

DRAFT

# MINUTES

February 22, 2023

## Group Insurance Board

State of Wisconsin

### Location:

The Board meeting was held via teleconference.  
8:30 a.m. – 12:06 p.m.



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### BOARD MEMBERS PRESENT:

Herschel Day, Chair  
Rachel Cissne Carabell, Vice-Chair  
Nancy Thompson, Secretary  
Jen Flogel  
Erin Hillson

Katy Lounsbury  
Brian Pahnke  
Nathan Ugoretz  
Bob Wimmer

### BOARD MEMBERS ABSENT:

Dan Fields

Walter Jackson

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### PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

#### Office of the Secretary:

John Voelker, Secretary  
Shirley Eckes, Deputy Secretary  
Kimberly Schnurr, Board Liaison

#### Bureau of Budget, Contract

#### Administration, and Procurement:

Beth Bucaida

#### Office of Legal Services:

Diana Felsmann

#### Office of Policy, Privacy, and Compliance:

Laura Patterson

#### Office of Strategic Health Policy:

Eileen Mallow, Brian Stamm, Renee Walk, Sara Brockman, Luis Caracas, Molly Dunks, Tom Rasmussen, Tricia Sieg, Xiong Vang, Douglas Wendt, Korbey White

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### OTHERS PRESENT:

#### Office of the Secretary:

Pam Henning

#### ETF Staff:

Shellee Bauknecht, Michelle Baxter, Laura Brauer, Julie Coleman, Lisa Dally, Taylor DeBroux, Liz Doss-Anderson, Victor Dupuy, Oladipo Fadiran, McKenna Goetz, Jim Guidry, Dan Hayes, Michelle Hoehne, Patrick Hughes, Tarna Hunter, Bruce Johnson, Nancy Ketterhagen, Joanne Klaas,

#### ETF Staff (Cont.):

Alene Kleczek, Cindy Klimke, Arlene Larson, Kadi Mbanefo, Zechariah McGugan, Peter Rank, Mary Richardson, Jessica Rossner, Marie Ruetten, Tim Steiner, Matt Stohr, Yikchau Sze, Sarat Tadi, Stephanie Trigsted, Mee Wartgow, Wade Whitmus, Cheryllynn Wilkins, Amanda Williams, Kathryn Young

Board	Mtg Date	Item #
GIB	05.17.23	2A

**ActiveHealth Management:**

Gary Bucello

**Aspirus Health Plan:**

Megan Umnus

**Dean Health Plan:**

Katie Beals, Penny Bound, Maria Schneider

**Delta Dental:**

Megan Wohlfeil

**Department of Administration (DOA):**

Christina Bulin, Dana Gehrmann, Julie Perry, Derek Sherwin, Tina Updike

**Duffy Communication Strategies:**

Melissa Duffy

**Elevance Health:**

Julie Walsh

**Group Health Cooperative of Eau Claire:**

Sarah North

**Group Health Cooperative of South Central WI:**

Darin Lind

**HealthChoice Insurance Solutions:**

Gary Praznik

**Health Partners:**

Kyle Long, Katherine Siqueiros

**Jefferson County, WI:**

Terri Palm

**Limeade:**

Sara Yaeger

**MA Healthcare:**

Karen Brunton

**MercyCare Health:**

Sherrie Sargent, John Trochlell

**Michael Best Strategies:**

Adam Barr, Tony Langenohl

**Milliman:**

Maxwell Berube

**Navitus:**

Steve Alexander, Tara Argall, Karen Markstahler

**Network Health Plan:**

Vanessa Cagal, Al Wearing

**Novir:**

David Noshay, Kim Wutt

**Novo Nordisk:**

Jean Harris, David Moody, Pat Schmitt

**Omada Health:**

Gerald Holt, Gennifer McDermott

**Optum Financial:**

Ann Burke, Todd Forwood, Richard Kodora, Allesia Messer

**Quartz:**

Linsey Tennyson

**Securian:**

Kjirsten Elsner

**Security Health Plan:**

Melissa Dietel, Julie Koplitz, Beth Krull

**Sharecare:**

Elizabeth Colyer, Sloan McCrary, David Myatt, Kevin O'Laughlin, Melinda Raymond

**UnitedHealthcare:**

De Arcy Raybuck

**UW Health:**

Carrie Cichy-Krantz

**UW-Stevens Point:**

Tom Bertram

**UW System Administration:**

Brianne Jobke, Erin Schoonmaker, Amanda Sonnenburg

**Virgin Pulse:**

Kendra Fischer, Rachel Grossman

**WebMD:**

Angela Fox, Jennifer Mance, Kristi Mulcahey, Emily Rathjen

**Wipfli:**

Laura Madison, Zachary Mayer

**WI Association of Health Plans:**

Tim Lundquist

**WI Health News:**

Sean Kirkby

**WI Hospital Association:**

Joanne Alig

**Public:**

Joan Fisher, Patrick Flanagan, Michael Lorhan, Thomasin Propson, Eric Quivers, Dan Ross, WisconsinEye

**Others (Unidentified):**

10 individuals connected via telephone

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Mr. Day, Chair, called the meeting of the Group Insurance Board (Board) to order at 8:30 a.m.

## **ANNOUNCEMENTS**

Ms. Mallow provided the following updates:

- Introduced the newest Board member, Rachel Cissne Carabell, who had been appointed to the Board by Nathan Houdek.
- Welcomed WisconsinEye and shared that the meeting would be streamed live from their website.
- OSHP had a new Health Policy Intern, McKenna Goetz, and a new Health Care Data Quality and Integrations Analyst, Stephanie Trigsted.
- Alene Kleczek had accepted the position of Employer Services Bureau Director after Kathy Wienkes's retirement.
- Board members were encouraged to complete a survey to schedule a special meeting in April to finish discussing any items that were not resolved today.
- Board members with current terms expiring on May 1, 2023, should expect communications from the Governor's Office over the next month or so in regard to their reappointment. Board members remain on the Board until a replacement for their seat is appointed even if their term expired.

## **CONSIDERATION OF OPEN AND CLOSED SESSION MINUTES OF November 16, 2022, MEETING**

***MOTION: Ms. Thompson moved to approve the open and closed session minutes of the November 16, 2022, meeting as submitted by the Board liaison. Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.***

## **ELECTION OF OFFICERS**

Mr. Day made announced the current officers of the Group Insurance Board were Herschel Day as Chair and Nancy Thompson as Secretary, and the position of Vice Chair was vacant.

Mr. Day asked for nominations for the Secretary of the Group Insurance Board.

***MOTION: Mr. Wimmer moved to nominate Nancy Thompson as Secretary of the Group Insurance Board. Ms. Lounsbury seconded the motion, which passed unanimously on a voice vote.***

Mr. Day asked for nominations for the Vice Chair of the Group Insurance Board.

***MOTION: Mr. Pahnke moved to nominate Rachel Cissne Carabell as Vice Chair of the Group Insurance Board. Ms. Thompson seconded the motion, which passed unanimously on a voice vote.***

Mr. Day transferred the Chair role to Ms. Cissne Carabell for the nominations and vote of the Board chair of the Group Insurance Board. Following the vote, the chair role was transferred back to Mr. Day. The motion below indicates the only nomination for this seat.

***MOTION: Ms. Lounsbury moved to nominate Herschel Day as Chair of the Group Insurance Board. Mr. Wimmer seconded the motion, which passed unanimously on a voice vote.***

## **BOARD STRATEGY DISCUSSION**

Ms. Walk provided a status update on the Board Initiatives that had been implemented to move the Group Health Insurance Program (GHIP) towards the Triple Aim. These initiatives included Part 1 of the Avoidable Emergency Room (ER) Use, Mental Health Parity and Access, High-Deductible Health Plan Product Plan, Wisconsin Public Employers Program Strategy, Specialty Drugs and Site of Care, and Social Determinants of Health (SDOH).

The COVID-19 pandemic continued to impact the initiatives with Part 2 of the Avoidable ER Use still on hold, and the work on SDOH set to resume in 2023 after being delayed due to the pandemic and major health plan vendor changes in the GHIP. Other initiatives, such as the Mental Health Parity and Access Initiative, were the focus of the recent Board action. The Mental Health Parity and Access Initiative led to the modification of benefits in 2022 to allow family counseling associated with individual diagnoses. Additional opportunities for service provision and stigma reduction have also been identified through the Well Wisconsin Program and would be considered as part of the Well Wisconsin Program RFP.

Ms. Felsmann then presented on the structure and allocation of premium dollars in response to a question the Board had posed at the November 2022 meeting. At the previous meeting, the Board asked if funds used to pay for one part of the GHIP could be used to fund another part of the GHIP. Ms. Felsmann provided a breakdown of the Wis Stat. §40.03(6)(c) limitation and explained that wellness and disease management programs were- not subject to the same restriction. If reallocating funds from one part of the GHIP to pay for another part was consistent with the Board's fiduciary duties, this was an action the Board could take.

Ms. Felsmann then went through a brief explanation of the fiduciary duties as could be applied to the Well Wisconsin program. These included acting for the exclusive benefit of plan participants, balancing competing interests of plan participants, ensuring program costs and returns are reasonable, and following the plan document. She tied these duties to three key fiduciary considerations when determining whether to move benefits, which were:

- 1) Which program would have broadest reach?
- 2) Which program can obtain best pricing for services?

3) Which program can ensure uniformity and availability?

Ms. Walk emphasized some key goals and important projects that would be part of the GHIP Focus in 2023–2024. Ongoing initiatives — such as vendor coordination on care delivery and referrals to resource amongst the pharmacy, dental, wellness, and health insurance programs — would remain a vital part of the work in bringing the GHIP towards the Triple Aim goals. Additionally, the implementation to onboard the Insurance Administration System (IAS) would mean that ETF was not proposing new Board initiatives at this time.

When the Board was invited to ask questions, Mr. Day asked for some clarification regarding price transparency and what that might mean in terms of helping GHIP members. Ms. Walk stated that greater price transparency was already under the Pharmacy Benefit Manager (PBM) model, and there was a noticeable trend under medical benefits providing transparency in cost to members. For example, the No Surprises Act was pushing health plans to share costs of services upfront. Ms. Walk said that an initial analysis of price transparency could be presented to the Board in the next year.

Ms. Cissne Carabell referenced page 4 on the Board Strategy Discussion memo (Ref. GIB | 02.22.23 | 4) and asked for clarification on how the Board should consider the language in Wis. Stat. §40.03(6)(c) in any decision to shift funds from the wellness program to medical benefits. Ms. Felsmann responded that the previous decision to carve out the wellness program from under medical services in order to provide a uniform, centralized wellness service could be interpreted as a means of circumventing the statute that such benefits, including medical related costs, be cost-neutral. There would need to be extensive, detailed documentation to show what funds have been moved and why if the Board pursued this option.

### **PROCESS REVIEW OF THE WELL WISCONSIN PROGRAM REQUESTS FOR PROPOSALS (RFPSETB0047–49)**

Ms. Bucaida started her presentation by reminding the Board that on May 5, 2022, three RFPs were released under the umbrella of the Well Wisconsin Program. These were RFP ETB0047: Well-Being Services, RFP ETB0048: Mental Health Services, and RFP ETB0049: Chronic Condition Management Services. Vendors were invited to submit proposals for one, two, or all three of the RFPs. Ms. Bucaida went through the steps of the RFP procedure, evaluation criteria, and how the RFPs were noticed. ETF received 13 responses from potential vendors with 30 proposals.

Ms. Bucaida gave an overview of the RFP Evaluation Committee members. The Evaluation Committee reviewed and scored all submitted proposals, completed reference calls, attended committee meetings, and took part in vendor presentations. The Board also had oversight in the RFP process, which included responsibilities such as:

- Approving the release of RFP(s)

- Reviewing recommendation; making final decision on contract award
- Potentially authorizing the secretary to proceed with issuing a notice of intent to award a contract(s) and begin negotiations
- Reviewing appeals
- Signing the contract (Board chair only).

After her presentation had concluded, Ms. Bucaida invited the Board to ask questions, but none were posed.

### **MOVE TO CLOSED SESSION**

Mr. Day announced that the Board would meet in closed session to confer with legal counsel concerning an ICI compliance matter and potential litigation related to it, and to hear recommendations from the evaluation committee to administer the contracts for the Well Wisconsin program.

***MOTION: Ms. Lounsbury moved to approve moving to closed session pursuant to the exemptions contained in Wis. Stats. § 19.85 (1) (e) and (g) to deliberate or negotiate the investing of public funds or to conduct other specified public business, and to confer with legal counsel for the governmental body concerning strategy to be adopted with respect to litigation in which it is or is likely to become involved. If a closed session is held, the Board may vote to reconvene in open session following the closed session. Ms. Fogel seconded the motion, which passed on the following roll call vote:***

***Ayes: Cissne Carabell, Day, Fogel, Hillson, Lounsbury, Pahnke, Thompson, Ugoretz, Wimmer.***

***Nays: None.***

***Absents: Fields, Jackson.***

The Board convened in closed session at 9:08 a.m.

Ms. Cissne Carabell, Mr. Day, Ms. Hillson, Ms. Fogel, Mr. Ugoretz, Mr. Pahnke, and Mr. Wimmer returned to open session at 10:19 a.m.

Ms. Lounsbury and Ms. Thompson were experiencing technical difficulties. To allow them additional time to rejoin open session, Mr. Day announced the Board would be taking a short break. The break started at 10:24 a.m. and ended at 10:37 a.m.

Ms. Lounsbury returned to open session at 10:32 a.m. Ms. Thompson returned to open session at 10:34 a.m.

The Board took a break from 10:24 a.m. – 10:37 a.m.

## **ANNOUNCEMENT AND VOTE ON BUSINESS DELIBERATED DURING CLOSED SESSION**

### Announcement of Business Deliberated During Closed Session Discussion

Mr. Day announced that during the first closed session, members of the Board and essential ETF staff met in consultation with legal counsel concerning an ICI compliance matter and potential litigation related to it. No action was taken.

During the second closed session, members of the Board and essential ETF staff heard recommendations from the evaluation committee to administer the contracts for the Well Wisconsin program (RFPs ETB0047–49). No action was taken.

### Vote on Issuance of Letter of Intent to Award Contract(s) for Well Wisconsin Program Resulting from RFPs ETB0047–49

***MOTION: Ms. Flogel moved to grant authority to the Secretary of ETF to issue a letter of intent to award contracts for Third Party Administration of Well-Being, Mental Health, and Chronic Condition Management Services for the Well Wisconsin program (RFPs ETB0047–49) to WebMD Health Services for the period of January 1, 2024, through December 31, 2026, with the potential for two, two-year extensions, subject to successful contract negotiations. In the event of failed or prolonged negotiations with WebMD, the Secretary is allowed to issue a letter of intent to award contracts to Sharecare. Mr. Pahnke seconded the motion which passed on the following roll call vote:***

***Ayes: Cissne Carabell, Day, Flogel, Hillson, Lounsbury, Pahnke, Thompson, Ugoretz, Wimmer.***

***Nays: None.***

***Absents: Fields, Jackson.***

## **HEALTH BENEFITS**

### 2023 Open Enrollment Results

Mr. Wendt referred the Board to the 2023 Open Enrollment Results memo (Ref. GIB | 02.22.23 | 10A) and shared information regarding health program totals for the state and local membership. He emphasized that WEA Trust's exit from the GHIP had meant that approximately 52,000 members needed to select a new health plan during the 2023 Open Enrollment Period.

Mr. Wendt went through the service coverage and membership of each of the 2023 plans. During this transition, members expressed concern about having plans that were

contracted with Aurora Health and Mayo Clinic in 2023. Mr. Wendt emphasized that the Common Ground Healthcare Cooperative plan, which was available due to a new partnership with Group Health Cooperative of Eau Claire (GHC-Eau Claire), and HealthPartners Southeast, a new HealthPartners plan created as a choice for WEA Trust East members, were contracted with Aurora Health. WEA Trust West Mayo Clinic members, meanwhile, were offered Dean HP Prevea360 West plan through the GHIP.

Mr. Wendt went through other service area coverage changes and health plan options for the 2023 Open Enrollment Period. One of the new health plans offered in 2023 was the Security Health Plan (Security HP), which had recently returned to the GHIP. Other significant changes included Dean taking over the administration of the Access Health Plan (Access HP) and the State Maintenance Plan (SMP). UnitedHealthcare took over the administration of the Medicare Plus Plan (Medicare Plus UHC).

Mr. Wendt also shared data with the Board that illustrated where the 52,000 WEA Trust members had transitioned their care, according to the numbers from the 2023 Open Enrollment period. He ended his presentation with a comparison of member enrollment across the health insurance vendor in 2022 and 2023. Vendors that had a significant increase in enrollment were UHC, GHC-EC, and Aspirus.

#### Establish the 2024 Open Enrollment Period

Mr. White referred the Board to the Establish the 2024 Open Enrollment memo (Ref. GIB | 02.22.23 | 10B) and stated the proposed open enrollment period of September 25 – October 20, 2023, is consistent with past years, beginning on the Monday of week 39 of the calendar year. He mentioned ETF considered required retiree benefit processing timelines, key payroll center feedback, potential GHIP administration changes, and current internal ETF projects when deciding on the proposed open enrollment dates.

Ms. Mallow stated that the Department of Administration Division of Personnel Management (DPM) had reached out to suggest changing the open enrollment period to a shorter duration of time. Based on those discussions it was decided to defer this decision to the 2024 It's Your Choice Open Enrollment period.

***MOTION: Mr. Pahnke moved to approve September 25 – October 20, 2023, as the open enrollment period for plan year 2024. Ms. Hillson seconded the motion, which passed unanimously on a voice vote.***

#### 2024 Preliminary Agreement and Benefit Changes

Mr. White referred the Board to the 2024 Preliminary Agreement and Benefit Changes memo (Ref. GIB | 02.22.23 | 10C) and provided an overview of some of the changes to the Program Agreement (Agreement) that were being proposed. Changes to the Agreement that were highlighted included annual report requirements and penalties, allowing non-substantive updates to the Agreement, data integration and use, and provider access. Mr. White also shared proposals to changes in ETF data collection



guidance. One proposal was in the development of guidance for health plans on how to complete and submit the required components for the Centers for Medicare and Medicaid Services (CMS) Prescription Drug Data Collection (RxDC) Report as required in Section 204 of the Consolidated Appropriations Act (CAA).

Mr. Caracas shared information regarding proposed changes to the Certificates of Coverage (Certificates) and the Schedules of Benefits (Schedules). Each health plan that participates in the GHIP offers the same standard medical Uniform Benefits (UB) to GHIP members, and this UB coverage is summarized in the Certificates and Schedules. Medical benefit changes proposed as part of the 2024 Agreement and Certificate review process were:

- Adding out-of-network ground ambulance to in-network
- Expanding coverage of advance care planning
- Adding full cost coverage for vasectomies
- Expanding coverage for dietitians for weight loss purposes
- Covering over-the-counter hearing aids
- Adding coverage for sports physical examinations
- Expanding telehealth coverage
- Reviewing the American Academy of Pediatrics (AAP) guidelines and forthcoming AAP policy to monitor and treat youth with obesity.

Ms. Sieg also discussed some of the proposed changes to the Board's pharmacy benefit program. Items being investigated by ETF staff, Navitus, and other stakeholders (when applicable) were adding weight-loss drugs to the commercial pharmacy formulary, creating a home infusion program under the pharmacy benefit, changing coverage of continuous glucose monitoring devices, and implementing Navitus' Copay-Max Plus Program.

When the Board was invited to ask follow-up questions, Ms. Flogel inquired about the impact of certain benefits and areas of coverage that were being included in the Governor's 2023–2025 Biennial Budget. Ms. Mallow stated that two topics that could potentially impact the GHIP were infertility benefits and telehealth. ETF staff were monitoring the progression of these items closely, specifically in terms of the "effective dates." Anything that was mandated by the law would automatically be added under the GHIP. The Board would be informed of the associated costs to the GHIP as part of that mandate.

Ms. Thompson asked about when the Board could expect to hear more about the pilot programs proposed on page 5 of the memo. Ms. Mallow shared that Ms. Sieg and Ms. Dunks would be presenting more information on the pilot programs at the May meeting.

### New Rate Setting Timeline

Mr. Stamm provided information on moving the rate setting process three months earlier starting in 2024 for plan year 2025 during his presentation on the New Rate Setting Timeline (Ref. GIB | 02.22.23 | 10D). He began with a brief overview of the current

process, and how it created challenges for local employer budgets, allowed for only a short turnaround between rate setting and open enrollment, and would create detrimental stress on resources in the development, launch, and maintenance of the IAS implementation scheduled to go live in June 2024.

The new rate setting process would use a rolling year of data rather than the full prior year's claims experience. Using historical utilization trends, ETF and Segal could estimate the total expected claims for the prior year and trend that forward into the future. This would allow rate setting to occur earlier in the year, and Mr. Stamm proposed shifting rate setting activities that currently took place during the August Board meeting to the May Board meeting. This change would require shifting the entire cycle of Board meeting agenda topics related to the rate setting process up one meeting in the year. The three challenges presented earlier during the discussion of the current rate setting process would be resolved with this change.

However, the new rate setting process is not without risks. Mr. Stamm presented a few of these consequences. One of these involved the financial stability information produced by the Office of the Commissioner of Insurance (OCI). This information is provided as part of the annual rate setting process, and the documents help validate the financial viability of the organizations the Board is contracting with for the future year as part of its fiduciary duty. These reports could not be produced earlier than June. ETF is developing contract language to allow contracts to be re-opened if the OCI financial stability report indicates that a GHIP health plan is in danger of being financially unstable.

Ms. Cissne Carabell observed that the Board had previously looked at moving the rate setting process back in the past but had declined due to the impact this would have on premiums and the process overall. She asked what had changed since this issue was last brought to the Board. Mr. Stamm explained that a significant difference in proposing this change now is that data is available in a timelier manner with the utilization of the data warehouse, DAISI.

Ms. Cissne Carabell also asked if the rate setting process needed to take place in May, or if there was flexibility in adjusting the regularly scheduled meetings to have the Board discuss rate setting in June or July. Mr. Stamm responded that adjustments could be made to the meeting dates if needed. He cautioned that the meeting should take place before the end of June, since this would help local employers and school districts consider actions the Board makes on rate setting into their budget cycles. Mr. Stamm also stated that the implementation of IAS and discussions with Benefitfocus would make moving the rate setting process from three months to one or two months more feasible. Benefitfocus believed making configurations within IAS to update health plan options could be done in that time.

Ms. Mallow added that the risk of using estimates from a rolling year of data rather than a full prior year's claims experience was minimal due to the GHIP population remaining fairly stable. Incidents such as WEA Trust's exit from the GHIP in 2022 were rare.

Generally, individuals didn't change health plans unless there was a strong push to do so.

Ms. Mallow referenced the correspondence from the Wisconsin Association of Health Plans that was included in the Board Correspondence memo (Ref. GIB | 02.22.23 | 14F). OSHP had a meeting with this group to address their concerns directly.

## **LIFE INSURANCE AUDIT REPORT**

Mr. Rasmussen referred the Board to the Life Insurance Audit Report memo (Ref. GIB | 02.22.23 | 11) during his presentation. Wipfli LLP (Wipfli) had been retained by ETF to complete a biennial contract compliance audit of ETI0047 between ETF and Securian Financial Group (Securian) for plan years 2020 and 2021. Wipfli was asked to determine if Securian had sound business practices, sufficient internal controls, and applied agreed-upon procedures for third-party administration of the Wisconsin Public Employers (WPE) Group Life Insurance Program.

Overall, the audit found that Securian was compliant with policy and reporting elements of the administrative agreement across several key areas, which were:

- Evidence of Insurability Coverage Declinations and Approvals
- Claims Testing
- Eligibility and Premium Testing
- Disability Premium Waivers
- Cancellation and Termination Processing
- Life to Health Conversions
- Premium Billing and Collection
- Review of Internal Controls.

There were no significant findings in Wipfli's audit of Securian. Those that were identified and brought to Securian's attention were addressed, or follow-up information was provided. ETF was satisfied with Securian's responses to exceptions and with steps taken to minimize similar incidents in the future. All performance standards were met by Securian during the audit period.

Mr. Rasmussen announced that either he or representatives from Wipfli, Zach Mayer and Laura Madison, were available to answer any questions the Board had about the audit reports. None were posed.

## **PRE-TAX SAVINGS ACCOUNT PROGRAMS AUDIT**

Mr. Vang referred the Board to the report and accompanying documents submitted as part of the Pre-Tax Savings Account Programs Audit memo (Ref. GIB | 02.22.23 | 12). He explained that ETF's Office of Internal Audit (OIA) had completed the contract compliance audit of Optum Financial (Optum), the third-party administrator of the pre-tax savings account programs, which included Health Saving Accounts (HSAs), Employee Reimbursement Accounts (ERAs), and Commuter Fringe Benefits Accounts

(CB). The audit period included plan years 2020 and 2021 and focused on election and contribution processing and compliance with program limits, claims substantiation, billing for claims and administrative fees, reporting requirements, and access to critical program data for the HSA, ERA, and CB programs.

Mr. Vang shared the results of OIA's audit findings. Areas of the audit where Optum had passed were enrollment and contribution files, paid claims billing, claims denial, and administrative fee billings. Exceptions discovered in the audit were found in reporting, ineligible claims, contribution limits and eligibility, performance standard reporting, performance standard penalties, and secure file transfer protocol access. Mr. Vang broke down each of the exceptions for the Board, and shared details regarding the audit scope, findings, and recommendations.

Mr. Vang went over an action plan that ETF and Optum had developed to address each of the issues identified in the audit. A highlight of the action plan was the Quarterly Performance Standards Reporting and Performance Standards Penalties. ETF and Optum will continue to review the performance standards in the pre-tax savings account programs contracts. This review will help to determine if appropriate measures were being used and identify where clarification was needed on the measures and penalty calculations. ETF will evaluate penalties associated with the performance standards and deliverables to determine if an increase in penalties may be appropriate. Meanwhile, Optum will adhere to the performance standards agreed upon in the aforementioned contracts. Additionally, Optum will implement a process to ensure records were maintained as required under the contracts.

Mr. Vang concluded his presentation by stating that the Board will receive a progress report on the status of the action plan items at the November 2023 Board meeting. Mr. Day requested an update on Optum's progress with addressing the audit's recommendations be included with the operational updates for the upcoming May and August Board meetings. Ms. Mallow confirmed that an update on the pre-tax savings account programs audit would be added to the May and August meeting agendas.

## **BOARD POLICIES AND FORMAT UPDATE**

Ms. Patterson referred the Board to the Board Policies and Format Update memo (Ref. GIB | 02.22.23 | 13) during her presentation. She provided an overview of the individual policies and procedures that were shared across each of ETF's governing boards. These policies and procedures were listed separately within the "Table of Contents" for each board's *Governance Manuals*. The current format of linking the procedures and policies separately was inefficient as it sometimes involved looking in multiple documents to find information.

Ms. Patterson proposed combining the policies and procedures each of ETF's governing boards adhered to into a single document: *Board Policies and Procedures*. The *Board Policies and Procedures* would include policies on conflicts of interest, communications by board members, privacy of personal information, board operations,

and vendor procurement appeals. This would create a single document members of the Board could reference for general information.

***MOTION: Ms. Cissne Carabell moved to approve replacing the current Board policies with a unified Board Policies and Procedures Document. Ms. Hillson seconded the motion, which passed unanimously on a voice vote.***

## **OPERATIONAL UPDATES**

Ms. Mallow referred the Board to the Operational Updates in the Board packet (Ref. GIB | 02.22.23 | 14A-14M) and provided an overview of the written memos. Some items highlighted included:

- Insurance Administration System Update
- Quarterly Health Plan Performance Report
- 2023–2025 Biennial Budget and Legislative Update
- Board Correspondence
- Participation in the Wisconsin Public Employers Group Health Insurance Program and ICI Plan
- Wisconsin Public Records Law Basics Training.

## **TENTATIVE MAY 2023 AGENDA**

Ms. Mallow referred the Board to the Tentative May 2023 Agenda memo in the Board packet (Ref. GIB | 02.22.23 | 15). She noted that the ICI rate change discussion would be addressed at the special meeting in April. Additionally, May's meeting would include progress on the action plan between Optum and ETF, as well as an update on finalizing the contracts for the Well Wisconsin Program.

## **ADJOURNMENT**

***MOTION: Ms. Thompson moved to adjourn the meeting. Ms. Cissne Carabell seconded the motion, which passed unanimously on a voice vote.***

The meeting adjourned at 12:06 p.m.

Date Approved: \_\_\_\_\_

Signed: \_\_\_\_\_

Nancy Thompson, Secretary  
Group Insurance Board