STATE OF WISCONSIN
Department of Employee Trust Funds
A. John Voelker
SECRETARY

Wisconsin Department
of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

Correspondence Memorandum

Date: April 15, 2022

To: Group Insurance Board

From: Molly Heisterkamp, Disease Management and Wellness Program Manager
Tricia Sieg, Pharmacy Benefit Program Manager
Renee Walk, Lead Policy Advisor
Office of Strategic Health Policy

Subject: Pilot Programs: Report & Policy Recommendations

The Department of Employee Trust Funds (ETF) requests the Group Insurance Board (Board) approve edits to the 2023 Program Agreement (Agreement) clarifying pilot program and population health management programming.

Background

To evaluate the effect of innovative programs not currently available as part of the Group Health Insurance Program (GHIP) Uniform Benefits (UB), health plans have been invited to submit proposals for pilot programs since 2018. Initial guidance on these programs was very general, with the intent that plans feel broad license to submit proposals that might positively affect the Board's membership. Over the past four years, ETF has further specified how plans should propose pilot programs and how pilots can be advertised during open enrollment periods. ETF has also noted that many proposed pilot programs might be more appropriately considered population health or disease management programs, as they did not necessarily change UB.

The purpose of this memo is to provide clarification on pilot programs versus population health management programs and provide an update on the current pilot programs, including a strategy/timeline for evaluation so they can either be added to Uniform Benefits or decommissioned.

Pilot Program Clarification

The original intent of the pilot program provision of the Agreement was to allow health plans limited deviation from the coverage rules outlined in UB. Plans could propose benefit changes, sometimes coupled with supportive programming, that were intended to result in improved health and quality, and to lower costs. Health plans are not permitted to increase premiums or otherwise charge back the costs of pilot programs to ETF or the Board.

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy Electronically Signed 04/29/2022

Eileen K Mallow

Board	Mtg Date	Item #
GIB	5.18.22	5D

In reviewing data on existing pilot programs and proposals for 2023, ETF identified that some of the programs do not fall in line with the intent of a pilot program. Instead, they focus on general population health management or chronic condition management, such as the Prevent T2 diabetes program or a newly proposed asthma management program, and some were simply referrals set up between existing GHIP vendors, like the Network and Delta Evidence-Based Integration Care Plan (EBICP) Partnership. These programs do not change UB. Therefore, ETF recommends adding clarification to Agreement sections G.3. Population Health Management and G.4. Pilot Programs. See Attachment A for the updated language.

Updated Program Status

Seven pilot programs were approved and implemented by health plans in 2019 (Ref. GIB | 8.21.19 | 5B) and 2020 (Ref. GIB | 5.13.20 | 5A). WebMD (then StayWell), the Board's wellness vendor, and Navitus, the Board's pharmacy benefit manager, also implemented a value-based insurance design (VBID) pilot to support diabetes medication adherence beginning in 2019, bringing the total to eight pilot programs. One new pilot program was added in 2021. Because preliminary results showed positive impacts on the Triple Aim and the COVID-19 pandemic, most pilot programs continued into 2022. Three pilots ended in 2022 due to health plans discontinuing the program in their book of business.

The following section outlines all pilot programs, the years they were implemented, whether they should be considered a pilot or if they are part of the health plans' population health management strategies under the updated guidance/pilot clarification, or if the program has been discontinued.

Table 1: Pilot Programs and Status

Vendor	Program	Years Implemented	Program Status
Dean Health Plan	Living Healthy Plus (diabetes management, reducing cost sharing for related medical services)	2019 – 2022	Pilot program
	Acupuncture benefit	2020 – 2022	Pilot program
Network Health Plan	Prevent T2 (Diabetes prevention educational program)	2020 – 2022	Population health program
	Delta EBICP Partnership (referral to dental benefit for members with diabetes or high-risk pregnancy)	2020, 2021	Population health program
	Acupuncture benefit	2021, 2022	Pilot program
Quartz	MobileBack (back health educational program)	2019 – 2021	Discontinued program (was population health)

Vendor	Program	Years Implemented	Program Status
WEA Trust	Kiio (back health educational program)	2019 – 2021	Discontinued program (was population health)
	Livongo (diabetes management, provided free diabetes supplies)	2019 – 2021	Discontinued program (was pilot program)
WebMD (StayWell) & Navitus	It's Your Health: Diabetes (reduced cost sharing for diabetes related pharmaceuticals)	2019 – 2022	Pilot program

Current Pilot Program Results
Under the new definition for pilot programs, there are currently four pilots in progress:

Dean Health Plan

- *Living Healthy Plus:* Started in 2019. It is considered a pilot program because it eliminates cost sharing for diabetes-related medical visits. This is designed as an add-on to the VBID program supported by WebMD and Navitus described below and is not available to high deductible health plan (HDHP) members.

  Table 2: Living Health Plus Participants, Program Year 2020

Year	Visits	Estimated Savings
2019	26	$930
2020	82	$1,230
2021	93	$1,395

  GHIP members eligible as of 12/6/21: 82

- *Acupuncture Benefit:* Started in 2020. This pilot adds coverage of ten acupuncture visits per benefit year from in-network providers. Dean was able to provide data for program year 2020 at the close of 2021 when reports were requested.

  Table 3: Dean Acupuncture Utilization, Program Year 2020

Program	Claims	Procedures	Total Paid
State	320	463	$60,348
Local	31	43	$4,386

  As with most pilots operating in 2020, there was low engagement with this benefit until later in the year. Acupuncture was much more popular with state members

versus local members; this may be due in part to network provider availability. Dean acknowledges that the number of networked providers is currently limited.

Network Health Plan

- *Acupuncture Benefit:* Started in 2021. Members can receive up to 20 acupuncture treatments at no cost to help treat specific conditions like back pain, neck pain, chronic migraines, knee pain, osteoarthritis, chemo-induced nausea, post-op nausea, and vomiting. In 2021, 11 members used this benefit totaling 136 claims.

StayWell/WebMD & Navitus

- *It's Your Health: Diabetes:* Started in 2019. Non-HDHP subscribers and spouses who complete at least one diabetes management coaching call with WebMD receive a reduced pharmacy copayment for several anti-diabetic prescription drugs through Navitus. Members in the *It's Your Health: Diabetes* program pay nothing for Level One drugs and pay the lesser of $10 or 20% for Level Two drugs.

Table 4: Prescription Drug Utilization, Spending, and Cost Sharing Change

	Utilizing Members	Prescriptions Filled	Member Savings
2019	399	2,402	$83,239
2020	542	6,074	$92,705
2021	954	7,193	$228,688
Total		15,669	$404,632

According to Navitus, if all the Board's members who had prescriptions for diabetic medications during 2021 participated in the *It's Your Health: Diabetes* program, the collective membership would have saved $1,890,522.

IBM Watson Health compared participants in the *It's Your Health: Diabetes* program to a matched control group of those who are eligible but not participating. Participants had slightly higher utilization of preventive care, and comparable or higher adherence to diabetes-related care (eye exams, statin adherence, etc.). Participants generally had lower emergency room use and hospital admissions.

Average medical and prescription costs increased 6% for program participants, compared to 10.5% for control group. Risk scores increased 1.7% for participants, compared to 7.1% for the control group. Diabetes-specific costs were comparable for both groups. Slightly more program participants either improved or maintained the current stage of their diabetes, and slightly fewer transitioned from stages 1 or 2 to stage 3.

See Attachment B for the full IBM Watson Health report.

Long-term Strategy
The purpose of pilot programs is to evaluate the impact of a benefit change to determine whether it should be implemented as a uniform benefit. This is a long process due to the annualized nature of the GHIP and the time it takes to impact health -- particularly for people with chronic conditions. As a general frame of reference, ETF follows the timeline in Table 5 for pilot programs.

Table 5. Pilot Program Timeline

Activity	Time/Year
Vendor proposes pilot	November, Year 1
Board approves of new pilots	May, Year 2
Vendor implements pilot	Years 3 – 5
Vendor/ETF evaluates pilot	Summer, Year 6
ETF reports impact to the Board	November, Year 6
Board approves inclusion in Uniform Benefits or Discontinue pilot	May, Year 7
Uniform Benefits or Discontinuation	January, Year 8

Considering this timeline, ETF recommends completing an updated analysis of Dean Health Plan's *Living Healthy Plus* and the *It's Your Health: Diabetes* programs to determine whether they should be expanded and included as a uniform benefit or discontinued beginning in 2024. A detailed data analysis and report on how these affect the healthcare Triple Aim will be shared with the Board in November 2022.

The acupuncture pilot programs are relatively new, and staff suggest monitoring uptake and feasibility for inclusion in UB for program year 2025. A detailed data analysis will be shared with the Board in November 2023.

No New Pilots for 2023
Following discussions with health plans during the annual change process, no plans have opted to offer new pilot programs for the coming program year. ETF expects that the clearer guidance provided in the Program Agreement going forward will facilitate future proposals.

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

Attachment A: Program Agreement Edits to section G.3. Population Health Management and G.4. Pilot Programs

Attachment B: IBM Watson Health Report on *It's Your Health: Diabetes*

Disease Management & Pilot Programs Changes: Program Agreement

G. Care Management

3. ~~Care & Disease~~ Population Health Management

a) The CONTRACTOR will apply effective methods to support PARTICIPANTS' health, reduce risks and prevent unnecessary costs. This includes, but is not limited to:

i. ~~For cContaining~~ Managing costs for medical services, HOSPITAL confinement or other BENEFITS to be provided with evidence-based ~~effective~~ peer and utilization review mechanisms for monitoring health care costs.

ii. ~~The CONTRACTOR must o~~Offering complex case management programming to PARTICIPANTS. ~~The CONTRACTOR must demonstrate, upon request by the DEPARTMENT, their efforts in utilizing the PARTICIPANT level data as stated in Dection D. 3. Above and in Section 4 of Certificate of Coverage.~~

iii. ~~To the extent that the CONTRACTOR offers disease management programming, the CONTRACTOR must make~~ Coordinating programming with the DEPARTMENT'S wellness and chronic condition management vendor(s) by:

a. Integrating PARTICIPANT data provided by the DEPARTMENT'S wellness and chronic condition management vendor(s) into CONTRACTOR'S population health management system(s) and/or processes;

b. Using PARTICIPANT level data from the DEPARTMENT'S wellness and ~~disease~~ chronic condition management vendor(s) to identify PARTICIPANTS ~~appropriate~~ eligible for complex/chronic case management and enroll PARTICIPANTS in such programs; and

c. Refer PARTICIPANTS to the appropriate resources provided by the DEPARTMENT'S wellness and chronic condition management vendor(s) as applicable.

b) The CONTRACTOR will not provide financial or other incentives of monetary value that do not qualify as a medical expense under IRS Code Section 213(d) for participation in population health management programming.

c) The CONTRACTOR must demonstrate, upon request by the DEPARTMENT, their efforts in utilizing the PARTICIPANT level data at stated in Section D. 3. above and in Section 4 of Certificate of Coverage and from the DEPARTMENT'S wellness and chronic condition management vendor(s) to manage population health.

d) The CONTRACTOR must provide, upon request by the DEPARTMENT, aggregate data on engagement and impact of their population health programming efforts on PARTICIPANT health, program quality and financial impact.

4. Pilot Programs

a) Pilot programs are those that impact Uniform Benefits, including but not limited to cost-sharing or changes to covered medical services.

b) The CONTRACTOR may provide a pilot program with the DEPARTMENT'S approval for limited-term trial to PARTICIPANTS to study its impact and evaluate options for future year Uniform Benefit change proposals. ~~At the request of the DEPARTMENT, the CONTRACTOR may offer a pilot or limited term trial to PARTICIPANTS.~~

c) The CONTRACTOR may not assess a fee for the pilot program to the DEPARTMENT or PARTICIPANTS.

d) Pilot programs cannot include financial or other incentives of monetary value that do not qualify as a medical expense under IRS Code Section 213(d) for participation unless approved by the DEPARTMENT.

e) The CONTRACTOR may provide pilot proposals to the DEPARTMENT during the annual time frame specified by the DEPARTMENT (usually between November 15 – December 15) that include the following elements:

   i. An estimate of the cost to implement the program, as well as the cost savings estimated from implementing the program.

   ii. An estimate of the number of ETF members who would be eligible for the program.

   iii. An estimate of the number of ETF members who are expected to participate in a program if offered.

   iv. Copies of at least two (2) peer-reviewed studies that show that the program's methodologies or intervention components are successful in impacting population health and are appropriate for ETF's population.

   v. Evaluation methods and reporting that will be used to monitor both the implementation of the proposed design, as well as the outcomes of participants.

f) Pilot programs must result in minimal burden to other ETF vendors who would be affected by the program. Existing processes or cooperative arrangements should be used, if possible, when cross-vendor programming is proposed (ex: health plan-pharmacy vendor, or health plan-wellness vendor).

g) CONTRACTOR may include program promotion via links on their GHIP-dedicated website, on open enrollment materials, new member welcome packets or other member materials, if it does not exceed 25% of the materials provided. Materials should be submitted for review by the DEPARTMENT and should include the following:

   i. A clear reference in the description of the program that it is a pilot for PARTICIPANTS for the current benefit year and may be changed or discontinued in future years.

   ii. A description of any limitation to enrollment numbers, eligibility requirements, or other factors that would be relevant to the member being able to receive the benefits (e.g. availability to high-deductible health plan members, retirees versus active, etc.).

h) The CONTRACTOR must report annually to the DEPARTMENT on the progress and outcomes of the pilot.

~~b) Pilot programs cannot include financial or other incentives for participation unless approved by the DEPARTMENT.~~

~~c) The CONTRACTOR must provide a pilot proposal to the DEPARTMENT that includes a plan for evaluating the outcomes of the pilot; the CONTRACTOR must report annually to the DEPARTMENT on the progress and outcomes of the pilot.~~

~~d) Guidance for submitting pilot programs and criteria for evaluation and approval will be determined by the DEPARTMENT.~~

IV. Performance Standards & Penalties, F. Annual Deliverables

10) **Population Health and Pilot Program Report**

Description: The CONTRACTOR will provide information and outcomes on their population health/chronic condition management and Group Insurance Board-approved pilot programs, as applicable.

This information shall be presented in a format as determined by the DEPARTMENT. The DEPARTMENT will provide additional reporting criteria in advance of the due date. *(See Sections III. G. 3.d and III.G.4.h.)*

Frequency: Annually (April)

Disease Management & Pilot Programs Changes: Certificate of Coverage

E. Disease Management, Prior Authorizations, & Utilization Review

Your **Health Plan** will collaborate with other vendors who provide your **GHIP** benefits to provide disease management services. Disease management programs support you in managing your medical conditions, and in some cases provide nursing or other health professional support to find strategies to improve your overall health.

Your health plan may require **Prior Authorization** for some services. **Prior Authorization** is intended to help ensure that the services you receive are the most appropriate for your condition. Your **Health Plan** will use evidence based medical policy development process to determine **Prior Authorization** criteria and will provide you a copy of these policies on request.

Your **Health Plan** may also require a **Referral** from your **Primary Care Provider** in order to obtain certain specialty services. In many cases, the **Referral** must be in writing and on the **Health Plan's Prior Authorization** form and approved by the **Health Plan** in advance of a **Participant**'s treatment or service. **Referral** requirements are determined by each **Health Plan**. The authorization from the **Health Plan** will state the type or extent of treatment authorized and the number of **Prior Authorized** visits and the period of time during which the authorization is valid. In most cases, it is the **Participant**'s responsibility to ensure a **Referral**, when required, is approved by the **Health Plan** before services are rendered.

In some cases, your **Health Plan** may use a process called utilization management or utilization review to ensure that the services you receive are evidence-based and focus on quality, positive health outcomes, and cost savings. The **Health Plan** must demonstrate effective and appropriate means of identifying, monitoring and directing **Participant**'s care by providers such

as utilization review (UR) and chronic care/disease management, and wellness/prevention programs. ~~The **Health Plan** shall report annually to the **Board** its utilization and disease management capabilities and effectiveness in improving the health of **Participants** and encouraging healthy behaviors, demonstrating support for technology and automation (e.g., automated diabetic registry, electronic medical records, etc.) in the format as determined by the **ETF**. The **Health Plan** shall also include details on the **GHIP's** overall experience by disease and risk categories, place of services along with comparisons to aggregate benchmarks and any other measures the **Health Plan** believes will be useful to **ETF** staff and the **Board** in understanding the source of cost and utilization trends in a format as determined by the **ETF**.~~