

STATE OF WISCONSIN Department of Employee Trust Funds

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Correspondence Memorandum

Date: October 23, 2020

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 August 2020 Update

Data Warehouse:

Amendment #4 with IBM, which adds additional hours for ETF's on-site analyst, was signed by the Board chair.

StayWell Wellness and Disease Management:

Amendment #5 to the StayWell contract was signed by the Board chair in August. This contract amendment added 2020 health screening options approved by the Board at its June 29, 2020 meeting (Ref. GIB | 6.29.20 | 5). The amendment also updated and modified certain performance standards.

<u>UnitedHealthcare (UHC) Medicare Advantage Program:</u>

Amendment #2 to the UHC contract for the 2020 program year was signed by the Board chair in August. Amendment #3 to the UHC contract for the 2021 program year was signed by the Board chair in October.

Group Health Insurance:

The 2021 health plan contracts were signed by the Board chair in August.

Contract Administration

ETF conducted an annual staff and Board survey regarding the 2020 performance of actuaries Segal and Milliman. This survey is conducted to inform decisions on (1) whether to extend the Segal contract or initiate the 180-day termination notice and (2) if the contract is extended, what % increase, if any, will be added to Segal's current

Reviewed and approved by Pamela Henning, Assistant Deputy Secretary

Pamela & Henning

Electronically Signed 11/4/2

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retainer fee for the following calendar year. Only staff who worked with Segal in 2020 were asked to respond to the survey. Eighteen staff received the Segal survey and 10 responded. All Board members received the Segal survey and 5 responded.

Sixteen staff received the Milliman survey and 12 responded. Both this Board and the ETF Board received the Milliman survey and 13 responded.

Health Insurance Program Actuary:

70% of staff were satisfied and 30% were highly satisfied with Segal's 2020 performance. Noted opportunities for improvement included using less text and more bullet points in presentations, simplifying graphs, using the appendix to capture supporting legalese and details, and ensuring appropriate proof reading for typos. Other comments complimented Segal staff for being outstanding in assisting ETF staff in understanding and interpreting very complex information.

80% of Group Insurance Board members were satisfied and 20% were highly satisfied with Segal's 2020 performance. No recommendations for improvement were provided by Board members.

Wisconsin Group Insurance and Disability Program Actuary:

42% of staff were satisfied and 58% were highly satisfied with Milliman's 2020 performance. No suggestions were provided as areas of improvement.

85% of members of the Group Insurance Board and the ETF Board who took the survey were satisfied and 15% were highly satisfied with Milliman's 2020 performance.

Requests for Proposals

Uniform Dental Benefits:

Proposals were received for Request for Proposals (RFP) ETJ0045 for Third-Party Administration of Uniform Dental Benefits. The committee is evaluating the proposals and anticipates providing an update at the Board's February 2021 meeting. The benefit period for this procurement will start January 1, 2022.

Life Insurance:

The recommendation to the GIB on the contract award for Request for Proposals (RFP) ETI0047 for Third-Party Administration of the Wisconsin Public Employers Group Life Insurance Program will be presented at the November 18, 2020 GIB meeting. The benefit period for this procurement will start January 1, 2022.

Income Continuation Insurance:

The recommendation to the GIB on the contract award for Request for Proposals (RFP) ETJ0043 for Third-Party Administration of the State of Wisconsin Income Continuation Insurance (ICI) Program will be presented at the November 18, 2020 GIB meeting. The benefit period for this procurement will start January 1, 2022.

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