

Board Strategy Discussion

Items 5 : Group Insurance Board



Agenda

- Summary of Session Activity
- Program Background
- The Healthcare Triple Aim and the Group Insurance Board
- Group Insurance Board Priority Setting
- Group Insurance Board Role
- Next Steps

Summary of Session Activity

Items 5A & 5B: Group Insurance Board

Renee Walk, Strategic Health Policy Advisor

Office of Strategic Health Policy



August Meeting

- Attendees
- Purpose of discussion
- Consensus regarding need for strategy setting

Today's Discussion

Goals:

- ✓ Provide baseline information on programs
- ✓ Introduce Triple Aim as Board program vision
- ✓ Discuss projects and priorities
- ✓ Address Board questions and concerns

Program Background

Item 5C: Group Insurance Board

Jeff Bogardus, Manager of Pharmacy Programs

Molly Heisterkamp, Manager of Wellness and Disease Management

Arlene Larson, Manager of Federal Programs & Policy

Renee Walk, Strategic Health Policy Advisor

Office of Strategic Health Policy



Review Includes

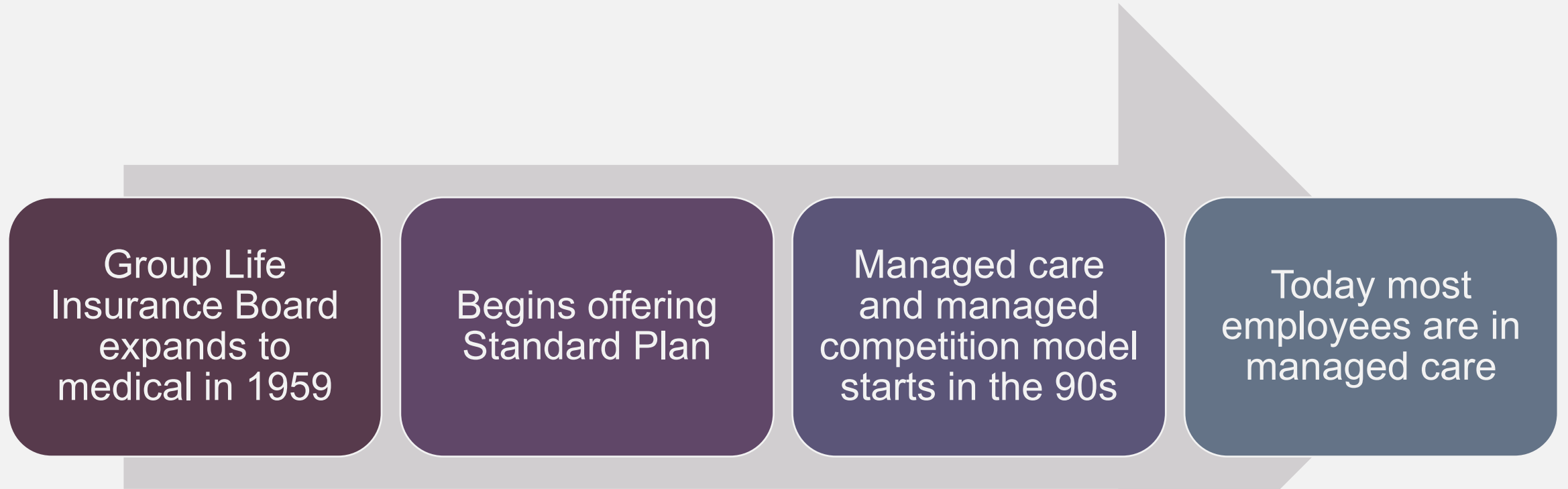
- History and broad benefits overview
- Review of populations served
- Review of annual costs

Programs Managed by the Board

Life Insurance

- First program overseen by the then Group Life Insurance Board
- Single vendor
- Three products offered

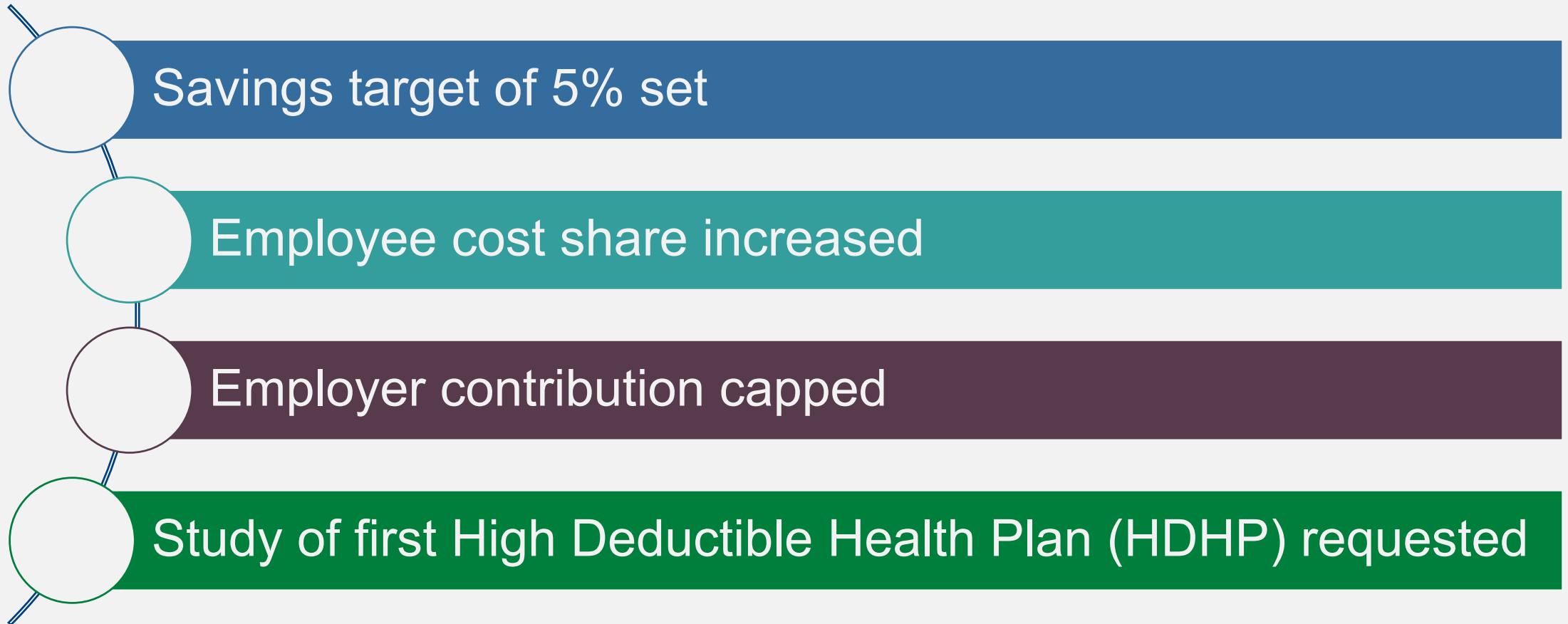
Health/Medical Insurance



Uniform Benefits

- Medical and prescription drug benefits standardized in 1994
- Updated periodically for state mandates
- Major update in 2010 for Affordable Care Act
 - All Essential Health Benefits (EHB) covered
 - Four non-EHB benefits included
- Prescription drug benefits moved to Uniform Pharmacy Benefits in 2019

2011 Wisconsin Act 10 & 32



2013 Wisconsin Act 20



Changes to statute allowed Board to modify benefits if costs would be neutral or reduced in current or future years

Required new HDHP with Health Savings Account (HSA) plan to be offered

HDHP also offered to local employers (no HSA)

Pharmacy Benefit Carve Out

Staff investigation of carve out began in 2002, RFP released



Board selects DeanPoint, which became Navitus Health Solutions

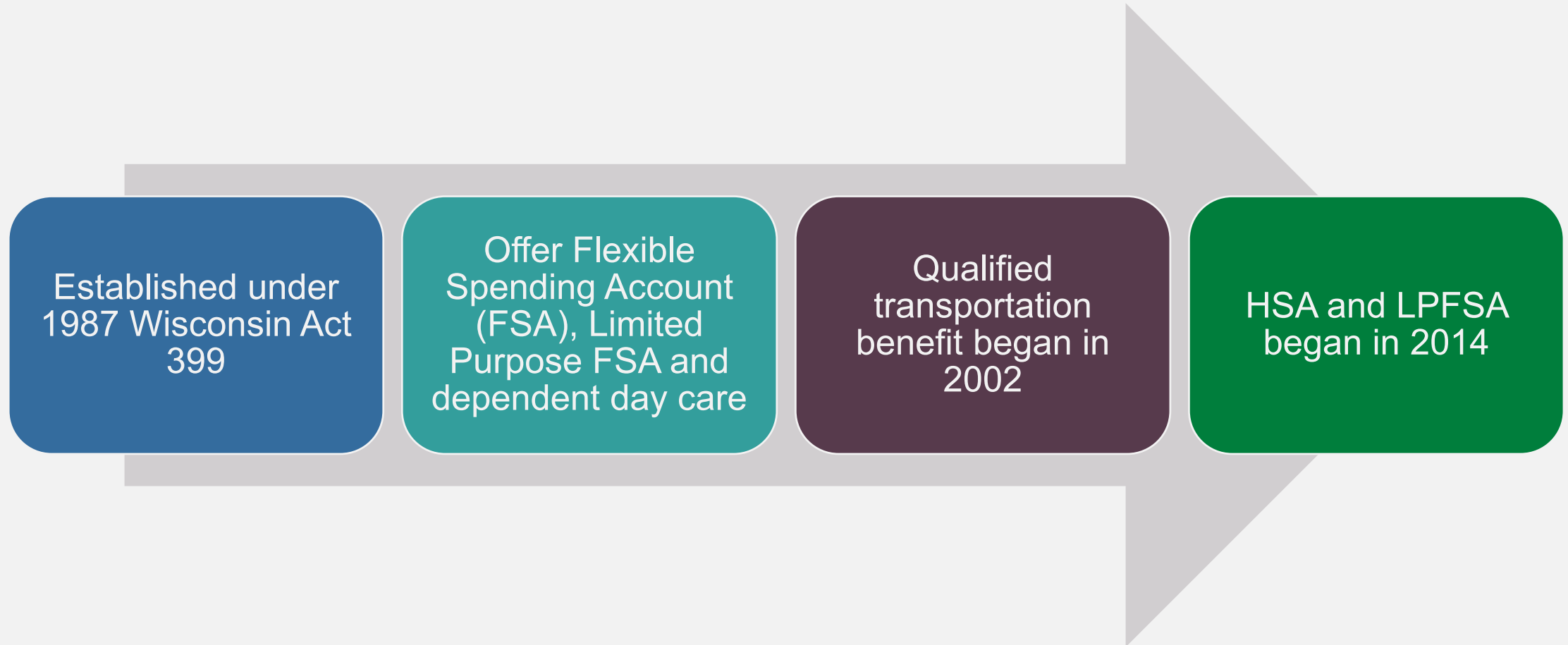


Single, consistent pharmacy benefit provided to all members

Pharmacy Program Model

- Full pass-through
 - All rebates, discounts, fees, etc., passed through
 - vendor only makes money on administrative fee
- Fully transparent
 - All aspects of the vendor's business are auditable
 - Includes legal/contractual, financial and operational
- ETF sits on Pharmacy & Therapeutics Committee

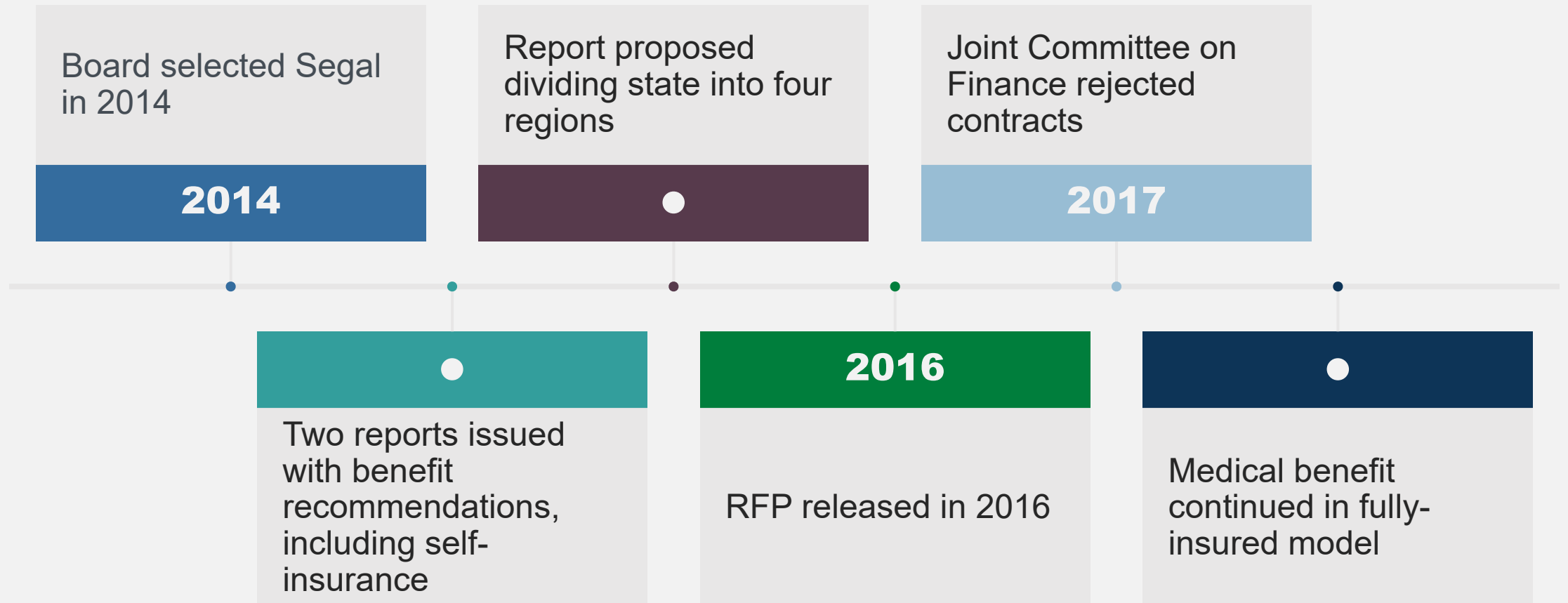
Employee Reimbursement Accounts



Supplemental Plans

- Include Accident, Dental, Vision and Long Term Care for state employees
- Plans are “employee pay all”
- Requirements for plans standardized in 2015
- Board approved alignment strategy in 2017
- Broadening dental offering to local employers in 2020

Segal Reports & Self Insurance RFP



Other Segal Recommendations

Adding deductibles to meet savings targets

Adding copays to office visits

Aligning Standard Plan benefits with UB

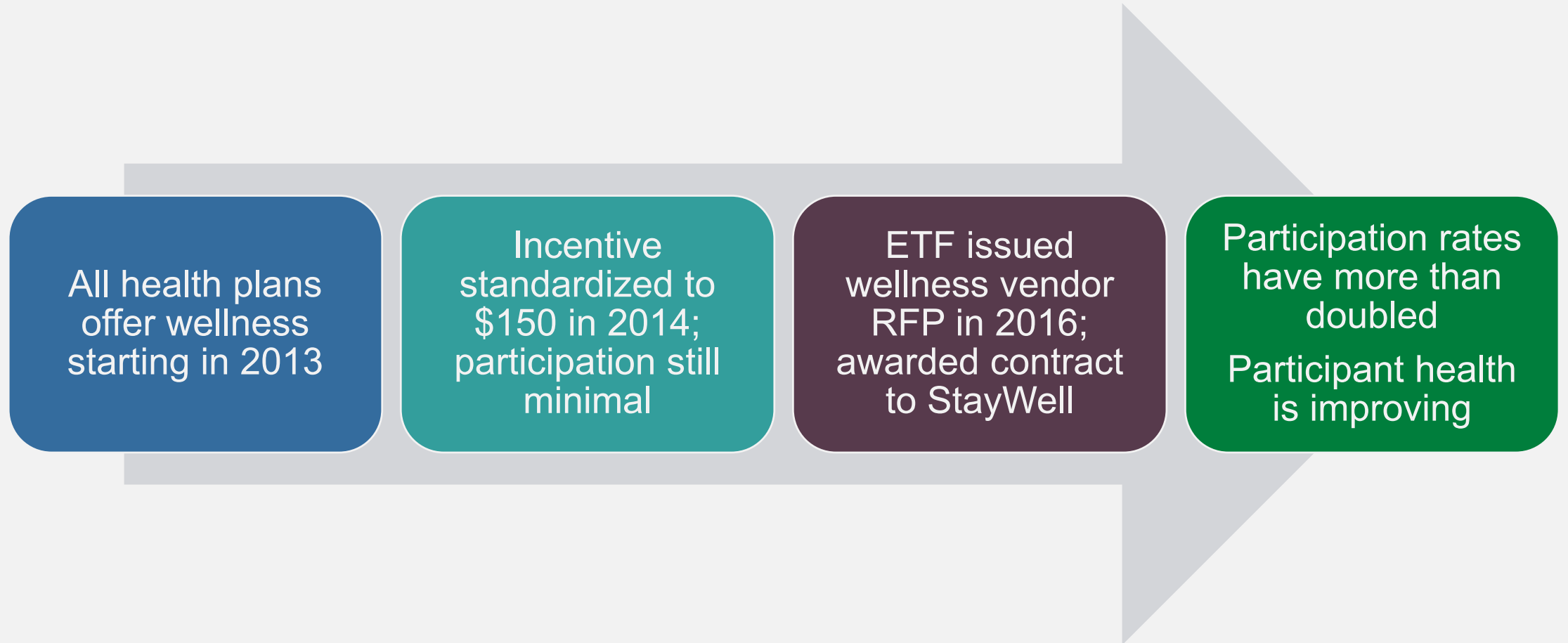
Data warehouse development

Sole-source wellness vendor

Uniform Dental Benefits (UDB)

- Strategic Workgroup recommendation
- Carved out in 2016
- Preventive-focused benefit
- Single administrator and self-funded, similar to Pharmacy

Wellness Program

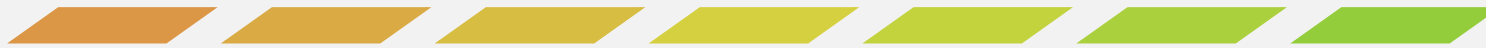


Department Initiatives

- Department initiatives have been included in contract since 2008
- Requirements that plans focus on certain areas of disease management or care quality
- Currently six focus areas

Pilot Programs

Added as a means for exploring new benefits while respecting statutory limits



Plans offer to Board at no cost



First pilots in 2019



Second round pilots in 2020



ETF will bring summary of first pilots to Board for decision in 2020



Populations Served

Eligibility

- State and local employees, retirees and their dependents
- Defined in statute
- All state agencies must participate
- Local employers can opt in/out

Participation

- All enrollees can participate in medical, pharmacy and wellness
- Some local employers do not pick UDB, and employees are allowed to opt in/out of UDB

Enrollment

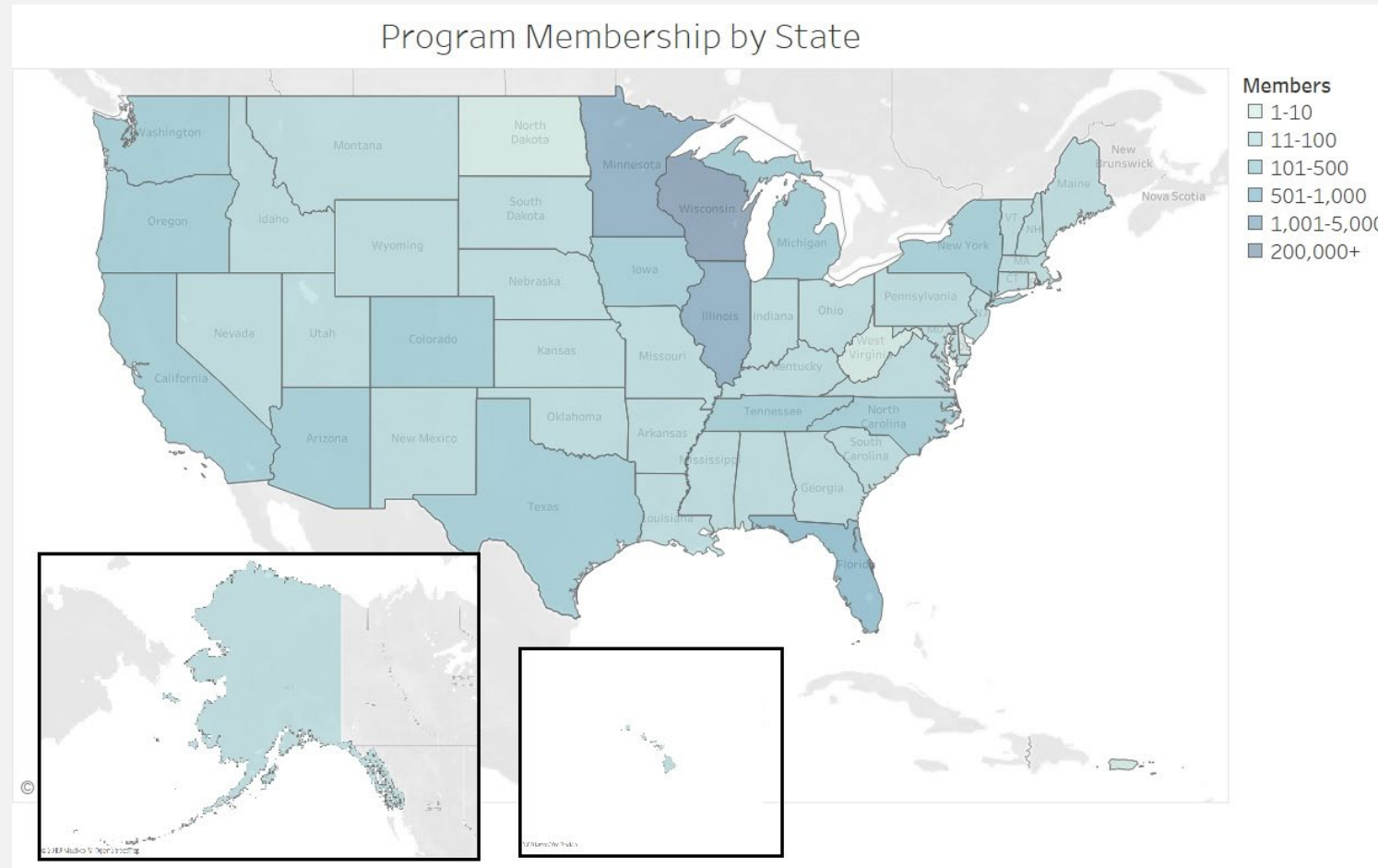
~240,000 total enrollees

Members live in all 50 states (and beyond)

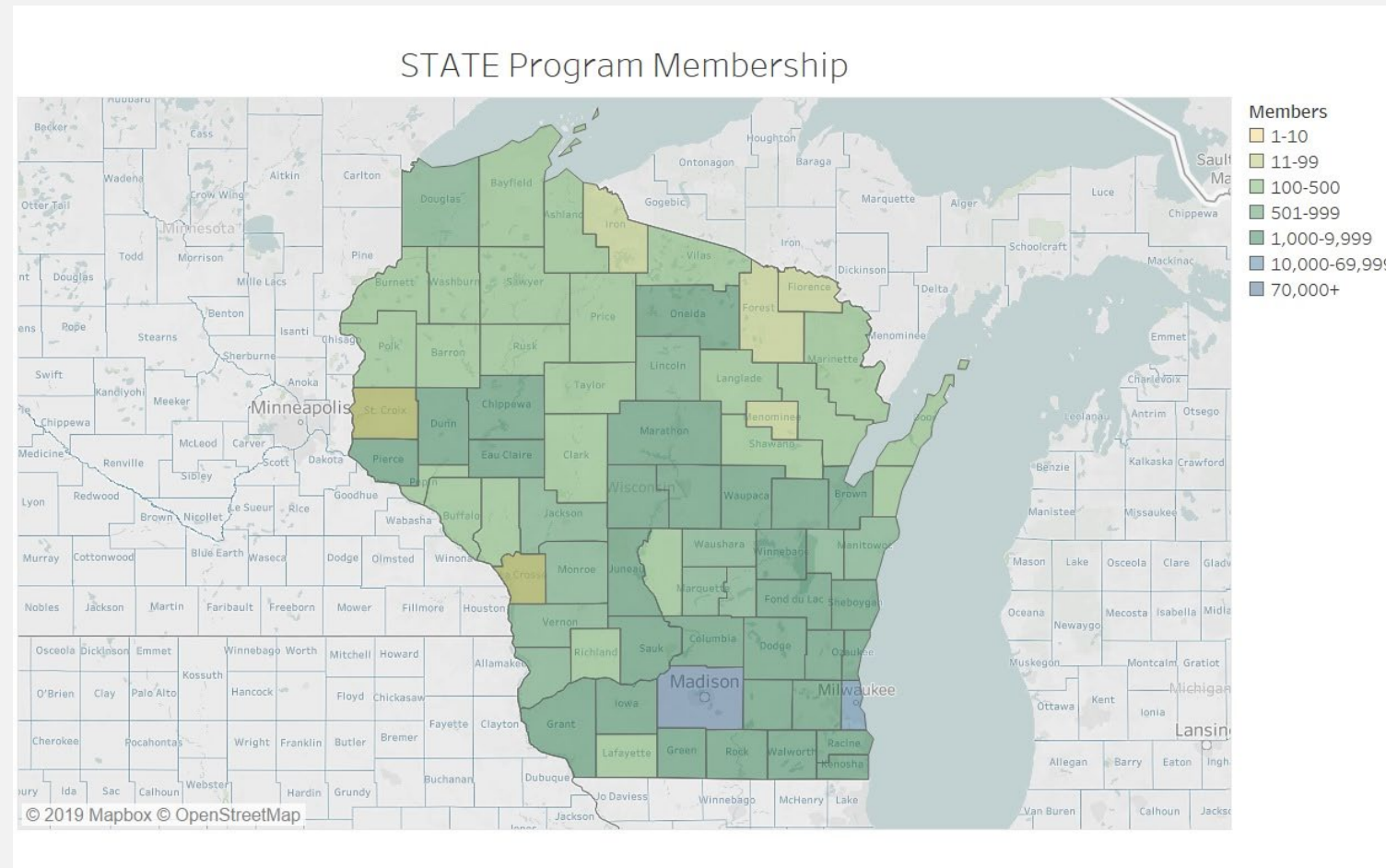
In WI, members live in all 72 counties

See Item 11B for detail

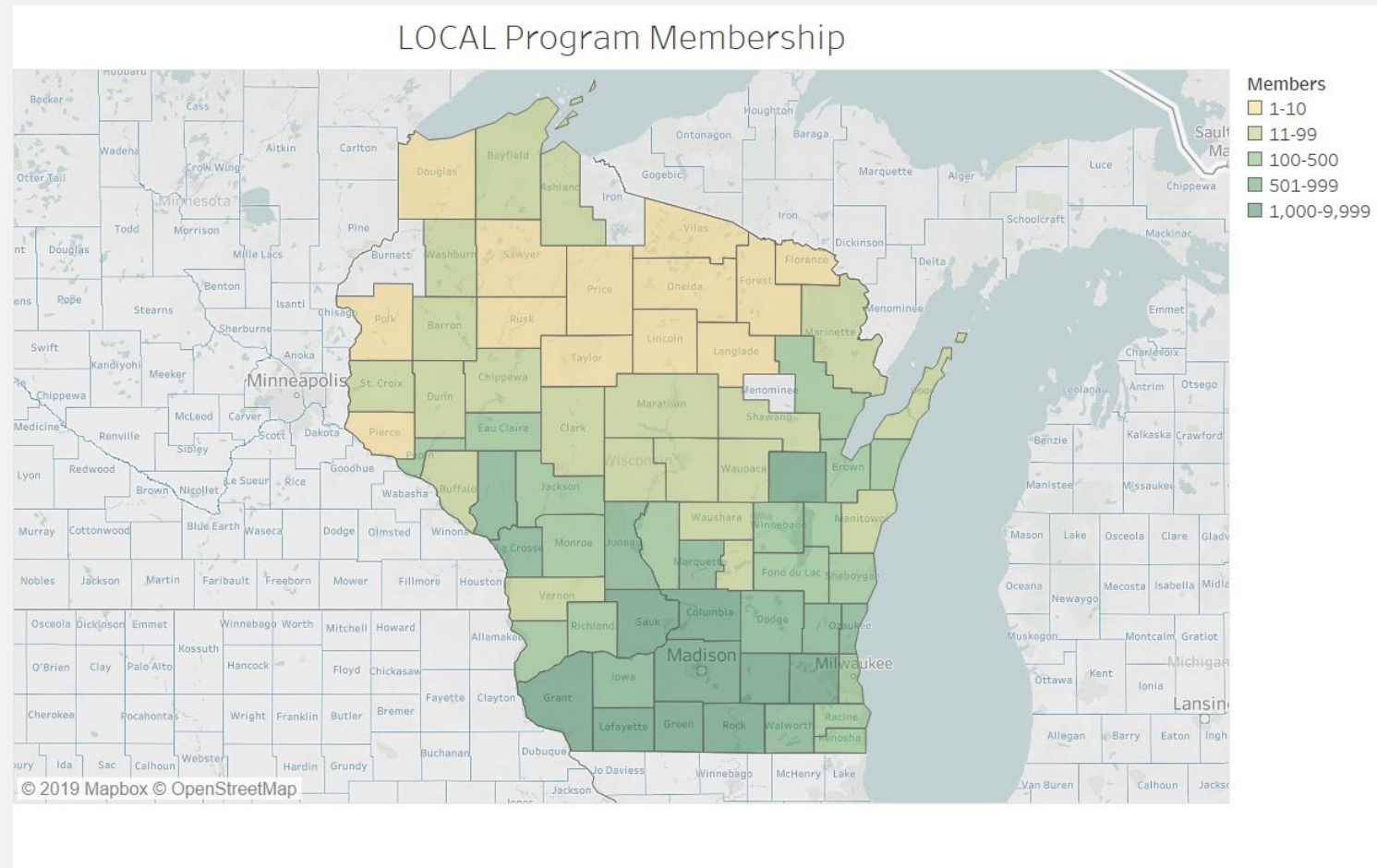
Enrollment: All Members



Enrollment: State Members



Enrollment: Local Members



Program Cost

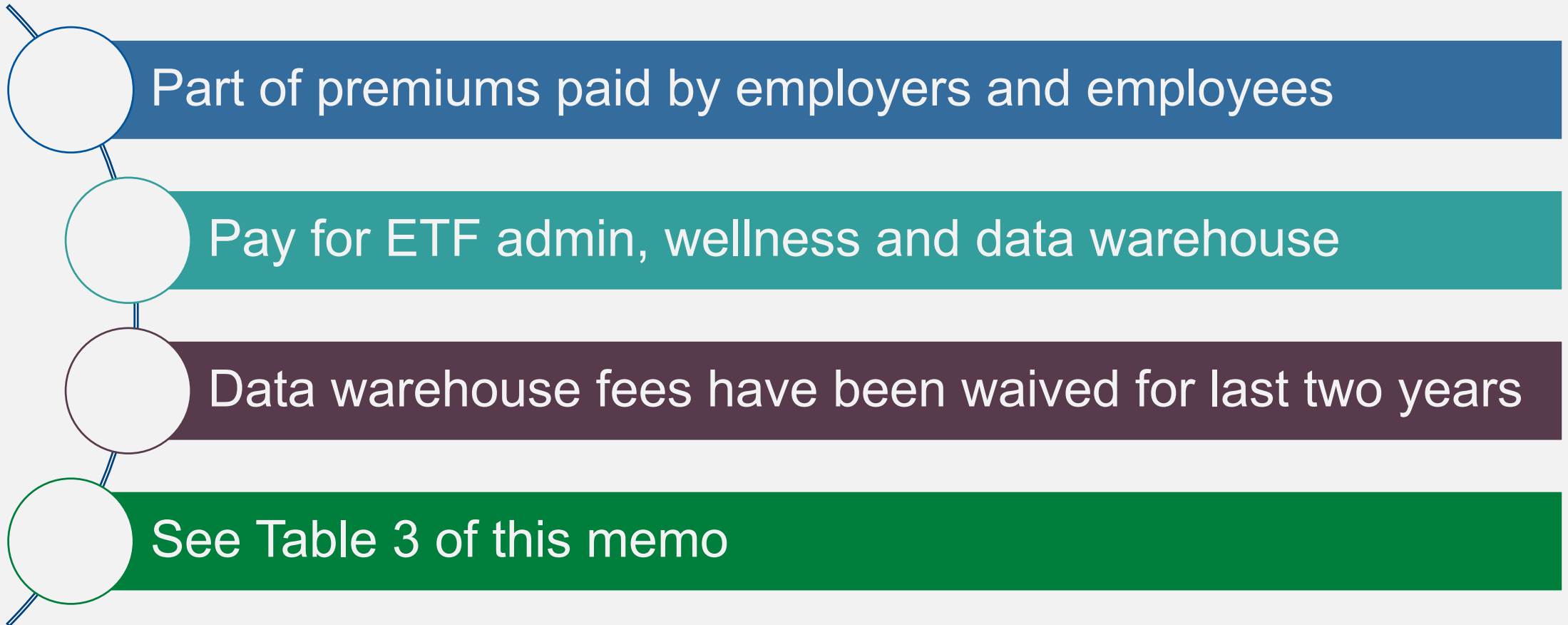
Premiums

- Employers and employees pay premiums for benefits
- See Tables 1-2 of memo for annualized premium
- Note: rates have been bought down in recent years due to reserve surplus

Reserve

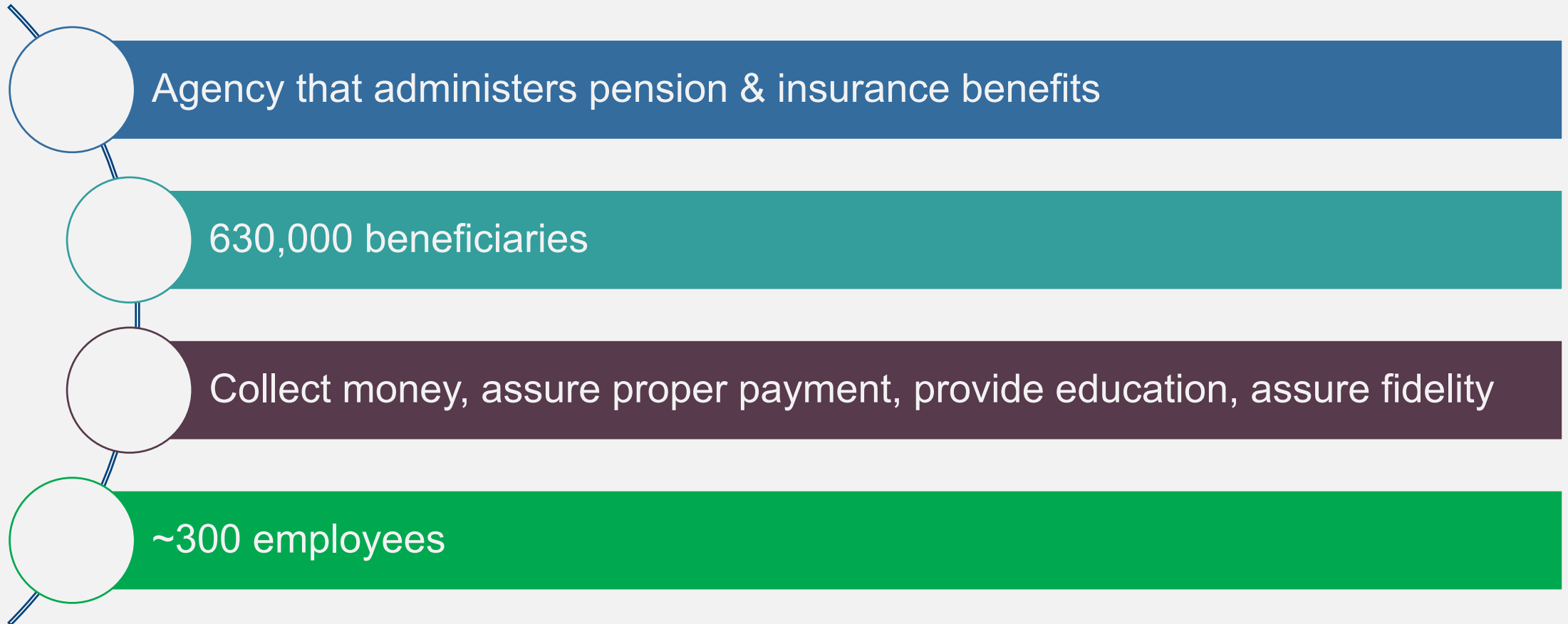
- Discussed in Item 3 of this meeting
- Additional funds maintained by the Board designed to smooth payments

Premium Administrative Fees



ETF Administration

Who is ETF?



Office of Strategic Health Policy

Staff:

- Director
- Deputy Director
- 13 Program Managers & Policy Analysts
- 3 Contractors

Services:

- Contract oversight
- Rate & contract negotiations
- Program & policy development
- Data analysis & research
- Benefits communication & education



Questions?

Healthcare Triple Aim & the Board's Programs

Item 5D: Group Insurance Board

Renee Walk, Strategic Health Policy Advisor

Office of Strategic Health Policy



Background



Developed by Institute for Healthcare Improvement (IHI)

Single goal, three dimensions

All dimensions must be addressed to achieve the single goal

Board Programs

Challenges:

- Similar to other providers of insurance/benefits
- Rising costs, more chronic disease

Opportunities:

- Can design programs that balance needs
- Holistic view of people and benefits

Adapting the Triple Aim

Quality of Life & Health

- A state of complete physical, mental, and social well-being—not merely the absence of disease or infirmity—within a group of individuals, and includes how well-being is distributed within the group.

Program Quality

- Consistency with evidence-based practices, safety, timeliness, member experience, and efficiency of care and services

Affordability

- Value of investment in services, managing costs for all (employers, members, board)

Why should the Board consider the Triple Aim?

- Greater stability
- Ability to fulfill fiduciary duty
- Can systematically address employer and employee needs
- Balance achieves value, not just savings
- Widely-accepted and championed approach

Discussion

- What questions does the Board have on the Triple Aim as presented?
- Does the Board feel the Triple Aim is the appropriate direction for its programs?

Thank you



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