

## ***Correspondence Memorandum***

**Date:** August 17, 2022  
**To:** Group Insurance Board  
**From:** Segal Consulting  
**Subject:** Health Plan Service Area Qualification for 2023

Segal Consulting (Segal), in consultation with Department of Employee Trust Funds (ETF) staff, recommends the Group Insurance Board (Board) accept the qualification recommendations for the 2023 plan year described in this memo. Highlights of the 2023 recommendations include:

- No Tier 2/3 designation in the State program.
- Tier 3 designation in the Local program for the following plans:  
Aspirus; Common Ground Healthcare Cooperative (Common Ground), a new offering in partnership with Group Health Cooperative of Eau Claire;  
HealthPartners Southeast; HealthPartners West; Robin with Health Partners;  
Quartz Central; and Security.

Segal and ETF staff also request Board approval to make any additional minor adjustments to the service areas, as they are reviewed and finalized with each health plan.

### **Background**

Qualification criteria ensure that participating health plans offer an adequate provider base and have sufficient operating experience to service members. The qualification process incorporates access standards, and other minimum requirements numbered below.

To be qualified in a county, the plans must meet at least 90% geoaccess in the county for primary care physicians (PCPs, includes Internal Medicine, Family Medicine and General Medicine), inpatient hospitals, and chiropractors. If the plan fails to meet the 90% access requirement in a given category, they can also meet the qualification

Board	Mtg Date	Item #
GIB	8.17.22	7C

requirement for that category by having a certain number of providers/facilities as outlined below:

1. The ratio of full-time equivalent PCPs accepting new patients to total participants in a county is at least one per two thousand (1.0/2,000) with a minimum of five (5) primary care physicians per county. The PCPs counted for this requirement must be able to admit patients to an in-network hospital in the county.
2. The plan must have at least one (1) general hospital under contract and/or routinely utilized by in-network providers available per county. For counties with no hospital, plans must sufficiently describe how they provide access to providers.
3. A chiropractor must be available in each county.

Although this has not occurred this year, ETF staff may also determine a plan is non-qualified in a county if the staff determines the plan is not effectively administering the State of Wisconsin Group Health Insurance Program.

Segal sent each health plan a standard network submission workbook that included network access standards by county, as well as a requirement to provide the network provider detail. Segal analyzed this data against the qualification criteria to determine each health plan's qualification status for each county. If a county has no qualified Tier 1 health plan, the State Maintenance Plan (SMP) is offered in that county.

Based on the requirements noted above, each year the Board takes formal action on "qualifying" regional health plans for each county in Wisconsin.

Prior to this meeting, all participating plans were notified of the qualification status recommendations ETF and Segal planned to present to the Board.

### **Qualification and Non-Qualification**

A Tier 1 health plan is considered "qualified" if it meets all qualification criteria that ensures adequate provider coverage and operating experience for State and Local members. If a quality Tier 1 health plan does not meet all qualification criteria, but meets minimum requirements, the health plan will be "listed" in open enrollment materials as having limited provider availability.

### **State Health Plan Tiering Status for 2023**

For 2023, staff recommends Tier 1 designation in the State program for all health plans. Based on the qualification criteria, every county except Florence County has at least one qualified Tier 1 State plan. The SMP is offered in counties in which there is not a qualified Tier 1 health plan. Therefore, SMP will only be offered in Florence County, under the State Plan in 2023.

### Local Health Plan Tiering Status for 2023

For 2023, Segal and ETF recommend Tier 3 designation in the Local program for the following health plans: Aspirus, Common Ground, HealthPartners Southeast, HealthPartners West, Robin with Health Partners, Quartz Central, and Security.

The premium bids provided by these plans for the Local program were deemed outside of Tier 1. While the bids were acceptable for continued participation in the Local program, unjustified higher premiums place these plans in Tier 3. Many of these plans have very low enrollment.

Overall, this recommendation will affect 57 of the 72 Wisconsin counties. The Tier 3 plans cover and are qualified in these 57 counties.

The following 23 counties where these Tier 3 plans participate will have at least two qualified Tier 1 plans:

- Barron
- Brown
- Calumet
- Chippewa
- Columbia
- Dodge
- Eau Claire
- Fond du Lac
- Grant
- Green
- Iowa
- Jefferson
- Juneau
- Kewaunee
- Lafayette
- Manitowoc
- Oconto
- Outagamie
- Richland
- Rock
- Sauk
- Sheboygan
- Waukesha

The following 31 counties will have only one qualified Tier 1 plan:

- Adams
- Ashland
- Burnett
- Clark
- Douglas
- Forest
- Green Lake
- Kenosha
- Langlade
- Lincoln
- Marathon
- Marinette
- Menominee
- Milwaukee
- Oneida
- Ozaukee
- Pierce
- Polk
- Portage
- Price
- Racine
- Rusk
- Shawano
- St. Croix
- Taylor
- Vilas
- Walworth
- Washburn
- Washington
- Winnebago
- Wood

While the plans affected by this recommendation have a presence in 3 additional counties, there are no qualified Tier 1 plans in these counties. The SMP will be offered in these counties, as discussed later in this memo:

- Marquette
- Waupaca
- Waushara

The Tier 3 plans will either not cover or are not qualified in the following 15 counties:

- Bayfield
- Buffalo
- Crawford
- Dane
- Door
- Dunn
- Florence
- Iron
- Jackson
- La Crosse
- Monroe
- Pepin
- Sawyer
- Trempealeau
- Vernon

There is at least one qualified Tier 1 plan in all 15 counties, except Florence. Therefore, the SMP will be offered in Florence County in 2023 – bringing the total to 4.

### SMP Placement

The SMP is offered in counties in which there is not a qualified Tier 1 health plan. There is one county in which the SMP will be available in the State Plan for 2023. There are four counties in which the SMP will be available in the Local Plan for 2023.

County	Local SMP 2023	State SMP 2023	Local SMP 2022	State SMP 2022
Florence	X	X	X	X
Forest			X	
Marquette	X			
Pierce			X	
Polk			X	
Rusk			X	
St. Croix			X	
Waupaca	X			
Waushara	X			
Wood			X	

The changes in Local SMP counties are a function of the WEA Trust departure and the addition of five new networks.

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