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Correspondence Memorandum

Date: January 27, 2023

To: Group Insurance Board

From: Alene Kleczek, Bureau Director, Employer Services Bureau
Michelle Baxter, Director, Office of Enterprise Initiatives
Brian Stamm, Deputy Director, Office of Strategic Health Policy

Subject: Insurance Administration System Update

This memo is for informational purposes only. No Board action is required.

Background

As presented to the Group Insurance Board (Board) on August 17, 2022 (Ref. GIB | 08.17.22 | 3), the Department of Employee Trust Funds (ETF) is undergoing a multi-year project to transform our Insurance Administration System (IAS). To provide transparency to the Board, ETF provides quarterly updates on the progress of the IAS project. The following describes advancement since the previous update through the writing of this memo.

Employer Implementations

For the University of Wisconsin (UW) systems, the enrollment and eligibility platform configuration is complete in accordance with the findings of ETF, Benefitfocus, and UW teams. All eligible employee configurations are currently being tested from the member life cycle of enrollment to changes from life events. Members of the UW testing team can log in using the same methods they would in a production environment. Through this login, the UW team can impersonate human resources administrators completing their day-to-day activities. The system is also configured to generate an enrollment file. The UW team will use this enrollment file to design and configure their new human resources information system, Workday, to generate payroll deductions. Additionally, the enrollment and eligibility platform's permissions are being configured to ensure the UW benefits administration team can continue to perform their duties with the least amount of access needed to ensure proper security.

The project team began discovery sessions for local employers in January. Discussion topics included local categories and unique populations, COBRA, billing, and Medicare. The team is currently ahead of schedule and will begin working through the local test plan in February. An area that the team is working through is the engagement of local employers and the extent to which local employers will be involved in the testing and

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Reviewed and approved by Eileen Mallow, Director, Office of Strategic Health Policy
Electronically Signed 02/03/2023

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discovery process. To date, local employers have been involved via an engagement survey sent by the Transition Management Team. The survey was put together in collaboration with Benefitfocus to identify areas where our local employers can be grouped within the Benefitplace platform, as well as local employers that will need to be involved in more detailed discussions. The team is developing “local engagement forums” based on topics likely to generate requests for more information. We also see this as an opportunity to walk through demonstrations of the Benefitplace system.

Employers Pending Discovery
We are in contact with our other employers—Department of Administration (DOA) and University of Wisconsin Hospitals and Clinics (UWHC)—and the ETF team supporting retirees’ health insurance enrollment and processing, which will begin their discovery sessions in 2023. ETF has established monthly check-ins with DOA and UWHC to keep their leadership aware of the progress we are making with UW, as well as discussing any concerns and upcoming priorities. Additionally, the ETF team provided the DOA team members with preliminary file structures and payroll information to consider ahead of their official kickoff, targeting the third quarter of 2023. ETF will do the same pre-planning activities with UWHC in the coming quarter.

Technical Work
ETF’s internal technical team is continuing to build and configure various systems to support the processing of insurance data to populate the new benefit enrollment platform. The team is currently gathering eligibility and enrollment information from UW and our supplemental vendors (Securian, Delta, Optum) to provide the first data conversion file to Benefitfocus for initial testing in early March. In April, we plan to load an updated conversion file to Benefitplace to support UW user acceptance testing activities.

The team also continues to build the UW-to-ETF and ETF-to-Benefitplace data flows to ensure Benefitplace has accurate and timely member data to support enrollment activity by members. The technical team finalized the scope of the Employer Transaction Application (ETA), for now; however, additional changes are expected as we work on the Locals, Retirees, and DOA/UWHC workstreams, in the future. The ETA will be the conduit employers use to indicate changes that impact their employees’ insurance benefits.

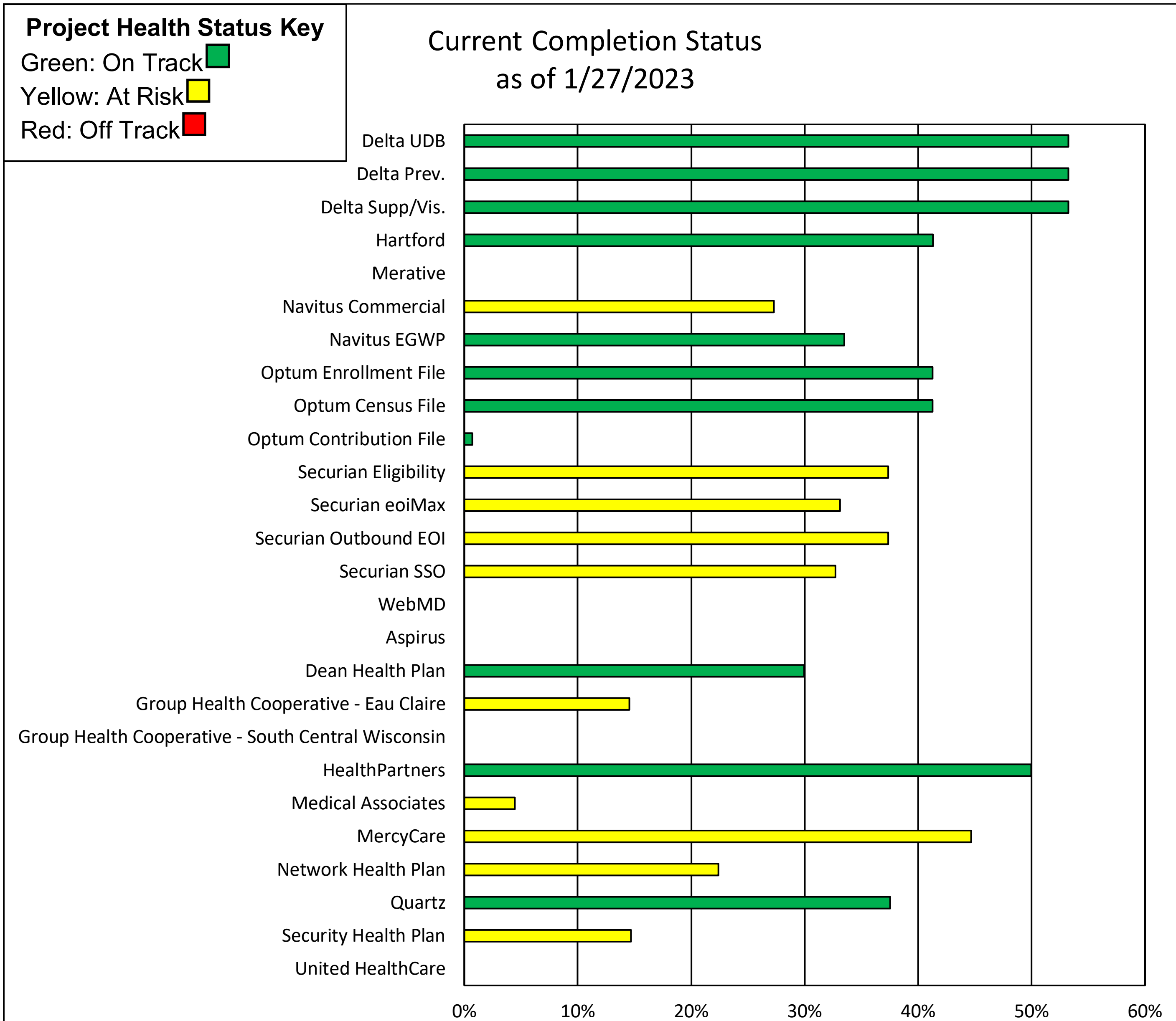
Vendor Integrations
ETF and Benefitfocus have begun implementation projects with 13 of 18 identified vendors. These vendors consist of health insurers, benefit administrators, and Merative (data warehouse). Implementation projects create the connection needed between third-party vendors and Benefitfocus, which will allow for the new IAS to work properly when launched. Some vendors, depending on the type of interaction with ETF and Benefitfocus, require more than one implementation project.

In total, ETF and Benefitfocus have begun 21 of 26 identified implementation projects. Each project is continuously tracked in terms of the overall health of the project. Of the

21 active projects, 11 are currently “On Target,” 10 are “At Risk,” and none are “Off Track.” The risk being measured is the likelihood of the project taking more time to complete than what has been allotted in the project timeline. If a project were to take significantly more time than is allotted, then the overall go-live for IAS as a whole could be in jeopardy. To mitigate that risk, we’ve built a healthy amount of time into the project plans to allow for a buffer, meet on a weekly basis with each vendor to make progress on the project plan, and continuously adjust the project plan based on efficiencies we’ve identified from other vendor interactions.

The graph on the next page shows a snapshot in time of the current project completion status and the overall project health. Those with no activity mean that vendor implementation project has not started. Each project is specific to the implementation requirements according to the business interaction being addressed; therefore, individual projects are not necessarily comparable. The completion rate and health status are subject to change based on updates to the project plans, resource availability, and tasks accomplished, among other factors such as scope and transition management activities.

Project Health Status Key
Green: On Track
Yellow: At Risk
Red: Off Track



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