Welcome to the Group Insurance Board

November 17, 2021

Meeting will begin at: 8:30am

Sign-In For Public Guests:

If you would like to be recorded in the minutes as in attendance, please send an email with names and organization represented to: ETFSMBBoardFeedback@etf.wi.gov.

Meeting Materials

- Available at etf.wi.gov

Please Mute Microphones and/or Cell Phone

Announcements

Item 1 – No Memo

Consideration of Open Minutes of August 18, 2021

Item 2 – Memo Only

Action Needed

- Motion needed to accept the Open minutes of August 18, 2021, as presented by the Board Liaison.

November COVID-19 Update

Item 3 – Group Insurance Board

Renee Walk, Lead Policy Advisor

Jessica Rossner, Data & Compliance Lead

Office of Strategic Health Policy

Informational Item Only

No Board action is required

Legislative & Regulatory Changes

- No new legislative changes since last Board meeting
- EEOC guidance on vaccination requirements and incentives issued
- FDA has now authorized “mix-and-match” boosters, as well as Pfizer vaccine for children as young as five years old

(Ref. GIB 11.17.2021 | | 3, page 1)

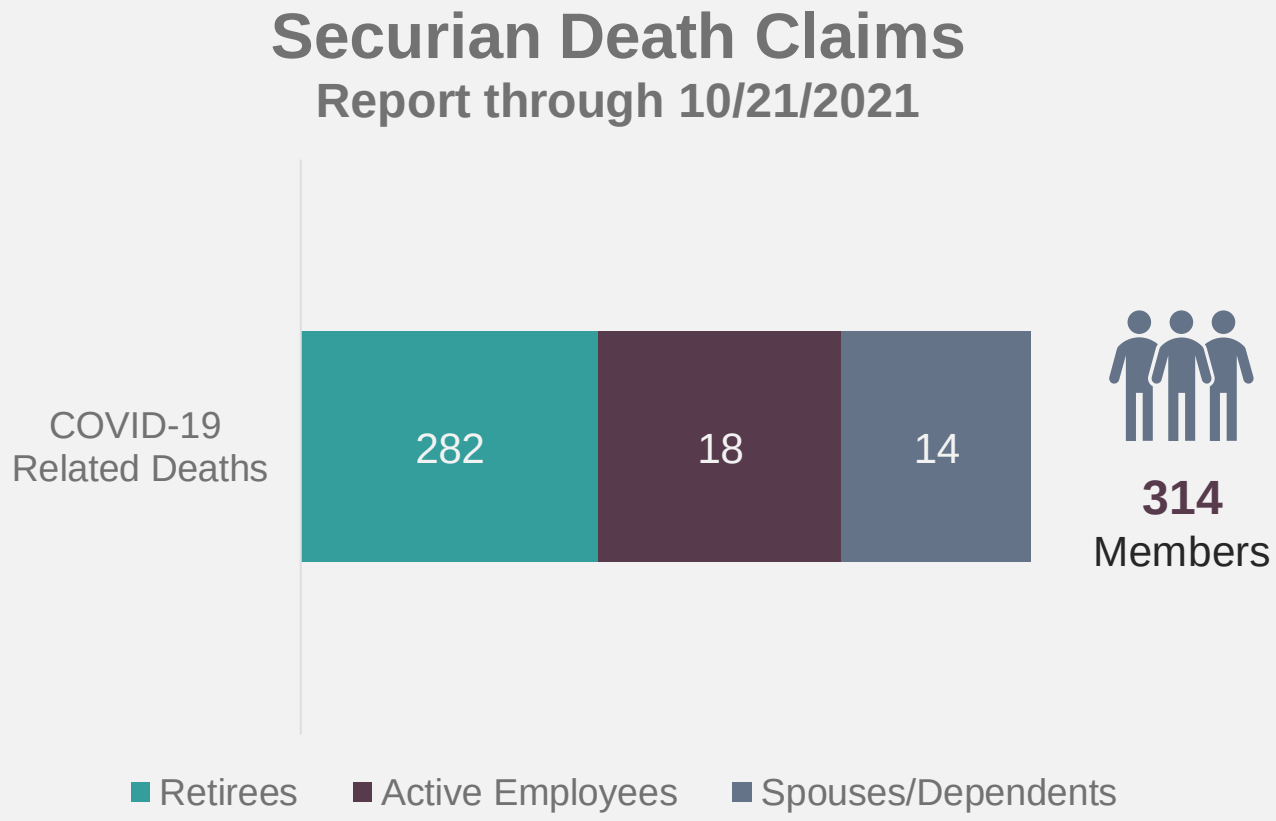
Vaccines & Variants

- As of 10/29, 57.8% of WI residents have received at least one vaccine dose
- Department of Administration reports 70% of state employees have received at least one dose
- Delta Variant has been dominant strain since July

(Ref. GIB | 11.17.21 | 3, page 2)

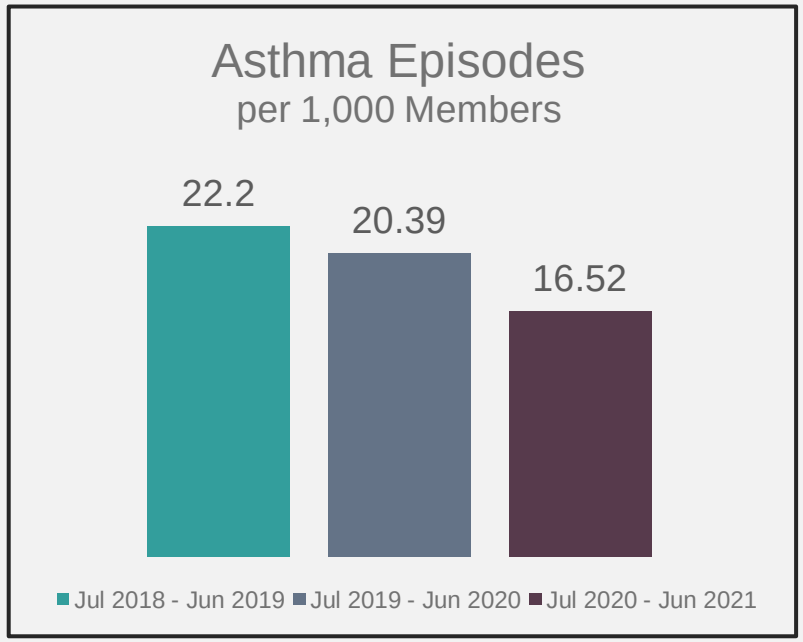
Deaths Related to COVID - 19

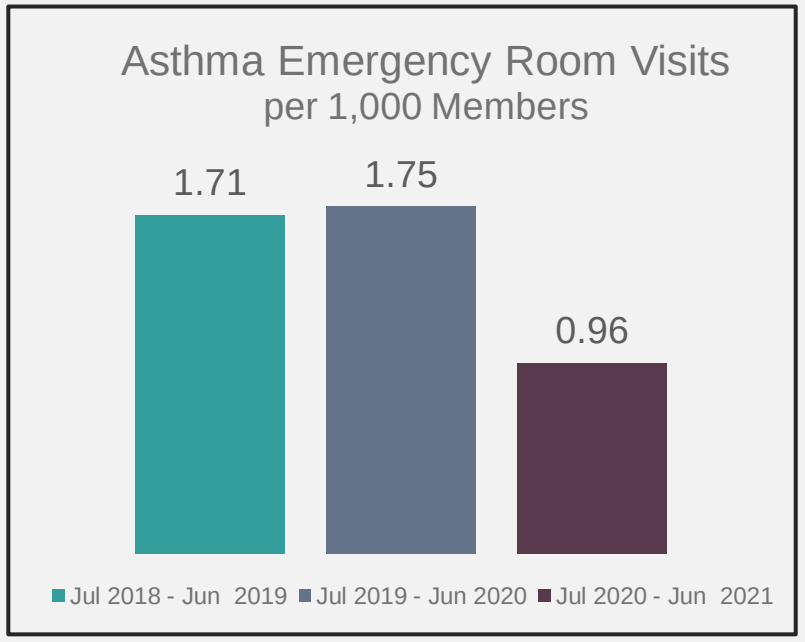
- Mortality rates from COVID-19 continue to increase
- Total of 314 life insurance claims related to COVID-19 were filed
- 61% male

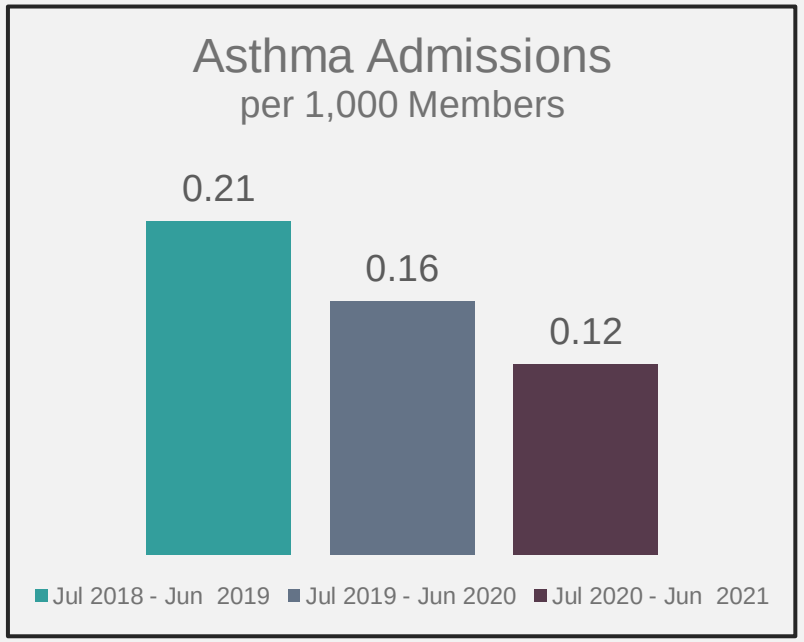


(Ref. GIB | 11.17.21 | 3, page 3)

Asthma Experience





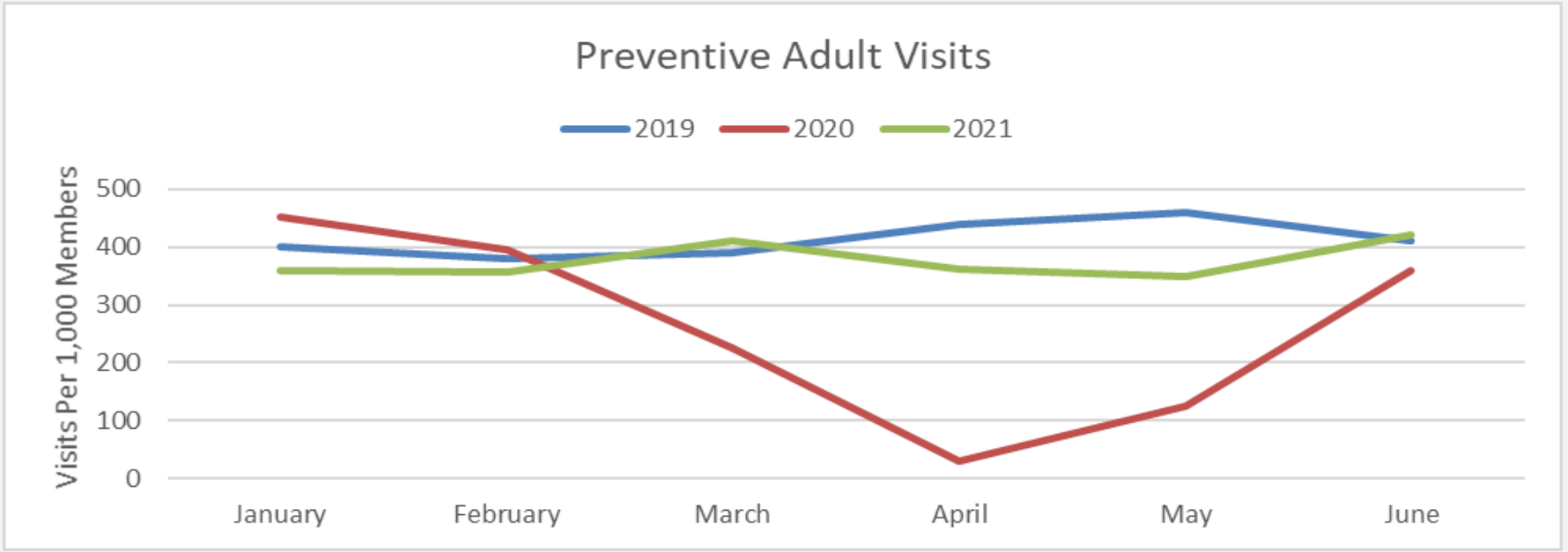


- Utilization rates have not rebounded to pre-COVID-19 levels
- Based on data available, there is no indication of negative health outcomes for members with asthma
- Fewer episodes of care for asthma have not resulted in increased use of emergency room services or hospital admissions for the condition

(Ref. GIB | 11.17.21 | 3, page 4-6)

Health Engagement and Utilization

- Preventive visits and screenings has normalized close to pre-COVID-19 rates



(Ref. GIB | 11.17.21 | 3, page 4-6)

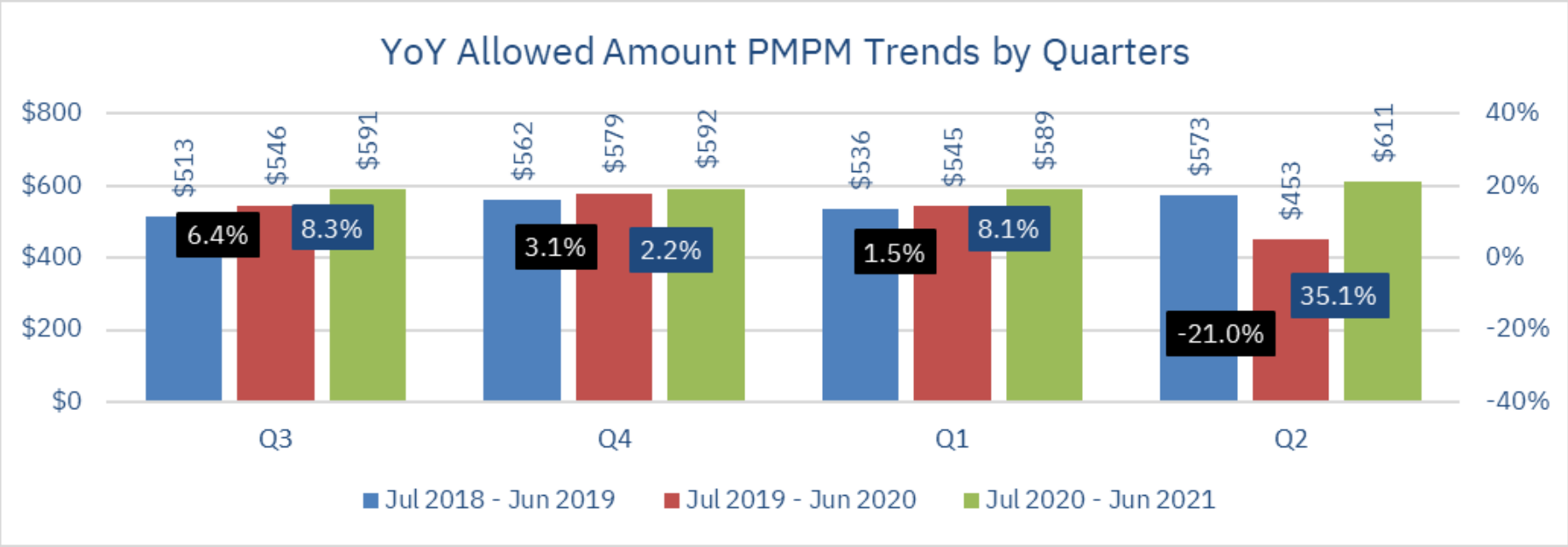
Dental Experience

- Substantial number of members returning to care
- Dental claims slightly above 2019 amounts

	2019	2020	2021
Year-to-Date Claims Paid	$45,646,876	$37,628,549	$46,775,584
Year-to-Date Number of Claims	334,747	271,235	336,427

(Ref. GIB | 11.17.21 | 3, page 6)

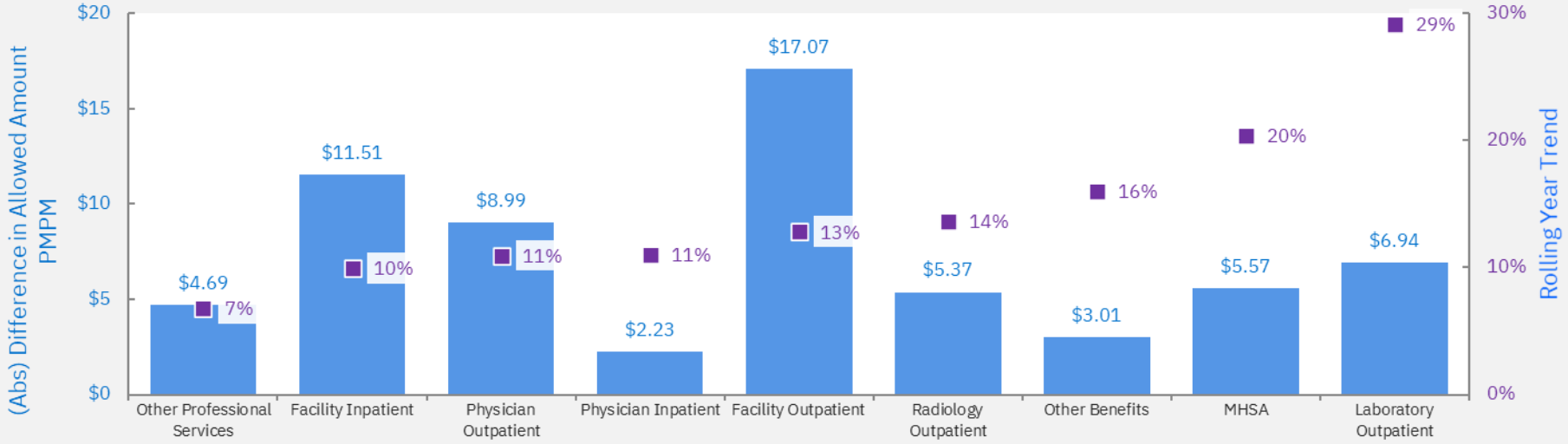
Changes in All Medical Care
Disruption in Services



- Marked disruption in services in the second quarter of the second 12-month period and then normalcy in the most recent period

(Ref. GIB | 11.17.21 | 3, page 7)

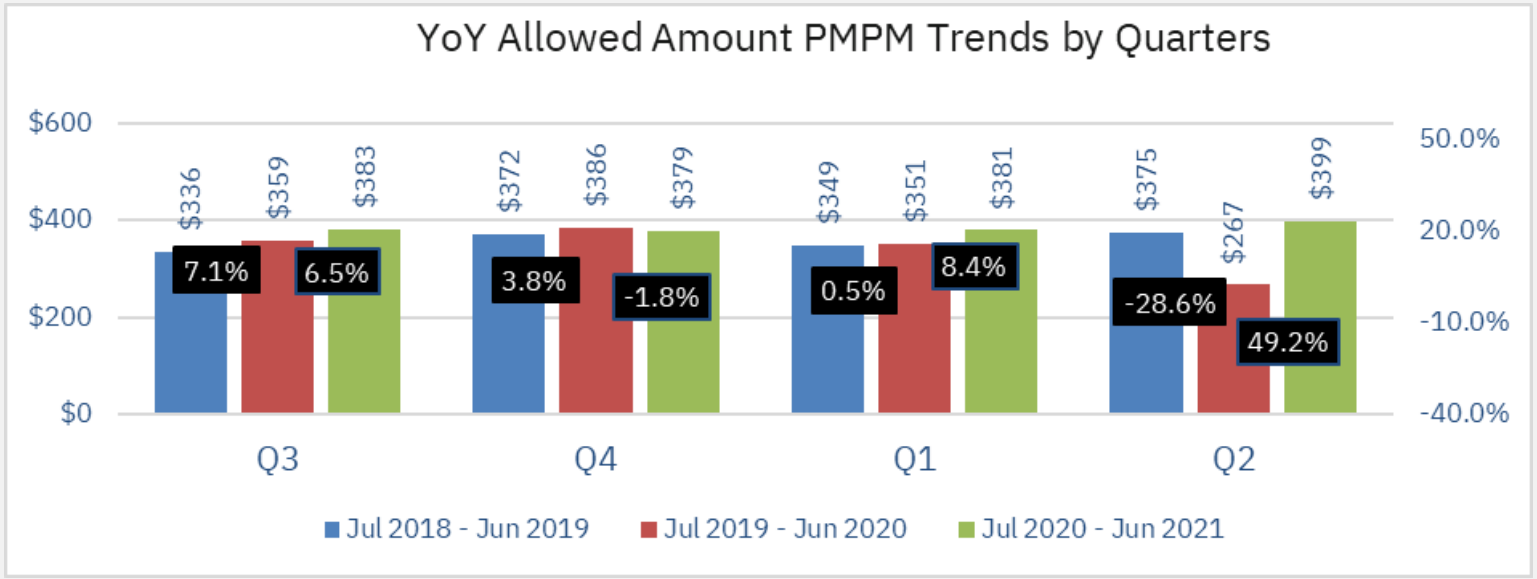
Changes in All Medical Care
Double-digit Trend



- All service categories, except other professional services, experienced double-digit trends
- Overall double-digit trend is equivalent of typical single-digit YoY trend over 2 years, pointing to a return to normalcy

(Ref. GIB | 11.17.21 | 3, page 7)

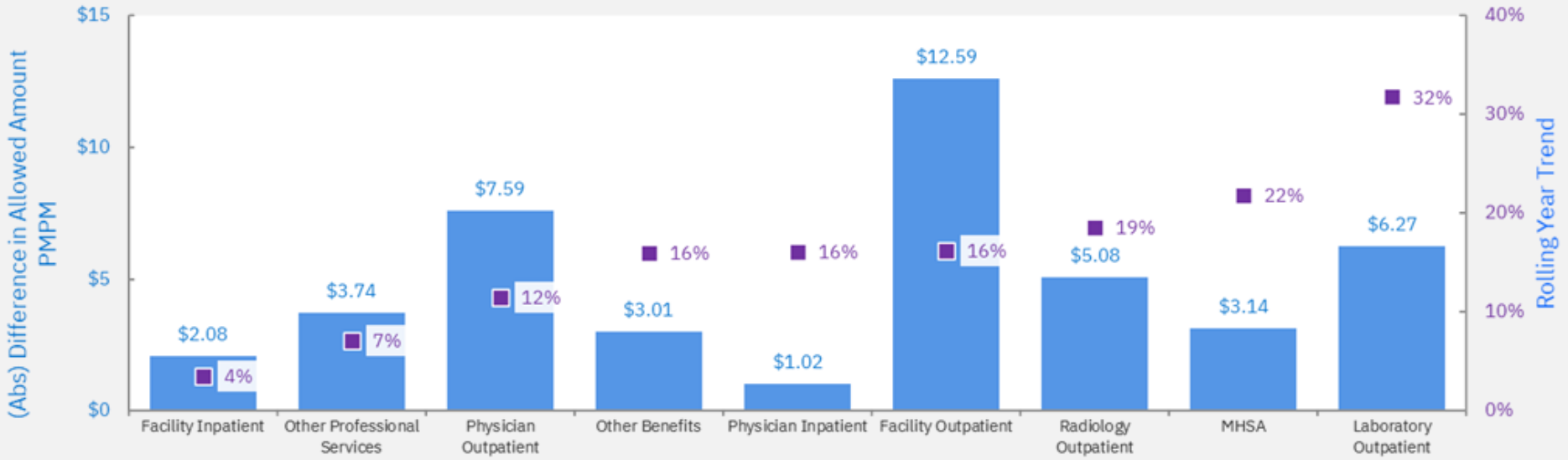
Changes in Delayable Care
Cost Trend



- Cost trend for delayable care had a larger trend in 2nd quarter for the most recent 12-month period compared to all care
- Overall trend of 13.1% for delayable care shows a move towards normalcy but at a slightly slower rate than for all care

(Ref. GIB | 11.17.21 | 3, page 8)

Changes in Delayable Care
Higher Trends



- Delayable care has higher trends than all care for multiple categories, showing a more rapid rebound from sharper decline during COVID-19

(Ref. GIB | 11.17.21 | 3, page 8)

COVID-19 Testing and Cost

	Members	Average Cost Per Test	Total Allowed Amount
Diagnostic Test	81,896	$199	$16,261,795
Antibody Test	15,806	$69	$1,083,998

- Total Allowed Amount spend on COVID-19 testing from January 2020 through June 2021 was about $17.3 million

(Ref. GIB | 11.17.21 | 3, page 9)

COVID-19 Patient Costs

- From January through June 2021, the total allowed amount spent on members with COVID -19 was $45.7 million
- Most costs were for members requiring inpatient medical care

(Ref. GIB | 11.17.21 | 3, page 9)

Questions?

ETF Strategic Plan and Modernization Update

Item 4 – Group Insurance Board

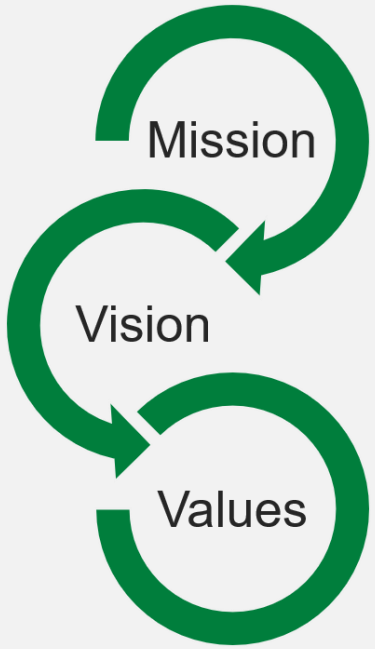
A. John Voelker, Secretary

ETF is a Benefits Administrator Governed by 5 Boards

Employee Trust Funds Board		
Wisconsin Retirement Board & Teachers Retirement Board	Wisconsin Retirement System	• $140 billion in assets • 8th Largest Public Pension Fund in US • Serves over 650,000 state & local government employees, representing 1,500 employers • Economic Value • 85% of the annuitants reside in Wisconsin • $5.6 billion paid in annual annuity payments • Administered Internally
Deferred Compensation Board	Wisconsin Deferred Compensation	• Supplemental Retirement Savings Plan • $7 billion in assets • Serves almost 70,000 state & local employees • ETF Contracts with Third Party to Administer
Group Insurance Board	Health & Supplemental Benefits	• Health, Pharmacy, Dental, Vision, Life, Income Continuation, Disability, Accumulated Sick Leave, Pre-Tax Savings, Wellness and Other Benefits • Serves almost 240,000 state & local employees • Partially Administered In-house - relies on Third Party services by State, University and Local payroll & benefits administrators; as well as health plan organizations

ETF's Strategic Plan

ETF Strategic Plan Framework



ETF's Future State

Goals

- Customer Experience
- Performance & Process Management
- Talented Workforce
- Modern Technologies

Health & Supplemental Benefits

Insurance Related Focus

- Enable accurate self-service and timely enrollment and eligibility administration for our customers
- Ensure insurance program sustainability
- Optimize processes to leverage capabilities of modernized activities
- Attract, integrate and advance top talent
- Modernize and Integrate systems and data

Modernization Scope - Insurance

ELIGIBILITY & ENROLLMENT

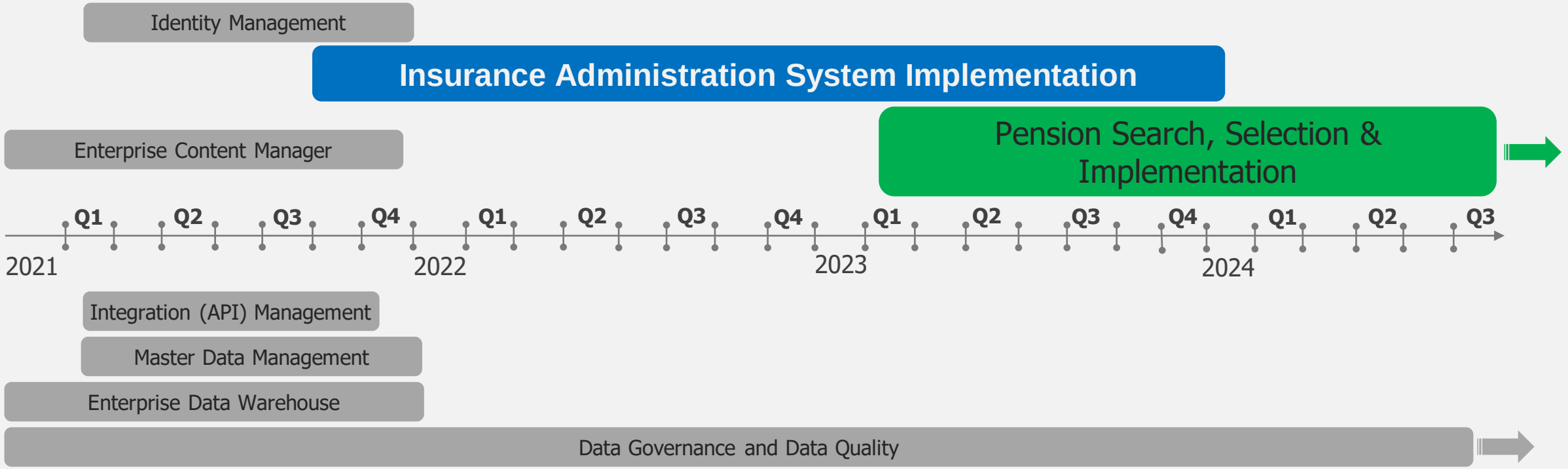
COMMUNICATION & ENGAGEMENT

REPORTING & ANALYTICS

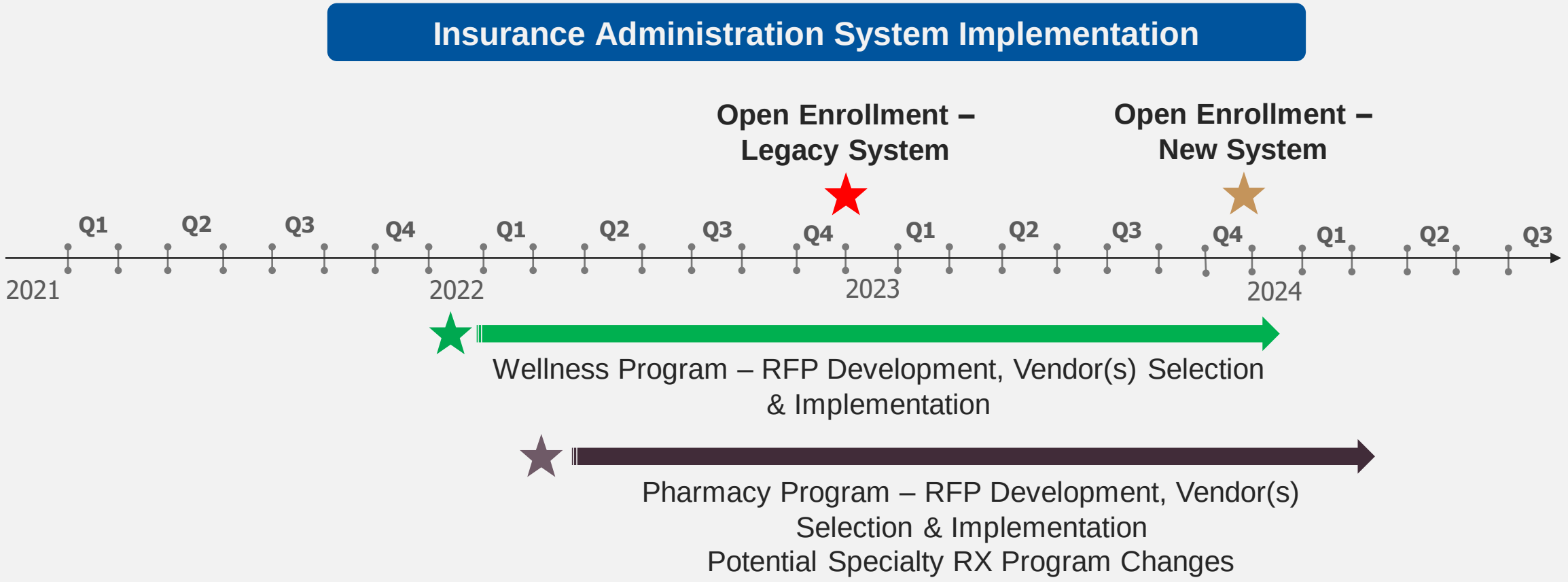
HEALTH INSIGHTS

BILLING & PAYMENTS

Modernization Timeline – Insurance Administration System



Modernization Timeline Relative to Insurance Planned Business Activities



Questions?

Strategic Initiatives Update
Specialty Pharmacy

Item 5A – Group Insurance Board

Tricia Sieg, Pharmacy Benefits Program Manager

Office of Strategic Health Policy

Informational Item Only

- No Board action is required

(Ref. GIB | 11.17.21 | 5A, page 1)

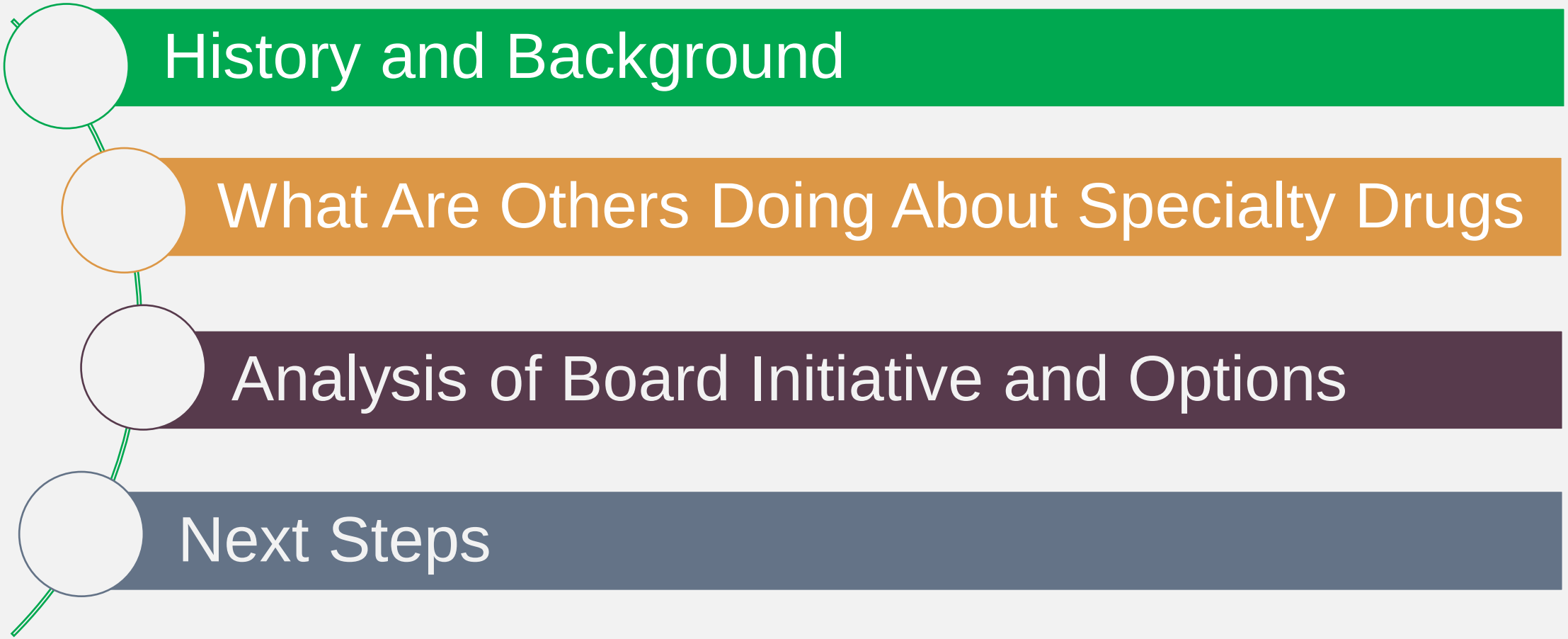
Group Insurance Board Initiative

Specialty Pharmacy Site of Care

In November 2019, the Group Insurance Board (Board) approved the Specialty Pharmacy Site of Care Initiative to study specialty drugs, where they are administered, and how any changes could affect members, providers, vendors, and the Board.

(Ref. GIB | 11.17.21 | 5A, page 1)

Overview



(Ref. GIB | 11.17.21 | 5A, page 1)

What are Specialty Drugs?

- Prescribed to treat complex, chronic, and rare conditions
- Just like other drugs, specialty pharmacy can be administered intravenously, intramuscularly, subcutaneously, or taken orally
- Dosages may be the same for all patients, or very precise based on a patient's physique
- Medical professionals administer most, but not all, specialty pharmacy drugs
- Specialty drugs are very expensive

(Ref. GIB | 11.17.21 | 5A, pages 1-2)

Group Health Insurance Program and Specialty Drugs

Medical Benefit

Specialty drugs administered in hospital, medical provider's office, infusion center, or in home by a medical professional

Pharmacy Benefit

Lumicera Health Service Specialty Pharmacy or University of Wisconsin Health Specialty Pharmacies fill all prescriptions for specialty drugs

(Ref. GIB | 11.17.21 | 5A, pages 4-6)

2020 Specialty Drug Costs
Medical Benefits

- 6,412 patients were prescribed specialty drugs
- $80,168,637 total spend
- 10.6% percent of total for administrative outpatient facilities fees
- 3.0% percent of total for administrative professional facilities fees

(Ref. GIB | 11.17.21 | 5A, pages 4-6)

2020 Specialty Drug Costs
Pharmacy Benefits

- 27,650 level 4 specialty drug prescriptions filled
- $189,912,759 or 49% of total pharmacy spend spent on specialty drugs
- $4,341,457 total Per Member Per Month fee to Navitus by the Board to administer the benefit
- $404,076,086 in rebates and network discounts passed back to the Board

(Ref. GIB | 11.17.21 | 5A, pages 4-6)

Bagging Options

White Bagging

Specialty pharmacy ships a patient's prescription to the provider, where the drug remains until the patient arrives for treatment

Brown Bagging

The patient picks up the prescription at a pharmacy, or has it delivered to their home and then brings the drug to the provider for use in their treatment

Clear Bagging

A provider's internal specialty pharmacy fills the prescription and transports the drug to the provider for use in the patient's treatment

Blue Bagging

A four-step, pharmacist-driven all-medication review that involves working with the provider to ensure the patient is receiving the correct treatment

Bagging options paid through the pharmacy benefit

(Ref. GIB | 11.17.21 | 5A, pages 2-3)

Home Infusion

- Drug is sent from the specialty pharmacy to a patient at home
- Patient or their care giver follows instructions on how to store the drug
- Home health care professional, usually a registered nurse, comes to the patient's home to administer the drug

(Ref. GIB | 11.17.21 | 5A, pages 3-4)

Site of Administration Pay Differential

- Studies have found a substantial price difference between injections/infusions received in a hospital outpatient department vs. in a provider's office
- Plans have increased member copays and coinsurances when patients receive treatment in the hospital outpatient department. This increase drives members to receive their injections/infusions in the lower cost provider's office

(Ref. GIB | 11.17.21 | 5A, page 4)

Medical Specialty Pharmacy
Data Analysis

ETF shared one year's medical specialty pharmacy data from ETF's DAISI data warehouse with Navitus

Navitus compared the price the Board paid for specialty drugs through the medical benefit to the price Navitus would have charged through the pharmacy benefit

Navitus examined sites of care for lower cost locations with equal accessibility and most options for care

(Ref. GIB | 11.17.21 | 5A, pages 6-7)

What Did the Analysis Find?

- $66.4 million in specialty drug costs paid through the medical benefit
- $49 million would have been the cost if these drugs had been processed through the Board's pharmacy benefit
- The Board would have saved $17.4 million

(Ref. GIB | 11.17.21 | 5A, pages 6-7)

Implement brown bagging for all specialty drugs mentioned in Navitus's report

Pros	Cons
• The Board would pay a lower cost for the drugs administered through the pharmacy benefit • The Board could realize even more savings with Navitus's full pass through of rebates and discounts	• An increase in the number of people handling a drug before administration • Members would be responsible for making sure the drug was kept in the right environment • Of all the options, this could lead to the most member confusion and drug waste

(Ref. GIB | 11.17.21 | 5A, page 10)

Implement white bagging for all the drugs mentioned in Navitus's report

Pros	Cons
• The Board would realize more savings than it is currently receiving • The drug is sent directly to the provider from the specialty pharmacy without handling from the member	• Oncology drug dosages are based on a patient's weight on the day of treatment and weight can fluctuate when being treated for cancer could lead to waste • Members receiving more billing and paperwork could lead to member confusion

(Ref. GIB | 11.17.21 | 5A, page 10)

Implement white bagging for all the drugs except oncology and a clear bagging program in the UW hospital system

Pros	Cons
• Allows for the easing into a big change to how the members receive their specialty drugs • Approach would allow for growth and expansion of clear bagging into other health systems with specialty pharmacies • Would not disrupt or change how members receiving oncology drugs receive their drugs during treatment	• ETF and Navitus have not spoken to UW Specialty Pharmacy about this option so there is uncertainty if they would be willing to enter into an agreement • Depending on how drugs are packaged, a member may not need a whole vial of a specialty drug, so what is left over will need to be disposed of.

(Ref. GIB | 11.17.21 | 5A, pages 10-11)

Create a 20% coinsurance rate for all infusions received in a hospital outpatient setting

Pros	Cons
• New coinsurance could be used to help offset the possible significantly higher costs paid for infusions received in hospital outpatient clinics when compared to other sites of care • Could help drive members to other treatment settings that would lead to a lower cost for members and the Board	• Price increase for members who would continue to receive their infusions in hospital outpatient clinics • Could lead to member confusion due to the site of care possibly being unclear to members • Payment would remain under the medical benefit therefore the Board would continue to not receive any rebates for the drug

(Ref. GIB | 11.17.21 | 5A, pages 11-12)

Allow for at-home infusions for all non-oncology drugs

Pros	Cons
• Allows members to receive their injection/infusion in their own home, helping to alleviate any transportation issues • Reduces the amount of human interaction at a time in life where members may be very vulnerable to germs and diseases • Navitus works with vendors in Wisconsin to administer drugs at home and infusion centers	• Member would have to handle and care for the drug before the home health provider arrives to administer the drug • The number of tests that home health providers can administer before giving the member the drug is limited compared to the tests that could be run in a medical setting • Staff has concerns about the availability of home health in rural areas

(Ref. GIB | 11.17.21 | 5A, page 12)

No change

Pros	Cons
• No possible member disruption or possible provider displeasure • Hospitals, medical providers, and infusion centers continue to receive the same amount of revenue from the Board's members	• The Board does not realize any of the savings identified by Navitus • Member premiums will continue to increase to help cover the cost of specialty drugs administered through the medical benefit

(Ref. GIB | 11.17.21 | 5A, page 12)

Next Steps

Solicit feedback from members, vendors, providers, internal ETF staff, and employers

Continue to talk with external advisors from Segal Consulting, IBM Watson, Navitus, and others

ETF may request Board action during the May 2022 meeting for changes to take effect January 1, 2023

(Ref. GIB | 11.17.21 | 5A, pages 12- 13)

Questions?

Initial Analysis of Social Determinants of Health

Item 5B – Group Insurance Board

Aruna Kallon, Health Policy Intern

Renee Walk, Lead Policy Advisor

Office of Strategic Health Policy

Informational Item Only

No Board action is required

Background

In 2019 the Group Insurance Board (Board) approved a series of initiatives to improve the health of the population enrolled in the State of Wisconsin Group Health Insurance Program (GHIP). One of these initiatives set out to examine the role that social determinants or drivers of health (SDOH) play in the health and wellbeing of GHIP members.

(Ref. GIB | 11.17.21 | 5B, page 1)

SDOH Defined

SDOH are the conditions that affect a wide range of health, functioning, and quality-of-life outcomes and risks. SDOH are categorized in five domains: economic stability, education, neighborhood and built environment, healthcare system, and the social context.

SDOH Domains	
Essential	**Supplemental**
Food	Childcare
Housing	Education
Safety	Employment
Transportation	Social Supports
Financial Resources	Health Behaviors
Demographic Information	Behavioral/Mental Health

Table: Department of Health Services, 2021

(Ref. GIB | 11.17.21 | 5B, page 1 - 2)

Importance to the Board

Chronic conditions are influenced by SDOH

- 46,500 GHIP members have at least one chronic condition.
- Treating chronic illness costs an average of $4,446 annually, and $11,989 for other comorbid conditions.
- Traditional condition management may have limited effect if SDOH are not addressed.

(Ref. GIB | 11.17.21 | 5B, page 2)

Health Plan Approaches

- ETF asked plans about SDOH programs in 2020.
- Many plans noted they are considering investments, plan design adjustments, and ways to collect data.
- All indicated that more information and better understanding is needed.

(Ref. GIB | 11.17.21 | 5B, page 4 - 5)

Other State Approaches

Examples show that like Wisconsin, other states, including Massachusetts and Michigan, have begun to use their contracts for Medicaid managed care organizations to influence SDOH and improve care.

(Ref. GIB | 11.17.21 | 5B, page 6)

Data Opportunities and Limitations

Current data on SDOH domains is limited in the DAISI data warehouse

Importing employer data including salary, demographics, leave status, etc. would help, but may be inconsistent between employers

Prior Well Wisconsin health assessments asked SDOH questions, but data not yet included in DAISI

(Ref. GIB | 11.17.21 | 5B, page 6 - 7)

Possible Interventions

- *Promoting health equity through program design:* The Board and ETF could work with plans to determine how to incorporate SDOH screenings into health care encounters for members.
- *Data sharing*: ETF could support information sharing, share policy frameworks and references for partner agencies, and find areas where partner agencies can create complementary programs and approaches.
- *Improving health in high-risk neighborhoods:* ETF and the Board can continue to raise awareness and look for opportunities that the state more broadly can support.
- *SDOH assessment*: Board could consider policies to encourage care providers and health plans to complete these assessments.

(Ref. GIB | 11.17.21 | 5B, page 8 - 12)

Engagement Strategies

- Increase member engagement, including two-way opportunities.
- Forge community healthcare partnerships.
- Engagement via telehealth.

(Ref. GIB | 11.17.21 | 5B, page 12 - 16)

Next Steps

- ETF will identify internal staff to lead outreach efforts.
  - Outreach team will identify participants and ways to engage.
  - Gradual approach to ensure buy-in and that programs meet member needs.
- ETF will look to partner with employers to explore opportunities for data sharing.

(Ref. GIB | 11.17.21 | 5B, page 16)

Questions?

2022 Open Enrollment Campaign

Item 6 – Group Insurance Board

Sara Brockman, Communications Manager

Office of Strategic Health Policy

Informational Only

- No Board action is required.

(Ref. GIB | 11.17.21 | Item 6, page 1)

2022 Campaign Highlights

Health Plan Changes

- Addition of Aspirus Health Plan
- Quartz Community network split

Uniform Dental Benefit Change

- Composite resin filling coverage added for back teeth

Uniform Pharmacy Benefit Change

- Continuous Glucose Monitor(CGM) coverage added

IBM Benefits Mentor

- New virtual benefit counselor for active state employees and non-Medicare retirees

(Ref. GIB | 11.17.21 | Item 6, page 1)

Benefits Mentor

- Open enrollment metrics:
  - 1,256 unique users
  - 1,406 total visits
- Promoted in a variety of ways
  - Decision Guides (State only)
  - ETF website
  - News alerts

(Ref. GIB | 11.17.21 | Item 6, page 2)

Benefits Mentor

Benefits Mentor is the new interactive benefits counselor for active state employees and non-Medicare retirees. Powered by ETF's secure data warehouse, Benefits Mentor will use your claims information (if available) as a basis for personalized plan design recommendations.

Decision Guides

- 2022 guides are not materially different from 2021 versions
- Highlighted COVID-19 vaccine coverage, efficacy, and availability
- Minor clarifications to dental and vision pages to address frequently asked questions

(Ref. GIB | 11.17.21 | Item 6, page 2)

COVID-19: You Stop the Spread

The most effective way to stop the spread of COVID-19 is to get vaccinated. COVID-19 vaccines are covered by the medical and pharmacy benefit for all non-Medicare members, and by the medical benefit (Part B) for Medicare members.

In addition to your doctor or health care provider, the Wisconsin Department of Health Services recommends the following places to get your free COVID-19 vaccine:

- Pharmacies
- Community-based or pop-up vaccination clinics
- Local or tribal health departments

To find a COVID-19 vaccine site in your community, visit **www.vaccines.gov** and enter your ZIP code.

Questions about the COVID-19 vaccine or an additional dose of the vaccine? Visit **www.dhs.wisconsin.gov/covid-19/vaccine.htm**, or call 211 or 1-877-947-2211.

Visit **etf.wi.gov/etf-response-covid-19** for the latest information about your health benefits and COVID-19.

(Ref. GIB | 11.17.21 | Item 6, page 2)

2022 Open Enrollment Preview Video

- 2-minute overview of 2022 changes to health benefits
- Applies to all members
- Over 4,000 views during open enrollment

(Ref. GIB | 11.17.21 | Item 6, page 2)

Open Enrollment Webinars

- Second year offering health benefits webinars during open enrollment
- Two types of webinars offered:
  - Health Benefits Webinars
  - Vendor Q&A Webinars

(Ref. GIB | 11.17.21 | Item 6, page 2)

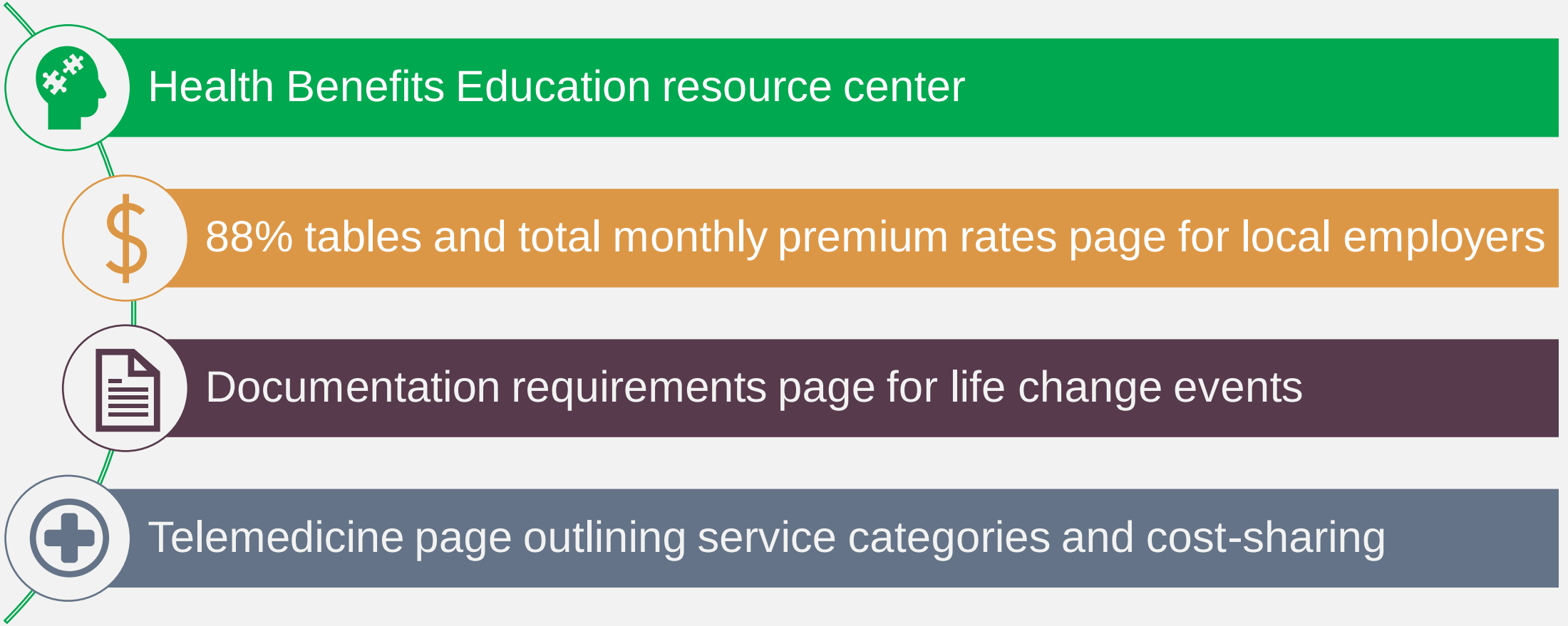
Webinar Attendance

Webinar Type	OE 2021	OE 2022	Difference
Health Benefits Webinars	1,796	1,144	-36.3%
Vendor Q&A Webinars – Employers Only (discontinued)	497	n/a	n/a
Vendor Q&A Webinars	1,383	919	-33.6%
Total	3,676	2,063	-43.9%

- Overall webinar attendance was lower for the 2022 open enrollment period due to a variety of factors – eliminating a webinar session type, minimal benefit changes, and additional vendor outreach
- Attendee feedback largely positive, with technical issues the most commonly mentioned area for improvement

(Ref. GIB | 11.17.21 | Item 6, page 3)

Website



(Ref. GIB | 11.17.21 | Item 6, page 3)

Questions?

Well Wisconsin RFP Update

Item 7 – Group Insurance Board

Molly Heisterkamp, Wellness & Disease Management Program Manager
Tricia Sieg, Pharmacy Benefits Program Manager
Office of Strategic Health Policy

Informational Item Only

- No Board action is required

Questions?

meQuilibrium Pilot Program

Item 8 – Group Insurance Board

Molly Heisterkamp, Wellness & Disease Management

Program Manager

Office of Strategic Health Policy

Informational Item Only

- No Board action is required

Questions?

Initial Findings Update from 2020 Benefit Change Related to Vaccine Coverage

Item 9 – Group Insurance Board

Brian Stamm, Deputy Director

Tricia Sieg, Pharmacy Benefits Program Manager

Office of Strategic Health Policy

Informational Item Only

- No Board action is required

(Ref. GIB | 11.17.21 | 9, page 1)

Commercial Vaccines at Pharmacy Timeline

May 15, 2019

- Board approves change to Universal Pharmacy Benefit allowing commercial members to get vaccines at pharmacy

January 1, 2020

- Non-Medicare members start to receive vaccinations at pharmacies

December 21, 2020

- The first Covid-19 vaccine, a Pfizer vaccine, is administered through the commercial pharmacy benefit

(Ref. GIB | 11.17.21 | 9, page 1)

Commercial Pharmacy Vaccine Program Overview

- 42 vaccinations currently covered
- Members six years of age and older
- Minimal commercial pharmacy member confusion

(Ref. GIB | 11.17.21 | 9, page 1)

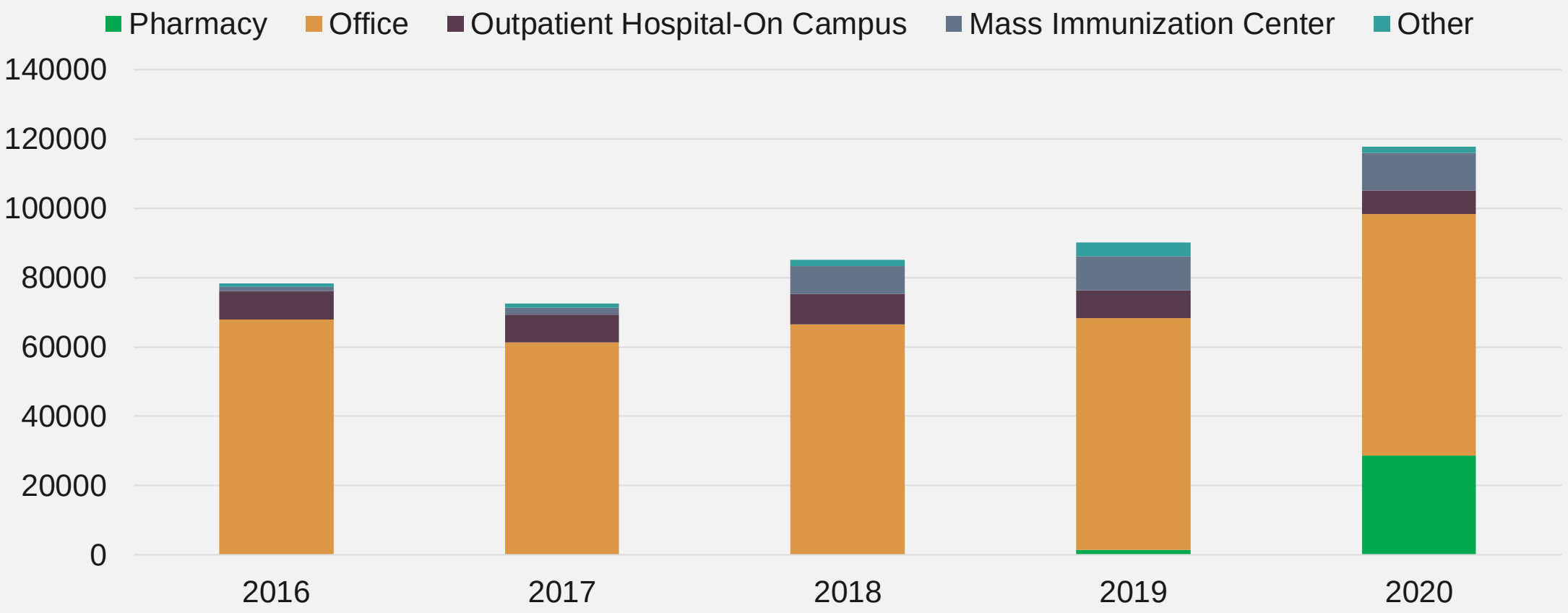
Initial Impact

Focus on Influenza

- 25,312 Influenza vaccines provided at pharmacies
- Represents an 1841% increase for that point of service
- In 2020, members received an additional 27,621 Influenza vaccines compared to the year prior
- Pharmacies are now the 2nd most popular point of service for receiving Influenza vaccines, capturing roughly 24% of all Influenza vaccinations provided
- Potential savings of ~$611,000 due to cheaper point of service

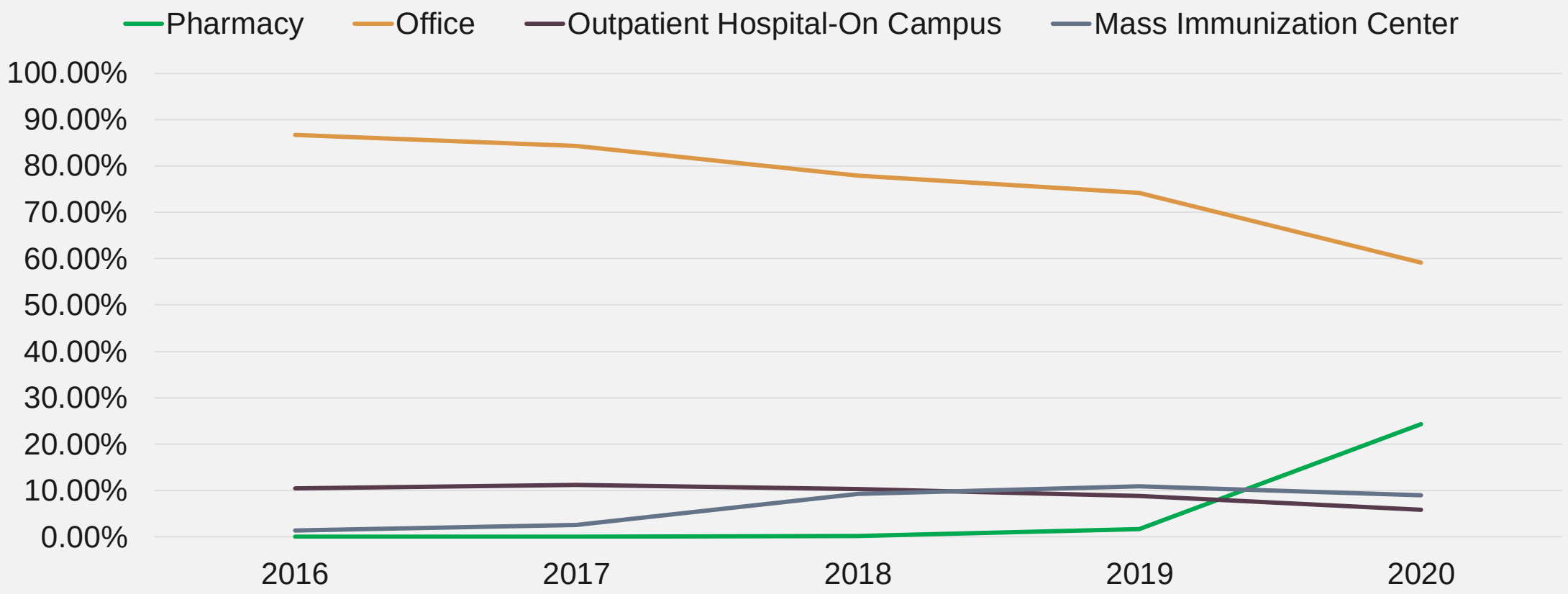
(Ref. GIB | 11.17.21 | 9, pages 1 - 4)

Influenza Vaccines Provided



(Ref. GIB | 11.17.21 | 9, pages 1 - 4)

Influenza Vaccines – Point of Service



(Ref. GIB | 11.17.21 | 9, pages 1 - 4)

Additional Determinants

- Significant increase in Influenza vaccination clinics offered through Well Wisconsin wellness program
- Additional quality credit measures
- Legislative impact:
  - 2019 Wisconsin Act 24 and 2021 Wisconsin Act 3
- COVID-19

(Ref. GIB | 11.17.21 | 9, pages 4-7)

Questions?

Pharmacy Benefit Program Audit Results

Item 10A – Group Insurance Board

Tricia Sieg

Pharmacy Benefits Program Manager

Office of Strategic Health Policy

Informational Item Only

- No Board action is required

(Ref. GIB | 11.17.21 | 10, page 1)

PBM Audit Background

- Tenth annual audit or phase by PillarRx Consulting, LLC. (PillarRx) of the Board's Pharmacy Benefit Program
- PillarRx is an independent auditing firm specializing in the pharmaceutical marketplace
- PillarRx found this audit to be a passing audit

(Ref. GIB | 11.17.21 | 10, page 1)

What Did This Audit Examine?

Commercial pharmacy claims January 1, 2020 – December 31, 2020

Employer Group Waiver Plan (EGWP) pharmacy claims January 1, 2019 - December 31, 2019

Pharmacy Network January 1, 2019 - December 31, 2019

Pharmacy Rebates October 1, 2019 - December 31, 2019

(Ref. GIB | 11.17.21 | 10, page 1)

Commercial Program Savings 2018-2020

Year	Contracted Claims Ingredient Costs	Actual Claims Ingredient Costs	Savings Over Contracted Costs
2020	$285,008,053	$269,458,485	$15,549,567
2019	$238,100,644	$225,520,616	$12,580,028
2018	$240,881,739	$229,085,151	$11,796,588

(Ref. GIB | 11.17.21 | 10, page 2)

EGWP Program Savings 2017-2019

Year	Contracted Claims Ingredient Costs	Actual Claims Ingredient Costs	Savings Over Contracted Costs
2019	$123,967,312	$116,880,638	$7,086,674
2018	$106,709,708	$102,468,515	$4,241,193
2017	$121,570,169	$110,920,746	$10,649,423

(Ref. GIB | 11.17.21 | 10, page 2)

EGWP Dispensing Fees

Dispensing Fee Overcharge

EGWP 2019

$165,106

EGWP 2018

$172,411

Result of members getting prescriptions filled at a handful of pharmacy groups with very high dispensing fees

(Ref. GIB | 11.17.21 | 10, page 2)

Questions?

Delta Dental Uniform Dental Benefit Audit Results

Item 10B – Group Insurance Board

Tom Rasmussen

Life Insurance and Dental Insurance Program Manager

Office of Strategic Health Policy

Informational Item Only

- No Board action is required

(Ref. GIB | 11.17.21 | 10B Page 1)

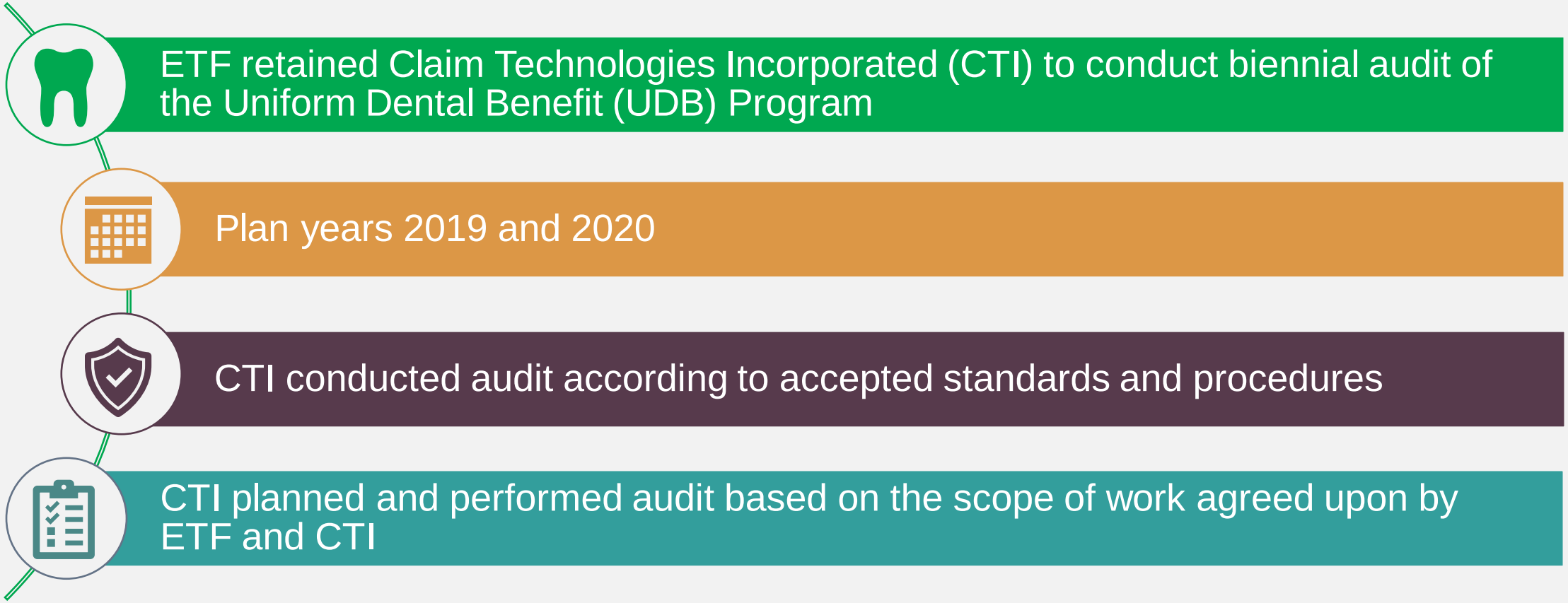
UDB Highlights Summary

Year	2021*	2020	2019	2018	2017	2016
Primary Subscribers	94,818	94,309	92,535	91,390	92,643	92,908
Total Membership	210,508	204,381	200,994	199,191	203,249	203,469
Member Utilization Rate (treatments)	2.0	4.2	4.6	4.7	4.6	4.49
Member Utilization Rate (visits)	0.7	1.5	1.9	1.9	1.85	1.86
Percent of members with claims	52.0%	68.5%	75.8%	74.9%	74.0%	72.3%
Average Member Age	40.0	39.2	39.0	38.8	38.9	34.8
Amount Paid Per Member Per Month	$22.78	$19.13	$23.24	$22.54	$22.23	$22.12
Amount paid Per Employee Per Month	$49.29	$41.47	$50.47	$49.14	$48.89	$48.48
Total paid Amount	$22,605,440	$46,869,551	56,048,330	$53,887,946	$54,348,818	$52,032,285

* Experience Period: January 1, 2021 – May 2021

(Ref. GIB | 11.17.21 | 10B Page 2)

Audit Background



(Ref. GIB | 11.17.21 | 10B Pages 1-2)

Audit Objectives

- Validate accuracy of claims
- Assess eligibility verification
- Determine if Delta followed terms of the service agreement
- Review appropriateness of Delta's policies and procedures regarding affirmative action, privacy and business continuation
- Appraise claim administration, eligibility maintenance systems or processes for improvement

(Ref. GIB | 11.17.21 | 10B Page 2-3)

Operational Review

CTI conducted analysis on Delta's operations and evaluated

- ❑Claims administration system
- ❑Staffing
- ❑Procedures to identify deficiencies impacting Delta's ability control risk and pays claims accurately

(Ref. GIB | 11.17.21 | 10B Page 3)

Plan Documentation Review

CTI analyzed documents governing the administration of the plan to identify inconsistencies, ambiguities, or missing provisions that would negatively impact accurate claim administration

- ❑ Plan documentations, descriptions and any amendments
- ❑ Administrative service agreements

(Ref. GIB | 11.17.21 | 10B Page 4)

Random Sample Review

CTI validated claims processing accuracy

- ❑Based 180 claims paid or denied during the audit period
- ❑Financial accuracy
- ❑Accuracy of payment
- ❑Accuracy of processing

(Ref. GIB | 11.17.21 | 10B Page 4)

Electronic Screening with Targeted Sample Analysis

CTI electronically screened 100% of the service lines processed by Delta to identify potential amounts at risk

- ❑Duplicate payments to providers
- ❑Plan exclusion and limitations

(Ref. GIB | 11.17.21 | 10B Pages 4-6)

Data Analytics Analysis

CTI analyzed data to identify improvement opportunities and potential recoveries.

- ❑Network provider utilization and discount savings

(Ref. GIB | 11.17.21 | 10B Page 6)

Recommendations

- ✓ETF request of Delta to review the financial error identified and determine whether the coordination of benefits is consistent with ETF's intent
- ✓Discuss with Delta the examples where administration did not match the language in the SPD to reduce errors moving forward
- ✓ETF to request and review overpayment reports to better understand causes and recovery process
- ✓Utilize additional 8 hours of post-audit services with CTI

(Ref. GIB | 11.17.21 | 10B)

Questions?

Long-Term Care Standards and Supplemental Plan Guidelines Changes

Item 11 – Group Insurance Board

Douglas Wendt, Supplemental Plans Program Manager

Tom Rasmussen, Life and Dental Program Manager

Office of Strategic Health Policy

Action Needed

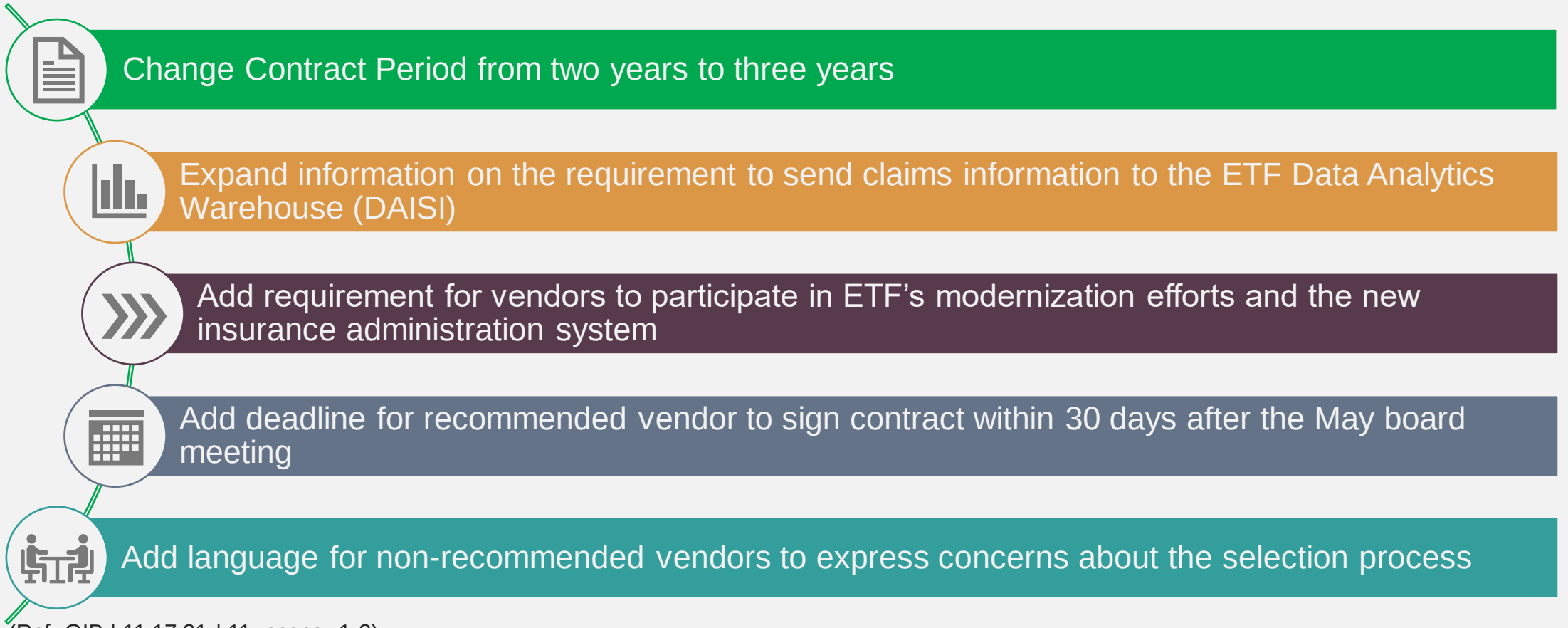
ETF requests the Board approve modifications to the Supplemental Insurance Plan Guidelines (ET-7422) and Long-Term Care Insurance Standards (ET-7423) for contracts effective for the 2023 plan year.

Supplemental Plan Offerings

	Benefit	Vendor	Plans	Current Contract
	Dental	Delta Dental	3 Plan Offerings	2022-2023
	Vision	DeltaVision	1 Plan Offering	2021-2022
	Accident with AD&D Provision	Securian	1 Plan Offering	2021-2022
	Long-Term Care	HealthChoice/Mutual of Omaha	1 Plan Offering	2022

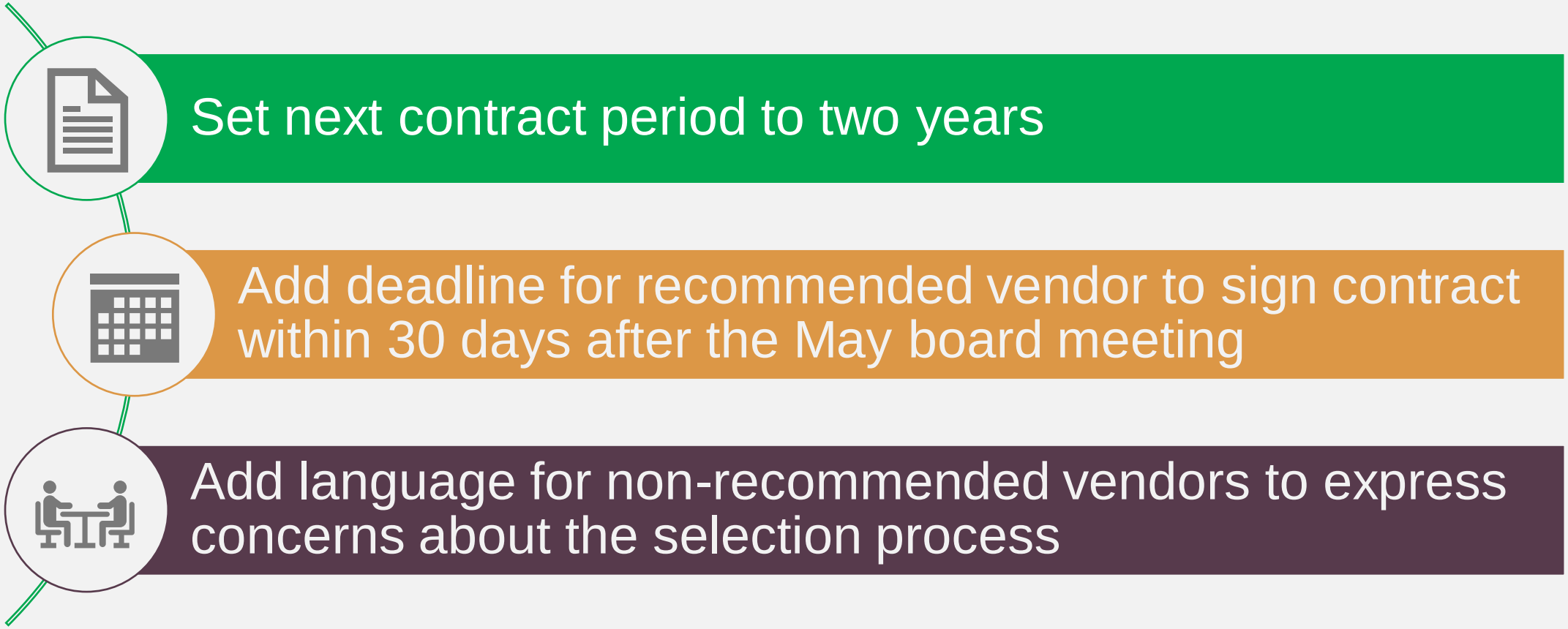
(Ref. GIB | 11.17.21 | 11, page 1)

Proposed Changes
Supplemental Plan Guidelines (ET-7422)



(Ref. GIB | 11.17.21 | 11, pages 1-2)

Proposed Changes
Long-Term Care Standards (ET-7423)



(Ref. GIB | 11.17.21 | 11, page 2)

Action Needed

ETF requests the Board approve modifications to the Supplemental Insurance Plan Guidelines (ET-7422) and Long-Term Care Insurance Standards (ET-7423) for contracts effective for the 2023 plan year.

Questions?

Medicare Advantage Request for Information (RFI)

Item 12A - Group Insurance Board

Rachel Carabell, Senior Health Policy Advisor

Arlene Larson, Federal Health Programs & Policy Manager

Office of Strategic Health Policy

Background of Request for Information (RFI)

ETF released an RFI for Medicare Advantage (MA) vendors on February 15, 2021. Responses were due April 2, 2021.

ETF wanted to learn how significantly the MA marketplace had changed since 2017.

(Ref. GIB | 11.17.21 | 12A, page 1)

Background – Topics of Interest

- The vendor, its Medicare Advantage products, and covered lives.
- Market trends and experience offering group Medicare Advantage plans.
- Provider network design and capacity.
- Benefit design and program offerings.
- Premium, rating, and contracting.
- Star rating for federal quality measures.

(Ref. GIB | 11.17.21 | 12A, pages 1 & 2)

Responding Vendors in GHIP

Medicare Plan Vendor	Wisconsin Covered Lives Group Market	Wisconsin Covered Lives Individual Market
Dean	0	24,178
HealthPartners	805	2,415
Network	0	66,318
Quartz	0	21,228
UnitedHealthcare	46,748	176,106

(Ref: GIB | 11.17.21 | 12A, pages 2 & 3)

Responding Vendors not in GHIP

Medicare Plan Vendor	Wisconsin Covered Lives Group Market	Wisconsin Covered Lives Individual Market
Aetna	14,925	10,130
Anthem	612	72,511
Humana	6,157	63,869
Medica	427	8,639

(Ref: GIB | 11.17.21 | 12A, pages 2 & 3)

Responses for Potential Financial, Market, Regulatory & Product Changes

Increased use of data, value-based payments, telemedicine, and price transparency.

Concern about federal funding and benefit changes that may impact premiums.

Concerns about federal prescription drug pricing proposal to shift costs onto payers.

(Ref. GIB | 11.17.21 | 12A, page 3)

Provider Network Responses

National Passive PPO

- 4 vendors
- Nationwide network
- Out-of-network providers are payable

Regional HMO

- 5 vendors
- More limited network
- Out-of-network providers are generally not payable
- MA provider network varies somewhat from commercial

(Ref. GIB | 11.17.21 | 12A, pages 3 & 4)

Responses with Innovative Provider Reimbursement Models

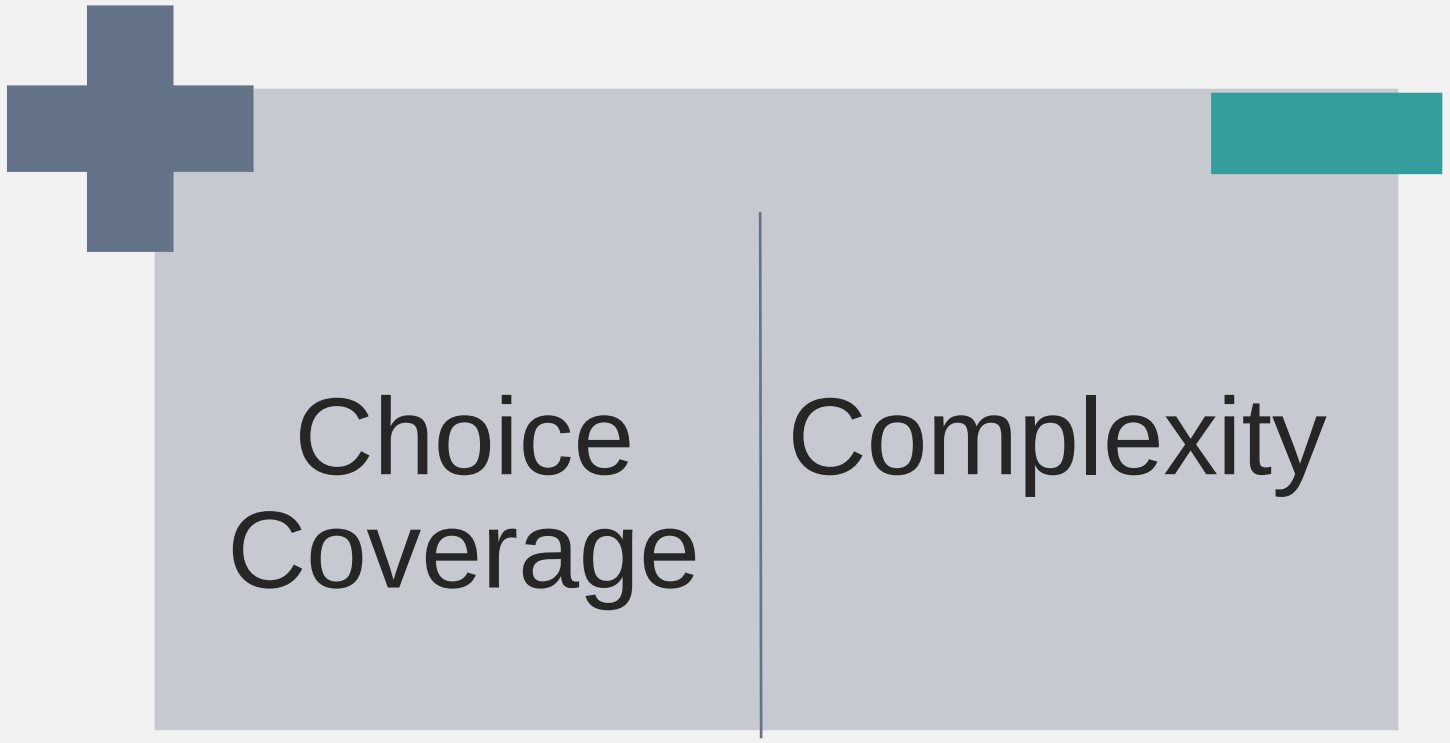
(Ref. GIB | 11.17.21 | 12A, page 4)

Popular Benefit Designs

Copays, not Coinsurance	Passive PPO	$0 Premium Plans
Pharmacy included	Hearing aids, dental, vision, and podiatry	Gym membership

(Ref. GIB | 11.17.21 | 12A, pages 4 & 5)

Program Strengths/Weaknesses Recommended Changes



(Ref. GIB | 11.17.21 | 12A, pages 5 & 6)

Recommended Changes

- Provide more affordable options
- Separate benefits for Medicare retirees from benefits for active employees and non-Medicare retirees
- Allow all plans to administer Medicare Advantage with HMO and PPO options
- Increase cost-sharing for high-cost care
- Add more supplemental benefits that promote access to care

(Ref: GIB | 11.17.21 | 12A, page 6)

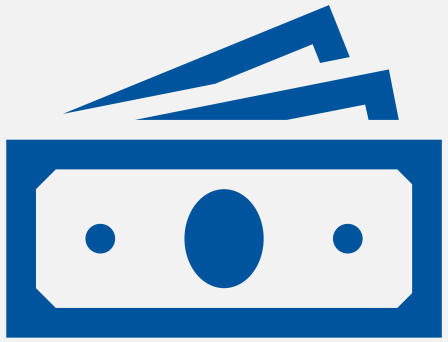
Additional Options

Provide MA only (pharmacy separately administered)

Provide MAPD with medical and pharmacy integrated

(Ref. GIB | 11.17.21 | 12A pages 6 & 7)

Rates – Annual or Multi-year



Annual rates can more quickly reflect cost/utilization changes

Multi-year rates provide more stability

(Ref. GIB | 11.17.21 | 12A, page 8)

Risk Sharing Options

Some vendors may offer risk sharing if:

- Employer is large enough
- Benefit structure ensures enrollment
- Target loss ratio is achieved (ex. 90%)

(Ref: GIB | 11.17.21 | 12A, page 8)

Willis Towers Watson Proposal - Individual Retiree Marketplace

Proposal

- Retirees select an individual plan from a private marketplace
- Wide variety of individual plans
- Retiree can choose benefits
- Some $0 premium plans
- WTW vets plans, administers the platform and provides customer service

Drawbacks

- Sick leave likely becomes a taxable benefit for all members in this option
- Would likely require a statutory change
- Significant change in how retirees select coverage

(Ref: GIB | 11.17.21 | 12A, pages 8 & 9)

Questions?

Medicare Advantage Health Benefit Plan Contract Extension Request

Item 12B – Group Insurance Board

Arlene Larson

Manager of Federal Health Programs & Policy

Office of Strategic Health Policy

Action Needed

ETF requests the Board approve the second and final extension to the Medicare Advantage (MA) contract with UnitedHealthcare (UHC) for one, two-year period extending through December 31, 2025.

MA Triple Aim Goals

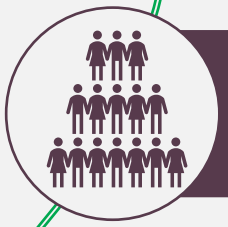
- Provide participants with plan choices that positively impact their health.
- Provide Medicare offerings that have low monthly premium costs.
- Offer health plans that deliver high-quality, high-value services.

Memo page 1

Recent Changes

Lower Premiums for 2022.

Established gain sharing arrangement to offset future premium increases.



Enrollment continues to increase.

Memo pages 1 and 2

Other Positive Considerations

Customer Satisfaction

- Survey in early 2021 show that UHC members are the most satisfied with their Medicare plan, out of all options.

Data Sharing

- Data sharing with the Wisconsin Health Information Organization (WHIO) going smoothly.

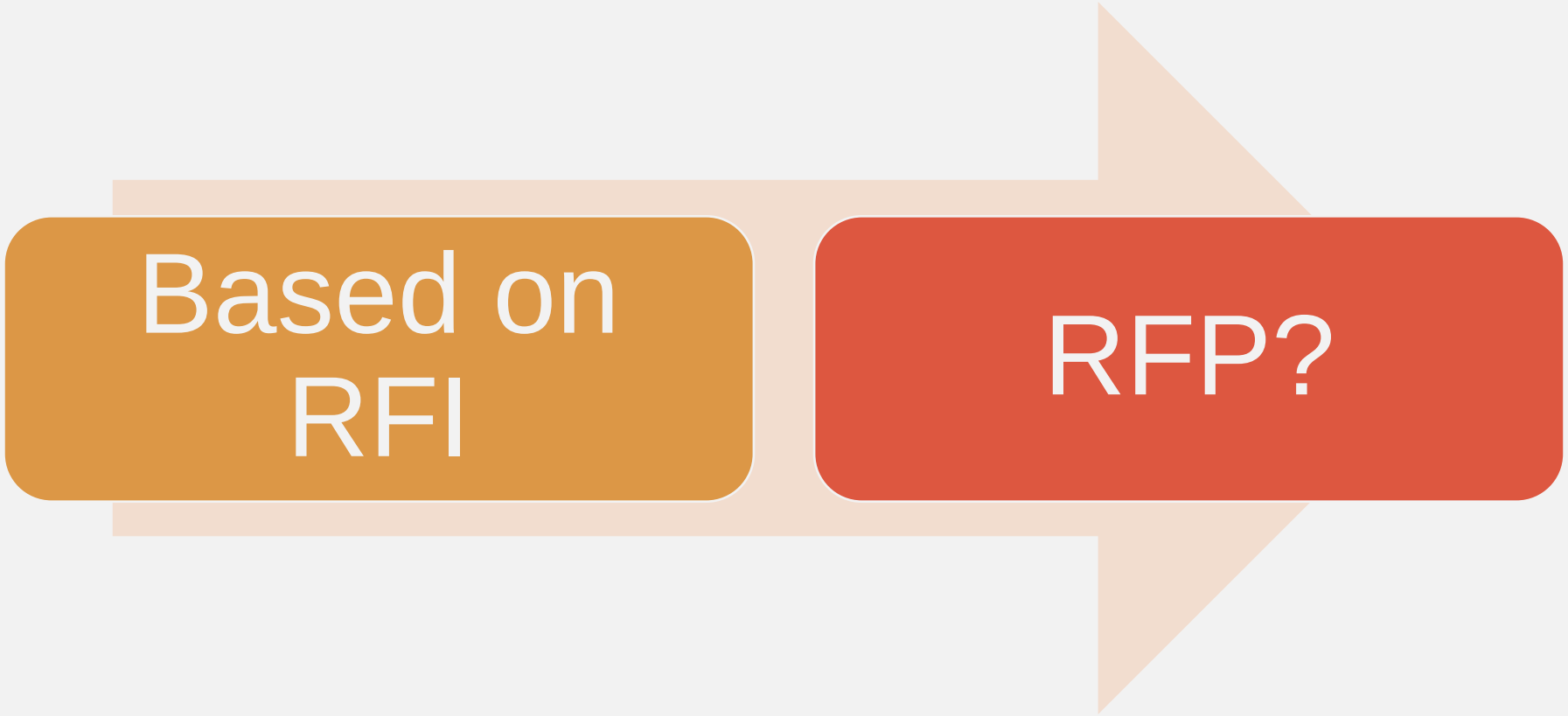
Memo pages 3 and 4

More Considerations

- Meets or exceeds Agreement's performance standards.
- Has increased from 4.5 CMS Stars to 5 Stars.
- Newly offers supplemental benefits – transportation and meals following inpatient stay.

Memo pages 3 and 4

Other Options for 2024



Action Needed

ETF requests the Board approve renewing the Medicare Advantage (MA) contract with UnitedHealthcare (UHC) for the second and final, two-year period extending through December 31, 2025.

Questions?

Operational Updates

Item 13A – 13H – Memo Only

Future Items for Discussion

Item 14A – Memo Only

Eileen Mallow, Director
Office of Strategic Health Policy

Informational Item Only

No Board action is required.

CLOSED SESSION

The Board may meet in closed session pursuant to the exemption contained in Wis. Stats. § 19.85 (1) (d) to consider strategy for crime detection or prevention. If a closed session is held, the Board may vote to reconvene into open session following the closed session.

Item 15 – Group Insurance Board

Announcement of Action Taken on Business Deliberated During Closed Session

Item 16 – No Memo

Adjournment

Item 17 – No Memo

Thank you

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