

DRAFT

MINUTES

November 18, 2020

Group Insurance Board

State of Wisconsin



Location:

The Board meeting was held via teleconference.

BOARD MEMBERS PRESENT:

Herschel Day, Chair
Nathan Houdek, Vice-Chair
Nancy Thompson, Secretary
Harper Donahue
Malika Evanco

Dan Fields
Walter Jackson
Katy Lounsbury
Brian Pahnke
Bob Wimmer

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Office of the Secretary

Bob Conlin, Secretary
John Voelker, Deputy Secretary
Lisa Gurley, Board Liaison

Office of Strategic Health Policy

Eileen Mallow, Brian Stamm,
Rachel Carabell, Molly Heisterkamp,
Arlene Larson, Tom Rasmussen,
Jessica Rossner, Tricia Sieg,
Xiong Vang, Renee Walk,
Douglas Wendt, Korbey White

Benefits Services Bureau:

Jim Guidry

Bureau of Information Security

Management:

Greg Beach, Doug Michelz

Bureau of Budget, Contract

Administration and Procurement:

Beth Bucaida, Joanne Klaas

OTHERS PRESENT

Employee Trust Funds:

Megan Bierman, Sara Brockman,
Luis Caracas, Liz Doss-Anderson,
Oladipo Fadiran, Diana Felsmann,
Gina Fischer, Dan Hayes,
Pam Henning, Patrick Hughes,
Tarna Hunter, Bruce Johnson,
Cindy Klimke, Kadi Mbanefo,
David Nispel, Mary Richardson,
Tim Steiner, Yikchau Sze,
Sarat Tadi, Renee Walk,
Wade Whitmus, Kathy Wienkes,
Cheryllynn Wilkins, Ramona Yee,
Kathryn Young

Legislative Audit Bureau:

Maria Toniolo

MercyCare:

Josh Mummery, Sherrie Sargent,
John Trochell

Others (Unidentified)

67 individuals connected via telephone

Public

Jim Leverich

Quartz:

Kara Gullickson

Securian:

Kjirsten Elsner

Segal Consulting

Amber Condon, Ken Vieira

Board	Mtg Date	Item #
GIB	2.17.21	1A

Dean Health Plan

Penny Bound

Delta Dental:

Megan Wohlfeil

HealthChoice:

Bob Pearson, Gary Praznik,

Juliett Thill

StayWell

David Gregg, Emily Rathjen,

Erin Severson

UW System

Erin Schoonmaker

Mr. Day, Chair, called the meeting of the Group Insurance Board (Board) to order at 8:30 a.m.

ANNOUNCEMENTS

Ms. Mallow provided information regarding the logistics of today's virtual meeting. She also provided the following updates:

- Luis Caracas joined the Office of Strategic Health Policy (OSHP) from another business area within the Department of Employee Trust Funds (ETF).
- Megan Bierman joined OSHP as an intern and is working with the disease management team.
- Optum Financial has acquired ConnectYourCare (CYC). More information following the acquisition will be provided as it becomes available.
- Dental Request for Proposal (RFP) is in progress and on track.
- The Legislative Audit Bureau's Report of the Group Health Insurance Program (GHIP). This report should be available to ETF in December and will be shared with the Board as soon as it becomes available.

CONSIDERATION OF OPEN MINUTES OF THE AUGUST 19, 2020 MEETING

MOTION: Mr. Pahnke moved to approve the minutes of the August 19, 2020 meeting as submitted by the Board Liaison. Mr. Fields seconded the motion, which passed unanimously on a voice vote.

COVID-19 UPDATE

Ms. Walk referred the Board to the COVID-19 update memo (Ref. GIB | 11.18.20 | 3) and provided an overview of:

- Legislative and regulatory activities.
- State Emergency Order #2 relating to inter-state provider license reciprocity and Executive Order #94 relating to a recommendation by Governor Evers to take precautionary measures.
- Vaccines and treatments.
- Telehealth guidance.
- Virtual benefit fairs and flu clinics.
- Health impacts to GHIP participants.

Ms. Rossner provided information specific to the GHIP population which included:

- COVID-19 testing and cost experience.
- Number of members identified as testing positive for COVID-19.
- Statistics of members that required and received medical care.
- Member deaths related to COVID-19.
- Health engagement and utilization of healthcare services.
- Emergency room and acute admits to the hospital.
- Telehealth usage by members.

Ms. Walk provided information on cost and quality impacts related to COVID-19 and medical care of members.

Ms. Walk provided information on dental experience and stated usage began to decline and noted a 13.4% reduction in cost trend between 2019 and 2020.

Ms. Rossner provided COVID-19 patients costs and cost change information from 2019 to 2020. She also provided a trend analysis of all care and elective care by service category.

Ms. Walk indicated ETF had identified future areas of investigation, which include:

- Continuing to monitor impacts to the Triple Aim.
- Examining non-COVID-related costs.
- Options for supporting mental and physical health.

Mr. Day asked for additional information on the impacts of participants not currently receiving care for chronic conditions and what this may mean for 2021 statistics. Ms. Walk stated ETF would bring information back at a future meeting.

Mr. Houdek asked for additional information on telehealth; more information will be brought back to the Board at its February 2021 meeting.

STRATEGIC PLAN UPDATE

Emergency Room Usage

Ms. Heisterkamp referred the Board to the Emergency Room Usage memo (Ref. GIB | 11.18.20 | 4A) and provided an overview of ER utilization and stated the goal is to reduce costs for emergency room visits that can be provided at alternate sites. She also provided information on:

- Current ER workgroup activities.
- ETF's Communication Plan to targeted member audiences.
- Medical care options.
- Coordination with health plans and employers.
- DAISI analysis.

Mr. Rasmussen provided information on development and distribution of a member survey related to emergency room and other sites of care which was distributed to active and retirees enrolled in GHIP.

Ms. Carabell discussed survey responses and highlighted:

- Survey response rates for actives and other employees, retirees and total response rates.
- Response by member type.
- Key findings on whether individuals are able to access care when needed.

Mr. Day asked for additional information on Nurseline usage. Ms. Carabell stated ETF does not currently receive reports on this information. She stated ETF could reach out to the health plans to see if they are able to report out this information and offered to report back to the Board on the findings.

GIB Initiatives Update

Ms. Walk referred the Board to the GIB Initiatives Update memo (Ref. GIB | 11.18.20 | 4B) and asked the Board if there were any questions.

GROUP HEALTH INSURANCE PROGRAM RESERVE POLICY DISCUSSION

Ms. Mallow referred the Board to the Group Health Insurance Program Reserve Policy Discussion memo (Ref. GIB | 11.18.20 | 5) and stated an effort was made to organize previous Board action into one policy statement; this policy is consistent with what Segal had previously presented to the Board. She indicated having one policy will allow the Board to review the policy regularly for changes or updates.

MOTION: Mr. Houdek moved to adopt the policy presented regarding annual review and application of reserves for the Group Health Insurance Program and the WPE. Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.

IBM BENEFITS MENTOR DISCUSSION

Ms. Carabell referred the Board to the IBM Benefits Mentor Discussion memo (Ref. GIB | 11.18.20 | 6).

Ms. Klaas provided background information on ALEX, the current benefits mentor tool and the current IBM Watson Health contract.

Ms. Carabell highlighted concerns with ALEX, which include:

- Plan design recommendation.
- Accuracy of health care projections.
- Style.
- Cost.

Ms. Carabell stated the IBM Benefits Mentor will:

- Provide actual healthcare utilization data and allow the user to modify predicted future medical care costs.
- Provide three plan recommendation methodologies.
- Improve user experience based on artificial intelligence technology, how the plan options display and the style of the tool.
- Provide a lower cost, flexible and customizable tool, data security best practices and simplified implementation.

Ms. Klaas provided information on the timeline of implementation of this contract if approved by the Board.

MOTION: Mr. Fields moved to approve an amendment to the current contract with IBM Watson Health to include the Benefits Mentor virtual health benefits counseling tool starting January 1, 2021. Mr. Jackson seconded the motion, which passed unanimously on a voice vote.

The Board took a break from 9:58 a.m. until 10:10 a.m.

WELLNESS PROGRAM

StayWell Audit Results

Ms. Heisterkamp referred the Board to the StayWell Audit Results memo (Ref. GIB | 11.18.10 | 7A) and discussed:

- Key audit findings.
- ETF and StayWell action taken to rectify overpayments found in the audit findings.
- Performance metrics.
- Noticed areas for improvement.

Options for Possibly Extending the StayWell Contract and Issuing an RFP

Ms. Heisterkamp referred the Board to the StayWell Contract Extension memo (Ref. GIB | 11.18.20 | 7B) and provided:

- Well Wisconsin background information.
- Current StayWell contract, which began in 2017 and ends December 31, 2021.
- WebMD acquisition of StayWell.
- Program participation rates, which decreased to 26% from last year's 29%.
- Program health outcomes.
- Assessment results.
- Quality and satisfaction survey results.
- Program costs and costs savings.
- Return-on-investments.

Ms. Heisterkamp discussed the contract renewal options which included:

- Option 1: Extend contract for one year, through 2022, with a release of an RFP for a new wellness vendor for program year 2023.
- Option 2: Extend contract for two years, through 2023.
- Option 3: Do not extend contract and release RFP for program year 2022.

MOTION: Ms. Thompson moved to approve Option 2 as outlined in the memo to extend the StayWell contract two additional years through December 31, 2023. Mr. Fields seconded the motion, which passed unanimously on a voice vote.

PHARMACY BENEFITS MANAGER AND EMPLOYEE GROUP WAIVER PLAN

Navitus Audit Results

Ms. Sieg referred the Board to the Navitus Audit Results memo (Ref. GIB | 11.18.20 | 8A) and discussed:

- Pharmacy Benefits Manager (PBM) audit background information.
- Commercial discounts from January 1, 2019 to December 31, 2019.
- Employer Group Waiver Program (EGWP) and commercial dispensing fees.

Navitus Contract Extension

Ms. Sieg referred the Board to the Navitus Contract Extension memo (Ref. GIB | 11.18.20 | 8B) and highlighted:

- PBM contract history.
- Benefits provided by Navitus.
- GHIP's per-member-per-month savings.

Mr. Houdek questioned under what authority the Board has to approve a three-year contract extension versus the original one-year extensions. Ms. Mallow stated this contract is authorized under Chapter 40, which allows more flexibility for the Board to make this decision; while the approach is different for this extension, the overall time is still the same.

MOTION: Mr. Fields moved to approve a three-year extension of the contract with Navitus Health Solutions (Navitus), the Board's pharmacy benefit manager (PBM), from January 1, 2022 through December 31, 2024. Ms. Evanco seconded the motion, which passed unanimously on a voice vote.

LONG-TERM CARE STANDARDS AND SUPPLEMENTAL PLAN GUIDELINES CHANGES

Mr. Wendt referred the Board to the Long-Term Care Standards and Supplemental Plan Guidelines Changes memo (Ref. GIB | 11.18.20 | 9) and provided an overview of supplemental plan offerings for 2020 and 2021. He stated there were no recommended changes on the Long Term Care program.

Mr. Rasmussen discussed proposed changes to the Supplemental Plan Guidelines (ET-7422) which include:

- Capitalizing ETF's defined terms.
- Changing dates of submission of completed proposals and payments for third-party actuarial review to the last business day of January versus specifying the date.
- Updating the current Department Terms and Conditions.

MOTION: Ms. Thompson moved to approve modifications to the Supplemental Insurance Plan Guidelines (ET-7422) for contracts effective for the 2022 plan year. Ms. Lounsbury seconded the motion, which passed unanimously on a voice vote.

TRANSIT/PARKING PLAN DOCUMENT CHANGES AND UWHC CHANGES

Mr. Vang referred the Board to the Transit and Parking Plan Document Changes and UWHC Changes memo (Ref. GIB | 11.18.20 | 10) and discussed:

- Transit and Parking Plan document maintenance.
- Revenue procedure 2019-44.
- 2021 proposed commuter contribution limit increase.
- Revision of Transit and Parking Plan document.
- Triple Aim impact.
- UW Hospital and Clinics exclusion.

MOTION: Mr. Fields moved to approve the proposed changes to the Transit and Parking Plan Document effective January 1, 2021. Mr. Jackson seconded the motion, which passed unanimously on a voice vote.

MEDICARE ADVANTAGE CONTRACT EXTENSION

Ms. Larson referred the Board to the Medicare Advantage (MA) Contract Extension memo (Ref. GIB | 11.18.20 | 11) and highlighted:

- MA plan Triple Aim goals.
- UnitedHealthcare's (UHC) MA plan strengths, positive considerations, and plan weaknesses.
- Future considerations for RFP in 2024.

- Customer satisfaction survey to be sent in early 2021 to Medicare retiree participants.
- ETF looking to release a Request for Information (RFI) to gather additional information on vendors in the current marketplace.

MOTION: Ms. Lounsbury moved to approve renewing the Medicare Advantage (MA) contract with UnitedHealthcare (UHC) for one, two-year period extending through December 31, 2023. Mr. Jackson seconded the motion, which passed unanimously on a voice vote.

OPERATIONAL UPDATES

Ms. Mallow referred the Board to the Operational Updates in the Board packet (Ref. GIB | 11.18.20 | 12A-12J) and provided an overview of the written memos.

Ms. Mallow stated there were communications from a member regarding retiree premiums. She stated Chapter 40.51 requires retirees to pay the entire amount of their premium; statutorily we cannot tier the retiree premiums. Ms. Mallow stated we will continue to communicate with the member to address additional questions and concerns.

Ms. Mallow asked if there were any questions from the Board regarding any of the materials in the reports; she offered that ETF staff were available if there were any questions.

FUTURE ITEMS FOR DISCUSSION

Ms. Mallow referred the Board to the Tentative February 2021 Agenda (Ref. GIB | 11.18.20 | 13) and highlighted items for the upcoming February meeting. She also asked the Board for feedback or suggestions for additional items to address at that meeting.

Mr. Houdek requested ETF add strategic plan updates to the February agenda.

MOVE TO CLOSED SESSION

MOTION: Ms. Evanco moved to go into Closed Session pursuant to the exemptions contained in Wis. Stats. §19.85 (1) (d) and (1) (e) to consider strategy for crime detection or prevention and to deliberate or negotiate the investing of public funds or to conduct other specified public business, whenever competitive or bargaining reasons require a closed session. If a closed session is held, the Board may vote to reconvene in open session following the closed session. Mr. Jackson seconded the motion, which passed unanimously on the following roll call vote:

Aye: *Day, Donahue, Evanco, Fields, Houdek, Jackson, Pahnke, Thompson, Wimmer*
Nay: *None*

Absent: *Lounsbury (technical difficulties)*

The Board convened in closed session at 11:36 a.m.

The Board returned to open session at 1:31 p.m.

DISCUSSION AND VOTE ON BUSINESS DELIVERATED DURING CLOSED SESSION

Report on Closed Session Discussion

Mr. Day, Board Chair, announced during closed session the Board heard three presentations:

- A review of information systems security audits conducted by ETF staff.
- Recommendations from the evaluation committee for a contract to administer the life insurance program.
- Recommendations from an evaluation committee for a contract to administer the Income Continuation Insurance (ICI) program.

He stated the recommendations for each program area would be discussed and voted on by the Board.

Information Systems Security Review Audit Recommendations

MOTION: Ms. Lounsbury moved to affirm current contractual requirements for SOC 2 Security Reporting and establish a date of January 1, 2023 for full compliance. Mr. Fields seconded the motion, which passed unanimously on a voice vote.

Issuance of Letter of Intent to Award Life Insurance Request for Proposal

MOTION: Mr. Houdek moved to grant authority to the Secretary of ETF to:

- ***Issue an intent to award a contract on behalf of the Board to administer the Wisconsin Public Employers (WPE) Group Life Insurance Program (Program) to Securian Financial (Securian) for a period beginning January 1, 2022 through December 31, 2028, with the potential for two, two-year contract extensions available, subject to successful contract negotiations.***
- ***Additionally, in the event of failed or prolonged negotiations with Securian, the Secretary of ETF be allowed to initiate contract negotiations with MetLife.***

Mr. Fields seconded the motion, which passed unanimously on a voice vote.

Issuance of Letter of Intent to Award Contract for ICI Administration Request for Proposal

MOTION: Mr. Wimmer moved to grant authority to the Secretary of ETF to:

- Issue a letter of intent to award a contract on behalf of the Board for Third-Party Administration of the Income Continuation Insurance (ICI) Program to The Hartford for the period of January 1, 2022 through December 31, 2026, with the potential for one additional two-year extension, subject to successful contract negotiations.**
- Authorize the Secretary to award a contract on behalf of the Board for Third-Party Administration of the Income Continuation Insurance (ICI) Program to The Hartford that sets the contract billing method as an annual administrative fee to be paid in 12 equal monthly installments.**
- Additionally, in the event of failed or prolonged negotiations with The Hartford, the Secretary of ETF be allowed to initiate contract negotiations with Sedgwick Claims Management Services, Inc. (Sedgwick), even though Sedgwick's proposal was disqualified.**

Mr. Fields seconded the motion, which passed unanimously on a voice vote.

ADJOURNMENT

MOTION: Ms. Thompson moved to adjourn the meeting. Mr. Fields seconded the motion, which passed unanimously on a voice vote.

The meeting adjourned at 1:43 p.m.

Date Approved: _____

Signed: _____

Nancy Thompson, Secretary
Group Insurance Board