

DRAFT

# MINUTES

February 16, 2022

## Group Insurance Board

State of Wisconsin

### Location:

The Board meeting was held via teleconference.



---

### BOARD MEMBERS PRESENT:

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

Dan Fields  
Walter Jackson  
Katy Lounsbury  
Brian Pahnke  
Peggy Wirtz-Olsen

---

### PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

#### Office of the Secretary:

Kimberly Schnurr, Board Liaison

#### Office of Strategic Health Policy:

Eileen Mallow, Renee Walk, Jessica Rossner, Douglas Wendt, Korbey White, Tricia Sieg, Tom Rasmussen, Luis Caracas, Xiong Vang

#### Office of Legal Services:

Diana Felsmann

#### Benefit Services Bureau:

Jim Guidry

#### Bureau of Budget, Contract

#### Administration, and Procurement:

Tim Steiner

---

### OTHERS PRESENT

#### Office of the Secretary:

John Voelker, Shirley Eckes, Pam Henning

#### ETF Staff:

Brian Stamm, Arlene Larson, Monica Anderson, Ralph Bauer, Kadimma Mbanefo, Patrick Hughes, Dan Hayes, Liz Doss-Anderson, Tarna Hunter, Nancy Ketterhagen, Joanne Klaas, Mary Richardson, Yikchau Sze, Sarat Tadi, Wade Whitmus, Kathryn Young, Cheryllynn Wilkins, Oladipo Fadiran, Amanda Williams, Michelle Hoehne, Molly Heisterkamp, Sara Brockman, Bruce Johnson, Timothy Harris, Mark Lamkins, Beth Bucaida, Cindy Klimke

#### Milliman:

Paul Correia

#### Legislative Audit Bureau:

Bridget Wieser

#### Department of Administration:

Meghan McKenna, Derek Sherwin, Dana Gehrman, Julie Perry

#### Aspirus Health Plan:

Megan Umnus

#### Blue Cross Blue Shield:

Barry Eldridge

#### Connect Your Care:

Melissa Bauer

#### Dean Health Plan:

Penny Bound, Morgyn Ray, Kathryn Beals

Board	Mtg Date	Item #
GIB	5.18.22	2

**Delta Dental:**

Megan Wohlfeil

**Group Health Cooperative of South**

**Central Wisconsin:**

Darin Lind

**Health Choice:**

Juliet Thill

**Medical Associates Healthcare:**

Karen Brunton

**Meta Star:**

Marc Dinnel

**Michael Best Strategies:**

Sabrina Stencil, Anthony Langenohl

**Navitus:**

Karen Markstahler, Tara Argall, Ryan Olson

**Network Health:**

Al Wearing, Vanessa Cagal, Andrew Wheaton, John Braden, Shannon Schuster, Elizabeth Benz, Alice Parks

**Neugen Health:**

Greg Cieslewicz, Bonni Fredrick, Mary Hughes, Kyle Humphrey

**Novo Nordisk:**

Pat Schmitt, Dave Moody

**Quartz:**

Kara Gullickson, Linsey Tennyson

**UnitedHealthcare:**

De Arcy Raybuck

**UW Health:**

Sara Broge, Carrie Cichy-Krantz, Lara Wolfe, Kristin Sawyer

**UW System Administration:**

Amanda Sonnenburg, Brianne Jobke, Erin Schoonmaker

**WebMD:**

Emily Rathjen

**WI Health Plans:**

Kelsey Avery

**Public:**

Erika Valadez, Betsy Fulmer, John Trochlell, Sherrie Sargent, Jean Harris, Sean Kirkby, Katie Burns

**Others (Unidentified):**

21 individuals connected via telephone

---

Mr. Day, Chair, called the meeting of the Group Insurance Board (Board) to order at 8:31 a.m.

**ANNOUNCEMENTS**

Ms. Mallow provided the following updates:

- Introduced the new Chief Legal Counsel, Diana Felsmann.
- Departure of Ms. Carabell from ETF.
- IBM has sold the Watson Health Unit that manages our data warehouse to Francisco Partners: no service changes are anticipated.
- Quartz ownership has changed, and they are now owned by four health systems: UW Health, Gunderson Health, UnityPoint Health and Advocate Aurora.

**CONSIDERATION OF OPEN AND CLOSED MINUTES OF NOVEMBER 17, 2021 MEETING**

**MOTION:** Ms. Thompson moved to approve the open and closed session minutes of the November 17, 2021 meeting as submitted by the Board liaison with a proposed revision on page four to read, “Develop a gradual approach to ensure buy-in and that programs effectively meet member needs.” Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.

## **GROUP INSURANCE BOARD ELECTION OF OFFICERS**

The Board Chair asked for nominations for the vice-chair and secretary of the Group Insurance Board. The motion below indicates the only nomination for these seats.

**MOTION: Mr. Fields moved to nominate Nathan Houdek as vice-chair and Nancy Thompson as secretary of the Group Insurance Board. Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.**

Mr. Day, Chair, transferred the Chair role to Mr. Houdek for the nominations and vote of the Board chair of the Group Insurance Board. Following the vote, the chair role was transferred back to Mr. Day. The motion below indicates the only nomination for this seat.

**MOTION: Mr. Fields moved to nominate Herschel Day as chair of the Group Insurance Board. Ms. Lounsbury seconded the motion, which passed unanimously on a voice vote.**

## **GROUP INSURANCE BOARD MEMBER FIDUCIARY TRAINING**

Ms. Felsmann, general counsel of the Office of Legal Services, presented on the fiduciary responsibilities and training overview to the Board. She touched on the origin of fiduciary duties, how that history ties back into ETF purpose, and reminded the Board that they are named fiduciaries. Ms. Felsmann listed the four core fiduciary duties in her presentation: Duty of Loyalty, Duty of Impartiality, Duty of Prudence, and Duty to Follow Plan Documents.

Additionally, she provided the Board with an overview of fiduciary liability. She highlighted that the two most prevalent types of cases related to liability were the reasonableness of fees and data breaches.

After the presentation, Ms. Felsmann invited the Board to ask any questions.

## **FEBRUARY 2022 COVID-19 UPDATE**

Ms. Walk referred the Board to the February 2022 COVID-19 Update memo (Ref. GIB | 02.16.22 | 5) in her presentation regarding the public health emergency to date. She discussed the following items:

- Over the counter (OTC) test coverage
- Getting tests through the Board's plan
- Omicron variant and vaccination
- Testing and treatments
- COVID-19 Patients and Costs (Dec. 2020 – Nov. 2021)
- COVID-19 Death Claims.

Ms. Walk discussed the status of OTC test coverage through the Board's plan. Navitus will process all covered OTC tests; for in-network pharmacies the out-of-pocket cost would be \$0; for out-of-network the cost would be limited to \$12 per test; and, as of February 3, Medicare was actively working on providing OTC coverage. Ms. Walk stated that there were some reported drawbacks of the OTC tests, specifically that patients with positive lab tests may not test positive in OTC kits for up to three days.

Treatments, meanwhile, for COVID-19 continue to progress. The FDA authorized the first oral antiviral treatment of COVID-19, Paxlovid, on December 22, 2021. The following day, Molnupiravir, also received an emergency use authorization from the federal government as the second option for an oral capsule to treat patients with moderate to severe symptoms of SARS-CoV-2. The federal government is actively allocating these treatments throughout the country.

To conclude her presentation, Ms. Walk mentioned that the monetary and mortality rates of COVID-19 were continuing to climb. As of January 26, 2022, an increase in deaths related to COVID-19 reported to Securian, the Board's life insurance program vendor, had increased to 399. Furthermore, Securian reported that they had paid a total of \$12,134,000 in claims associated with COVID-19.

### **CONSOLIDATED APPROPRIATIONS ACT (CAA) UPDATE**

Ms. Walk referred the Board to the memo Consolidated Appropriations Act (CAA) Update (Ref. GIB | 02.16.22 | 6) during her next presentation. She stated that on December 27, 2020, Public Law 116-620, the 2021 Consolidations Appropriation Act (CAA) was signed into law, enacting the No Surprises Act (NSA) and several health care related transparency provisions.

The NSA protects members from surprise bills for emergency services (including post-stabilization), non-emergency services provided at an in-network facility, and air ambulance services. Members can only be billed more if they are provided detailed notice and consent of changes, and health plans must work with providers to settle payments.

Ms. Walk explained that a Good Faith Estimate was required by the NSA and must be supplied by the health care providers to the health plans so they could provide an Advanced Explanation of Benefits to members either via mail or electronic means.

Ms. Walk discussed the impacts that the NSA would have to the Group Health Insurance Program (GHIP) plans and members.

Ms. Walk provided an overview of the Transparency in Coverage (TiC) rules requiring certain costs be publicly available to promote price transparency. She also discussed the impact the transparency provisions may have on GHIP plans and members.

Ms. Walk ended her presentation on the importance of educating members of the NSA and transparency requirements included in the CAA. ETF asked health plans to share communication materials they are using to educate members or providers on the NSA provisions. ETF launched a webpage describing the NSA protections to members and directing them to their health plan for additional questions. ETF will continue to monitor the impact of the CAA on GHIP plans and members and report future developments to the Board.

## **HEALTH INSURANCE AND PHARMACY BENEFITS**

### 2020 Benefit Change Review: Bariatric Surgery

Ms. Walk and Ms. Rossner directed the Board to the 2020 Benefit Change Review: Bariatric Surgery memo (Ref. GIB | 02.16.22 | 7A) during their presentation. In May of 2019, the Board approved to allow bariatric surgery coverage for members with a body mass index (BMI) of 35 or higher, with a note that if health plans had existing evidence-based criteria that would allow surgery for BMIs of less than 35, they would be allowed to do so. This change to the Uniform Benefits (UB) was implemented for program year 2020. Data on the results of this change are still limited and ETF staff was asked to return to the Board with additional information when it becomes available (likely early 2023).

### 2022 Open Enrollment Results

Mr. Wendt referred the Board to the 2022 Open Enrollment Results memo (Ref. GIB | 02.16.22 | 7B) and discussed health program totals for the state and local membership. He provided an update on enrollment increases from 2021 to 2022 and highlighted:

- Aspirus Health Plan joined the program in 2022.
- Quartz Community was split into two new plans for 2022: Quartz Central and Quartz West.
- Membership shifts among health plans in southcentral and southwest Wisconsin.
- Medicare Advantage enrollment continues to increase.
- Statistics for Local Annuitant Health Plan, Local State Maintenance Plan, and High Deductible Health Plan.
- 2021-2022 health insurance vendor enrollment comparisons.

### Establish the 2023 Open Enrollment Period

Mr. White referred the Board to the Establishment of Open Enrollment Period for 2023 memo (Ref. GIB | 02.16.22 | 7C) and stated the proposed open enrollment period of September 26 – October 21, 2022 is consistent with past years, beginning on the Monday of week 39 of the calendar year. He mentioned ETF considered required retiree benefit processing timelines, key payroll center feedback, potential new program administrators, and current internal ETF projects when deciding on the proposed open enrollment period dates.

**MOTION: Ms. Thompson moved to approve September 26 – October 21, 2022, as the open enrollment period for plan year 2023. Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.**

## **SUPPLEMENTAL DENTAL BENEFIT CHANGE**

Mr. Rasmussen referred the Board to the Supplemental Dental Benefit Change memo (Ref. GIB | 02.16.22 | 8). He began his presentation by providing an overview of the current supplemental dental coverage available to members. Current plan benefits include coverage for major/restorative services with the Select Plan covering 50% of the cost of the procedures up to \$1,000 per person, and the Select Plus Plan covering 60%-80% with an annual benefit maximum of \$2,500. The Preventive Plan offers all basic dental services currently covered by the Uniform Dental Benefit (UDB) as an employee-pay-all supplemental option that is only available to those members who do not receive their health insurance through ETF.

Mr. Rasmussen explained that ETF received a legislative request to explore increasing the coverage of crowns to 100% after deductible. In response, ETF offered three supplemental dental benefit change options for dental crowns effective January 1, 2024 for Board consideration. These options were shared alongside potential advantages and disadvantages to the Board.

The Board chose to maintain the current level of coverage. As there was no change made to the supplemental dental benefit plan, Chair Day, announced that no formal vote was needed.

## **BOARD STRATEGIC INITIATIVES UPDATES**

### Mental Health Parity and Access Update

Ms. Walk began the presentation with a brief overview of areas to improve access to mental health and substance use disorder (MH/SUD) services for GHIP members. These options, originally presented to the Board on February 17, 2021, are listed below:

1. Provider network adequacy requirements
2. Telehealth
3. Promoting mental health first aid (MHFA) training
4. Analyzing parity requirements
5. ETF communications on benefits available & stigma reduction
6. Health plan communications on mental health services
7. Access to peer support workers
8. Adding marriage & family therapy coverage

Ms. Walk identified next steps including continuing to research benefit change options associated with peer support workers and marriage and family therapy. She also stated that another focus is on developing communications and outreach materials with the help of external stakeholders.

### High Deductible Health Plan Product Strategy

Ms. Walk, Mr. Vang, and Mr. White referred the Board to the High Deductible Health Plan (HDHP) Product Strategy memo (Ref. GIB | 02.16.22 | 9B) at the start of their

presentation. Mr. Vang compared ETF's HDHP with similar programs across five other states: California, Illinois, Minnesota, Michigan, and North Carolina. Additionally, some survey results from stakeholders on ways to improve the HDHP/HSA program were presented. A common theme from these surveys was the desire for greater education amongst both members and employers. One of the solutions proposed was to publish additional educational material for employees on topics like the dual enrollment requirement and how it's impacted by HSA eligibility requirements and disqualifying other coverage.

The options that were brought to the Board to consider were as follows:

- Change the Dual Enrollment Requirement
- Local Employer-Specific Improvements Offer Multiple Program Options
- Local Employer-Specific Improvements Participation in the State Sponsored HSA
- Education Regarding HDHP/HSA
- Create an "Evergreen" HSA Enrollment Status

Staff will continue to research and present results, including from a survey of local employers at the May meeting. Board members briefly discussed staff consider renaming the benefit plan due to the stigma of HDHPs, similar to Illinois naming its HDHP to "Consumer Driven Health Plan".

## **INCOME CONTINUATION INSURANCE (ICI)**

### Agreed Upon Procedures Audit for the State and Local ICI Program Contract Compliance

Mr. Guidry referenced the Agreed Upon Procedures Audit for the State and Local ICI Program Contract Compliance memo (Ref. GIB | 02.16.22 | 10A). He explained that the program offers both short-term and long-term benefits for employees who develop disabilities that prevent them from working, either temporarily or permanently. All state employers are required to participate, while participation is optional for local employers. The ICI program is funded by employer and employee premiums and investment returns. The ICI program will pay benefits to any insured individual who becomes disabled while employed by a WRS-participating employer.

Mr. Guidry went on to discuss the audit engagement and scope that Wipfli was contracted to perform. There were relatively few findings and ETF concurs with the recommendations. ETF's third-party administrator, The Hartford, has implemented the recommended changes.

### ICI Program Underwriting Standards Review

Mr. Guidry shared that the Income Continuation Insurance (ICI) Program is a voluntary, self-insured, income replacement program available to all Wisconsin Retirement System (WRS) enrolled state employees and employees of all local government entities that elect to participate in the program.

During his presentation, Mr. Guidry highlighted the ICI program participation requirements, including the need for evidence of insurability (EIO) from participants in certain circumstances. Participants' EIO application shall be reviewed by ETF's third-party administrator, The Hartford, subject to the health underwriting standards approved by the Board.

Per ETF's request, the disability programs actuary, Milliman, reviewed underwriting standards for EOI applications and the methods applied by The Hartford. Milliman reported that the standards and methods are reasonably consistent with industry standards for voluntary group disability insurance.

ETF requested that the Board approve the Evidence of Insurability (EOI) underwriting standards used by The Hartford.

***MOTION: Mr. Fields moved to approve the Evidence of Insurability (EOI) underwriting standards used by The Hartford. Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.***

## **GIB AUTHORITY CONTRACTS UPDATE AND DISCUSSION**

Mr. Steiner shared an update with the Board.

## **OPERATIONAL UPDATES**

Ms. Mallow referred the Board to the Operational Updates in the Board packet (Ref. GIB | 02.16.22 | 12A-12K) and provided an overview of the written memos.

Ms. Mallow asked if there were any questions from the Board regarding any of the materials in the reports and received no questions.

## **FUTURE ITEMS FOR DISCUSSION**

Ms. Mallow referred the Board to the Tentative May 2022 Agenda (Ref. GIB | 02.16.22 | 13A) and highlighted items for the upcoming May meeting. She also asked the Board for feedback or suggestions for additional items to address at that meeting.

## **ADJOURNMENT**

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

The meeting adjourned at 12:01 p.m.

Date Approved: \_\_\_\_\_

Signed: \_\_\_\_\_

Nancy Thompson, Secretary  
Group Insurance Board