

Optum Contract Extension

Item 7C – Group Insurance Board

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Office of Strategic Health Policy





Action Needed

ETF requests the Board approve a second two-year extension for the following ETF contracts:

- Health Savings Accounts (HSA)
- Section 125 Cafeteria Plan and Employee Reimbursement Accounts (ERA)
- Commuter Fringe Benefit Accounts

With Optum for the period January 1, 2024, through December 31, 2025

If the Board decides against the extension, ETF requests approval to prepare an RFP for the contracts

Contract Terms

Contract Terms	HSA	Section 125/ERA	Commuter Benefits
Original Contract Term	May 7, 2019 – December 31, 2021	May 7, 2019 – December 31, 2021	May 7, 2019 – December 31, 2021
First Extension <i>(Approved February 17, 2021)</i>	January 1, 2022 – December 31, 2023	January 1, 2022 – December 31, 2023	January 1, 2022 – December 31, 2023
Second Extension <i>(Request May 18, 2022)</i>	January 1, 2024 – December 31, 2025	January 1, 2024 – December 31, 2025	January 1, 2024 – December 31, 2025

Current State of Pre-Tax Savings Accounts

Optum continued to partner and improve benefits program with ETF

CYC was acquired by Optum in November 2020

Optum call center customer service level decreased end of 2021

Stakeholder reported fewer issues related to FSA unsubstantiated claims

Optum provided training and materials to employers and members

2021 Deliverables

Non-Discrimination Testing

Reporting Deliverables

Employer Training

Educational Campaigns

Claims Education

Enrollment Brochures

ETF Five Step FSA Unsubstantiated Claims

Claims Process Performance

Claims Process

Pass with no exceptions

Process Accuracy

Financial Accuracy

Claims Processing Time

Claims Processing System Availability

Participant Reimbursement

Customer Service Performance

Customer Service

**Answer
Timeliness
Service**

**Call Abandonment
Rate**

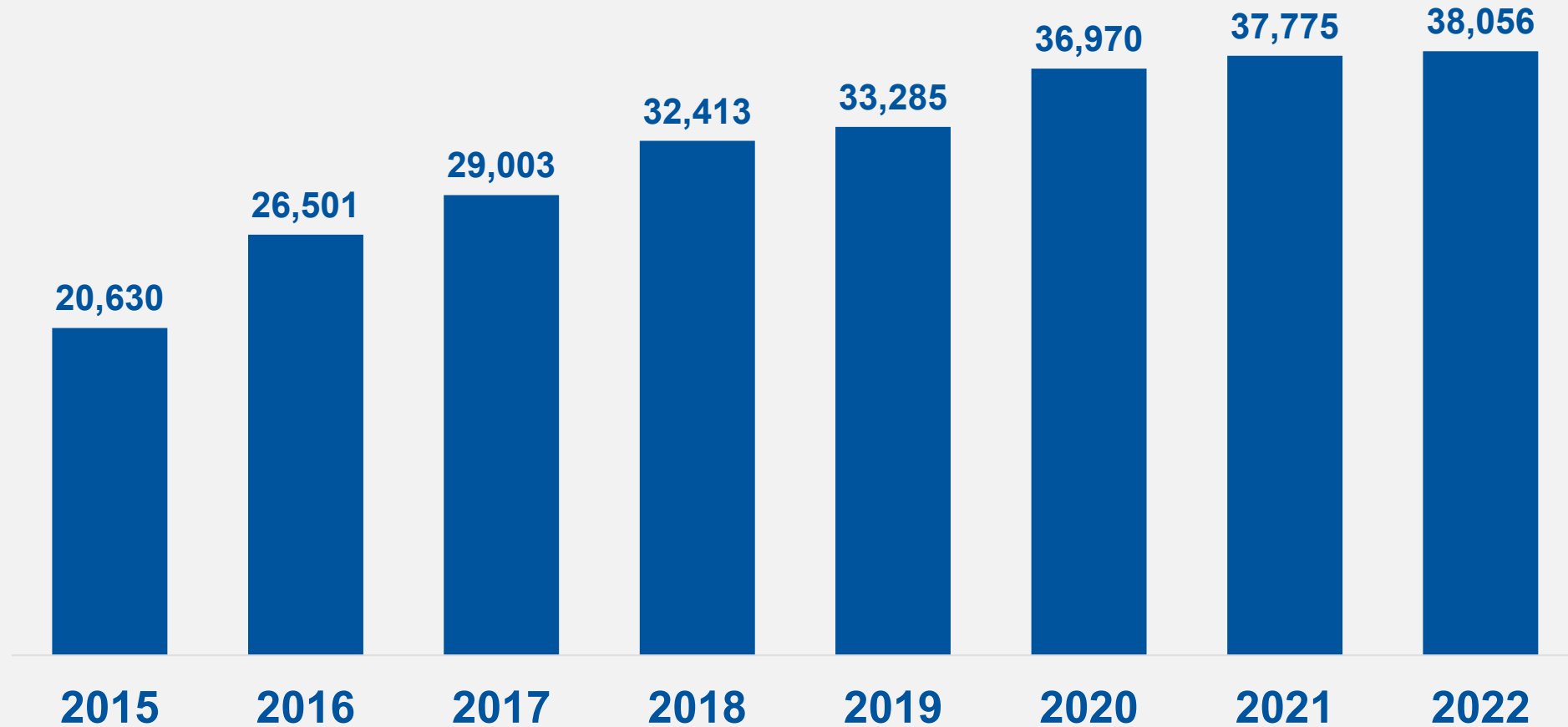
**Call Resolution
Turn-Around-Time**

**Electronic Written
Inquiry Response**

Exceptions

Pass with no exceptions

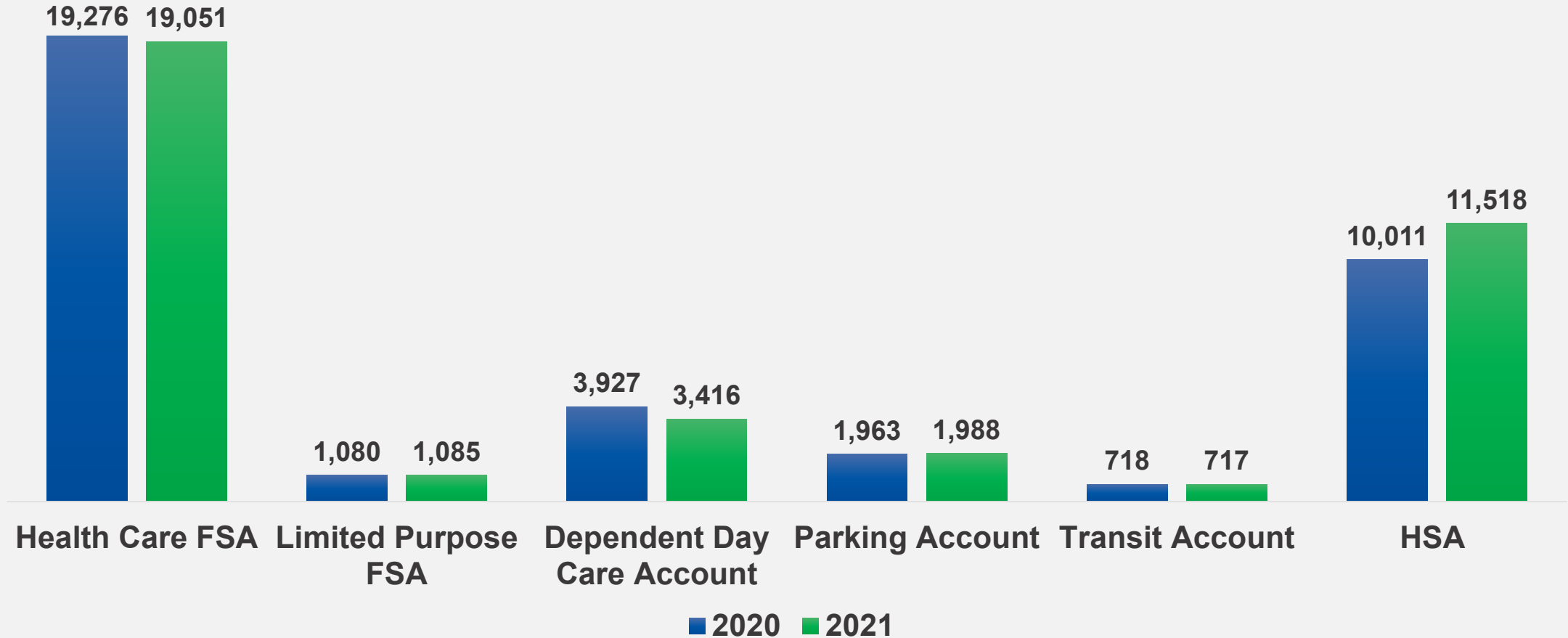
Overall Participation Enrollment



HSA, ERA, and Commuter Fringe Benefit Enrollments



2020-2021 Participant Enrollment



2021 Contributions and Savings

**Total Amount
Contributed**

\$71.9M

**Estimated
Employee Savings**

\$21.5M

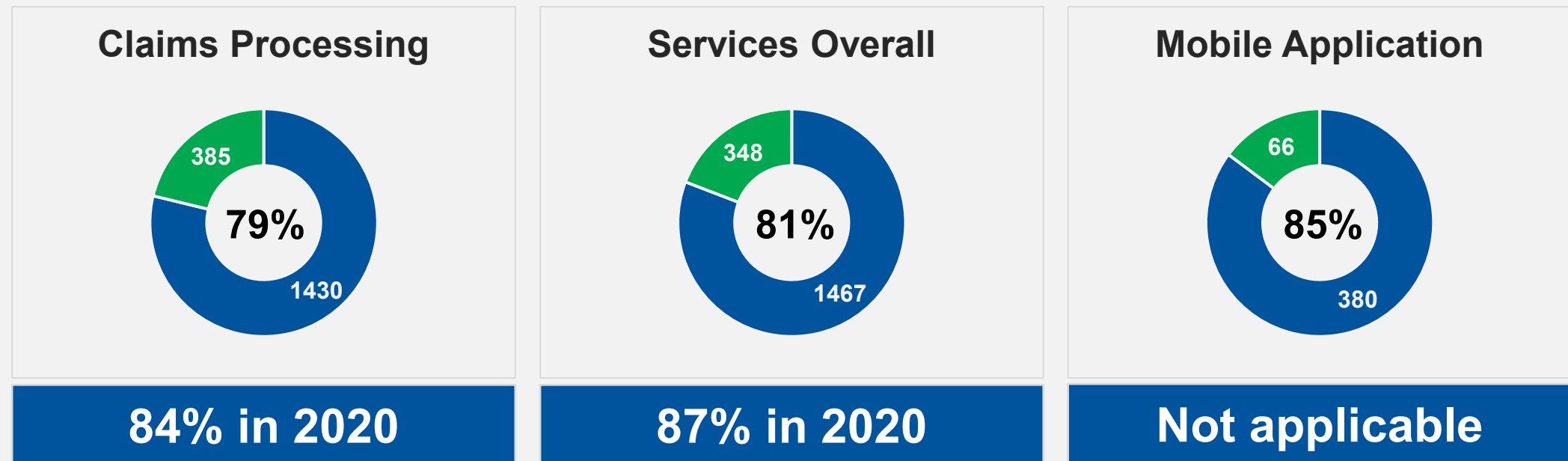
**Estimated
Employer FICA
Savings**

\$5.5M

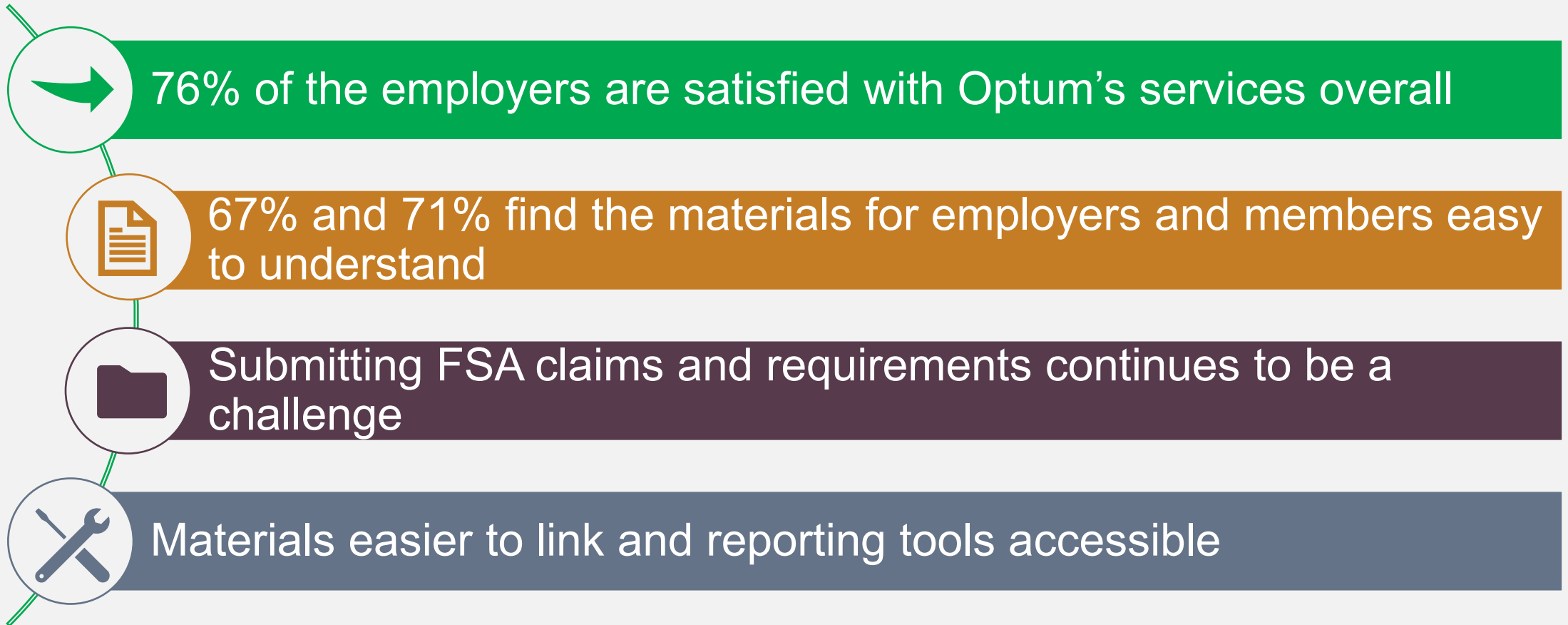
2021 Program Stats Report

Member Survey Results

- 1,830 participants completed the survey in 2021 plan year (16% responded)

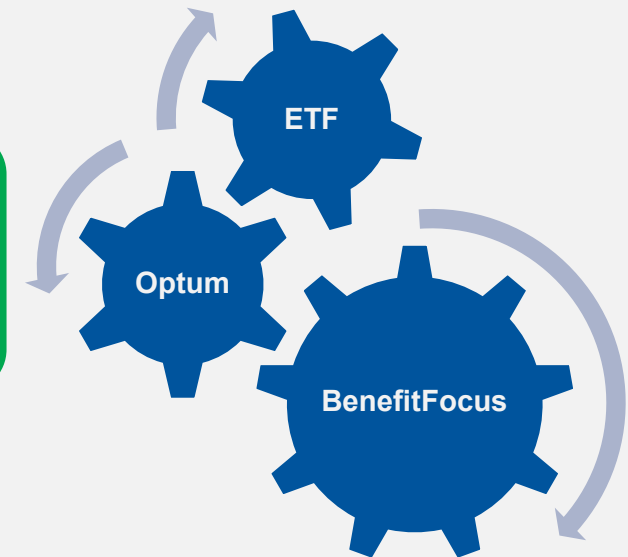


Employer Survey Results



ETF Insurance Administration System (IAS)

Optum is in planning phase to integrate the pre-tax savings account benefits enrollment functionality with ETF's IAS vendor, BenefitFocus



Conclusion

Partnership

Strong, dedicated
account
management
team

Performance

Met 2021
deliverables and
most
performance
standards

Proactiveness

Quick response
to improvements
of the benefit
programs

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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?

Thank you



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ETF E-mail Updates



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