



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

October 18, 2022

Jeffrey Key
[REDACTED]

MID: [REDACTED]

Dear Mr. Key:

Thank you for reaching out to the Department of Employee Trust Funds (ETF) with questions about fraud and premium costs in the It's Your Choice Medicare Advantage (MA) plan offered by UnitedHealthcare (UHC). After your review of this information, if you find that you have questions, please feel free to contact me.

The Group Insurance Board (Board) and ETF are concerned about fraud and take steps to monitor and rectify it when found. Health plans are contractually required to review for and report fraud to ETF quarterly. Plans have internal or external fraud departments that investigate their contracted providers and insured members. Typically, no additional action by ETF or the Board is needed. However, if systemic fraud were reported, ETF would work with the plan and the Board would be notified.

It continues to be uncommon to find systemic fraud in claims paid under the State's Group Health Insurance Program (GHIP). The following are some examples of individual provider fraud that have been reported to ETF on a claim-specific level:

- Forged, altered or falsified records or other documents
- Improper coding
- Misrepresentation of services
- Inappropriate billing.

ETF has been following the items addressed in the October 8, 2022, New York Times article, [The Cash Monster Was Insatiable: How Insurers Exploited Medicare for Billions](#), for some time. Unfortunately, we are limited in what we can do since these cases fall primarily under Medicare Parts A and B and have less effect on our Medicare secondary coverage (that pays for Medicare deductibles and coinsurance). Addressing this billing issue lies primarily with the federal government. On October 13, 2022, Representative Mark Pocan issued a [press release](#) on the topic. You may want to reach out to your federal congresspersons to express your support for action. Additionally, we asked UHC what steps they are taking to address the allegations in this article.

You also inquired in your letter how you could be certain that you are getting a fair price. ETF and the Board share your concerns about the rising cost of health insurance. ETF

Jeffrey Key
October 18, 2022
Page 2

works very hard to limit premium increases and has been quite successful in controlling them for the group as a whole. It should be noted that the overall state health insurance premium increase for plan year 2023 is 4%. For 2022, average state premium increase is 3%.

Rates are determined in competitive circumstances with health plans every year. Plans that have been accepted into the program formulate offers to ETF with renewal rates based on financial assessments of their administrative costs, provider contracts, utilization of health care services, and the demographics of their enrollees. The Board's actuary, Segal, reviews the bids and other data supplied by the plans. Every attempt is made to have plans only submit rates that are justified by their claims experience. We believe that our system has resulted in lower premium increases compared to other employer groups, especially given that the GHIP continues to offer consistently high benefits.

If you have additional questions or concerns, please feel free to contact me at arlene.larson@etf.wi.gov or (608) 264-6624.

Sincerely,

Arlene Larson, Manager of Federal Program and Policy
Office of Strategic Health Policy
Department of Employee Trust Funds

cc: Renee Walk

From: [Jeffrey Key](#)
To: [ETF SMB GIB Feedback](#)
Subject: NY Times article regarding Medicare Advantage plan
Date: Tuesday, October 11, 2022 5:48:04 PM

**CAUTION: This email originated from outside the organization.
Do not click links or open attachments unless you recognize the sender and know the content is safe.**

There is a concerning article from the recent NY Times regarding Medicare Advantage plans. Is the WI Insurance Board monitoring these plans for fraud? See the article titled "The Cash Monster Was Insatiable: How Insurers Exploited Medicare for Billions". Does the Insurance Board monitor these plans for fraud and alert consumers? As an ETF retiree, how can I be assured that if/when I select an Advantage plan such as the one offered by United HealthCare that I and family will receive excellent care for a fair price?

Jeffrey Key

