

DRAFT

MINUTES

May 15, 2019

Group Insurance Board

State of Wisconsin



Location:

Hill Farms State Office Building – CR N108
4822 Madison Yards Way, Madison, WI 53705

BOARD MEMBERS PRESENT:

Herschel Day, Chair
Nathan Houdek, Vice-Chair
Nancy Thompson, Secretary
Harper Donahue IV
Chuck Grapentine

Katy Lounsbury
Brian Pahnke
Stacey Rolston
Jennifer Stegall
Bob Wimmer

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Office of the Secretary

Bob Conlin, Secretary
John Voelker, Deputy Secretary
Lisa Gurley, Board Liaison

Office of Strategic Health Policy

Eileen Mallow, Sara Brockman,
Molly Heisterkamp, Arlene Larson,
Tara Pray, Tricia Sieg,
Xiong Vang, Renee Walk

Bureau of Budget, Contract

Administration and Procurement:

Joanne Klaas

Division of Retirement Services, Benefit Services Bureau:

Jim Guidry

Office of Policy, Privacy and

Compliance:

Laura Patterson

OTHERS PRESENT:

ACE/WCOA

Jack Lawton

Baraboo Ambulance Services

Troy Snow

CGHC

Melissa Duffy

Dean Health Plan

Penny Bound

Delta Dental

Megan Wohlfeil

Department of Administration

Derek Sherwin

Milliman, Inc

Paul Correia

Momentum Insurance

Stephanie Steel

Navitus

Ryan Olson

Network Health

Vanessa Cagal, Cara Techlin, El B

Quartz

Linsey Tennyson

Securian

Kjirsten Elsner, Eli Voger

Board	Mtg Date	Item #
GIB	8.21.19	2

Department of Employee Trust Funds

Monica Anderson, Jeff Bogardus,
Beth Bucaida, Kelly Burnett,
Rachel Carabell, Hannah Dem sien,
Liz Doss-Anderson, Erin Esser,
Diana Felsmann, Gina Fischer,
John Freidheim, Dan Hayes,
Pam Henning, Tarna Hunter,
Megan Jeffers, Bruce Johnson,
James Kates, Cindy Klimke,
Brittney Kruchten, Steve Mueller,
David Nispel, Tom Rasmussen,
Mary Richardson, Jessica Rossner,
Amelia Slaney, Dustin Sperl,
Brian Stamm, Yikchau Sze,
Andrea Vitale, Douglas Wendt,
Wade Whitmus, Cheryllynn Wilkins

GHC-SCW

Darin Lind

HealthChoice

Cliff Morris, Gary Praznik

IBM Watson Health

Oladipo Fadiran

J&J

Dennis Mieski, Tom Moore

Legislative Audit Bureau

Martha Czerniakowski, Stephanie Yost

SGR/M3

Travis Theisen

StayWell

David Gregg, Morgan Meinan,
Kristi Mulcahey, Emili Rathjen

UnitedHealthCare

Colleen McGlamry, John Thompson

UW Health

Karen Hensal

UW-Madison

Michael Collins

UWHC

Anthony Dix

UW System

Brianne Jobke, Erin Schoonmaker,
Amanda Sonnenburg

WI Association of Health Plans

Tim Lundquist

WEA Trust

Greg Cieslewicz

WHA

Lisa Ellinger

Wisconsin Courts

Caitlin Frederick

Herschel Day, Interim Chair, called the meeting of the Group Insurance Board (Board) to order at 8:30 a.m.

ANNOUNCEMENTS

Ms. Mallow made the following announcements:

- Welcome two new Board members:
 - Harper Donahue IV, Director of Human Resources for the City of Madison
 - Katy Lounsbury, Shareholder Attorney at Ehlke, Bero-Lehmann and Lounsbury, S.C;
- Brian Stamm has joined ETF as the Deputy Director within the Office of Strategic Health Policy (OSHP);
- Dustin Sperl will be a summer actuarial intern with OSHP;
- Tim Steiner is joining ETF as the Director of the Bureau of Budget Contract Administration and Procurement;
- Dan McCarthy is ETF's new Chief Information Officer; and
- Greg Beach is ETF's new Chief Information Security Officer

Ms. Mallow updated the agenda regarding the ERA/HSA item. (Ref GIB | 5.15.19 | 11A). This item will no longer be an action item for the Board. This item will be set aside for consideration at a future meeting when more data is available.

Ms. Mallow also stated the Board packets were full of reports to the Board regarding programs that are in front of the Board. ETF encourages Board members to ask questions and provide guidance on areas that they would like more information on.

CONSIDERATION OF OPEN AND CLOSED MINUTES OF THE FEBRUARY 20, 2019 AND APRIL 12, 2019 MEETINGS

MOTION: Ms. Thompson moved to approve the open and closed session meeting minutes of the February 20, 2019, meeting as submitted by the Board Liaison. Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.

MOTION: Ms. Thompson moved to approve the open and closed session meeting minutes of the April 12, 2019, meeting as submitted by the Board Liaison. Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.

ELECTION OF OFFICERS

MOTION: Mr. Grapentine moved to nominate Herschel Day as Chair, Nathan Houdek as Vice-Chair and Nancy Thompson as Secretary of the Group Insurance Board. Ms. Rolston seconded the motion, which passed unanimously on a voice vote.

LAB AUDIT UPDATE

Ms. Mallow provided an update on ETF's work responding to the Legislative Audit Bureau's (LAB) audit of the Group Insurance Board. She referred the Board to the LAB Audit Update memo (Ref. GIB | 5.15.19 | 4) and informed the board ETF is in the process of implementing various initiatives to address the LAB's recommendations and is on track to submit a written report to the Joint Legislative Audit Committee by November 22. She stated that a draft report will come to the Board at its November meeting for review. Ms. Mallow stated that 8 recommendations are complete, 24 are in progress and 1 is not yet started. One of the LAB's findings directs ETF to work with the Board to improve oversight of the group health insurance, life insurance and disability programs. ETF staff will request Board direction to be responsive to this finding.

Mr. Conlin informed the Board of the requirement under the Group Health Insurance Program's audit that ETF must respond to the Joint Legislative Audit Committee. He also added that LAB audits the Wisconsin Retirement System and related programs as well as other areas that they feel need to be looked at as part of their annual financial audit.

PROCUREMENT AND BOARD DELEGATION

Ms. Klaas referred the Board to the Delegation of Board Authority memo (Ref. GIB | 5.15.19 | 5). She stated this memo will help to clarify the Board's delegation of authority to the ETF Secretary for executing health insurance program actuarial services contracts and contract amendments. Ms. Klaas also provided history of the ETF Board's decision to delegate the authority on September 25, 2014 to the Group Insurance Board to contract with the health insurance program actuary.

MOTION: Ms. Stegall moved to clarify the Board's delegation of authority to the ETF Secretary for executing health insurance program actuarial services contracts, including contract amendments. Further, this existing delegation of authority will remain in effect until September 25, 2022 but may be extended by the ETF Board. Mr. Houdek seconded the motion, which passed unanimously on a voice vote.

MEMBER OUTREACH UPDATE

2018 State of Wisconsin Group Health Benefits Annual Report

Ms. Pray referred the Board to the Group Health Benefits Annual Report (Ref. GIB | 5.15.19 | 6A) that provides an overview of 2018 activities, which included:

- Effectively managed premiums;
- New virtual benefits counselor: ALEX; and
- Improved benefits education through short videos.

Ms. Pray stated this annual report will be released in the spring every year. At the November meeting, ETF will present benchmarking information for goals for Board consideration.

Ms. Kruchten provided an overview of the results reported on health insurance goals, which included:

- Cost-effective premiums;
- Value-based benefits; and
- Understanding participant preferences.

Ms. Pray also provided an overview of the Well Wisconsin program showing StayWell has increased participation rates to 29% overall since becoming the administrator in 2017.

Ms. Kruchten provided a preview of possible topics to be included for the 2019 annual report which included:

- Increased health outcome data;
- It's Your Health: Diabetes pilot program;
- ALEX analytics and satisfaction;

- New Medicare Advantage plan;
- New supplemental dental benefits; and
- No-cost telehealth for most.

UW Survey Results

Ms. Pray provided an overview of the Out-of-Pocket Expenses survey of ETF members conducted by the UW-LaFollette Institute and highlighted preliminary observations:

- Lack of basic information on how High Deductible Health Plans (HDHP) work reduces interest in the HDHP;
- People with HDHP show no more signs of hardship than those in non-HDHP plans;
- Participants tend to overestimate out-of-pocket costs, which might lead to reduced use of care;
- Tools such as ALEX are more likely to be remembered by people in HDHP but the use is low;
- Not having basic savings and access to liquidity is associated with participants skipping care; and
- Overall there were few differences between the HDHP and non-HDHP groups.

Mr. Conlin stated there is interest from Legislators regarding frontloading the \$2000 employer contribution into each participants Health Savings Account at the beginning of the year as this is a hinderance to participants at this time.

Ms. Rolston stated the Department of Personnel Management is in support of the potential to frontload the \$2,000 employer contribution due to feedback received from payroll centers and employers.

Mr. Conlin stated he will be a presenter at an event on May 16 regarding the UW survey results.

WELLNESS AND DISEASE MANAGEMENT

2018 Well Wisconsin Program Participation

Ms. Heisterkamp referred the Board to the 2018 Well Wisconsin Program Participation memo (Ref. GIB | 5.15.19 | 7A) and provided a brief overview of the final 2018 participation results.

2018 Well Wisconsin Program Overview

Ms. Rathjen introduced herself and Dr. Gregg to the Board. She provided an overview of StayWell's presentation (Ref. GIB | 5.15.19 | 7B) which included:

- Year 2 key findings;
- 2019 Goals and Objectives;
- Current Program Performance; and

- Incentive Benchmarking.

Ms. Rathjen also provided an overview of key participation rates. Participants who completed the health assessment, screening, and one well-being activity by October 19, 2018 received a \$150 gift card redeemable as an online voucher or a hard card that was mailed to the participants. Well-being activities offered in 2018 included: telephonic health coaching, million steps challenge, self-directed coaching, 21-day meditation, daily dashes and a custom quiz on health benefits and preventive care.

Dr. Gregg provided an overview of program statistics relevant to the Group Health Insurance Program participants. He highlighted areas of engagement by condition, and employee overall risk prevalence. Dr. Gregg also discussed the 2018 Ignite pilot project and explained that each participant's progress will be tracked for 12 weeks and that they will be provided with a score, personal coach and a Fitbit to help track their progress.

Ms. Rathjen provided an overview of health risks that affect the participants in the program. She noted the top three employee risk areas noticed included weight, cholesterol and stress. Ms. Rathjen also discussed the program goals for 2019 and future long-term program goals.

2020 Wellness Program Changes

Ms. Heisterkamp referred the Board to the 2020 Wellness Program Changes memo (Ref. GIB | 5.15.19 | 7C) and highlighted successes in the wellness and disease management program, which include:

- Establishing a uniform wellness incentive program;
- Bringing in an additional program manager onsite from StayWell;
- Working closer with the Wellness Champion program;
- Working on building upon existing services and communications for employers and employees;
- Promoting the Million Steps challenge; and
- Adding a traveling trophy to motivate departments to work together to be more active and healthier.

Ms. Heisterkamp provided information regarding expanding Ignite, a group-based weight management and diabetes prevention program offered by StayWell for benefit year 2020. She highlighted statistics regarding obesity and diabetes within the Group Health Insurance Program (GHIP) participants, showing 67% of GHIP members are overweight or obese and 7.4% of members are diabetic. Ms. Heisterkamp stated there were 1,481 newly diagnosed diabetes patients in the first 10 months of 2018, with \$2.9M in diabetes-related costs.

Ms. Heisterkamp stated ETF recommends another expanded pilot which would involve a larger population because the 2017 and 2018 pilots had a maximum of 50 participants

each. One consideration is to offer the pilot to the Wisconsin Public Employers (local employers) because their percentage of overall incentive participation is lowest amongst the different GHIP employer groups and their weight risk is highest.

The Board requested additional information related to costs of expanding the Ignite pilot program be provided to the Board prior to making a decision on this item. Ms. Heisterkamp stated ETF will bring more information back to the Board at its August meeting.

Mr. Pahnke requested the Board and ETF investigate what steps can be taken to increase the incentive value that participants in the Well Wisconsin program receive to help increase participation. Mr. Day requested the incentive value increase be timed to be presented to the Board at the same time as the Return on Investment (ROI) report from StayWell so there is data to support an increase. Ms. Heisterkamp stated ETF will bring additional information to the Board at a future meeting regarding steps to make an incentive increase for participants.

The board took a break from 10:50 a.m. to 10:55 a.m.

HEALTH BENEFIT PROGRAMS

2018 Health Plan Performance

Ms. Brockman referred the Board to the 2018 Health Plan Performance memo (Ref. GIB | 5.15.19 | 8A), reporting the performance of the health plans for 2018. She stated, overall, health plans met or exceeded most measurement targets on a regular basis; they were consistent and timely in submitting quarterly performance reports; and sufficient details were provided to ETF in the event of a performance exception. Ms. Brockman provided statistics related to processing accuracy, claims processing time, call answer timeliness, call abandonment rates; open call resolution turn-around time, and electronic written inquiry response time. She noted that plan 8 in the report consistently failed to meet contractual performance standards and was penalized in the 4th quarter of 2018.

Mr. Day inquired on ETF's level of confidence that plan 8 will meet performance standards in the future and whether they met expectations for quarter 1 2019. Ms. Brockman stated plan 8 did not meet every measurement and will be assessed penalties for quarter 1 2019. She also stated the health plan contracts include a penalty cap of 3% of premium.

Mr. Wimmer questioned whether the Board can increase penalties. Ms. Brockman stated there is a 3% penalty cap currently, but ETF can bring a recommendation back to the Board regarding increasing penalties at a future Board meeting.

Board members requested the names of health plans be included in future reports and that ETF provide quarterly performance reports to the Board. Ms. Mallow stated she has communicated performance standard concerns with the CEO of plan 8 and ETF continues to monitor this plan closely.

Mr. Conlin added ETF has not seen significant customer complaints from participants enrolled in plan 8, which could be due to the smaller population of participants in the plan. He also stated that one concern that the Legislative Audit Bureau (LAB) mentioned in their report was that ETF does not consistently assess penalties and recommend ETF do so on a regular basis to hold plans to their obligations and contracts. ETF will continue to monitor the plans for compliance with contract standards and obligations.

2020 Health Program Agreement Changes

Ms. Brockman discussed the proposed 2020 Health Program Agreement changes (Ref. GIB | 5.15.19 | 8B). She provided an overview of the suggested changes to the layout of Section 300; deliverable, reporting and performance standard requirements; applicable penalties; and language for clarity, consistency, or improved administration of the GHIP. Ms. Brockman stated the final agreement language will be presented to the Board for approval at the August Board meeting.

MOTION: Mr. Pahnke moved to approve the proposed changes to the State of Wisconsin Health Insurance Program Agreement for plan year 2020 as presented to the Board. Mr. Donahue IV seconded the motion, which passed unanimously on a voice vote.

2020 Health, Pharmacy, and Dental Benefit Program Changes

Ms. Walk provided an overview of the proposed 2020 Benefit Changes (Ref. GIB | 5.15.19 | 8C) and discussed the Medical Benefit Options changes for 2020 under Uniform Medical Benefits (UMB), Uniform Pharmacy Benefits (UPB) and Uniform Dental Benefits (UDB). Proposed changes to these benefits include:

- Option M3.2: Change the number and means of counting therapies toward an annual limit to 25 of each therapy before prior authorization (PA) and 25 following PA;
- Option M4: Remove the continuous coverage requirement for treatment of congenital defects;
- Option M6.2: Cover bariatric surgery and weight loss services for members with a body mass index (BMI) of 35 or greater;
- Option P1.1: Create a combined non-specialty out of pocket limit (OOPL);
- Option P2: Cover vaccines at retail pharmacies under the UPB;
- Option D2: Cover periodontal maintenance cleanings at 100%;
- Option D3: Cover pulp vitality tests; and
- Option D4: Cover caries assessment and sealant restoration.

Ms. Walk provided the pros and cons of each change as well as changes ETF did not recommend the Board make after evaluation and consideration of the effects it would have on the various programs and participants.

The Board requested additional information on costs and statistics prior to taking action on changing the number and means of counting therapies toward an annual limit (Option M3.2). Mr. Day requested alternate options that could include a therapy step down program over a span of two years. **No motion was made on this option.**

MOTION: Ms. Thompson moved to approve Option M4 to remove the continuous coverage requirement for treatment of congenital defects under Uniform Medical Benefits. Ms. Lounsbury seconded the motion, which passed unanimously on a voice vote.

MOTION: Mr. Grapentine moved to approve a revised Option M6.2 to cover bariatric surgery and weight loss services for members with a body mass index (BMI) of 35 or greater; coverage for those with less than 35 BMI is authorized if determined to be medically necessary by the health plan. Ms. Lounsbury seconded the motion, which passed unanimously on a voice vote.

MOTION: Mr. Grapentine moved to approve Option P1.1 to create a combined non-specialty out of pocket limit. There was not a second on this motion. Motion failed.

MOTION: Ms. Thompson moved to approve Option P2 to cover vaccines at retail pharmacies under Uniform Pharmacy Benefits. Mr. Wimmer seconded the motion, which passed unanimously on a voice vote.

MOTION: Mr. Grapentine moved to approve Option D2 to cover periodontal maintenance cleanings at 100%. Ms. Rolston seconded the motion, which passed unanimously on a voice vote.

MOTION: Ms. Thompson moved to approve Option D3 to cover pulp vitality tests and Option D4 to cover caries assessment and sealant restoration. Ms. Rolston seconded the motion, which passed unanimously on a voice vote.

2020 Employer Guidelines Contract and Eligibility Update

Ms. Larson referred the Board to the 2020 Employer Guidelines Contract and Eligibility Update memo (Ref. GIB | 5.15.19 | 8D) and provided an overview of the changes included in the Employer Guidelines. She stated ETF has consolidated multiple documents into one Health Insurance Guidelines and Manual for state employers and another for local employers. Ms. Larson stated there have been concerns about

members not being aware of the Local Annuitants Health Program (LAHP), so ETF has set out to make the program more visible by:

- Conducting trainings with insurance brokers who serve school districts and other local employers;
- Making LAHP materials more prominent on ETF's website;
- Preparing employer bulletins and checklists for WRS employers not in the Wisconsin Public Employers GHIP; and
- Creating tools to better advise the retiree members.

Ms. Larson explained ETF received an inquiry from a member asking why the program does not permit a change in health plans following the death of a family member prior to the annual It's Your Choice open enrollment period. She also explained this is permissible under a cafeteria plan. However, ETF has a longstanding policy that requires these members to wait until open enrollment to limit adverse selection in plans such as the Access Plan, where higher utilizers of care select the plan for a limited period of time which affects premium rates. Ms. Larson stated that over time, the Board has taken action to address Access Plan risk issues and allowing this life event change will adversely affect the action the Board has taken to minimize Access Plan risks.

Health Plan Reserves Update

Ms. Mallow discussed the Health Plan Reserves (Ref. GIB | 5.15.19 | 8E) and stated the reserves continue to be healthy. She stated assets for this program are managed by the State of Wisconsin Investment Board (SWIB) and held in the core fund, which had a negative 3.3% return for 2018. Ms. Mallow explained the reserves are down due to the stock market and actual earnings were approximately \$14M less than anticipated. The reserve balance is still larger than the target established by the GIB. She stated ETF will bring health plan reserves balances back to Board in August as part of the rate setting process.

The Board took a break from 1:10 p.m. to 1:27 p.m.

2020 SUPPLEMENTAL PLAN PROPOSALS AND LONG-TERM CARE UPDATE

Ms. Sieg highlighted Supplemental Plan proposals for 2020 (Ref. GIB | 5.15.19 | 9) and discussed the multiple proposals received under the different supplemental programs. Ms. Sieg stated, after ETF and actuarial reviews, the recommended vendors of all proposals received, were Securian Financial for Group Accident Insurance and Delta Dental of Wisconsin for Supplemental Dental.

Ms. Sieg provided an update to the Board regarding long-term care (LTC) insurance and stated 59 employees applied for LTC in 1Q19. Ms. Sieg reminded the Board the Memo of Understanding (MoU) expires December 31, 2019 with Mutual of Omaha and restated there were no proposals received for LTC coverage for 2020. She stated ETF continues to work on terms and conditions and a three-party contract that may work

better for a LTC provider for 2021 with HealthChoice. Ms. Sieg also explained there will be no disruption for members who purchase LTC insurance prior to December 31, 2019.

MOTION: Ms. Rolston moved to approve a one-year contract with Securian Financial (Securian), for Group Accident Insurance Coverage and a two-year contract with Delta Dental of Wisconsin (Delta), for three Supplemental Dental plans available to state and local employees, retirees and dependents effective January 1, 2020. Mr. Grapentine seconded the motion, which passed unanimously on a voice vote.

DISABILITY PROGRAMS

Acceptance of State and Local Income Continuation Insurance (ICI) Actuarial Valuations

Mr. Guidry introduced Mr. Correia, Actuary from Milliman, Inc to the Board. Mr. Correia provided an overview to the Board of the State and Local Income Continuation Insurance (ICI) Valuations (Ref. GIB | 5.15.19 | 10A) as of December 31, 2018.

Mr. Correia reviewed current valuation of the State ICI program and progress on the plan to help address the program's funding shortfall. He stated that this plan is expected to eliminate the deficit completely by 2021. ETF recommends the Board's 2015 premium rate decision remain in effect. Mr. Correia also stated the redesign of the ICI plan will provide base coverage for all members and will focus on short-term benefits paid for a maximum period of 18 months.

MOTION: Ms. Thompson moved to accept the State and Local ICI Actuarial Valuations as of December 31, 2018 and approve a continuation of the premium holiday for the local ICI program. Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.

Disability Program Redesign Update

Mr. Guidry referred the Board to the Disability Program Redesign Update memo (Ref. GIB | 5.15.19 | 10B). He provided background on ETF's disability programs and highlighted the goals of the redesign project:

- Address State Income Continuation Insurance (ICI) actuarial deficit,
 - Remain cost neutral for employees and employers;
- Reduce duplication in disability benefits; and
- Reduce complexity.

Mr. Guidry informed the Board the Joint Finance Committee retained two FTE positions within the Disability Benefits Bureau included in ETF's Budget proposal for 2020-2021 to help with the influx of applications with the re-opening of the 40.63 Disability Annuity program.

Mr. Guidry reviewed the proposed changes to the ICI program previously approved by the Board. The ICI changes include:

- Decoupling sick leave from premium and benefit determinations;
- Eliminating long-term benefits to a maximum benefit period to 18 months;
- Benefit reduction to 70% of earnings;
- Eliminating supplemental coverage and increase the maximum monthly benefit to \$7,000 based on a monthly salary limit of \$10,000;
- Eliminating the \$75 long-term disability add-on;
- Eliminating the one-year service requirement before UW faculty and academic staff are eligible for employer premium contributions;
- Reducing the earnings offset to 70% for employees who return to work part-time with their former employer; and
- Some items require statutory changes.

Mr. Guidry also provided next steps which include obtaining the ICI statute changes, updates to LTDI/40.63 administrative rules, 40.63 statute changes and preparing for the enrollment/reenrollment of employees into the new plan and developing communications strategies.

Mr. Guidry informed the Board that ETF was developing a targeted reserve policy for the state and local ICI programs. He stated ETF will bring these policies to the Board for approval at an upcoming meeting.

FSA/ERA/HSA PROGRAM UPDATES

Implementation Update

Mr. Vang provided an update on the Health Savings Account (HSA), Section 125 Cafeteria Plan and Employee Reimbursement Account (ERA) and Commuter Fringe Benefit (FSA) programs implementation (Ref. GIB | 5.15.19 | 11A) and provided background information regarding the three programs. He stated ConnectYourCare (CYC) will be the vendor for these three program contracts effective January 1, 2020 for the duration of a two-year contract through December 31, 2021. Mr. Vang informed the Board that all three contracts have been executed and were signed on May 7, 2019.

Ms. Pray provided an update on the communication plan. She provided an overview of the communications that will go out to participants from ETF which include:

- Enrollment and education materials
- Enrollment/participant guides
- ALEX, virtual benefit counselor
- Notifications via E-alerts, website, Twitter, and other social media pages

Ms. Pray stated CYC will be developing and launching a microsite for participants as well as collaborating on enrollment/participant guides with ETF.

Section 125 Cafeteria Plan Update

Mr. Vang provided a brief update to the Board on the Section 125 Cafeteria Plan. He stated the plan document that ETF had was outdated, so it has been reviewed and amended for changes by ETF's Office of Legal Services to redraft the Section 125 Cafeteria plan. CYC will review the Plan document and provide feedback to ETF on suggested changes. Mr. Vang stated next steps include bringing the finalized 2020 Plan document to the August meeting for approval.

BOARD POLICY UPDATES AND REVIEW

Ms. Patterson referred the Board to the Board Member Compensation and Reimbursement Policy, Board Meeting Public Notice Protocol and Vendor Procurement and Appeals Policy memos (Ref. GIB | 5.15.19 | 12A-C) and provided background information on the different policies. She stated:

- Board Member Compensation and Reimbursement Policy describes the allowable compensation and expenses related to attending Board meetings and outlines covered expenses and submission of expenses;
- Board Meeting Public Notice Protocol outlines ETF's procedures to maintain compliance with the Wisconsin Open Meeting Law on behalf of the Board Chair; and
- Vendor Procurement and Appeals Policy outlines the handling of vendor appeals of procurement awards made by the Board, as authorized under Chapter 40 and regarding any contracts awarded under authority delegated to ETF by the Board.

Ms. Patterson informed the Board the only policy that needed to be approved by the full Board is the Board Member Compensation and Reimbursement Policy and the Board Meeting Public Notice Protocol will be approved by the Board Chair.

MOTION: Ms. Rolston motioned to approve the Board Member Compensation and Reimbursement Policy for incorporation into the Board Governance Manual. Mr. Wimmer seconded the motion, which passed unanimously on a voice vote.

Mr. Pahnke departed at 2:10 p.m.

OPERATIONAL UPDATES

Ms. Mallow referred the Board to the Operational Updates in the Board packets (Ref. GIB | 5.15.19 | 13A-K) and offered that staff were available if the Board had questions.

Ms. Mallow summarized the GIB correspondence received for this meeting which included topics regarding coverage of bariatric surgery and other varying member concerns.

Ms. Mallow provided a brief legislative update and referred the Board to the Legislative Update memo (Ref. GIB | 5.15.19 | 13C) for additional information. She stated the member opt-out for Group Health Insurance was discussed by the Joint Finance Committee and that they did not expand this item, so members who were excluded in 2015 will continue to be ineligible for the \$2,000 opt-out incentive.

FUTURE ITEMS FOR DISCUSSION

Ms. Mallow referred the Board to the Tentative August 2019 Agenda (Ref. GIB | 5.15.19 | 14) and asked the Board for feedback or additional items that they feel should be addressed at the next meeting.

ADJOURNMENT

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

The meeting adjourned at 2:34 p.m.

Date Approved: _____

Signed: _____

Nancy Thompson, Secretary
Group Insurance Board