



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: October 20, 2020

To: Group Insurance Board

From: Arlene Larson, Manager Federal Health Programs & Policy
 Office of Strategic Health Policy

Subject: State of Wisconsin Medicare Advantage Health Benefit Plan Contract
 Extension Request

The Department of Employee Trust Funds (ETF) requests the Group Insurance Board (Board) approve renewing the Medicare Advantage (MA) contract with UnitedHealthcare (UHC) for one, two-year period extending through December 31, 2023.

Background

On March 21, 2018, the Board awarded the MA contract to UHC with prescription drug coverage offered by Navitus Health Solutions (Navitus). The contract was signed on May 18, 2018, with implementation beginning immediately afterward. Members could first enroll for the benefit period starting January 1, 2019. The current contract extends through December 31, 2021, with options to renew for two additional two-year periods extending through December 31, 2025.

Strengths and weaknesses in UHC’s administration of the MA plan are outlined in this memo. ETF is recommending adopting the first two-year extension, with next steps being developing a customer satisfaction survey and determining if a Request for Proposals for an implementation of the benefit period starting January 1, 2024 is warranted.

In developing its recommendation to the Board, ETF worked to meet the following goals:

- Provide participants with plan choices that positively impact their health
- Provide Medicare offerings that have low monthly premium costs
- Offer health plans that deliver high-quality, high-value services

Enrollment Growth

UHC is currently the most selected Medicare offering in the State of Wisconsin and Wisconsin Public Employer Group Health Insurance Programs (GHIP). Retired members are attracted to UHC’s premium, which is lower than all other offerings, and its

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Eileen K Mallow Electronically Signed 11/6/20

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nationwide provider network. In 2018 and early 2019, ETF heard from a number of current Medicare enrolled retirees that they were unsure about enrolling in MA the first year it was offered. During the open enrollment period in the fall of 2019 for 2020 coverage, ETF rarely heard that comment. We expect to see additional growth in MA this year as word of mouth among retirees seems to support the offering. Membership figures for 2020 shown in Table 1 are current as of October 19, 2020. Note that retirees are able to change health plans when the retiree or their insured dependent becomes eligible for, and enrolls, in Medicare. This means that during the year, enrollment growth in MA is possible. Note that the population of Medicare enrolled retirees has been stable for many years.

Table 1

Year	UHC Subscribers	UHC Members
2019	4,401	6,691
2020	6,382	9,637
% Growth	45.01%	44.03%

Member Customer Service Satisfaction

UHC provides quarterly satisfaction results to ETF. These are based upon member interaction with UHC’s call center. UHC’s call center system gives members the option to participate in an after-call evaluation on the quality of their experience. The survey consists of the following three questions:

- Please use a scale of 0 to 10 where 0 means not at all likely and 10 means extremely likely:
 - How likely are you to recommend us to others?
 - Thinking about the conversation you just had, overall, how satisfied are you with the level of service you received?
 - How satisfied are you that your issue was resolved?

UHC’s results appear in Table 3:

Table 3 **UHC Average Satisfaction Score** **UHC # of Surveys**

Quarter/Year	UHC Average Satisfaction Score	UHC # of Surveys
Q1 2019	95.59%	398
Q2 2019	97.03%	240
Q3 2019	93.24%	294
Q4 2019	96.25%	510
2019 Total	Average 95.52%	1,442
Q1 2020	95.15%	432
Q2 2020	95.47%	260

While these results are favorable, ETF is interested in a larger sample of responses. UHC has agreed to issue a survey to all members in early 2021 asking for their satisfaction with the plan. ETF will simultaneously release the same survey to all other Medicare retirees who have an email address on file with ETF. Survey results by plan are expected to be provided to the Board in May 2021.

Another source of customer satisfaction information comes from ETF's Ombudsperson Services (OS). OS monitors the number of complaints made to them for all ETF benefits and health plan grievances. OS reports to the Board on the data ([Ref. GIB | 5.13.20 | 9L](#)). The bi-annual detail of complaints made to OS on UHC appears in Table 4. These numbers are similar to the number of complaints received by OS for other plans with large memberships like Dean, Quartz, and WEA Trust.

Table 4
Year / Months # of Complaints About UHC to OS

2019 Jan-June	31
2019 July-Dec	50
2020 Jan-June	28

Performance Standard Measurement Results

The Group Health Insurance Program Agreement (Agreement) in place with all health plans contains certain performance standards that are reported to the Board quarterly ([Ref. GIB | 5.13.20 | 9A](#)). UHC met or exceeded performance standards as shown in Table 5. Also shown are the averages of all plan results.

Table 5	2019	2019	2020	2020
UHC Performance Standard	UHC	average	Q1	Q1
			UHC	average
Claim processing accuracy at 97%	100%	99.4%	99.8%	99.2%
Claim processing 95% in 30 days	100%	99.4%	99.9%	99.2%
Call answer timeliness 80% within 30 seconds	93.8%	90.4%	95.3%	90.9%
Call abandonment rate less than 3%	1%	1.1%	.3%	.9%
Resolve open calls 90% within 2 days	94.3%	96.3%	99.3%	96.5%
Resolve written inquiries 98% within 2 days	99%	99.5%	100%	99.6%

Quality

CMS incentivizes group MA plans to improve patient care by providing higher payments to higher-quality plans. The results are tabulated using a star rating system, where 5 stars is the highest standard. Medicare uses 32 measures to determine stars for MA plans that do not contain Part D coverage. The measures include clinical, operational and member satisfaction results. Measures include, but are not limited to, if members are receiving appropriate screenings, if gaps in care are closing, and how many appeals there are. UHC's group nationwide passive PPO, offered to our members, has ranked at 4.5 stars for the past four years. The federal subsidy is the same for plans that are rated at 4.5 or 5.

Cost

UHC's MA plan is priced lower than other Medicare coverage options in the program, as expected due to the federal subsidies based upon the star ratings. During negotiations for 2021 rates, UHC was asked to lower its premium rates due to the drop in overall claims caused by the coronavirus pandemic. UHC declined. ETF and Segal Consulting expressed concern about UHC's inflexibility. Later, UHC passed back a premium credit to ETF of \$376,930 due to lower-than-expected claims. This amount has been credited to ETF's health reserves to offset premium increases in the next year. UHC's policy was to pass credits to plan sponsors and not to beneficiaries such as direct pay members. UHC paid out over \$1.5 billion to plan sponsors in 2020 due to COVID-19.

Additional Benefits

UHC's MA plan provides additional benefits at no cost to members such as the Silver Sneakers fitness center membership discount program. UHC also offers certain financial incentives to encourage members to manage and improve their health. Positive results from these incentives help UHC improve its star ratings. Due to these financial incentives, MA members are not eligible for StayWell incentives (as part of ETF's Wellness Program).

Data Collection

ETF experienced difficulties in facilitating the transfer of data from UHC to the Wisconsin Health Information Organization (WHIO) and the DAISI data warehouse.

The Agreement requires that all plans submit data to WHIO. UHC delayed data submissions due to extended negotiations with WHIO on their master services agreement (MSA). ETF did not permit UHC to sign the 2020 Agreement with the Board until the WHIO issue was settled. The MSA between UHC and WHIO was signed February 3, 2020. Subsequently, UHC informed ETF that all WHIO issues had been resolved on April 29, 2020. Following that, UHC had other questions about the Agreement that further delayed signatures. The Agreement between UHC and the Board for the 2020 program year was signed August 25, 2020.

For the data warehouse, ETF requested UHC to sign a new Data Sharing Agreement (DSA) that would have assisted in facilitating numerous population health management projects. UHC declined to sign the DSA citing that their data sharing protection needs had already been addressed in the current Non-Disclosure Agreement, and they did not see the benefit at this time. ETF moved forward with all other plans to submit the data, since the focus for the initial effort is on non-Medicare individuals rather than retirees with Medicare. If the focus turns to Medicare members, ETF will reach out to UHC to once again propose signing the agreement.

Contracting for 2021

Following UHC signing the Agreement on August 25, 2020 for the 2020 program year, UHC had additional questions and concerns about the Agreement between UHC and the Board for the 2021 program year even though the 2021 Agreement had been shared with all plans at various stages throughout 2020. Plans were notified that the 2021 Agreement should be signed by August 14, 2020. After additional discussions, UHC signed the 2021 Agreement on October 1, 2020.

Other Options in the Marketplace

Staff have been talking with other vendors who offer MA plans and feel that the marketplace has matured since the RFP was awarded. We expect further offerings may be available if an RFP is issued in November of 2021.

Recommendation

Based upon the strengths of UHC's performance, ETF recommends the Board approve the first two-year extension to retain UHC through 2023.

Next Steps

Staff and UHC are developing a customer service satisfaction survey that will be mailed to all MA members early in 2021. The survey will gather information on how participants view the MA plan. Staff is also developing an electronic survey to send to all other Medicare-enrolled retirees at the same time, to gather their satisfaction with other plans. A comparison will be provided to the Board.

ETF is working with UHC to ensure the timely signing of future Agreements in order to align with all other health plans in the GHIP.

ETF will monitor UHC's data sharing with WHIO to be certain that appropriate information is submitted timely.

At the August 2021 Board meeting, staff will provide a recommendation on whether to issue an MA RFP following Board approval in November of 2021, or to extend the contract for the second two-year extension.

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