

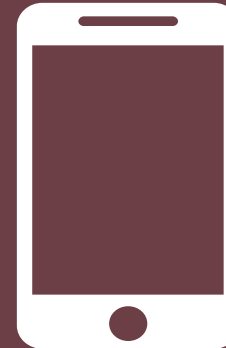


Please register your attendance by sending an email with name/organization to ETFSMBoardFeedback@etf.wi.gov.



Meeting Materials

- Available at etf.wi.gov



Please Mute
Microphones
and/or Cell Phones
(Using *6)

Public comments for future consideration accepted at: ETFSMBoardFeedback@etf.wi.gov.



Welcome to the Group Insurance Board

February 17, 2021

Meeting will begin at 8:30 a.m.



Announcements

Item 0 - No Memo



Consideration of November 18, 2020 Open and Closed Meeting Minutes



Item 1A & 1B – Memo Only



Group Insurance Board Election of Officers



Item 2 – Memo Only

Eileen Mallow, Director

Office of Strategic Health Policy



Legislative Audit Bureau Report on the Group Health Insurance Program

Item 3 – Memo Only



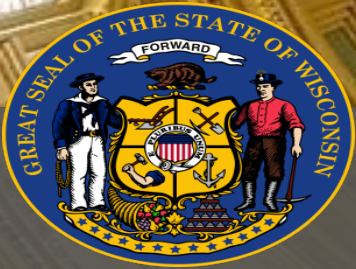
Board Member Training and Education: Ethics Training

Item 4 – Group Insurance Board

David Buerger, Staff Counsel

Ethics Commission





State of Wisconsin
Ethics Commission

GROUP INSURANCE BOARD ETHICS AND LOBBYING OVERVIEW

David Buerger
Staff Counsel



POLITICAL MARKET

Conscientious Railroad President to

Dealer: "Ah! Let me see. I think I'll take this bunch of Legislators at \$5000 a head. The Senators, at - what price did you say?"

Dealer: "Can't afford 'em less than \$10,000 each."

R.R.P.: "Well, hand them over. I suppose I'll have to take the lot."

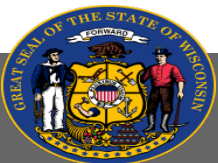
Dealer: "Anything else to-day? I have a lot of Editors, at various prices, from a Thousand down to Fifty Cents."

R.R.P.: "No, nothing in that way, to-day. But I want a Governor very much indeed, and will stand \$50,000 for him. Get me a Wisconsin one, if possible!"

Cartoon published in *Harper's Weekly* of June 12, 1858, at the time of the Land Grant Investigation

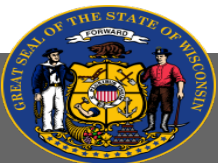
ABOUT THE ETHICS COMMISSION

- Created by 2015 Wisconsin Act 118
- 6 members – Partisan Appointments
 - 2 former judges, 4 others
 - 5-year terms
- Headed by Commission Administrator
- All actions require four votes
- One Staff Counsel; Six Other Staff Positions
- Confidentiality: Advice & Investigations



RESPONSIBILITIES

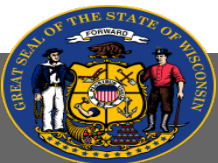
- Administer Wisconsin Statutes
 - Chapter 11: Campaign Finance
 - Subchapter III, Chapter 13: Lobbying
 - Subchapter III, Chapter 19: Code of Ethics



JURISDICTION

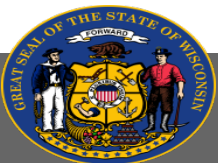
- Co-Equal Jurisdiction with District Attorneys, but historically...

Ethics Commission	District Attorneys
<ul style="list-style-type: none">• Legislators, aides, service agencies• Governor, Lt. Governor, appointees, secretaries, deputies, executive assistants, administrators• Justices and judges• Lobbyists and Lobbying Principals (organizations)• Most campaign committees• Any individual holding a state public office	<ul style="list-style-type: none">• Code of Ethics for Local Officials• Local candidate and local referendum committees



IMPORTANT LAWS TO KNOW

- Lobbying
 - Prohibits soliciting or accepting anything of pecuniary value from lobbyists or lobbying principals
- Code of Ethics
 - Use of office for financial gain
 - Influence and reward
 - Food, drink, transportation, lodging
 - Use of confidential information for private gain
 - Unlawful benefit
 - Interest in contract
 - Revolving Door Prohibitions
 - Pay to Play
 - Exceptions, Disposition of Gifts
 - Conflicts of Interest

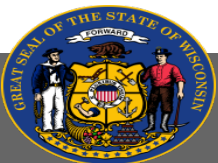




LOBBYING (CHAPTERS 13) RESTRICTIONS

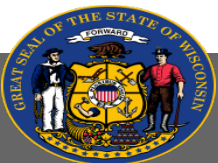
LOBBYING: PROHIBITED PRACTICES

- WIS. STAT. § 13.625
- No lobbyist or lobbying principal may give to an agency official, and no agency official may solicit or accept from a lobbyist or lobbying principal any:
 - Lodging
 - Transportation
 - Food, meals, beverages
 - Money or any other thing of pecuniary value
- A listing of registered lobbyists and lobbying principals can be found online at: <https://lobbying.wi.gov/Who/WhosLobbying/>



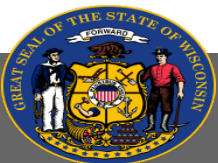
CAMPAIGN CONTRIBUTIONS

- A lobbyist may deliver a contribution from another at any time (e.g., a PAC contribution).
- A lobbyist may only make a personal contribution if the “window” is open
 - Between the first day to circulate nomination papers and the date of the election
 - And a contribution to a candidate for legislative office can only be given by a lobbyist if the Legislature has concluded its final floor period and is not in special or extraordinary session
 - A lobbyist may contribute to their own campaign at any time



OTHER EXCEPTIONS

- Items and services made available to the general public
- Providing or receiving any thing of pecuniary value involving a relative or an individual who resides in the same household
- Lobbyists may provide educational/informational materials
- Providing or receiving payment or reimbursement for actual and reasonable expenses allowed under WIS. STAT. §19.56: Honorariums, Fees and Expenses
- Other very limited exceptions to the blanket prohibition on accepting anything of pecuniary value from a lobbyist or principal

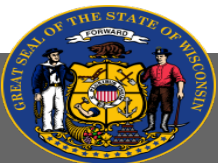




ETHICS (CHAPTER 19) RESTRICTIONS

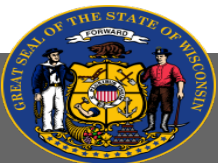
USE OF OFFICE FOR FINANCIAL GAIN

- WIS. STAT. § 19.45(2)
 - No state public official may use his or her public position or office to obtain financial gain or anything of substantial value for the private benefit of himself or herself or his or her immediate family, or for an organization with which he or she is associated
 - “Organization” does **NOT** include bodies politic
 - “Associated” includes any organization in which an individual or a member of his or her immediate family is a director, officer, or trustee, or owns or controls at least 10% of the equity, or of which an individual or family member is an authorized representative or agent
- Special exceptions:
 - Campaign contributions
 - Candidates may solicit for donations to nonprofits they are associated with



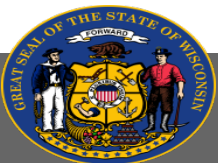
INFLUENCE AND REWARD

- WIS. STAT. § 19.45(3)
 - No person may offer or give to a state public official, directly or indirectly, and no state public official may accept from any person, directly or indirectly, anything of value if it could reasonably be expected to influence the state public official's vote, official actions, or judgment, or could reasonably be considered as a reward for any official action or inaction on the part of the state public official.
 - As a general rule officials should not accept anything of more than nominal value from organizations that have a special or specific interest in an item or matter likely to be before the official.



FOOD, DRINK, TRANSPORTATION, AND LODGING

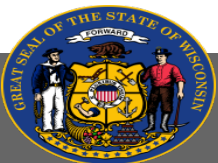
- WIS. STAT. §19.45(3m)
 - No state public official may accept or retain any transportation, lodging, meals, food or beverage, or reimbursement therefor, except in accordance with § 19.56(3)
- Exceptions (see [Guideline 1211](#)):
 - Official talk or meeting
 - Unrelated to holding public office
 - State benefit
 - Reported as an expense by a political committee
 - WEDC/Department of Tourism
- Remember that items from lobbying principals must also meet an exception of the lobbying law to be accepted



USE OF CONFIDENTIAL INFORMATION FOR PRIVATE GAIN

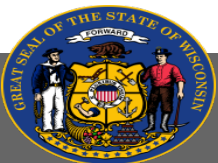
- WIS. STAT. § 19.45(4)
 - No state public official may intentionally use or disclose information gained in the course of or by reason of his or her official position or activities in any way that could result in the receipt of anything of value for himself or herself, for his or her immediate family, or for any other person, if the information has not been communicated to the public or is not public information.

CONFIDENTIAL



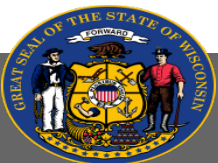
UNLAWFUL BENEFITS

- WIS. STAT. § 19.45(5)
 - No state public official may use or attempt to use the public position held by the public official to influence or gain unlawful benefits, advantages or privileges personally or for others.



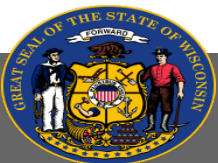
INTEREST IN CONTRACT

- WIS. STAT. § 19.45(6)
 - No state public official, member of a state public official's immediate family, nor any organization with which the state public official or member of the official's immediate family is associated with, may enter into any contract or lease involving payments of more than \$3,000 within a 12-month period from state funds unless the official discloses the association to both the Commission and the department acting for the state in regards to the contract or lease.
 - Does not affect WIS. STAT. § 946.13, which is a much broader restriction on officials acting in an official capacity regarding contracts they have a personal interest in an amount greater than \$15,000 per year.



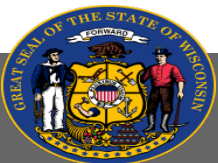
REVOLVING DOOR PROHIBITIONS

- WIS. STAT. § 19.45(8): With certain exceptions, no state public official may:
 - For 12 months following the date on which the individual ceases to be a public official, for compensation on behalf of a person other than a governmental entity, make any formal or informal appearance before, or negotiate with, any officer or employee of the department with which the official was associated.
 - For 12 months following the date on which the individual ceases to be a public official, for compensation on behalf of a person other than a governmental entity, make any formal or informal appearance before, or negotiate with, any officer or employee regarding any proceeding, application, contract, claim or charge which was under the former official's responsibility.
 - For compensation, act on behalf of a person other than the state, in connection with any judicial or quasi-judicial proceeding, application, contract, claim, or charge which might give rise to a judicial or quasi-judicial proceeding in which the former official participated personally and substantially as a state public official.



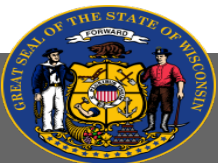
PAY TO PLAY

- WIS. STAT. § 19.45(13):
 - No state public official or candidate for state public office may, directly or by means of an agent, give, or offer or promise to give, or withhold, or offer or promise to withhold, his or her vote or influence, or promise to take or refrain from taking official action with respect to any proposed or pending matter in consideration of, or upon condition that, any other person make or refrain from making a political contribution, or provide or refrain from providing any service or other thing of value, to or for the benefit of a candidate, a political party, any committee registered under Ch. 11, or any person making a communication that contains a reference to a clearly identified state public official holding an elective office or to a candidate for state public office.



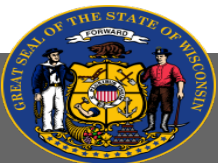
EXCEPTIONS

- For WIS. STAT. § 19.45(2) only:
 - Campaign contributions
 - Solicitation of donations to nonprofits
- Honorarium
 - Reasonable compensation for elected officials.
 - Actual and reasonable expenses for others.
- Unrelated to holding or having held public office
- State benefit
 - Limited to transportation, lodging, meals, food or beverage, or reimbursement for such expenses. May also accept payment or reimbursement of actual and reasonable costs incurred.



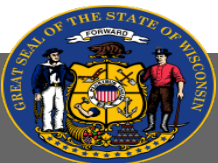
EXCEPTIONS, CONT.

- Items from a political committee, which are properly reported under Ch. 11.
- WEDC
 - For trips to a foreign country to promote trade
 - For hosting individuals to promote business, economic development, tourism, or conferences sponsored by multi-state, national, or international associations of governments or government officials.
- Department of Tourism
 - For hosting individuals in order to promote tourism.
- For more information regarding the application of these exceptions, see [Guideline ETH 1211](#).



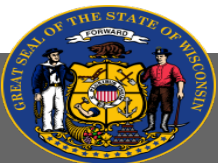
ACCEPTING GIFTS

- Do not accept items or services of more than trivial value that are offered to you because of your official position.
- You may accept something if it is not related to your public office.
- You may accept something if it is available to the general public and you received no special advantage in partaking of the opportunity (no use of public office)



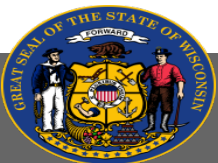
DISPOSITION OF GIFTS

- Treat the item as being given to the office.
- Turn the item over to another public institution, such as a local school, library, or museum, that can use the item.
- Donate the item to a charitable organization (other than one of which the official or a family member is an officer, director, or agent).
- Return the item to the donor.
- If the donor is neither a lobbyist nor a lobbying principal, purchase the item (by paying the donor the full retail value) and retain it.



CONFLICTS OF INTERESTS

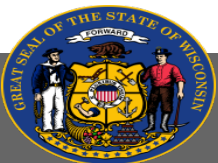
- WIS. STAT. § 19.46(1): No state public official may:
 - Take any official action substantially affecting a matter in which the official, a member of his or her immediate family, or an organization with which the official is associated has a substantial financial interest.
 - Use his or her office or position in a way that produces or assists in the production of a substantial benefit, direct or indirect, for the official, one or more members of the official's immediate family either separately or together, or an organization with which the official is associated.



OFFICIAL MAY ACT IF...

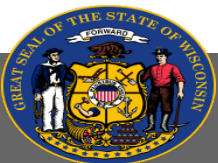
- The official action affects a whole class of similarly-situated interests; and,
- Neither the interests of the official, a member of the official's immediate family, nor a business or organization with which the official is associated is significant when compared to all affected interests in the class; and
- The action's effect on the interests of the official, of a member of their immediate family, or of an associated business or organization is neither significantly greater nor less than upon other members of the class.

[Ethics Commission Guideline 1232](#)



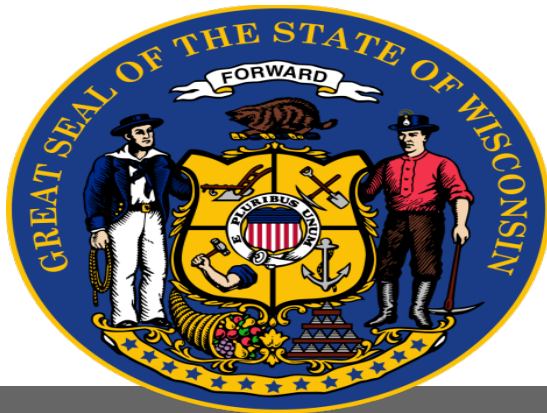
STATEMENT OF ECONOMIC INTERESTS

- Only certain officials are required to file an SEI.
- Annual requirement
- Must identify investments, real estate, businesses, and creditors as of the last day of the prior year.
- All direct sources of family income from prior year of \$1,000 or more.
- All sources of income from prior year of \$10,000 or more received from partnerships, sub S corporations, service corporations, and LLCs (including customers, clients, and tenants) in which your family has a 10% or greater interest.



WHERE TO FIND MORE INFORMATION

- **Wisconsin Statutes**
 - <https://docs.legis.wisconsin.gov>
- **Advisory Opinions**
 - Prompt, Confidential, Authoritative
- **Guidelines**
 - <https://ethics.wi.gov>



State of Wisconsin
Ethics Commission

Ethics@wi.gov
<https://ethics.wi.gov>
Phone: (608) 226-8123
Fax: (608) 264-9319

February COVID-19 Update

Item 5 – Group Insurance Board

Renee Walk, Lead Policy Advisor

Office of Strategic Health Policy



Informational Item Only

- No Board action is required

Legislative & Regulatory Update

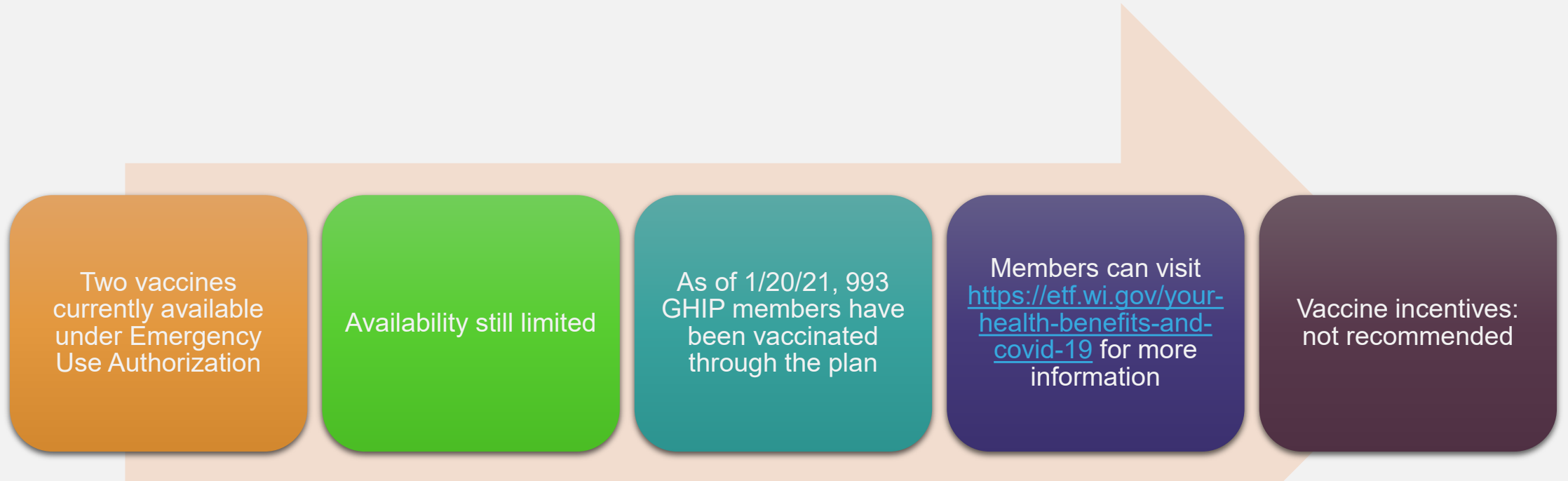
Federal

- Consolidated Appropriations Act of 2021

State

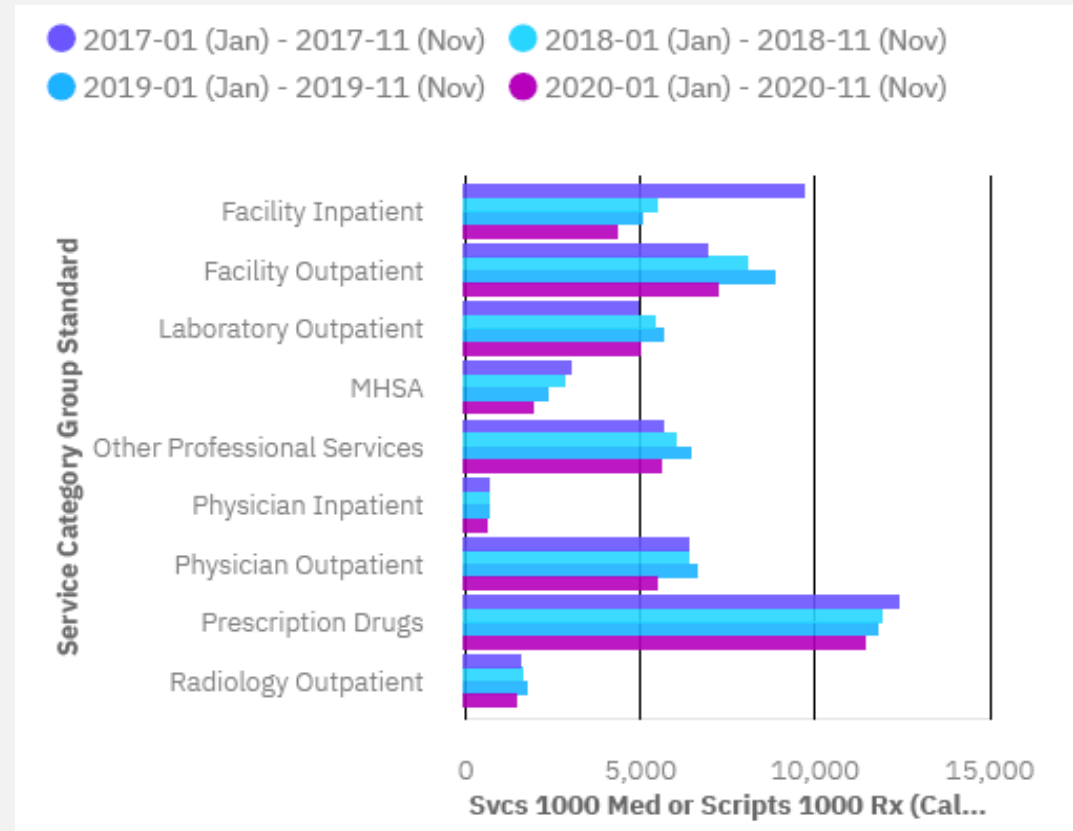
- AB1
- Executive Orders

Vaccines & Treatment



Health Impacts

Decline in care, medication use across segments



(Ref. GIB | 02.17.21 | 5, page 3)

Health Impacts

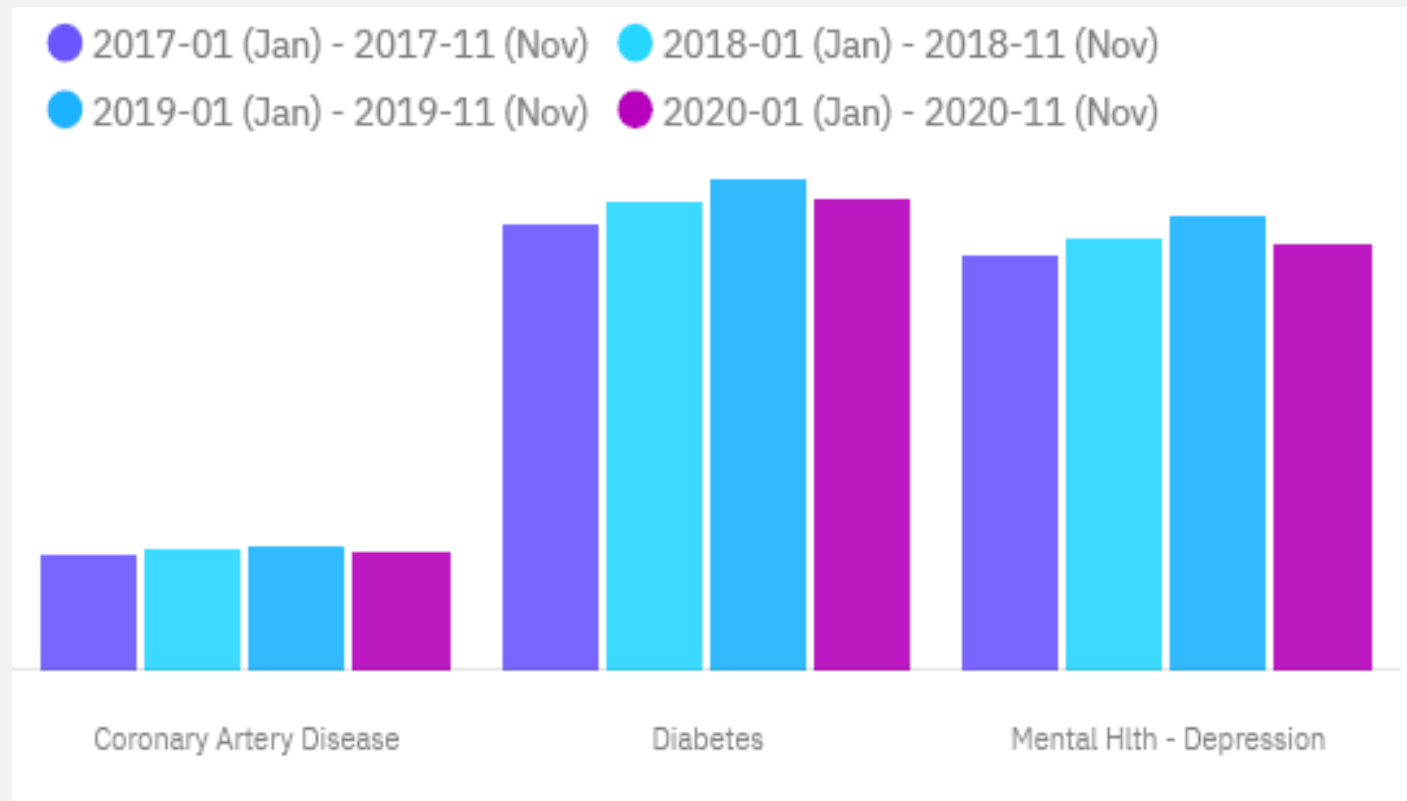
Deaths Reported by Securian, January 19, 2021	
	Number of Deaths
Active employee	14
Retiree	146
Spouse/Dependent	8
Male	107
Female	61
Total deaths	168

Securian notes that death reports are up for all causes, not just directly from COVID-19

(Ref. GIB | 02.17.21 | 5, page 4)

Quality Impacts

- Visits for chronic conditions decline after three years of increase



(Ref. GIB | 02.17.21 | 5, page 4)

Quality Impacts



ETF exploring how the GHIP can help fight COVID vaccination disparities



Vendors continue, some increase messaging for chronic condition care

Cost Impacts

- Securian claims paid as of 1/19/21 = \$4,593,000
- Dental trends continue to be lower than prior year, but above prior week

Uniform Dental Benefit	YTD 2021	YTD 2020	YTD 2019
Number of Claims	22,244	23,744	22,822
Dollars Paid	\$3,077,136	\$3,218,156	\$3,106,703

The background is a dark blue gradient with numerous bokeh light effects in shades of blue and purple, scattered across the upper and middle portions of the frame.

Questions?

Board Strategic Initiatives Updates: ER Survey Analysis

Item 6A – Memo Only

Brian Stamm, Deputy Director

Molly Heisterkamp, Disease Management & Wellness Program Manager

Rachel Carabell, Senior Health Policy Advisor

Tom Rasmussen, Life Insurance and Dental Program Manager

Office of Strategic Health Policy



Information Item

Informational purposes only. No Board action is required.

(Ref. GIB | 2.17.21 | 6A, Page 1)

Member Survey

Medical Care When You Need It Fast

Overview

Purpose: Establish baseline of members' knowledge and use of different sites of care and help focus education topics

Implemented in summer of 2020

Responses collected from over 15,000 members (35% response rate)

Statistical comparison for five different demographic views was completed utilizing relative risk

(Ref. GIB | 2.17.21 | 6A, Pages 1 - 3)

Survey Findings and Educational Focus

Emergency Room and Urgent Care

Members are highly confident in their knowledge of when to use these services and where to find them

- IBM's findings indicate 67% of select emergency room services are avoidable

Both the survey and IBM analysis uncovered higher utilization of avoidable emergency room services among young children

Focus on educating members, particularly parents of young children, on appropriate emergency room and urgent care service utilization

Telehealth and Nurse Line

Low percentage of members:

- Indicate they would use telehealth or nurse line
- Indicate confidence in when to use telehealth and nurse lines
- Know how to access nurse lines and/or have a telehealth account created

Females, members with dependent children, those living in Dane County, and younger populations were more likely to have knowledge and confidence in nurse lines and telehealth

Focus education on when and how to use telehealth and nurse lines

Primary Care Provider Services Findings

High percentage of members have a primary care provider and had a routine physical

Half were aware of the possibility for same-day appointments; members with dependent children were more likely to be aware of same-day appointments

Focus education on same-day appointment options, particularly for symptoms related to headaches/migraines and upper respiratory conditions

Limitations

Member email database is limited

Some limitations in analyzing all questions by demographic views and achieving statistical power within the health plan demographic view

Timing of survey and impact of COVID-19 pandemic

Potential selection, recall and social desirability biases

Conclusion

Survey was effective way to collect member feedback and input with a high response rate

Coupling findings with claims data is useful in understanding education opportunities and ongoing evaluation

Communication efforts are underway and will continue to evolve

(Ref. GIB | 2.17.21 | 6A, Page 8)

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Questions?

Board Strategic Initiatives Updates: Mental Health Parity Report

Item 6B – Group Insurance Board

Renee Walk, Lead Policy Advisor

Luis Caracas, Health Plan Policy Advisor

Office of Strategic Health Policy



Informational Item Only

No Board action is required

Problem Definition

Mental illness is among the leading causes of disability in the US

43.6 million (aged 18 or older) experience mental illness each year

9.8 million (aged 18 or older) have a seriously debilitating condition

Substance Use Disorder (SUD) has serious ramifications on a person's physical health, mental health, and overall well-being

Legal Landscape: Federal

Mental Health Parity Act (MHPA) - 1996

- Lifetime coverage limits for MH services must be equal to physical health services

Mental Health Parity and Addiction Equity Act (MHPAEA) - 2008

- All copays for MH and physical health must be equal
- Added parity for SUD too

The Patient Protection and Affordable Care Act (ACA) - 2010

- Removed lifetime limits
- MH/SUD added as an Essential Health Benefit

Consolidated Appropriations Act (CAA) – 2021

- Adds MHPAEA compliance framework and audits by HHS

Legal Landscape: State

Wis. Stats. §632.89

- Requires group health plans cover MH and SUD treatments
- Inpatient, outpatient, and transitional
- Requires parity with physical health services

Wis. Stats. §609.655

- Requires coverage of some MH/SUD services for dependent students who are living out of a plan's network

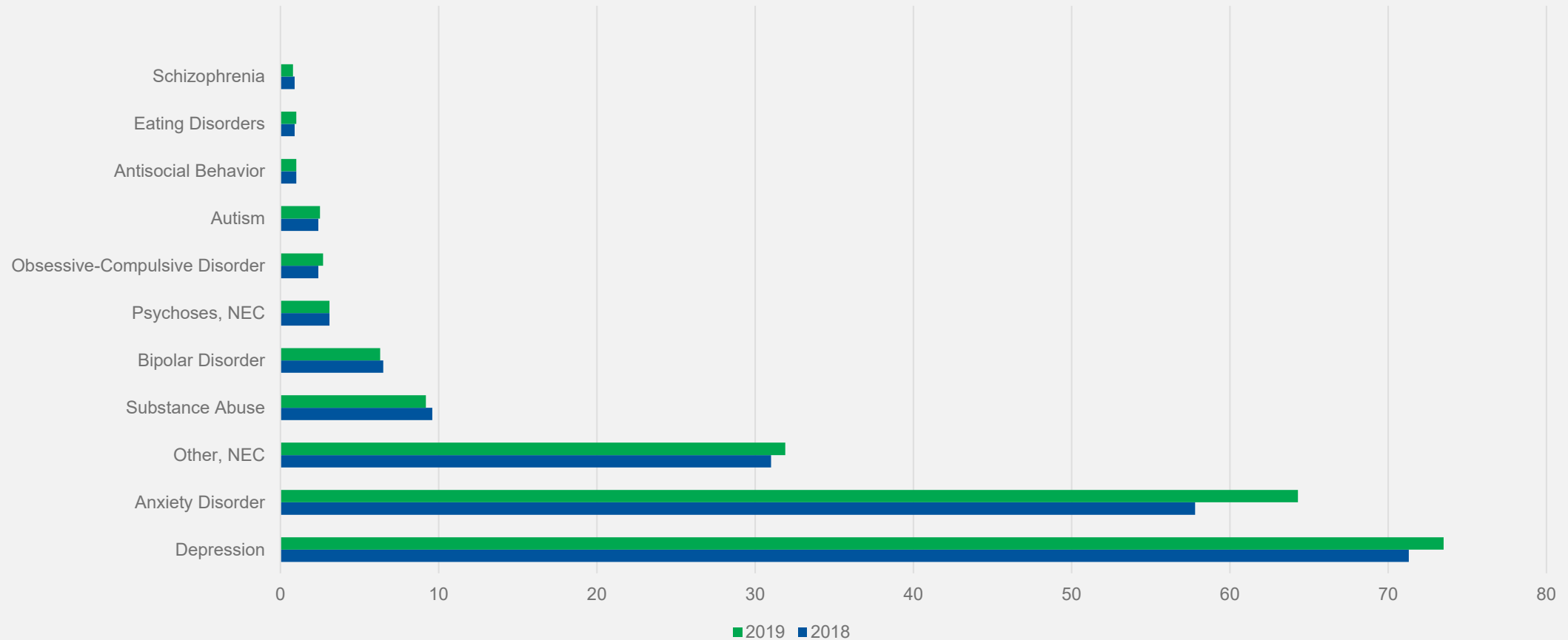
INS 3.36

- Mandates coverage of Autism Spectrum Disorder treatment
- Provides minimum dollar coverage for services

INS 3.37

- Further detail on transitional services and insurance coverage
- Similar mandates to MHPAEA

Rate per 1,000 Members, 2018 v 2019



(Ref. GIB | 02.17.21 | 6B, page 5)

Impacts to GHIP

Episode Group	Number of Episodes	Percent of Members with Episode	Allowed Amount per Episode
Depression	16,106	6.3%	\$1,963.27
Anxiety Disorder	13,994	5.5%	\$1,058.94
Other Disorders, NEC	6,733	2.6%	\$1,455.36
Substance Abuse	1,882	0.7%	\$5,368.54
Bipolar Disorder	1,294	0.5%	\$3,950.20
Autism	585	0.2%	\$14,601.20
Obsessive-Compulsive Disorder	563	0.2%	\$2,295.52
Psychoses, NEC	548	0.2%	\$1,551.43
Antisocial Behavior	232	0.1%	\$2,753.18
Eating Disorders	222	0.1%	\$11,481.42
Schizophrenia	193	0.1%	\$6,672.69

(Ref. GIB | 02.17.21 | 6B, page 4)

Other Factors

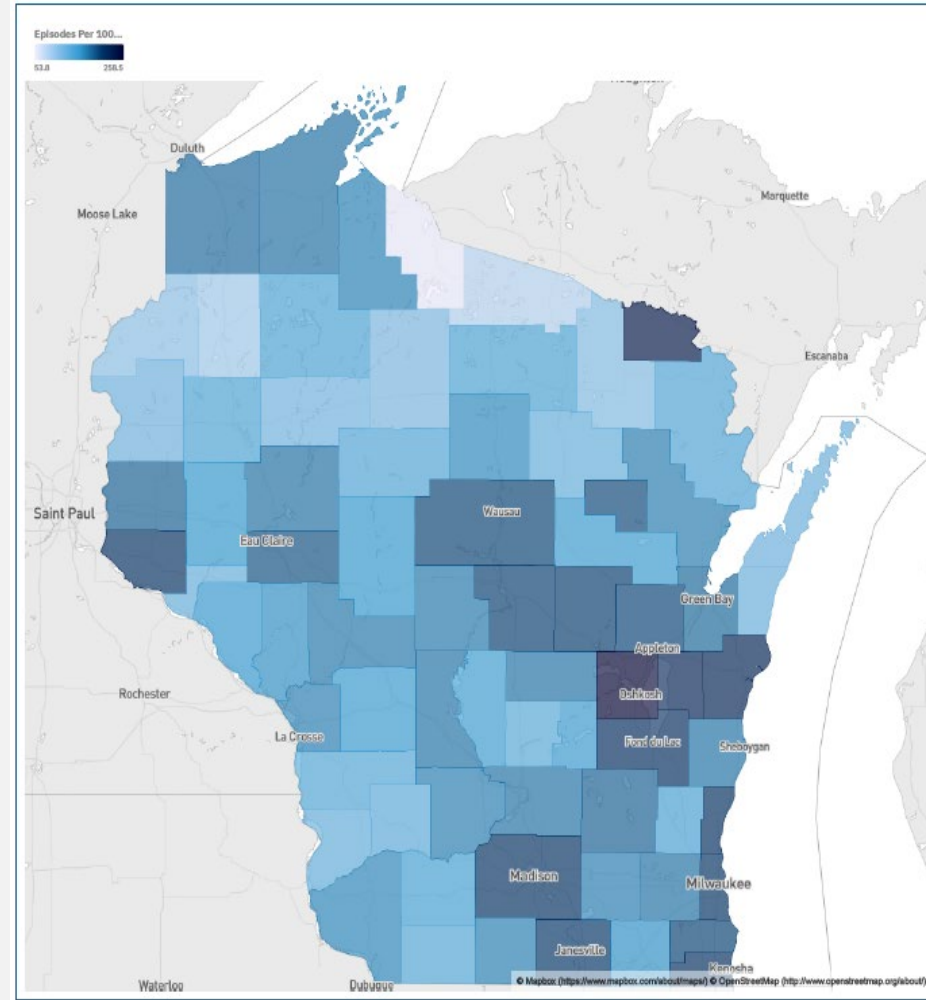
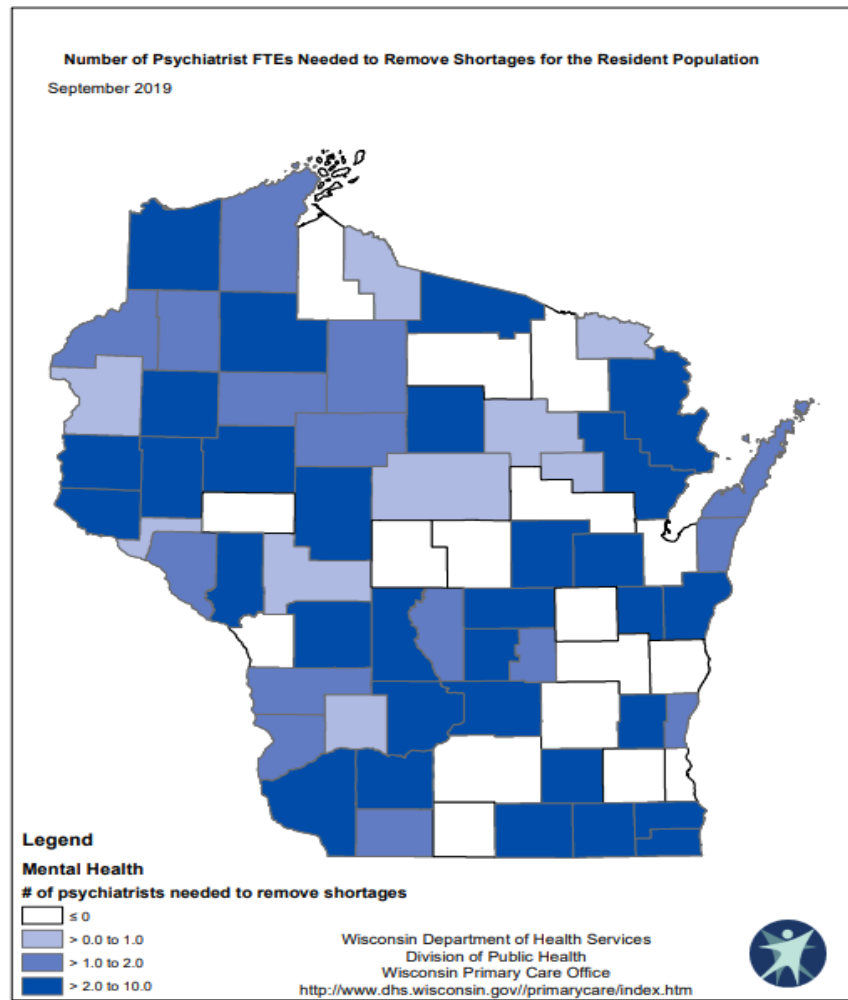
Barriers to
Treatment

Stigma

Co-Occurring
Conditions

Trauma

Provider Shortages and Utilization



(Ref. GIB | 02.17.21 | 6B, page 8-9)

Mental Health and SUD Episodes By Provider Type - 2019

Provider Type	Number of Patient Episodes	% of Total
Psychiatry	10,129	33.9%
Family Practice	7,792	26.1%
Internal Medicine (NEC)	2,685	9.0%
Nurse Practitioner	2,129	7.1%
Pediatrician (NEC)	1,602	5.4%
Medical Doctor – MD (NEC)	1,238	4.1%
Child Psychiatry	1,130	3.8%
Physician Assistant	922	3.1%
Emergency Medicine	573	1.9%
Neurology	258	0.9%

Uniform Benefit Coverage

Covered under Program Agreement

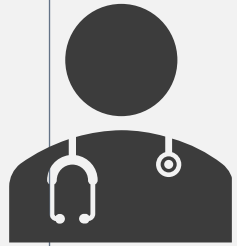
- Inpatient, outpatient, and transitional services
- Pharmacy
- Requires MHPAEA adherence

Not addressed by Program Agreement

- Specific prior authorization criteria
- MHPAEA audits or other checks

Non-specific authorization and no audit may lead to inconsistencies

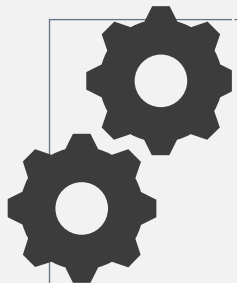
Opportunities



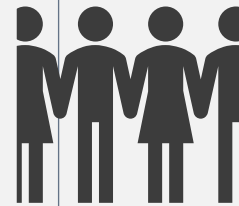
Provider adequacy
review, requirements



Tele-behavioral
health access



Benefits
communication



Stigma reduction
campaign

Opportunities Continued

- Access to Mental Health First Aid training
- Implement MHPAEA Plan Parity tool
- Plan promotion of MH/SUD resources
- Access to Peer Support workers
- Coverage of marriage and/or family therapy

Next Steps

- ETF seeks Board feedback on the ideas presented
- ETF will continue to investigate the options presented and bring opportunities to the Board for benefit and program changes to future Board meetings

The background is a dark blue gradient with numerous bokeh light effects in shades of blue and purple, scattered across the upper and middle portions of the frame.

Questions?

Board Strategic Initiatives Updates: Wisconsin Public Employers Group Health Insurance Program

Item 6C – Group Insurance Board

Arlene Larson, Manager Federal Health Programs & Policy

Brian Stamm, Deputy Director

Office of Strategic Health Policy



For Information & Discussion



Memo provides a summary of topics explored to date, findings and initial recommendations for development



Staff is requesting the Board's feedback on the opportunities described in this memo

- Board input will assist ETF staff to develop action timeline

Strategic Initiative Background



(Ref. GIB | 02.17.21 | 6C)

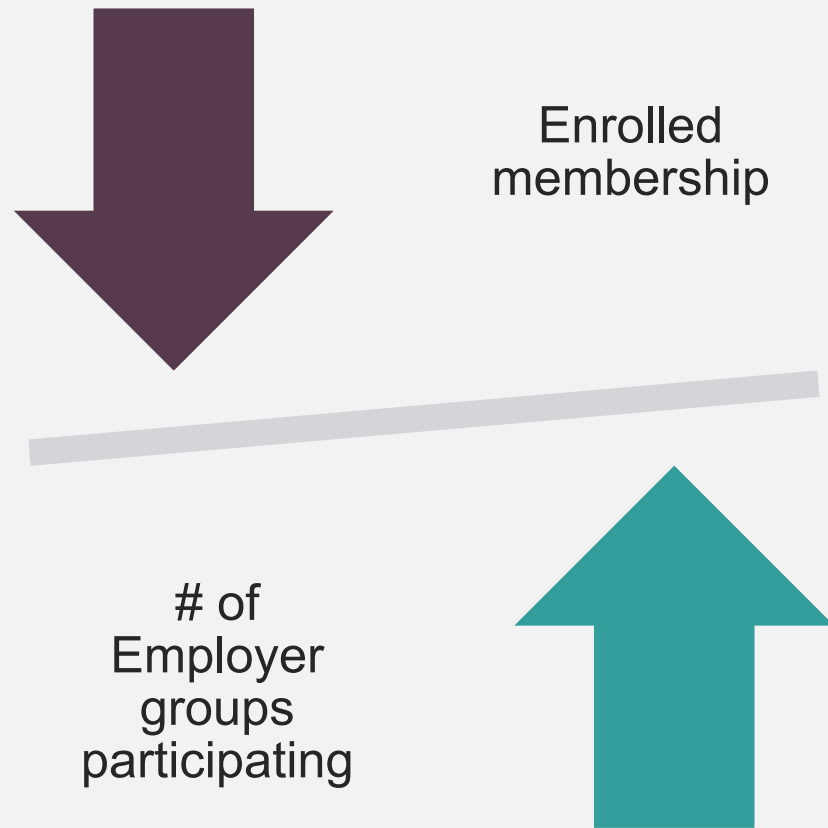
Overview

Found current policies working

No “silver bullets”

Recommend education and outreach

Current State: 2016 – 2019



- Some large groups have left the program
- Small groups are joining

(Ref. GIB | 02.17.21 | 6C, page 2)

Enhanced Employer Engagement



Web
communications
and resources



Employer
Advisory Group



Employer
survey

Recommended employer engagement strategies

Topics Explored: Policy

Communication

Tiering

State
Maintenance
Plan (SMP)
placement

Underwriting
and surcharges

Timing of Renewal Information

Provide early estimate

Two calculations per year

Perform renewal earlier

Change renewal to July 1

Additional Options Explored



Benefit Alternatives

- Offer more than one benefit design choice
- Offer an HDHP with greater out of pocket costs
- Simplify HDHP



Departing Group

- Three-year standard participation exclusion

Additional Options Explored

Multi-year rates for budget stability

Gain sharing with health plans

Subdivide pool

- Regionalize
- Divide employer groups by size or claims experience

Issue RFP for 1 or 2 nationwide vendors

Combine State and WPE risk pools

Summary



ETF recommends enhanced employer engagement via education and outreach

Additionally, investigate the value of an early estimate of renewal increases and benefit alternatives

Break

10 minutes

(Please turn cameras off and mute microphones/phones using *6)



Insurance Programs: 2021 Open Enrollment Results

Item 7A – Group Insurance Board

Douglas Wendt, Health Plan Policy Advisor

Office of Strategic Health Policy



Informational Item

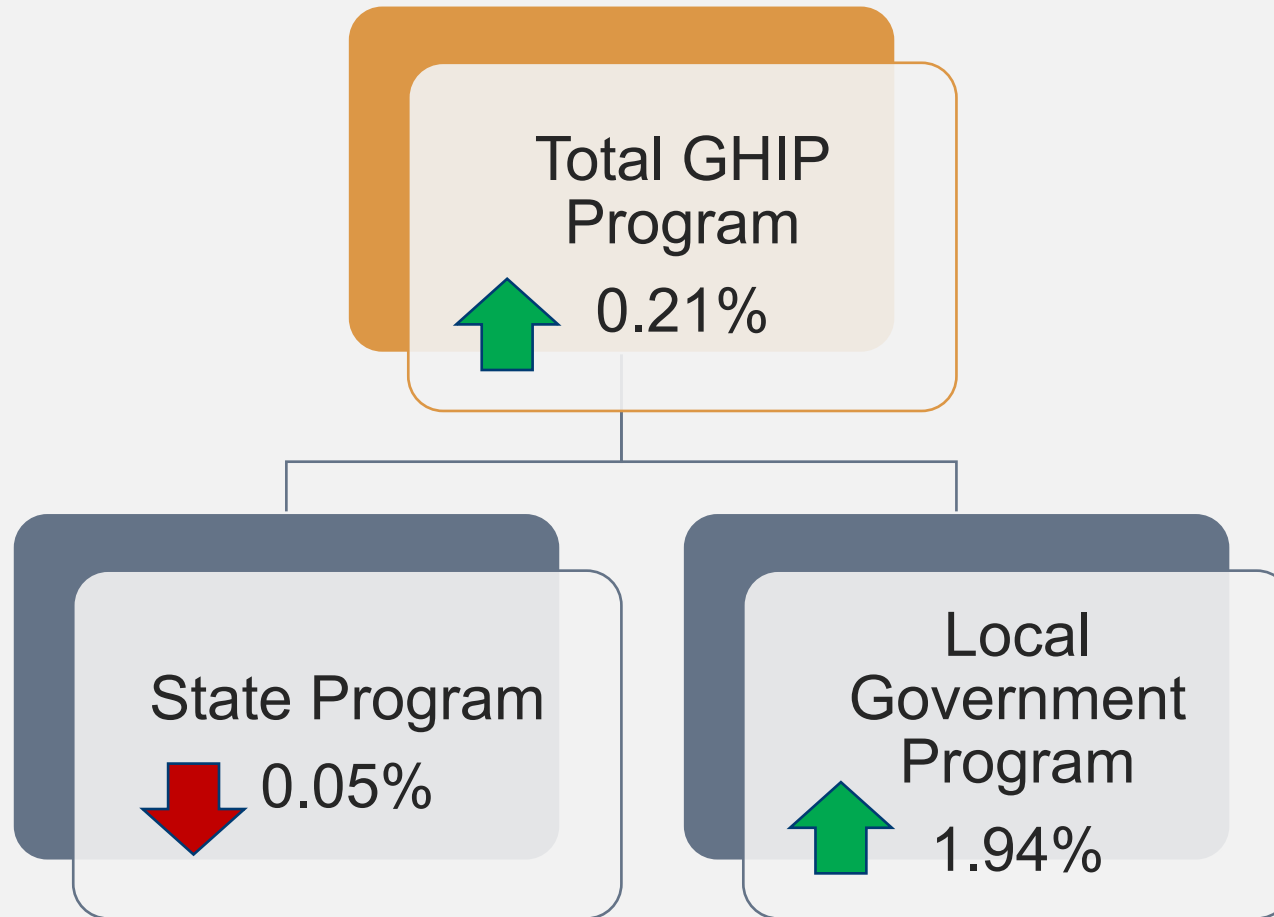
- No Board action is required

Health Program Totals



Total Membership

Enrollment increase



New Large Local Employers

Village of
Greendale
234

Human Service
Center
Forest/Oneida/Vilas
95

Elcho School
District
85

Medicare

Medicare Advantage

- Total enrollment increased 20%
- Membership surpassed 10,000 members for the first time

Medicare Some

- Contracts increased 51% in second year
- 16.8% of eligible families

Local Annuitant Health Plan (LAHP)

Increased 54% from January to December 2020 (351 to 541)

30% supplemental rate increase for 2021

- Premium increase to manage risk and curb adverse selection

Enrollment dropped from 541 to 506 for January 2021

Local State Maintenance Plan (SMP)

SMP is required by statute in any county without a qualified tier 1 health plan

- Plan offered for Local enrollment in 12 counties for 2021

Enrollment Increased from 7 in 2020 to 1,102 in 2021

- For 2021 SMP substantially less expensive than other plans, particularly in Trempealeau, La Crosse, and Monroe counties.

High Deductible Health Plan (HDHP)

HDHP enrollment increased 17.5%

- Double-digit increases every year since the 2015 implementation
 - Rate of increase is slowing
- Membership has exceeded 10% of total membership for the first time

Supplemental Plan Expansion

Supplemental Dental offered to Locals starting 2020 and Supplemental Vision and Securian Accident Plan starting 2021

Supplemental Dental

- 114 Local employers participating for 2021
- Total Active enrollment is 2,954

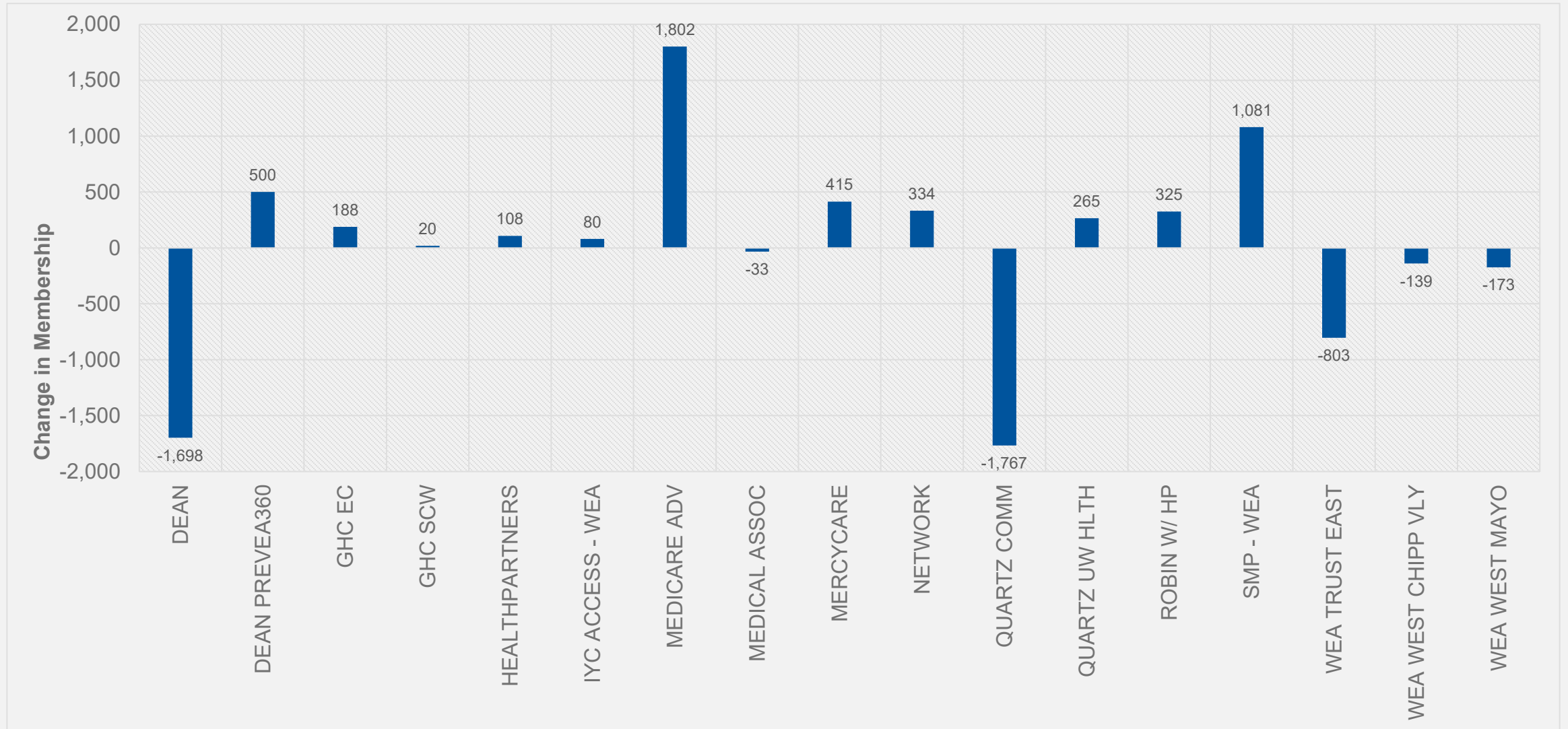
Supplemental Vision

- 104 Local employers participating for 2021
- Total Active Enrollment is 2,077

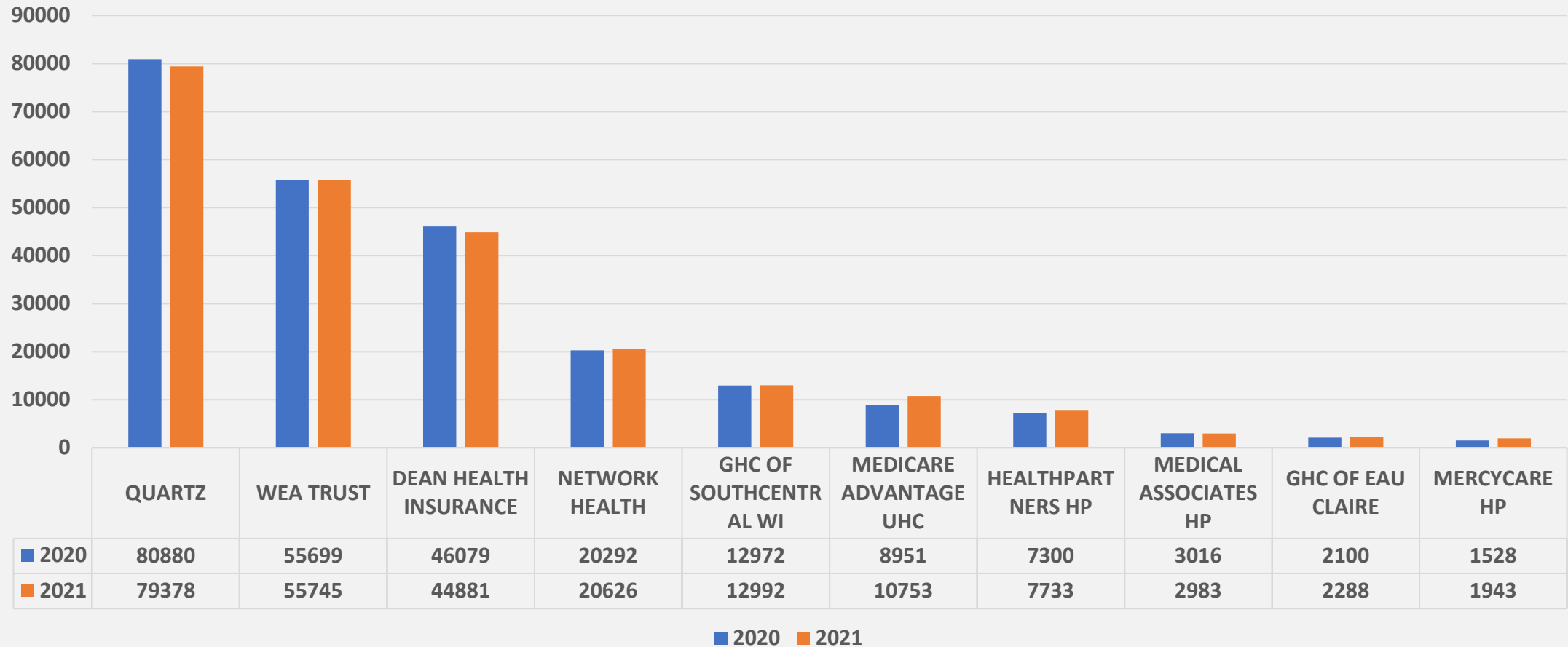
Securian Accident Plan

- 58 Local employers participating for 2021

Enrollment Change by Health Plan



2020-2021 Health Insurance Vendor Enrollment Comparison





Questions?

Insurance Programs: Establishment of Open Enrollment Period for 2022

 Item 7B – Group Insurance Board

Korbey White, Health Plan Policy Advisor
Office of Strategic Health Policy





Action Needed

- ETF requests the Board approve **September 27 – October 22, 2021**, as the open enrollment period for plan year 2022

2022 Open Enrollment Period





September
27



October 22

- Proposed open enrollment period is consistent with years past, beginning on the Monday of week 39 of the calendar year

Considerations

-  Required retiree benefit processing timelines
-  Key payroll center feedback
-  Potential new program administrator(s)
-  Current internal ETF projects



Action Needed

- ETF requests the Board approve **September 27 – October 22, 2021**, as the open enrollment period for plan year 2022

Annual Project Plan Performance Statistics

Item 7C – Group Insurance Board

Wade Whitmus, Project Manager

Office of Strategic Health Policy

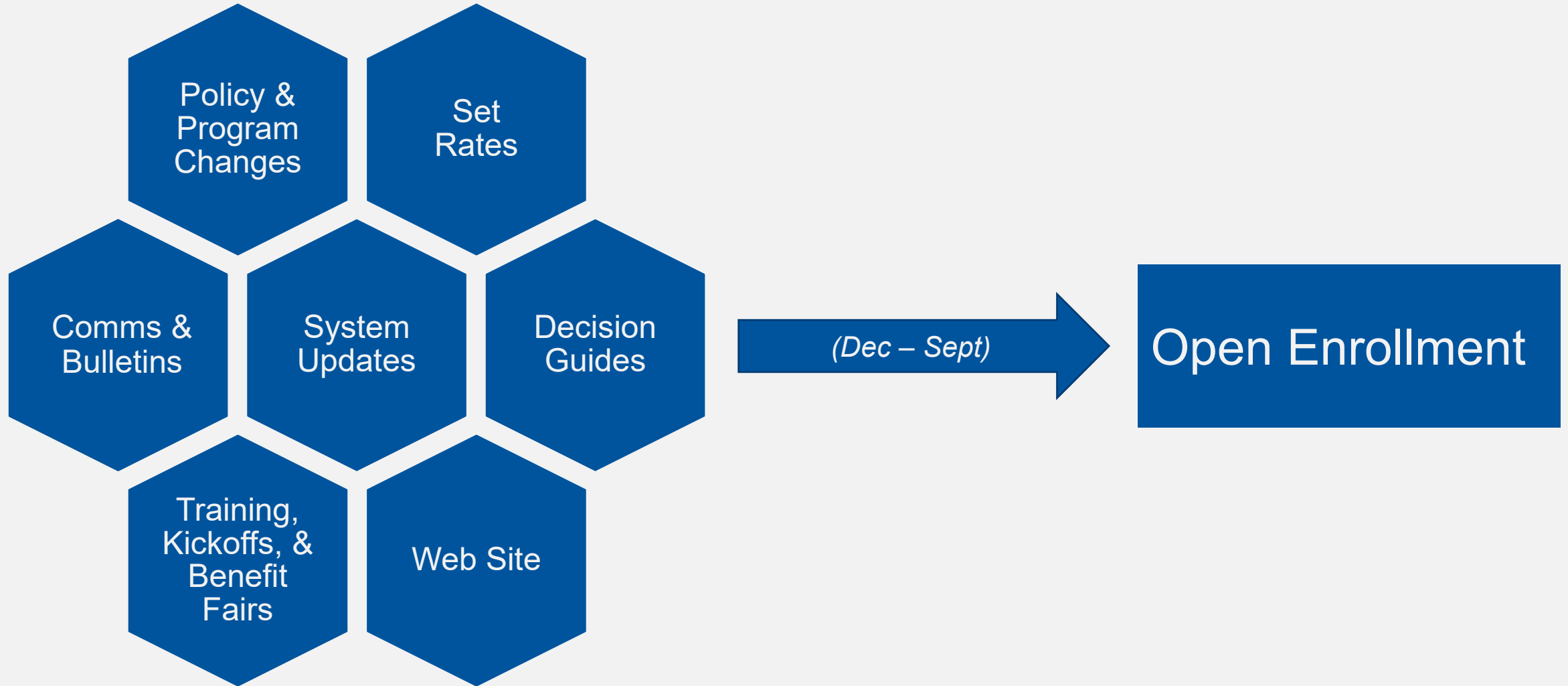


Informational Item Only

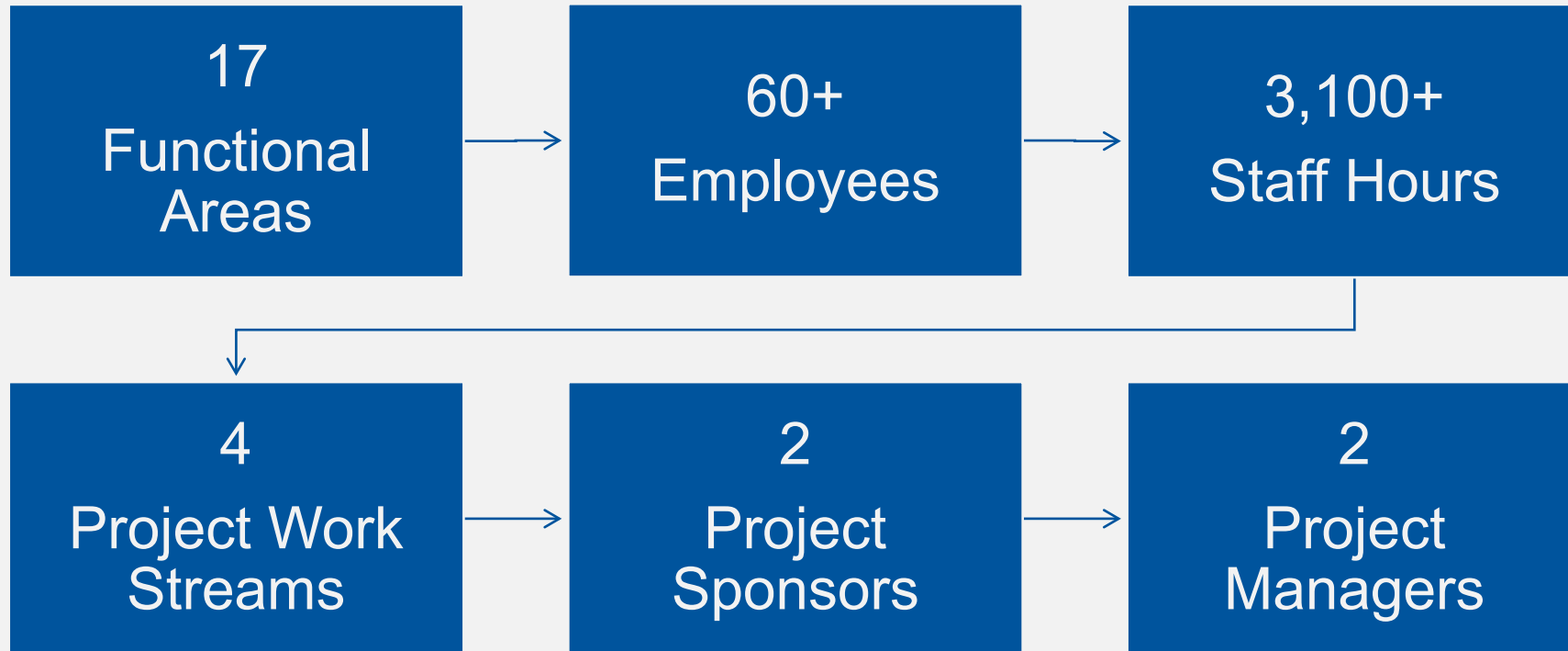
- No Board action is required

Introduction

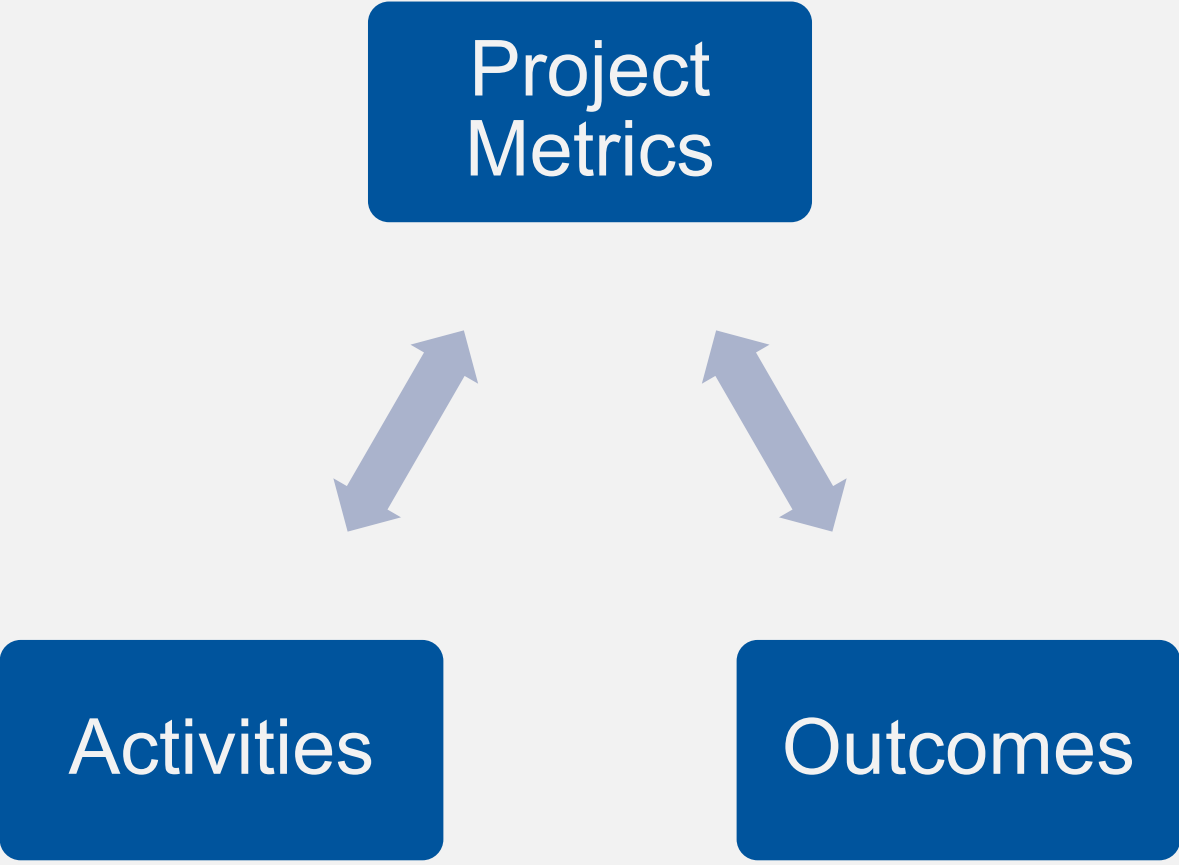
Its Your Choice (IYC) Project



IYC Project Scope and Impact



2018 Project Restructure



(Ref. GIB | 2.17.21 | 7C, Pages 1 and 2)



Why Metrics

Measure Progress / Results











































Assess Performance /
Accountability

Course Change / Process
Improvement

Project Activities Metrics

Key Deliverables

■ Project Activities

Metric		2020 Deadline		Status	Result	
		Target	Actual		On-Time	Complete
Project	Health Plans submit signed contracts	8/7/20	8/14/20	Completed	 0	 1
	Web site live (<i>soft launch</i>)	9/14/20	9/21/20	Completed	 0	 2
	Decision Guides delivered to ETF/Employers (<i>week of</i>)	9/14/20	9/23/20	Completed	 0	 2
	Decision Guides mailed to Members (<i>week of</i>)	9/21/20	9/23/20	Completed	 1	 2
BITS	IYC rate-based code changes locked down	8/14/20	8/11/20	Completed	 1	 1
	Complete testing of IYC rate changes in MEBS	9/14/20	9/22/20	Completed	 0	 1
	Deploy IYC rate changes to MEBS	9/18/20	9/18/20	Completed	 1	 1
ESS	ETF staff training sessions	9/11/20	9/11/20	Completed	 1	 1
	Employer Kick-off session	9/17/20	9/17/20	Completed	 1	 1
	Implement IYC rates update into MEBS production	9/25/20	9/23/20	Completed	 1	 1
OC	Set production quantity for mailing	8/14/20	8/14/20	Completed	 1	 1
	Final Decision Guide edits to printer	9/1/20	8/31/20	Completed	 1	 1
	IYC Employer Bulletin (Biggie) distributed	9/10/20	9/10/20	Completed	 1	 1
	Publish eLearnings on web site (released)	N/A	N/A	N/A	 1	 1
OSHP	Deliver preliminary rates to BITS, ESS, and OC	8/17/20	8/21/20	Completed	 0	 1
	Decision Guide edits completed and due to OC	8/20/20	8/20/20	Completed	 1	 1
	Deliver DPM rates to BITS, ESS, and OC	8/26/20	8/26/20	Completed	 1	 1
	Web site edits completed and due to OC	9/4/20	9/4/20	Completed	 1	 2
	eLearning updates completed and due to OC	N/A	N/A	N/A	 1	 2
	Distribute 88/105 tables to ESS and OC	9/11/20	9/11/20	Completed	 1	 0
	ALEX update completed	9/14/20	9/11/20	Completed	 1	 1

As Expected (1) 

Not as Expected (0) 

Year-Over-Year Trends

Metric Result		IYC Open Enrollment Year		
		2018	2019	2020
Late Deliverables	#	8	4	5
	%	34.8%	17.4%	23.8%
Complete	#	17	19	20
	%	73.9%	82.6%	95.2%

Project Outcomes Metrics

Results of Activities

■ Project Outcomes

Metric		IYC Open Enrollment Periods			Result	
		2018	2019	2020	Trend	Indicator
BITS	Total number of IYC RAMS tickets generated	N/A	N/A	17	N/A	N/A
	Number of IYC RAMS Tickets completed	N/A	N/A	15	N/A	N/A
	Number of IYC RAMS Tickets completed on time	N/A	N/A	15	N/A	N/A
	Number of IYC RAMS Tickets adjusted/changed	N/A	N/A	2	N/A	N/A
Call Center	Number of IYC-based calls	8,445	8,355	6,998	-16.2%	▶ 1
	Average wait time (<i>Minutes:Seconds</i>)	6:38	2:39	2:32	-4.4%	▶ 1
	Abandonment rate	15.14%	6.79%	4.30%	-36.7%	▶ 1
	Average talk time (<i>Minutes:Seconds</i>)	6:32	6:10	6:21	3.0%	▶ 0
	Total all calls (<i>IYC and other topics</i>)	18,297	19,632	15,352	-21.8%	▶ 1
Guides	Number produced	73,750	65,500	63,850	-2.5%	▶ 1
	Initial number mailed to Employers	26,000	22,345	18,718	-16.2%	▶ 1
	Initial number mailed to Retirees	36,000	28,833	29,936	3.8%	▶ 0
	Paper Applications mailed to Retirees	700	600	700	16.7%	▶ 0
IYC	IYC Total Enrollment	235,973	238,817	239,322	0.2%	▶ 1
	IYC - Subscriber Enrollment	108,388	110,237	110,647	0.4%	▶ 1
	IYC - Dependent Enrollment	127,585	128,580	128,675	0.1%	▶ 1
	HDHP Total Enrollment	17,025	21,793	25,694	17.9%	▶ 1
	HDHP - Subscriber Enrollment	7,344	9,381	11,026	17.5%	▶ 1
	HDHP - Dependent Enrollment	9,681	12,412	14,668	18.2%	▶ 1
	Participating Local Employers	369	378	394	4.2%	▶ 1

* Campaign to date (may not be final data)

Positive Trend (1) = ▶ 1

Negative Trend (0) = ▶ 0

■ Project Outcomes

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A.

B.

C.

■ Project Outcomes

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		2018	2019	2020	Trend	Indicator
Training (attendance)	ETF Staff Training	106	92	28	-69.6%	▶ 0
	State Employer Kick-off	143	166	177	6.6%	▶ 1
	Local Employer Kick-off (multiple sessions)	86	78	246	215.4%	▶ 1
	Local Employer Q&A Session	N/A	N/A	60	N/A	N/A
	Member ETF Health Benefits	N/A	N/A	1,796	N/A	N/A
	Employer Meet the Vendor	N/A	N/A	497	N/A	N/A
	Member Meet the Vendor	N/A	N/A	1,383	N/A	N/A
Web (including eLearnings)	eLearning video views - <i>ETF produced</i>	23,606	1,545	1,704	10.3%	▶ 1
	"What's New" video views - <i>JellyVision produced</i>	6,056	5,898	1,973	-66.5%	▶ 0
	Average percentage of eLearning viewed	68%	74%	83%	12.3%	▶ 1
	ALEX volume of visits	12,300	12,540	5,362	-57.2%	▶ 0
	IYC home page hits	51,421	N/A	29,269	N/A	N/A
	IYC State Guides landing pages visits	64,212	39,482	20,937	-47.0%	▶ 0
	Local Employees/Annuitants Guide landing page visits	4,883	2,059	1,154	-44.0%	▶ 0
	Local Deductible Plan Guide landing page visits	3,249	3,004	1,957	-34.9%	▶ 0
	Local Health Insurance Guide landing page visits	1,648	378	206	-45.5%	▶ 0
	Local High Deductible Guide landing page visits	1,247	509	483	-5.1%	▶ 0

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D.

E.

F.

Metrics...



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Questions?

Insurance Programs: Preliminary 2022 Program Agreement and Uniform Benefit Changes

Item 7D – Group Insurance Board

Renee Walk, Lead Policy Advisor

Tricia Sieg, Pharmacy Program Manager

Korbey White, Health Plan Policy Advisor

Office of Strategic Health Policy



Informational Item Only

No Board action is required; ETF is interested in Board input on these and any other changes that should be investigated for 2022.

Program Agreement Restructure

Reorganize

- Break into components that are program-specific

De-Bulk

- Remove unneeded language
- Limit duplication between section

Simplify

- Plain language

Program Agreement Completion

A complete version of the updated agreement, as well as a crosswalk document to track where sections are relocated, will be provided to the Board in **May**

Legislation: Consolidated Appropriations Act of 2021 (CAA)

No Surprises Act (Division BB, Title I)

- Plans must hold patients harmless for some out-of-network care
- HHS will define a payment method and arbitration process for plans and providers to settle bills
- Specifically addresses air ambulance bills

Transparency (Division BB, Title II)

- Plans must provide advance EOBs before scheduled services
- Plans must make transparency tools available
- Providers must verify coverage after scheduling and provide a good faith estimate of coverage to payer or patient
- Restrictions on gag clauses in provider contracts
- Mental Health Parity requirements (discussed in Item 6B)

Uniform Benefits Changes

General Restructuring

- Goal: document resembling a commercial certificate of coverage
- Plain language, adding information needed by members

Proposed Benefit Changes

- Adding coverage of acupuncture, orthognathic surgery, vision screenings for <19
- Updating MOOP value
- Clarifying exclusions

Telehealth Guidance

Pharmacy Benefit Proposed Changes

- Removing out-of-pocket limits (OOPLs) for level 1, 2, and 4 drugs
- Removing only Level 4 OOPL
- Move coverage of Continuous Glucose Monitoring devices to pharmacy benefit
- Implementing Navitus's Copay-Max program
- Enacting Navitus's Copay True
- Executing Navitus's Medication Therapy Management program
- Enrollment in pharmacogenomics program
- Joining Navitus's texting program

Next Steps

- ETF will review changes with the Board's actuary and employers
- Final recommendation for 2022 changes will be presented at the May 2021 Board meeting

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Questions?

Insurance Programs: WebMD Key 2020 Findings Presentation

Item 7E – Group Insurance Board

Emily Rathjen and Erin Seaverson

WebMD



WebMD[®]
health *services*

+



STAYWELL[®]



Well Wisconsin Program Overview & Planning

Executive Summary

Participation

- 2020 activity completion was slightly lower than 2019 (25.6% vs. 29%, respectively), which we believe is attributed to the COVID-19 pandemic.
- Health risk assessment completion for the State (42.3%) and UW (42.1%) groups were in line with the book-of-business of 44%.
- The Health Check participation ended at 29.5% which included a modified version of a Biometric Screening (i.e., dental cleaning, coaching call, biometric screening, health care provider form completion or home test kit submission).
- Incredible success with Well WI radio. The October session included more than 4,400 participants!

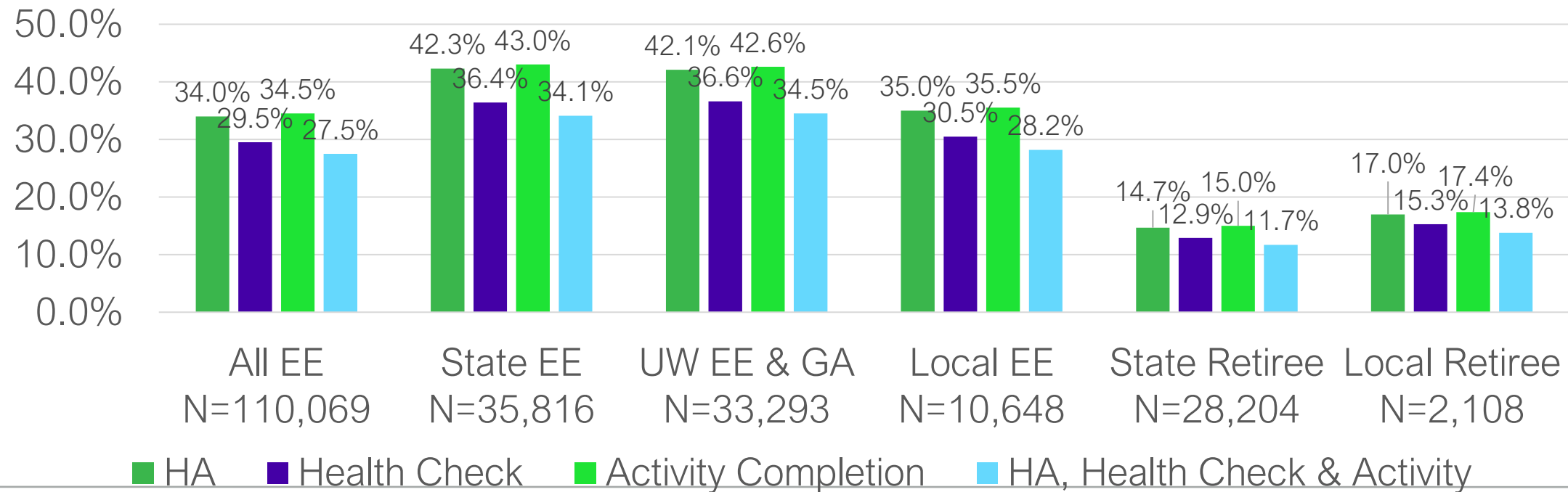
Health Risk Prevalence

- Like past years, weight and stress were among the top risk areas.
- Overall, average number of health risks decreased from 3.42 to 3.31, or a 3.0% improvement from 2019 to 2020.
- Those engaged with a lifestyle health coach experienced a 4.6% improvement and those who engaged with a disease management nurse coach experienced a 1.4% improvement.
- The impact of COVID on health risk prevalence is still emerging; the health risk results may not be generalizable to the broader population.

Employee Program Participation

- Program goal for 2021 is to close the gap among those who only completed two steps which ended up being 29.1% in 2020.
- 25.6% of the Wisconsin population completed all three activities in 2020 (27.5% for employees; 21.8% for spouses)

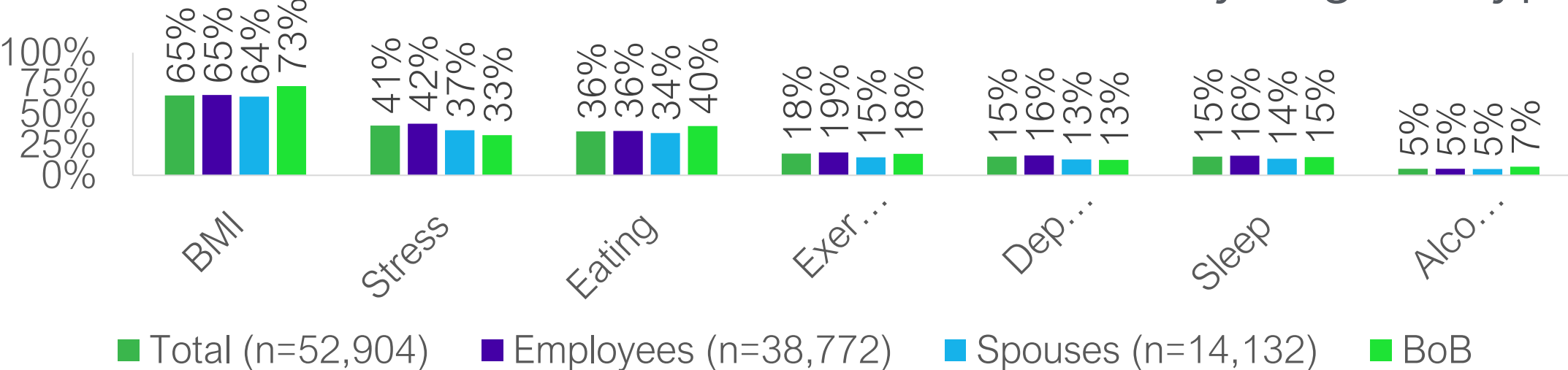
Employee Program Participation



Overall Risk Prevalence

- The highest risk area for the employee population continues to be BMI/weight, with 65% of HA participants at elevated risk.
- Stress risk among employees (42%) is 5 percentage points higher than spouses (37%) and is 9 percentage points higher than StayWell's BoB (33%).

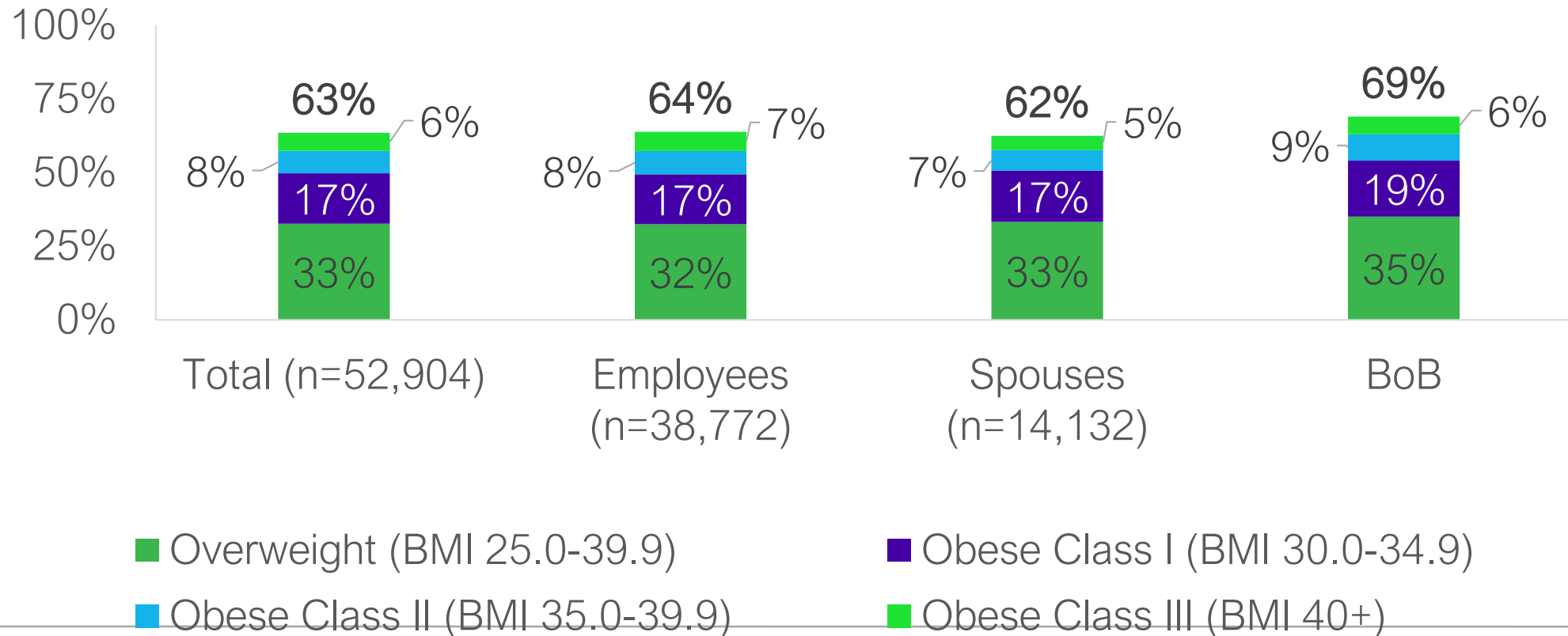
HA Risk Prevalence, Total & By Eligible Type



Weight Management: Risk Stratification

Population by BMI class shows rising risk, with an opportunity to prevent the overweight demographic from elevating to obese.

BMI Range, Total and by Eligible Type*

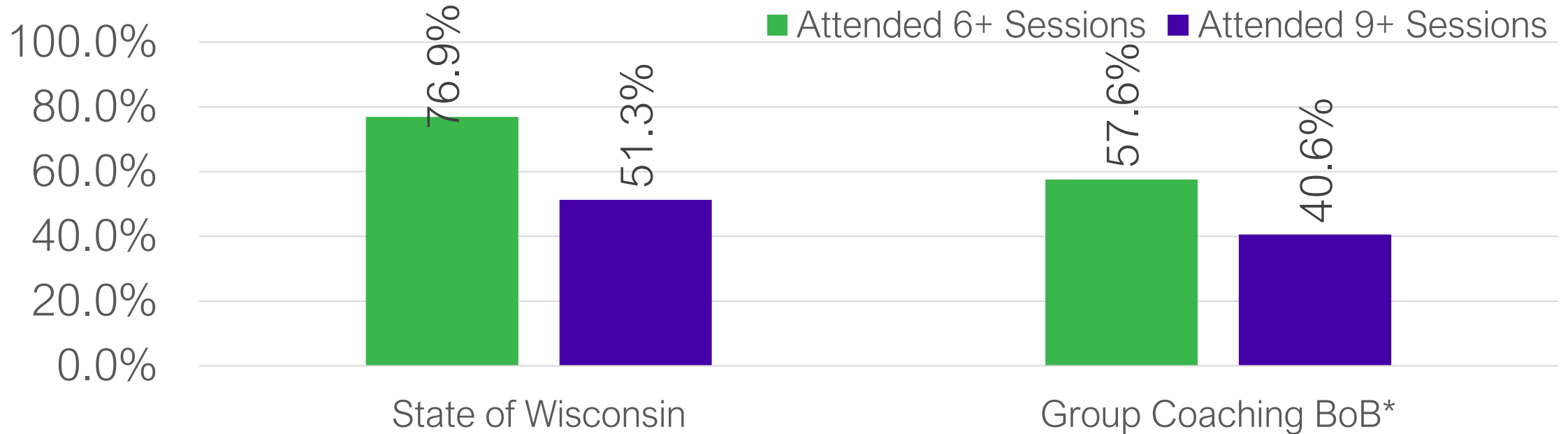


*Underweight (1%-2%) and normal weight are not shown.

2020 Group Coaching Participation Detail

- Of those who registered for Group Coaching, 76% attended at least 6 sessions and 51% completed at least 9 sessions.
- Registrants attended 1,500 total group coaching sessions (average 7.7 group sessions per registrant).
- 43% of participants completed a 1:1 call with their group coach in week 16.

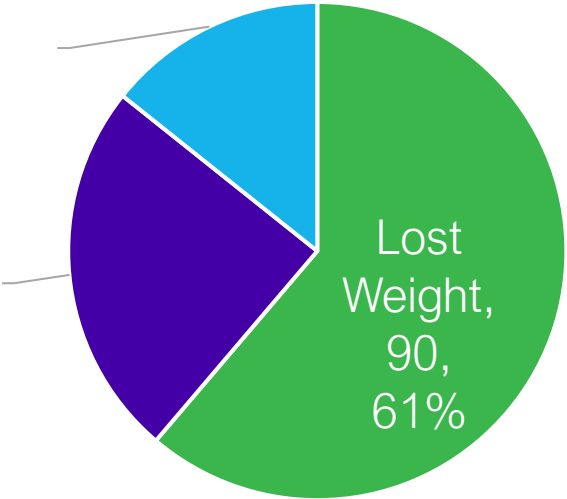
% of Registrants



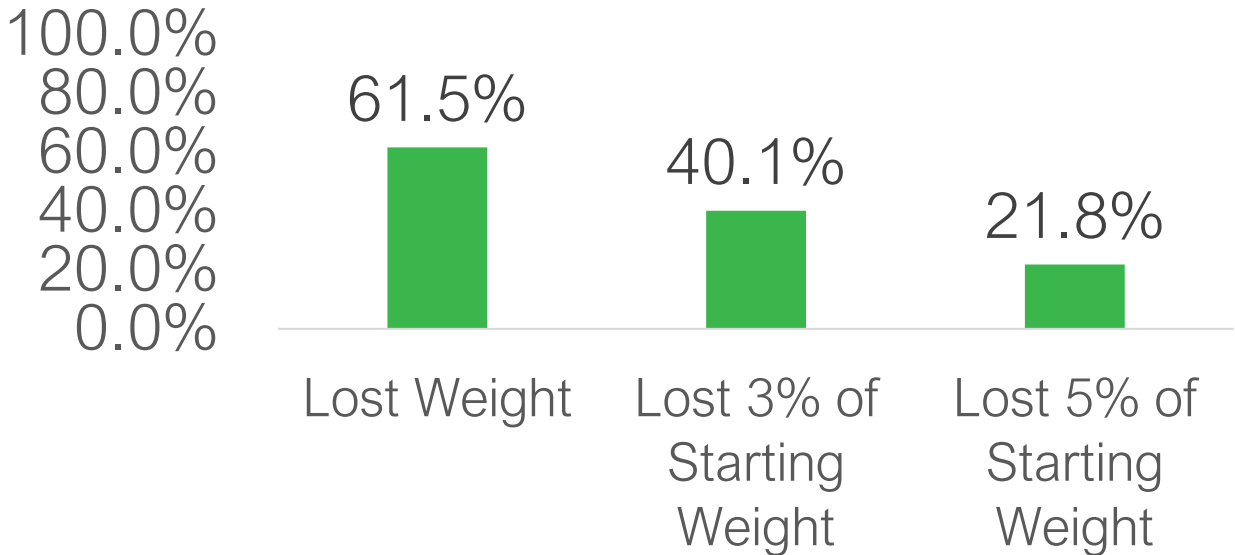
N=195 Group Coaching registrants.
Report generated 11/10/2020.
*Group Coaching BoB based on 12-week program

Group Coaching Weight Loss Detail

- After 16 weeks, 61% (n=90) lost weight which is higher than the BoB (55%); average weight loss was 11.3 pounds among those who lost weight.
- Overall, 40% of participants lost $\geq 3\%$ of their starting weight, and 22% lost $\geq 5\%$ of their starting weight.



% of Registrants with Weight Values

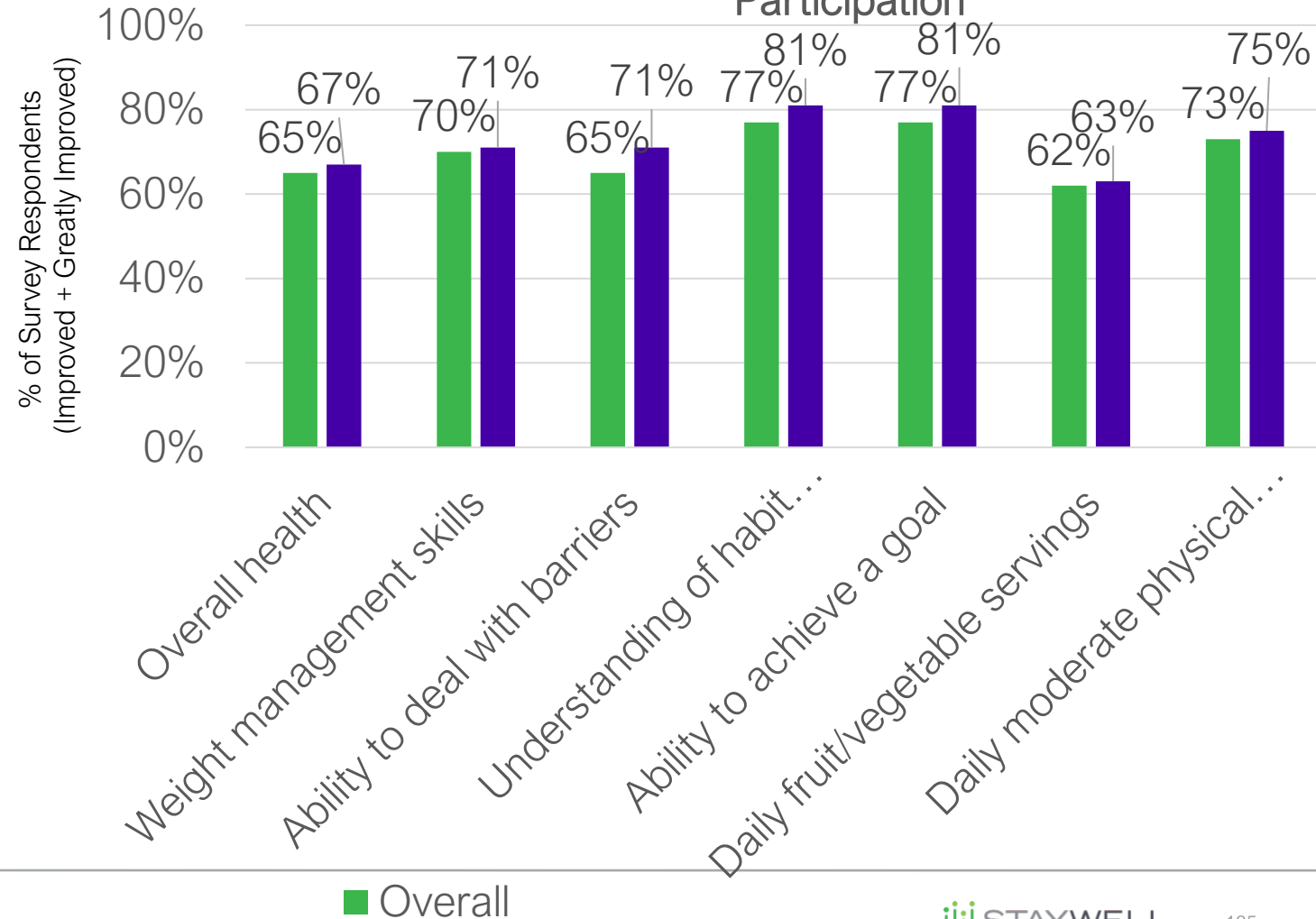


N=195 Group Coaching registrants. 75% (n=147) of registrants had recorded both a starting and a follow-up weight. Overall weight loss numbers based on difference between starting weight and closing or most current weight captured in system as of report run date (11/10/2020). Percent of starting weight lost reflects percent of all registrants that hit targets at any point from start of group coaching to report run date.

Participant Satisfaction

- Overall, 67% reported they would recommend the group coaching program while 81% reported that they would recommend their health coaching to a friend or colleague*
- When asked about specific aspects of the program, participants reported highest levels of satisfaction with coach interactions
 - 97% satisfied with 1:1 communication with group health coach
 - 95% satisfied with private/direct messaging with group health coach

Reported Changes as a Result of Group Coaching Participation

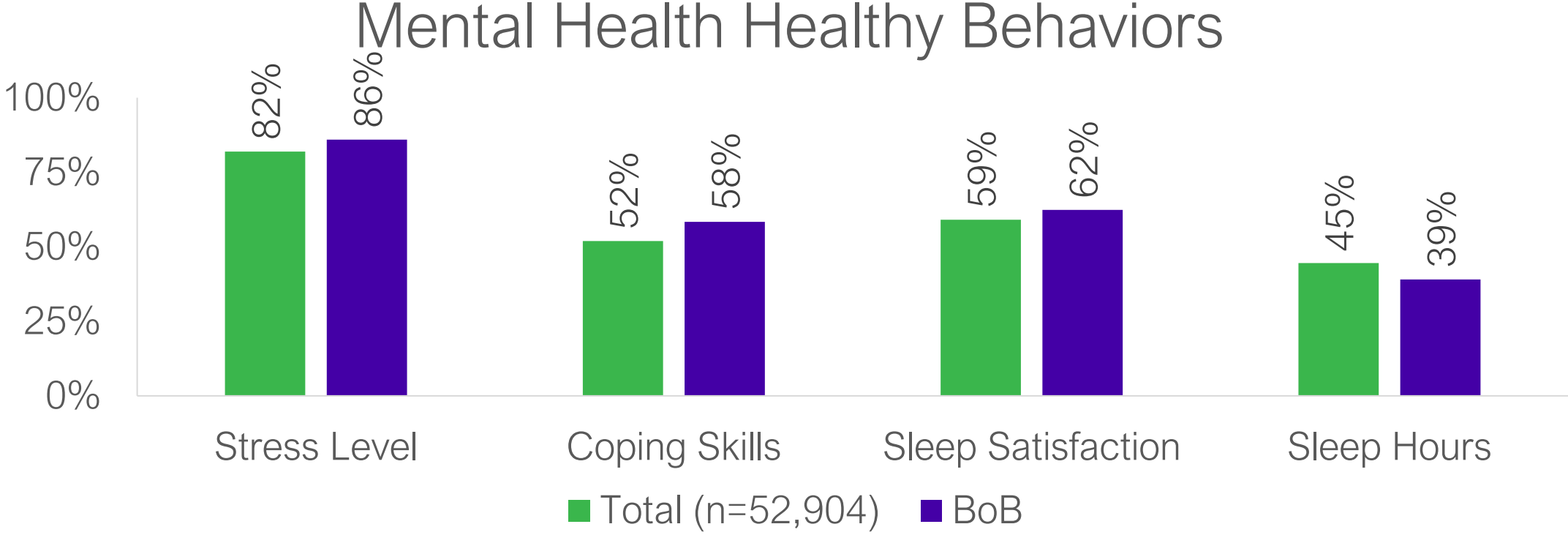


N=60 survey respondents.

*Based on n=58 valid responses to questions "How likely is it that you would recommend <the Group Coaching program/your Health Coach> to a friend or colleague?". Response scale of 0-10 where 10 = very likely.

Mental Health: Healthy Behaviors

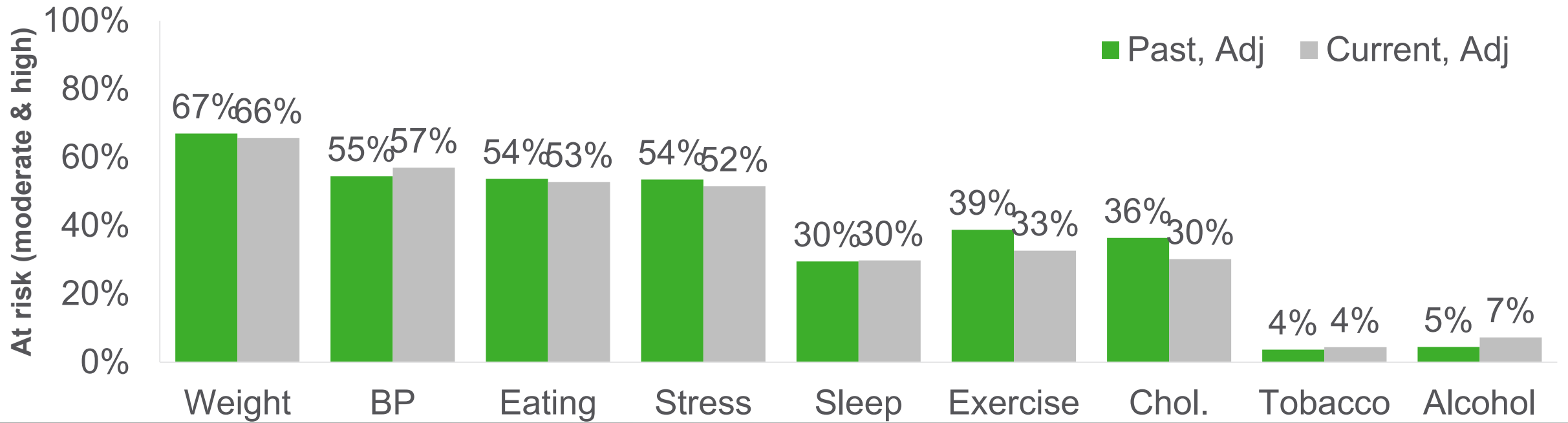
While most WI employees report manageable stress levels (with 42% at risk for stress), only 52% feel they have the appropriate coping skills.



Risk Change

State of Wisconsin Risk Change, 2019 vs. 2020, Adjusted Comparison

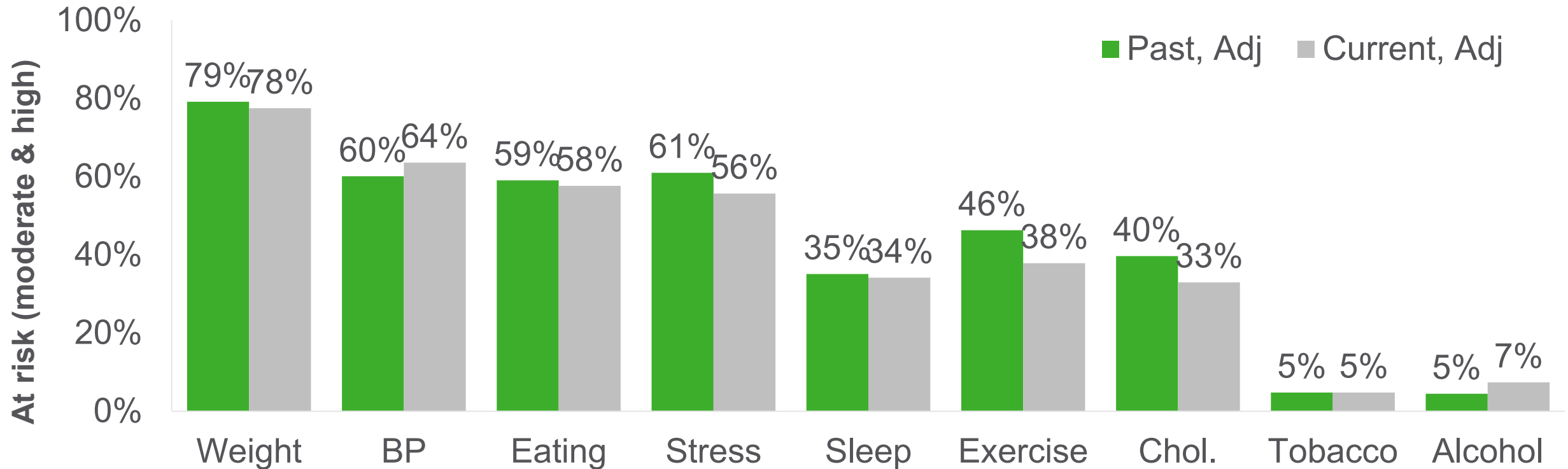
- The average number of health risks* decreased from 3.42 to 3.31, or a 3.0% improvement. Results **were adjusted** for eating, exercise, sleep and stress. No adjustments were made to biometric risks, tobacco or alcohol.
- The impact of Covid on health risk prevalence is still emerging; the health risk results may not be generalizable to the broader population.



*Based on 9 health risks: alcohol use, blood pressure, cholesterol, eating, exercise, sleep, stress, tobacco, weight
 HA cohort; n=38,254
 Updated 1/20/2020

State of Wisconsin Coaching Risk Change, 2019 vs. 2020, Adjusted Comparison

- The average number of health risks* decreased from 3.90 to 3.72, or a 4.6% improvement.
- As anticipated, health coaching participants has greater risk burden compared to the overall population and experienced more favorable risk improvements.



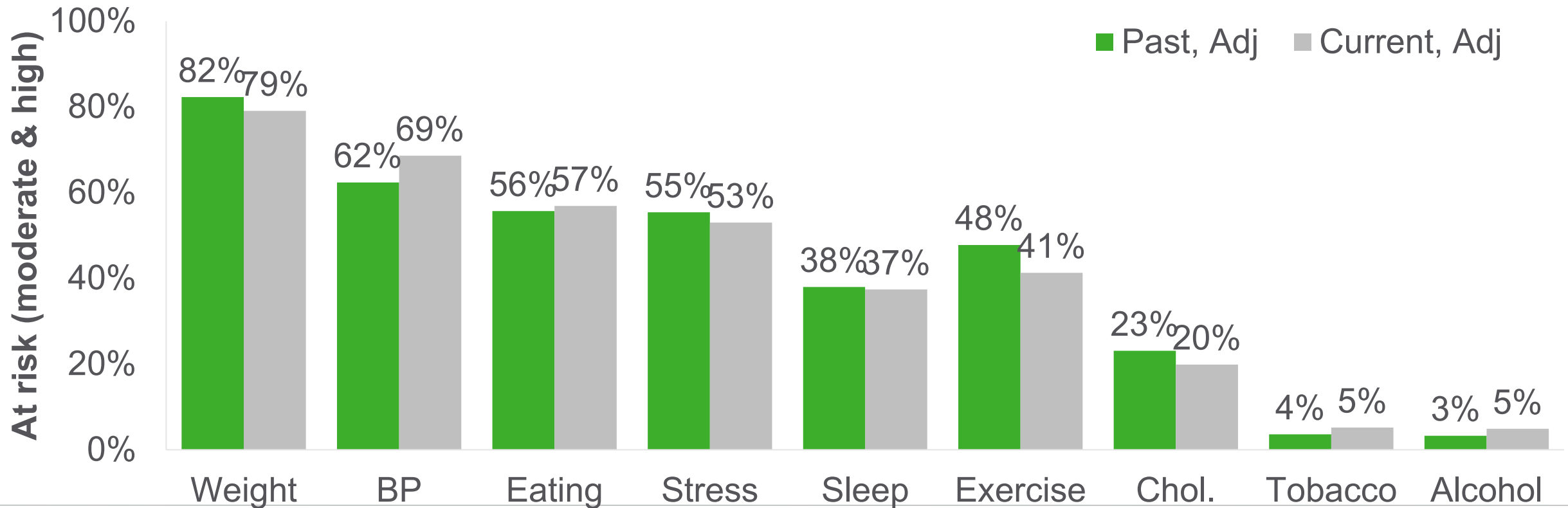
n=1,955

*Based on 9 health risks: alcohol use, blood pressure, cholesterol, eating, exercise, sleep, stress, tobacco, weight; Results were adjusted for eating, exercise, sleep and stress. No adjustments were made to biometric risks, tobacco or alcohol.

Updated 1/20/2020

State of Wisconsin DM Coaching Risk Change, 2019 vs. 2020, Adjusted Comparison

- The average number of health risks* decreased from 3.72 to 3.66, or a 1.4% improvement.
- As anticipated, health coaching participants has greater risk burden compared to the overall population and experienced more favorable risk improvements.



n=757

*Based on 9 health risks: alcohol use, blood pressure, cholesterol, eating, exercise, sleep, stress, tobacco, weight; Results were adjusted for eating, exercise, sleep and stress. No adjustments were made to biometric risks, tobacco or alcohol.

Updated 1/20/2020

Group Details – 2019 vs. 2020

HA period	Overall HA Cohort	LM Coaching Cohort	DM Coaching Cohort
Current (My StayWell Platform)	1/4/2020 to 12/29/2020	1/4/2020 to 10/21/2020	1/6/2020 to 12/28/2020
Past (Connex Platform)	1/3/2019 to 12/18/2019	1/3/2019 to 12/4/2019	1/3/2019 to 10/22/2019
Average time between HAs	1.0 years	1.0 years	1.0 years
Repeat HA participants	38,254	1,955	757
Average age	47.2 years	54.2 years	58.2 years
Gender	41% male, 59% female*	39% male, 61% female	45% male, 54% female

*May not add to 100% due to Other (0.0%) and Prefer not to answer (0.2%) response options

Due to the differences between the health assessments administered in 2019 and 2020 (i.e., question sets, scoring algorithms), lifestyle risk definitions were adjusted to enable comparisons.

- We looked for consistency in questions and defined risk accordingly.
- As much as possible, we kept as much consistency between the definitions, and kept the definitions close to evidence-based guidelines and validated definitions.
- Risk change patterns were further compared to book of business risk-change data; significant outliers were adjusted.

2021 Updates

Program Year 5 Updates

- Successful transition to the WebMD ONE Platform 1/4/2021
- Review current engagement metrics
- Goals and objectives for 2021:
 - Regain program momentum, post-COVID and achieve at least 50,000 participants who earn the \$150 incentive.
 - Close the gap of those who are completing two of the three steps.
 - Audit performance guarantees on a monthly basis.
 - Achieve more than 5,000 participants in one Well WI Radio session.
 - Plan and implement the launch of a few pilots focusing on products that touch on the key risk areas within the WI population (text-based coaching, financial services program, stress and resiliency program, retiree outreach, etc.)
 - Monitor new portal satisfaction metrics.

Questions?

WebMD[®]
health *services*

+

 **STAYWELL**[®]

Supplemental Programs: Life Insurance Program Audit Results

Item 8A – Group Insurance Board

Tom Rasmussen, Life Insurance and Dental Program Manager

Office of Strategic Health Policy



Informational Item

- No Board action is required

Background



A photograph of a family of three walking on a dirt path through a forest. The mother is on the left, wearing a red and black plaid shirt and blue jeans. The father is on the right, wearing a blue and red plaid shirt over a white t-shirt and blue jeans. A young girl is in the center, wearing a white sleeveless dress with a polka-dot pattern and a white headband. They are all smiling and holding hands. The background is a dense forest with tall trees and green foliage.

Examinations and Findings

No significant exceptions were identified, and no recommendations were made by Wipfli as a result of the audit

Evidence of Insurability

Evidence of Insurability Declinations and Approvals

- Processing time for all selected items fell within required standards
- Included appropriate documentation

Claims Testing

Verify that 95% of Death and Dismemberment Claims are Paid Within 10 Days

- All claims paid within 10 days
- All payments were properly calculated
- Appropriate documentation present

Eligibility and Premium Testing

Verify Coverage Effective Date Accuracy

- Verified effective date coverage and premium billing began in the same period
- Premium amounts were properly determined, billed, and collected
- No exceptions were noted

Retirement Processing

Examine Method of Processing Retirement Notifications

- No discrepancies were found between the retirement dates noted in the documentation from ETF and the dates in Securian's system

Disability Premium Waiver

Verify that Waiver of Premium Claims Were Adjudicated Accurately and Timely

- 100% of disability claims were adjudicated within 10 days
- Documentation and approvals were appropriate and determination consistent with policies developed by Securian

Cancellation and Termination Process

Verify Cancellation and Termination Dates for Accuracy

- No exceptions noted between the cancellation date and Securian database
- Appropriate documentation present
- Cancellation and termination reasoning were consistent with the contract

Premium Billing and Collecting

Examined the Accuracy of Coverage and Premiums Based on Annual Earnings, Age, Effective Date, and Coverage Level

- No exceptions were found in the recording of premiums and were consistent with the requirements of the contract

Administrative Performance Standards

Verified Performance Standards Measures Were Met

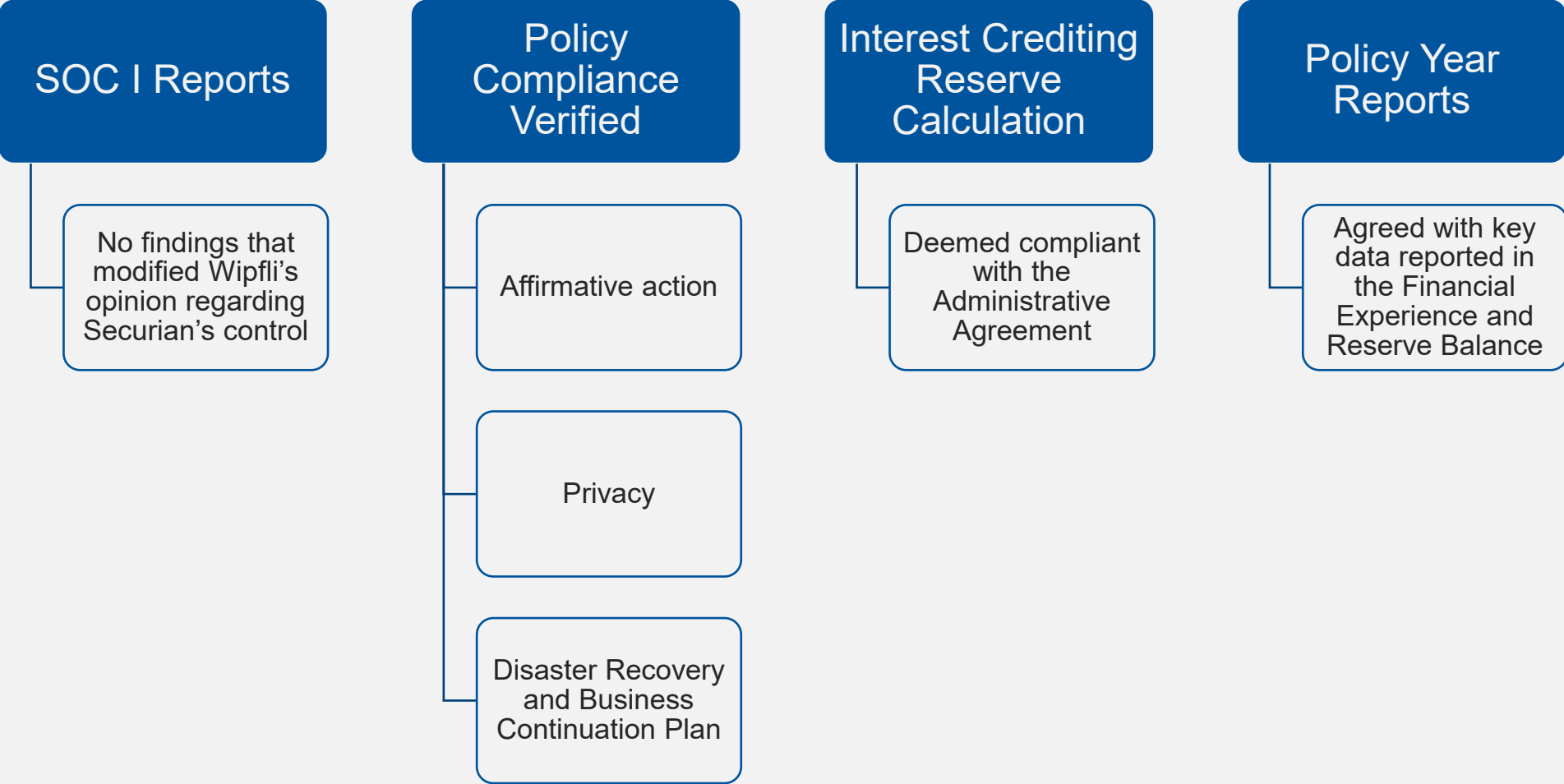
- Q2 of 2018 and Q3 of 2019 were selected to test all service requirements
- In all 9 service levels – all requirements were met.



Review of Internal Controls, Policies and Procedures

Obtain an Understanding of the Procedures and Controls Surrounding the Program's Processes

Controls of the Administration of the Group Life Insurance Program



Summary

- No significant exceptions were identified, and no recommendations were made by Wipfli as a result of the audit



Questions?

Supplemental Programs: ConnectYourCare Contract Extension



Item 8B – Group Insurance Board

Xiong Vang, ERA and HSA Program Manager

Office of Strategic Health Policy





Action Needed

- The Department of Employee Trust Funds (ETF) requests the Group Insurance Board (Board) approve a two-year extension for the following ETF contracts for the period January 1, 2022, through December 31, 2023, with ConnectYourCare (CYC):
 - ETH0052 for Third-Party Administration of Health Savings Accounts (HSA),
 - ETH0053 for Third-Party Administration of Section 125 Cafeteria Plan and Employee Reimbursement Accounts (ERA), and
 - ETH0054 for Third-Party Administration of Commuter Fringe Benefit Accounts

Background

- The ERA program was established by 1987 Wisconsin Act 399, as authorized under Sections 125, 105, and 129 of the Internal Revenue Code (IRC) and Wis. Stats. § 40.85-40.875
- The HSA program is authorized under Section 125 and 223 of the IRC and Wis. Stat. § 40.515
- The Commuter Fringe Benefit Accounts program is a qualified transportation benefit plan authorized under Section 132 of the IRC and Wis. Stat. § 40.02(26g)

Contract Terms

Contract Terms	HSA	Section 125/ERA	Commuter
Original Contract Term	May 7, 2019 – December 31, 2021	May 7, 2019 – December 31, 2021	May 7, 2019 – December 31, 2021
First Extension <i>(Requested February 17, 2021)</i>	<i>January 1, 2022 – December 31, 2023</i>	<i>January 1, 2022 – December 31, 2023</i>	<i>January 1, 2022 – December 31, 2023</i>
Second Extension <i>(TBD)</i>	January 1, 2024 – December 31, 2026	January 1, 2024 – December 31, 2026	January 1, 2024 – December 31, 2026

Partnership



The overall relationship between ETF and CYC has been positive since the start of the contract



CYC was acquired by Optum Financial in November 2020

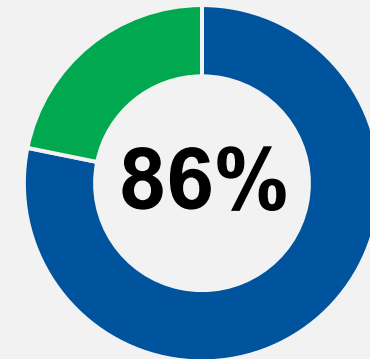


Since the acquisition, CYC has continued to provide exceptional service and flexibility on the benefit programs

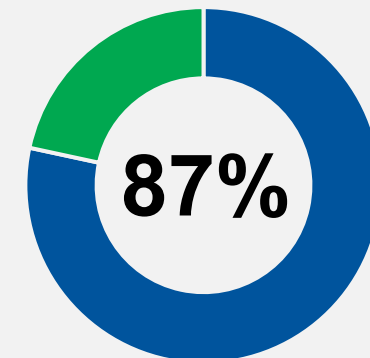
Member Survey Results

- 1,313 participants completed the survey in November 2020
- 86% are either very satisfied (617) or somewhat satisfied (507) with **CYC claims processing**
- 87% are either very satisfied (592) or somewhat satisfied (556) with **CYC services overall**

Claims Processing

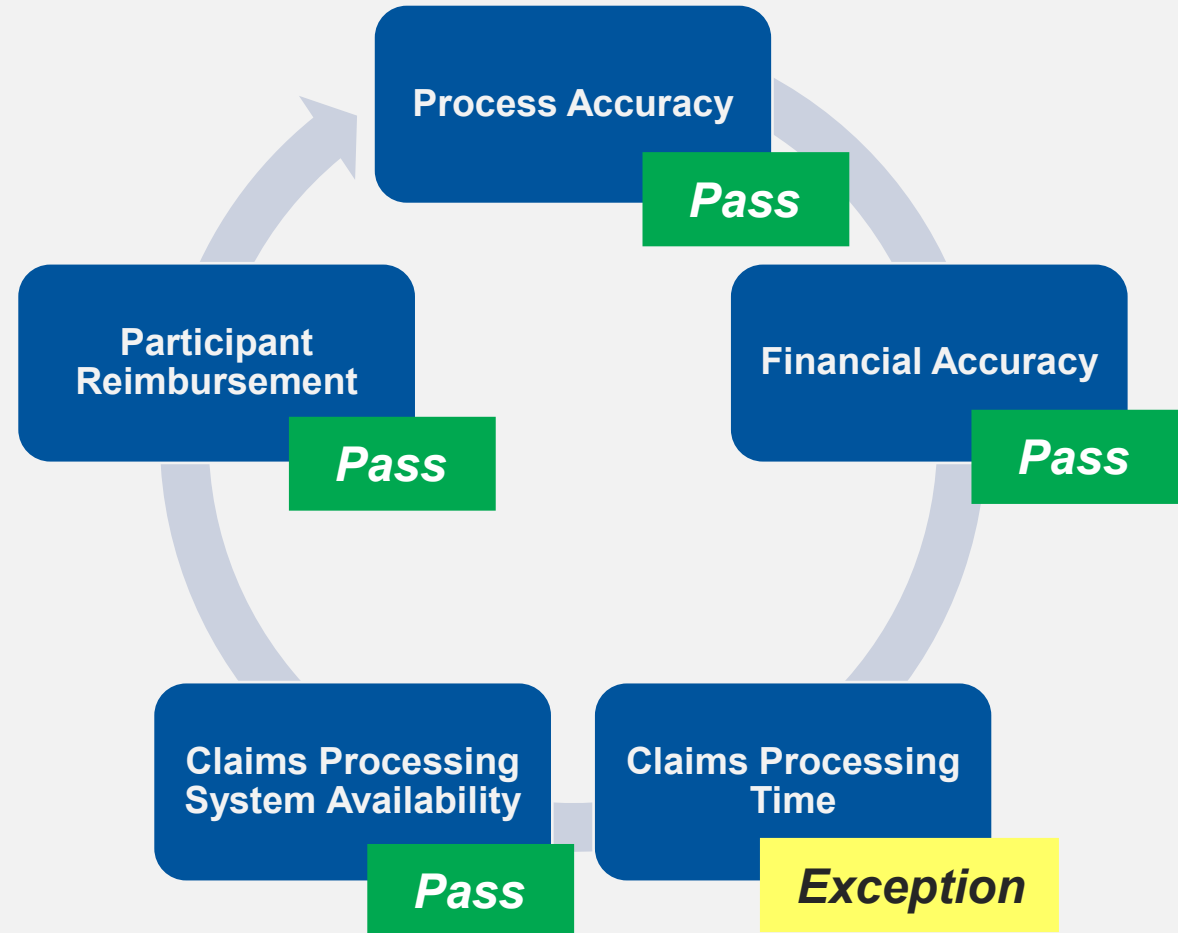


CYC Services Overall



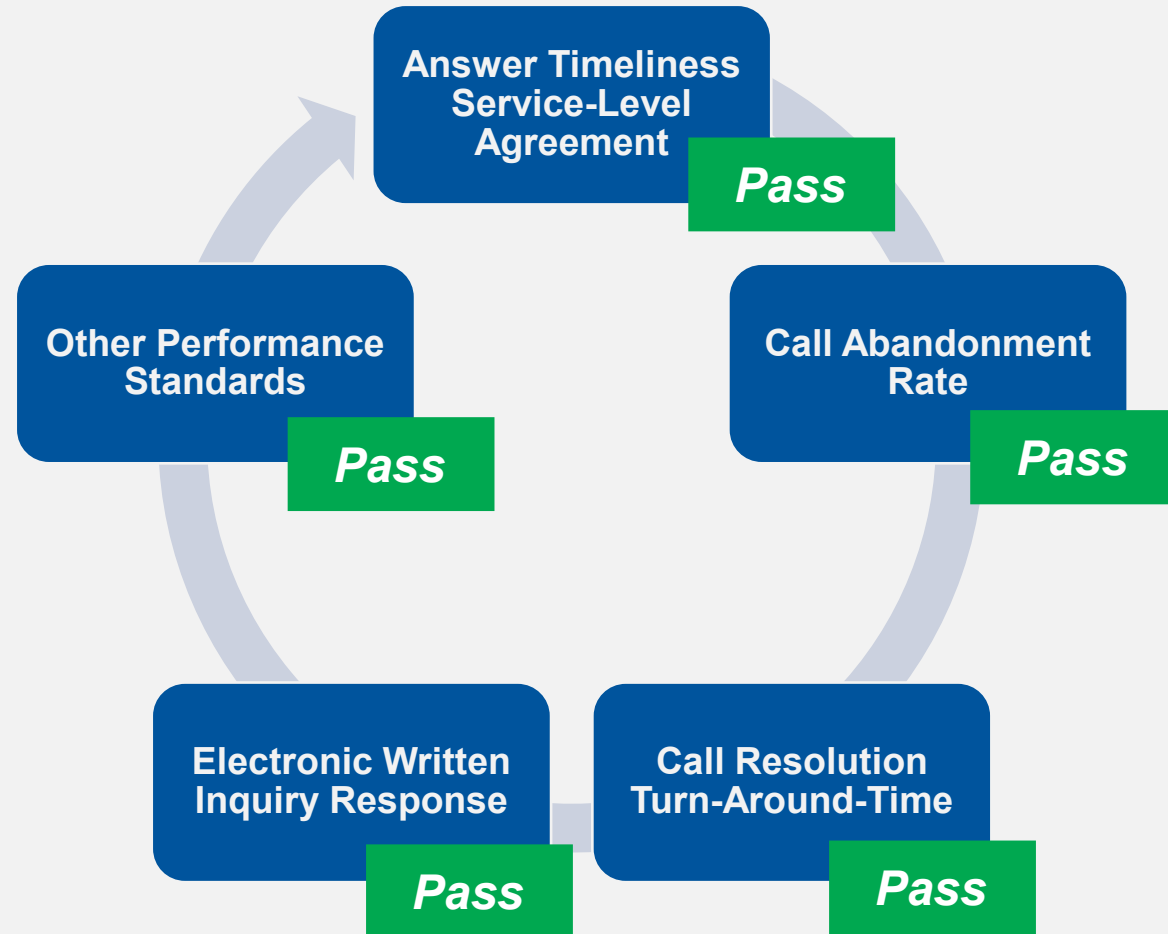
Performance Standard

- CYC has met most of the claims process performance requirements and had no major issues in meeting contract obligations
- **Exception:** Claims processing time fell short in Q1 - 94% instead of 99% standard
- Q2 – Q4 above the 99% standard



Performance Standard

- Met all metrics for customer services including other performance standards



2020 Participant Enrollment

- Highest historical participant enrollment in the HSA and FSA programs

Benefit Program	Quarter 1	Quarter 2	Quarter 3	Quarter 4
HSA	8,881	9,385	9,808	10,011
Health Care FSA	16,637	19,267	19,334	19,276
Limited Purpose FSA	524	1,091	1,071	1,080
Dependent Day Care Account	3,799	3,856	3,914	3,927
Parking Account	1,347	1,954	1,932	1,963
Transit Account	444	723	716	718
TOTAL	31,632	36,276	36,775	36,975



Administrative Fees

Benefit Program	(Year 1) 2020	(Year 2) 2021	(Year 3) 2022	(Year 4) 2023	Percentage Change %
HSA	\$1.35	\$1.35	\$1.32	\$1.32	2% Decrease
ERA					
<i>Health Care FSA</i>	\$1.61	\$1.61	\$1.58	\$1.58	2% Decrease
<i>Limited Purpose FSA</i>	\$0.83	\$0.83	\$0.84	\$0.84	1% Increase
<i>Dependent Day Care Account</i>	\$1.61	\$1.61	\$1.58	\$1.58	2% Decrease
Commuter Fringe Benefit Account					
<i>Parking Account</i>	\$2.30	\$2.30	\$2.33	\$2.33	2% Increase
<i>Transit Account</i>	\$2.30	\$2.30	\$2.33	\$2.33	2% Increase

FSA Unsubstantiated Claims

Under IRS Regulations, all Health Care FSA and Limited Purpose FSA claim payments require third-party validation documentation or auto-validation

- Member feedback: Not enough time to substantiate 2020 claims prior to payroll withholding

CYC and ETF will continue to provide substantiation education and communications for member

- Reduce obstacles for members who submit claims late in the year and are still within 85-day window before payment card made inactive

2020 Deliverables

FSA COBRA

Chat Feature

Payment Card

Mid-Year
Election
Change

Client Service
Administrators

Grievance
Processes

2020 Deliverables

File Interface
Testing

Virtual Benefit
Fairs

Resources &
Educational
Materials

Training and
Guidance
Materials

5 Step FSA
Unsubstantiated
Claims

Conclusion

Performance Standards & Guarantees

- Exceeding performance standards, creating savings opportunities, and streamlining processes

Participant Satisfaction

- Participants are satisfied with CYC's performance

Partnership

- CYC has shown its willingness to cooperate and partner with ETF



Action Needed

- The Department of Employee Trust Funds (ETF) requests the Group Insurance Board (Board) approve a two-year extension for the following ETF contracts for the period January 1, 2022, through December 31, 2023, with ConnectYourCare (CYC):
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 - ETH0054 for Third-Party Administration of Commuter Fringe Benefit Accounts

The background is a dark blue gradient with numerous bokeh light effects in shades of blue and purple, scattered across the frame. The text is centered at the bottom.

Questions?

Income Continuation Insurance Experience Studies/Loss Ratios Discussion

Item 9 – Group Insurance Board

Jim Guidry, Director

Benefits Service Bureau

Paul Correia, Actuary

Dan Skwire, Actuary

Milliman



ICI Experience Studies-Loss Ratios

- Updated review from 2015
- First report (April 2020)
 - Claim termination and offset assumptions
- Current report (August 2020)
 - Loss ratios, participation and claim incident rates
- Insights into premium adequacy, enrollment, and claim characteristics

Loss Ratio Comparisons

	2010-2014	2015-2019
Veterans Affairs	617%	211%
Corrections	265%	154%
Workforce Development	237%	148%
University of Wisconsin	53%	29%
Total	132%	75%

Considerations

- Board authority
- Program funding and targeted reserve balance
- UW Faculty and Academic Staff experience and premium levels
 - Among the lowest of all employers
 - Largest employer group in state ICI program
 - Different elimination period and premium rate structure
 - Opportunity for linking experience to premiums

Incurred Loss Ratios

Experience Period: 2015 through 2019

- Incurred loss ratios relate the total cost of claims incurred in a given year (including both actual and estimated future benefit payments, net of administrative expenses) to the premium contributions in that year.

Year	Incurred Loss Ratio
2015	117%
2016	91%
2017	77%
2018	63%
2019	52%
2015 - 2019	75%

- The reduction in ICI incurred loss ratios was primarily due to the 20% annual rate increases that were effective throughout the experience period.
- The 2019 loss ratios are not as reliable as other years because much of the claim cost in 2019 consists of the estimated liability for incurred but not reported claims.

Incurred Loss Ratios

By Employer Group

Year	UW System	UW Hospital Authority	All Other	Total
2015	34%	162%	181%	117%
2016	32%	132%	131%	91%
2017	26%	120%	108%	77%
2018	33%	57%	94%	63%
2019	24%	73%	70%	52%
Total 2015 - 2019	29%	99%	108%	75%
Total Premium (\$M)	\$49.6	\$19.6	\$53.8	\$123.0

- The loss ratios are much lower for the UW System, which makes up almost half of the State ICI plan in terms of premiums paid between 2015 and 2019.
- The UW plan is different than the plan for other State employers because it features a different elimination period structure.

Constant Loss Ratios

Experience Period: 2015 through 2019

- The constant loss ratios were calculated by dividing the total amount of claims incurred in a given year by the estimated premium contributions assuming that current premium rates were effective throughout the experience period.

Year	UW System	UW Hospital Authority	All Other	Total
2015	16%	78%	88%	56%
2016	18%	76%	76%	53%
2017	18%	84%	75%	53%
2018	28%	47%	78%	53%
2019	24%	73%	70%	52%
Total 2015 - 2019	21%	71%	77%	53%

- A reasonable target loss ratio for the State ICI plan would be in the range of 70% to 80%, based on average expenses for administering the plan.

ICI Financial Projection

Scenario: Valuation Baseline as of December 31, 2019

Calendar Year	2019	2020	2021	2022	2023	2024	2025
BOY Fund Balance	\$71,593,200	\$90,324,627	\$109,827,979	\$131,063,803	\$152,705,885	\$175,103,048	\$198,361,593
Premium Contributions	\$33,198,198	\$34,194,144	\$35,219,968	\$36,276,567	\$37,364,864	\$38,485,810	\$39,640,385
Investment Income	\$5,888,157	\$6,322,724	\$7,687,959	\$9,174,466	\$10,689,412	\$12,257,213	\$13,885,312
Total Revenues	\$39,086,355	\$40,516,868	\$42,907,927	\$45,451,034	\$48,054,276	\$50,743,024	\$53,525,696
Insurance Claims	\$17,771,251	\$18,346,243	\$18,921,235	\$20,786,851	\$22,400,423	\$23,995,839	\$25,454,176
Carrier Administrative Expenses	\$1,920,405	\$1,982,540	\$2,044,675	\$2,246,278	\$2,420,645	\$2,593,049	\$2,750,641
Administrative Expense	\$663,272	\$684,732	\$706,193	\$775,822	\$836,045	\$895,591	\$950,020
Total Operating Expenses	\$20,354,928	\$21,013,515	\$21,672,103	\$23,808,952	\$25,657,113	\$27,484,479	\$29,154,837
Net Change in Fund Balance	\$18,731,427	\$19,503,352	\$21,235,824	\$21,642,082	\$22,397,163	\$23,258,545	\$24,370,859
EOY Fund Balance	\$90,324,627	\$109,827,979	\$131,063,803	\$152,705,885	\$175,103,048	\$198,361,593	\$222,732,452
Actuarial Liability	\$90,091,957	\$97,122,158	\$105,281,868	\$112,755,964	\$120,007,553	\$127,068,491	\$134,125,822
Surplus / (Deficit)	\$232,670	\$12,705,821	\$25,781,935	\$39,949,921	\$55,095,495	\$71,293,103	\$88,606,630
Ratio of EOY Fund Balance to Liability	100%	113%	124%	135%	146%	156%	166%

ICI Financial Projection

Scenario: UW Premium Rate Change in 2022 Based on 75% TLR (Illustrative)

Calendar Year	2019	2020	2021	2022	2023	2024	2025
BOY Fund Balance	\$71,593,200	\$90,324,627	\$109,827,979	\$131,063,803	\$142,131,075	\$152,895,947	\$163,381,180
Premium Contributions	\$33,198,198	\$34,194,144	\$35,219,968	\$25,701,757	\$26,472,810	\$27,266,994	\$28,085,004
Investment Income	\$5,888,157	\$6,322,724	\$7,687,959	\$9,174,466	\$9,949,175	\$10,702,716	\$11,436,683
Total Revenues	\$39,086,355	\$40,516,868	\$42,907,927	\$34,876,224	\$36,421,985	\$37,969,711	\$39,521,687
Insurance Claims	\$17,771,251	\$18,346,243	\$18,921,235	\$20,786,851	\$22,400,423	\$23,995,839	\$25,454,176
Carrier Administrative Expenses	\$1,920,405	\$1,982,540	\$2,044,675	\$2,246,278	\$2,420,645	\$2,593,049	\$2,750,641
Administrative Expense	\$663,272	\$684,732	\$706,193	\$775,822	\$836,045	\$895,591	\$950,020
Total Operating Expenses	\$20,354,928	\$21,013,515	\$21,672,103	\$23,808,952	\$25,657,113	\$27,484,479	\$29,154,837
Net Change in Fund Balance	\$18,731,427	\$19,503,352	\$21,235,824	\$11,067,272	\$10,764,872	\$10,485,232	\$10,366,850
EOY Fund Balance	\$90,324,627	\$109,827,979	\$131,063,803	\$142,131,075	\$152,895,947	\$163,381,180	\$173,748,030
Actuarial Liability	\$90,091,957	\$97,122,158	\$105,281,868	\$112,755,964	\$120,007,553	\$127,068,491	\$134,125,822
Surplus / (Deficit)	\$232,670	\$12,705,821	\$25,781,935	\$29,375,111	\$32,888,394	\$36,312,689	\$39,622,207
Ratio of EOY Fund Balance to Liability	100%	113%	124%	126%	127%	129%	130%

ICI Financial Projection

Scenario: UW Premium Rate Change in 2023 Based on 75% TLR (Illustrative)

Calendar Year	2019	2020	2021	2022	2023	2024	2025
BOY Fund Balance	\$71,593,200	\$90,324,627	\$109,827,979	\$131,063,803	\$152,705,885	\$164,210,994	\$175,488,279
Premium Contributions	\$33,198,198	\$34,194,144	\$35,219,968	\$36,276,567	\$26,472,810	\$27,266,994	\$28,085,004
Investment Income	\$5,888,157	\$6,322,724	\$7,687,959	\$9,174,466	\$10,689,412	\$11,494,770	\$12,284,180
Total Revenues	\$39,086,355	\$40,516,868	\$42,907,927	\$45,451,034	\$37,162,222	\$38,761,764	\$40,369,184
Insurance Claims	\$17,771,251	\$18,346,243	\$18,921,235	\$20,786,851	\$22,400,423	\$23,995,839	\$25,454,176
Carrier Administrative Expenses	\$1,920,405	\$1,982,540	\$2,044,675	\$2,246,278	\$2,420,645	\$2,593,049	\$2,750,641
Administrative Expense	\$663,272	\$684,732	\$706,193	\$775,822	\$836,045	\$895,591	\$950,020
Total Operating Expenses	\$20,354,928	\$21,013,515	\$21,672,103	\$23,808,952	\$25,657,113	\$27,484,479	\$29,154,837
Net Change in Fund Balance	\$18,731,427	\$19,503,352	\$21,235,824	\$21,642,082	\$11,505,109	\$11,277,286	\$11,214,347
EOY Fund Balance	\$90,324,627	\$109,827,979	\$131,063,803	\$152,705,885	\$164,210,994	\$175,488,279	\$186,702,626
Actuarial Liability	\$90,091,957	\$97,122,158	\$105,281,868	\$112,755,964	\$120,007,553	\$127,068,491	\$134,125,822
Surplus / (Deficit)	\$232,670	\$12,705,821	\$25,781,935	\$39,949,921	\$44,203,441	\$48,419,789	\$52,576,804
Ratio of EOY Fund Balance to Liability	100%	113%	124%	135%	137%	138%	139%

ICI Financial Projection

Scenario: UW Premium Rate Change in 2022 Based on 50% TLR and 10% Increase in Claims due to COVID-19 in 2020 and 2021 (Illustrative)

Calendar Year	2019	2020	2021	2022	2023	2024	2025
BOY Fund Balance	\$71,593,200	\$90,324,627	\$109,454,273	\$129,916,525	\$142,106,714	\$154,372,071	\$166,608,711
Premium Contributions	\$33,198,198	\$34,194,144	\$35,219,968	\$27,734,524	\$28,566,560	\$29,423,557	\$30,306,263
Investment Income	\$5,888,157	\$6,322,724	\$7,661,799	\$9,094,157	\$9,947,470	\$10,806,045	\$11,662,610
Total Revenues	\$39,086,355	\$40,516,868	\$42,881,767	\$36,828,681	\$38,514,030	\$40,229,602	\$41,968,873
Insurance Claims	\$17,771,251	\$18,672,515	\$19,573,778	\$21,511,096	\$22,916,895	\$24,439,779	\$25,837,657
Carrier Administrative Expenses	\$1,920,405	\$2,017,798	\$2,115,190	\$2,324,542	\$2,476,456	\$2,641,023	\$2,792,081
Administrative Expense	\$663,272	\$696,910	\$730,547	\$802,853	\$855,322	\$912,160	\$964,332
Total Operating Expenses	\$20,354,928	\$21,387,222	\$22,419,516	\$24,638,492	\$26,248,672	\$27,992,962	\$29,594,070
Net Change in Fund Balance	\$18,731,427	\$19,129,646	\$20,462,252	\$12,190,189	\$12,265,357	\$12,236,640	\$12,374,803
EOY Fund Balance	\$90,324,627	\$109,454,273	\$129,916,525	\$142,106,714	\$154,372,071	\$166,608,711	\$178,983,514
Actuarial Liability	\$90,091,957	\$98,865,715	\$108,600,035	\$115,504,154	\$122,436,768	\$129,227,497	\$136,058,385
Surplus / (Deficit)	\$232,670	\$10,588,558	\$21,316,489	\$26,602,560	\$31,935,303	\$37,381,214	\$42,925,128
Ratio of EOY Fund Balance to Liability	100%	111%	120%	123%	126%	129%	132%

Next Steps

- 2021 state ICI program valuation
 - Presented to Board in May
 - Development of premium scenarios
- 2021-2023 Budget process
 - Decoupling sick leave
 - Will result in additional premium resets
- Insurance Administration System
 - Potential for enrollment database
 - Opportunity for additional experience factor rating?

The background is a dark blue gradient with numerous out-of-focus light spots in shades of blue and purple, creating a bokeh effect.

Questions?

Operational Updates

Item 10A-10N – Memos Only



Future Items for Discussion

Item 11 – Memo Only



CLOSED SESSION

The Board may meet in closed session pursuant to the exemption contained in Wis. Stats. §19.85 (1) (d) 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



Item 12 & 13 – Group Insurance Board



Report on Closed Session Discussion

Item 14A – Verbal Only

Herschel Day, Board Chair



Issuance of Letter of Intent to Award Contract for Uniform Dental Benefits Administration



Item 14B – Verbal Only



Adjournment



Item 15 - No Memo





**HILL FARMS STATE
OFFICE BUILDING**
4822 Madison Yards Way

STATE OF WISCONSIN
HILL FARMS STATE
OFFICE BUILDING

Dept. of Administration
Division of Hearings & Appeals
Dept. of Employee Trust Funds
Dept. of Financial Institutions
Department of Safety &
Professional Services
Department of Transportation
Higher Educational Aids Board
Public Service Commission

← Parking
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Next Meeting:
May 12, 2021

Note: This meeting will be virtual.

