪ Third Party Audits of TASC Update</li> </ul> </li> <li>✓ Operational Updates                             <ul style="list-style-type: none"> <li>▪ GIB Correspondence</li> <li>▪ Legislative Update</li> <li>▪ Administrative Rules Status Update</li> <li>▪ Legal Case Update</li> <li>▪ Ombuds Contact Report</li> <li>▪ Annual Pending Appeals Status Report</li> <li>▪ Local Employers Joining or Leaving the Wisconsin Group Health and Income Continuation Insurance Programs                                     <ul style="list-style-type: none"> <li>▪ Proposed 20__ Meeting Dates</li> <li>▪ Governance Manual Updates</li> <li>▪ Wisconsin Public Records Law Basics Training</li> </ul> </li> </ul> </li> <li>✓ Future Items for Discussion</li> </ul>	<ul style="list-style-type: none"> <li>✓ Call to Order</li> <li>✓ Minutes</li> <li>✓ Announcements</li> <li>✓ Health Insurance                             <ul style="list-style-type: none"> <li>▪ Guidelines/Uniform Benefits</li> <li>▪ Dental Plan Changes</li> <li>▪ Review and Accept Recommendations for plan year 20__</li> </ul> </li> <li>✓ Supplemental Plan Changes</li> <li>✓ ICI Insurance Program                             <ul style="list-style-type: none"> <li>▪ Acceptance of State and Local Actuarial Valuations and rate setting</li> </ul> </li> <li>✓ Board Policy Updates (every 3 years: 2018, 2021, 2024)</li> <li>✓ Operational Updates                             <ul style="list-style-type: none"> <li>▪ GIB Correspondence</li> <li>▪ Legislative Update</li> <li>▪ Administrative Rules Status Update</li> <li>▪ Legal Case Update</li> <li>▪ Updated GIB Roster</li> <li>▪ Income Continuation Insurance Annual Report</li> <li>▪ Annual Ombuds Contact Report/20__ Health Plan and Pharmacy Benefit Manager Grievance and Independent Review Report</li> </ul> </li> <li>✓ Future Items for Discussion</li> </ul>	<ul style="list-style-type: none"> <li>✓ Call to Order</li> <li>✓ Minutes</li> <li>✓ Announcements</li> <li>✓ Health Insurance                             <ul style="list-style-type: none"> <li>▪ Alternate Plans                                     <ul style="list-style-type: none"> <li>○ Service Area Qualifications</li> <li>○ 20__ Tier Assignments</li> <li>○ Financial Status</li> <li>○ Uniform Benefits Update</li> </ul> </li> <li>▪ HEDIS &amp; CAHPS Report</li> </ul> </li> <li>✓ Life Insurance                             <ul style="list-style-type: none"> <li>▪ Life Insurance Annual Report</li> <li>▪ Recommendation for 20__ Premium Rates</li> </ul> </li> <li>✓ Operational Updates                             <ul style="list-style-type: none"> <li>▪ GIB Correspondence</li> <li>▪ Legislative Update</li> <li>▪ Administrative Rules Status Update</li> <li>▪ Legal Case Update</li> <li>▪ Ombuds Contact Report</li> <li>▪ <i>It's Your Choice</i> Booklet Updates</li> <li>▪ Annual Update for Optional Plans</li> </ul> </li> <li>✓ Future Items for Discussion</li> </ul>	<ul style="list-style-type: none"> <li>✓ Call to Order</li> <li>✓ Minutes</li> <li>✓ Announcements</li> <li>✓ Health Insurance</li> <li>✓ Wisconsin Health Insurance market: Review and Update of Developments</li> <li>✓ 20__ Program and Operational Clarifications for the Group Health Insurance Program (GHIP)/Current State &amp; Overview</li> <li>✓ <i>It's Your Choice</i> Communications</li> <li>✓ Life Insurance</li> <li>✓ Contract Extensions (as needed)</li> <li>✓ Board Policy Approvals</li> <li>✓ Operational Updates                             <ul style="list-style-type: none"> <li>▪ GIB Correspondence</li> <li>▪ Legislative Update</li> <li>▪ Annual Ombuds Contact Report/20__ Health Plan and Pharmacy Benefit Manager Grievance and Independent Review Report (Verbal)</li> <li>▪ Administrative Rules Status Update</li> <li>▪ Legal Case Update</li> <li>▪ Quarterly Audit Report</li> </ul> </li> <li>✓ Future Items for Discussion</li> </ul>

**\*\*Rotate Program Vendor Update Presentations throughout the year: 2 in February and 2 in November**