



**STATE OF WISCONSIN**  
**Department of Employee Trust Funds**  
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 SECRETARY

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**Correspondence Memorandum**

**Date:** January 15, 2021  
**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 November 2020 Update**


Segal Health Insurance Actuarial Services:

Consulting actuary services for the health insurance programs are currently provided by Segal Consulting through an evergreen contract, which continues until cancelled by either party with 180 days' notice. Annual renewals are not completely automatic, as they involve review of the vendor's performance by ETF Staff and the Board, which, in turn, informs an inflationary increase to the vendor's retainer fee.

Segal satisfied its 2020 contract performance requirements and received satisfactory performance reviews by ETF and the Board. Specifically, Segal was complimented on its responsiveness to staff questions, making complex information understandable to staff, and timely delivering consistent with the project plan. Suggestions for improvement include:

- Ensuring Board members receive materials with sufficient time to review prior to meetings
- Providing fewer text-heavy Board presentations (use bullet points), and less "busy" graphics
- Capturing supporting legalese and details in the appendix; and
- Proofreading reports before submitting to ETF.

The Segal contract was amended to increase its retainer fee by the CPI-U increase of 1.18% for calendar year 2021 for services described under request for proposals ETD0012. This amendment was signed by the ETF Secretary in January 2021, at a new

Reviewed and approved by Pamela Henning, Assistant Deputy Secretary  Electronically Signed 2/2/21
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annual cost of \$373,988. This same amendment also describes the wellness program return on investment work Segal will do for \$25,000.

During calendar year 2020, the Segal contract was amended to include the following additional scopes of work:

- Preparation of the Other Postemployment Benefit (OPEB) information for \$110,000, for which ETF will be reimbursed by the Department of Administration.

#### Wipfli Compliance Audit Services for Income Continuation Insurance Contract

A contract with Wipfli to perform a compliance audit on the income continuation insurance contract for years 2018, 2019, 2020 at a cost of \$22,300 was signed by the ETF Secretary in December 2020.

#### **Letters Adjusting Program Administration Fees:**

##### The Hartford Administrator for Income Continuation Insurance (ICI)

The Hartford administration fee was amended to increase pursuant to the CPI-U increase of 1.18% for calendar year 2021 for services described under request for proposals ETH0002. This letter was signed by the ETF Deputy Secretary in December 2020 at a new annual cost of \$2,744,496.

#### **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 completed evaluating the proposals and will be presenting their contract award recommendation at the Board's February 2021 meeting. The benefit period for this procurement will start January 1, 2022.

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