

Letter 2 with Response

2340 E WASHINGTON AVE
MADISON, WI 53704-5239
6/28/2020

WI Dept. Employee Trust Funds
PO BX 7931
Madison, Wi 53707-7931

ETF MEMBER ID [REDACTED]
Benefit Account ID: [REDACTED]

Dear sir or madam:

My [REDACTED] secondary Medicare plan, obtained through ETF and by using my accumulated sick leave funds is not paying for my [REDACTED] (the 20% that Medicare doesn't pay).

I think I was fooled or just assumed, apparently wrongly, that this plan was a Medicare Supplemental plan that would pay for everything that Medicare would not. I apparently pay for this (expensive relative to most true supplemental) plans at \$371.50/month and using funds from my accumulated sick leave account, so it costs me nothing out of pocket at this time. It is a plan that provides no benefits for DME [REDACTED] until I meet certain, and apparently arbitrary, amounts for a deductible, and things called OOPL and MOOP. So it is going to cost me something out of pocket. I have just gotten a review of my complaint against Quartz from the Wisconsin Commissioner of Insurance ref file #362925.

I think Quartz is weaseling out of paying the 20% for my [REDACTED] (and I assume any other patients that require [REDACTED] using OOPL and MOOP dollar amounts as a lame excuse for denial of benefits. I dislike and distrust Quartz now and think I have no practical options for dealing with the situation, and must carry on using their limited plan.

I suggest that ETF:

1. Make it clear that these offered health care plan are not supplemental to Medicare and that they are "secondary" to Medicare and what that means.
2. Offer rider options (like those offered by AARP) to the plans that would take care of [REDACTED] charges. Apparently, in the county of Dane, I only can choose this Quartz, or a Dean or a GHC plan, to get to use my accumulated sick leave funds. It appears that all of these plans may have the same deductibles, OOPL and MOOP issues.
3. Explain why these plans cost so much, while providing poor benefits. Explain why the plans cost different while all supposedly offer some standard benefits.
4. Down grade the review star ratings of [REDACTED]
5. Note that some customers do not find ALEX pleasant or useful.

X





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

July 31, 2020

GEORGE LONSDORF
2340 E WASHINGTON AVE
MADISON, WI 53704-5239

Dear Mr. Lonsdorf,

Thank you for reaching out to the Department of Employee Trust Funds (ETF) on June 28, 2020. I'm sorry to hear of the concerns you have in regard to your [REDACTED] Health Plan Medicare coverage. I have some information to share that may help you and will include it below. Also, I will also respond to each of your five changes /suggestions you mentioned in your letter. If after your review, you find you have additional questions or concerns, please feel free to contact me.

Please note the Health Plan Medicare benefit offered through health plans such as [REDACTED] have a requirement that members pay 20% of their allowable durable medical equipment charges up to \$500 per year. Please refer to page 7 in the 2020 Health Plan Benefits Decision Guide for State of Wisconsin Group Health Insurance for Retirees (guide) for additional information regarding your selected coverage and costs. An electronic version of this guide is available at <https://etf.wi.gov/its-your-choice/2020/20et-2108/direct>. A breakdown of costs by Medicare plan design can be found at <https://etf.wi.gov/its-your-choice/2020/state-employee-retiree-health-plan/health-insurance-retirees-medicare/breakdown-your-costs-medicare-plan-design>.

Once the durable medical equipment claim is paid by Medicare, a member is responsible for paying 20% up to \$500 annually. After \$500 has been paid, coverage for allowable durable medical equipment is covered by the health plan at 100%.

In your letter you addressed five changes/suggestions you would like ETF to make or be aware of. I want to address each of your five suggestions.

1. *"Make it clear that these offered health care plans are not supplemental to Medicare and that they are "secondary" to Medicare and what that means."*

The Health Plan Medicare benefit offered to you by [REDACTED] is not considered a Medicare Supplement. The guide available at <https://etf.wi.gov/resource/its-your-choice-2020-decision-guide-state-wisconsin-group-health-insurance-retirees>, does not reference the insurance offered to retirees with Medicare (starting on page 6) as being supplemental to Medicare. We will keep this suggestion in mind for an upcoming guide.

The section on page 7 provides additional detail regarding Health Plan Medicare benefits, including what the plan will pay after Medicare pays their portion. This section also explains what the out-of-pocket limits (OOPs) are for each scenario listed in the guide. However, the guide does not cover every single item or scenario when it comes to health insurance coverage. For additional coverage information, please reference the certificate of coverage on ETF's website <https://etf.wi.gov/publications/20et2107cc/direct> beginning on page 21, or contact ETF or Quartz.

- 2. "Offer rider options (like those offered by AARP) to the plans that would take care of [REDACTED] charges. Apparently, in the county of Dane, I only can choose this Quartz, or a Dean or a GHC plan, to get to use my accumulated sick leave funds. It appears that all of these plans may have the same deductibles, OOPs and MOOP issues."*

I cannot speak to the product that is offered through AARP. However, during this upcoming open enrollment period, you may want to consider the It's Your Choice (IYC) Medicare Plus plan for 2021. This plan is a Medicare supplement and offers slightly different benefits than Health Plan Medicare.

The Health Plan Medicare benefit is what ETF calls Uniform Benefits. Uniform Benefits require vendors contracted with ETF to offer the same coverage with the deductibles, OOPs and maximum out-of-pocket limits (MOOPs), etc. Of all plans offered to retirees, only IYC Medicare Plus offers benefits other than Uniform Benefits.

- 3. "Explain why these plans cost so much, while providing poor benefits. Explain why they plan costs different while all supposedly offer some standard benefits."*

Approximately half of your monthly premium cost goes to your health insurance plan and the remainder covers your prescription drug benefit through Navitus Health Solutions (Navitus). Navitus is your Part D coverage.

Health plans charge different premium rates based upon the cost of providing coverage to the members they insure. ETF reviews projected increases with each plan annually in late summer to set premiums for the next plan year. If a plan has paid out more in claims than another, their premium rates will likely be higher than their competitor's.

IYC Medicare Plus, a Medicare Supplement with a few additional benefits, is currently lower cost than most other plans. WEA Trust is the administrator of this benefit. If you would like additional information on this plan, WEA can be reached via telephone at 1-866-485-0630.

The average costs and types of policies offered for Medicare coverage can be found at <https://www.medicare.gov/your-medicare-costs/medicare-costs-at-a-glance>.

- 4. "Down grade the review star ratings of [REDACTED]."*

George Lonsdorf

July 31, 2020

Page 3

In 2020, health plans were graded based upon results from a selection of measures from the Healthcare Effectiveness Data and Information Set (HEDIS) and Consumer Assessment of Healthcare Providers and Systems (CAHPS) data. If you would like to learn more about how ETF rated plans for 2020, see <https://etf.wi.gov/its-your-choice/2020/health-plan-report-card>. Moving into 2021, ETF will no longer be grading health plans based on selected measures but will instead rely on overall results from both HEDIS and CAHPS. This will provide a much more accurate and holistic review of health plans' quality. A health plan's rating is directly tied to data collected during the HEDIS and CAHPS audit process. Therefore, your individual experience along with the experiences of other [REDACTED] members will directly impact their ratings.

5. "Note that some customers do not find ALEX pleasant or useful."

ETF appreciates your feedback on ALEX during its first year of availability to our Medicare retirees. As with everything ETF does or offers, we welcome all the feedback we can get. If you have any specific thoughts or ideas of what could be changed about ALEX to make the tool more useful or user friendly for the 2021 plan year open enrollment period, please let me know.

Again, thank you for your letter and feedback. We will investigate ways to provide clearer information on how this benefit works for our members on our website, and we will work with our health plans to do the same.

If you have additional comments or concerns, I can be reached via email at Arlene.Larson@etf.wi.gov or telephone at (608) 264-6624.

Sincerely,

Arlene Larson
Manager of Federal Health Programs & Policy
Office of Strategic Health Policy