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Correspondence Memorandum

Date: August 2, 2019
To: Group Insurance Board
From: Tim Steiner, Director
Bureau of Budget, Contract Administration & Procurement
Subject: Group Insurance Board (GIB) Authority Contracts Update

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

Contracts and Amendments Executed since the May 2019 Update

- **Uniform Dental Benefits:** The amendment to extend the current contract with Delta Dental through December 31, 2021 per GIB action in November 2018 has been executed. This amendment also amends and extends service guarantees through the end of the contract, adds benefit changes for calendar year 2020 as approved by the Board on May 15, 2019, and adds transition plan requirements. The Board Chair signed this amendment, and costs to ETF are unchanged from the January 2018 increase to \$1.14 per contract per member administrative fee.
- **Income Continuation Insurance:** The amendment to extend the current contract with The Hartford Group through December 31, 2021 per GIB action in November 2018 has been executed. The Board Chair signed this amendment and the \$2,658,000 administrative fee paid by ETF will be adjusted to reflect inflation for calendar year 2020.
- **Group Life Insurance:** The amendment to extend the current contract with Securian Financial through December 31, 2021 per GIB action in February 2019 has been executed by the Board Chair. A Request for Proposals (RFP) will be issued in early 2020 for a new contract to be in place for administering this program effective January 1, 2022.
- **ERA, HSA, and Commuter Benefits Program:** The contracts with ConnectYourCare have been executed by the Board Chair. Implementation is in progress for program administration to begin January 1, 2020.

Reviewed and approved by Pamela Henning, Assistant Deputy Secretary

Pamela L Henning

Electronically Signed 8/5/19

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- **Contract Compliance Audit Services for the Life Insurance Program:** A contract with Wipfli for \$20,250 has been executed to begin an audit in January of 2020 covering calendar years 2018 and 2019. Wipfli is currently auditing the program under a previous contract covering calendar years 2015, 2016, and 2017 for \$20,291. The ETF Secretary is the signatory for these contracts.
- **Contract Compliance Audit Services for the Data Warehouse and Wellness Programs:** Two amendments to the Segal contract for actuarial services have been executed by the ETF Secretary to expand the scope of work to include compliance audits of the Data Warehouse and Wellness contracts at a cost of \$40,000 and \$63,000 respectively.
- **Supplemental Employee-Pay-All Plans:** A contract has been executed with Securian Life Insurance Company for Group Accident Insurance for 2020. Implementation is in progress for program administration to begin January 1, 2020. A contract has been executed with Delta Dental of Wisconsin for optional dental insurance for 2020-2021. The existing contract with Vision Service Plan for optional vision insurance is in effect through 2020. The Board Chair is the signatory to these contracts.
- **Long-Term Care Insurance:** The memorandum of understanding for Long-Term Care (LTC) Insurance with Mutual of Omaha will be ending on December 31, 2019. No LTC insurance will be available during It's Your Choice for calendar year 2020.
- **Wellness and Disease Management:** The GIB approved a two-year extension of the contract with Staywell to December 31, 2021 at its November 2018 meeting. The amendment to extend the contract for the first year to December 31, 2020 has been executed by the Board Chair with the inclusion of additional performance guarantees, provision of data exports to the pharmacy benefit administrator, some customized member communications, and an additional StayWell resource (at no additional charge to ETF).

Contracts and Amendments Currently Pending

- **Wisconsin Health Information Organization (WHIO):** ETF continues to work with WHIO on a new contract beginning January 1, 2020, which modifies the current arrangement of a three-party contract with the Department of Health Services to a contractual relationship strictly between ETF and WHIO.
- **UnitedHealthcare (UHC) Medicare Advantage Program:** UHC's current contract term ends December 31, 2021; there are two additional two-year renewal periods remaining. However, ETF continues to negotiate with UHC on language in the 2020 plan year Group Health Insurance Program Agreement regarding the requirement to submit data to WHIO.

- **Data Warehouse:** Discussions are underway with IBM to address refinement of performance guarantees and extend the contract term.
- **Contract Compliance Audit Services for the Pharmacy Benefit Program:** The current contract with PillarRx is nearing completion. PillarRx has been awarded a new contract to continue contract compliance audits for the pharmacy benefit program, which is expected to begin January 1, 2020.

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