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

Correspondence Memorandum

Date: April 21, 2023

To: Group Insurance Board

From: Liz Doss-Anderson, Ombudsperson
Mary Richardson, Ombudsperson
Office of the Secretary

Subject: 2022 Annual Ombudsperson Case Report

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

This report contains information about cases generated by complaints and inquiries received by the Department of Employee Trust Funds (ETF) Ombudsperson Services (OS) staff. These are received from members, their families, employers, and external advocacy organizations; and are related to benefits under the authority of the Group Insurance Board (Board). In 2022, OS staff assisted 465 annuitants and their dependents, and 309 state employees and their dependents. The remaining 93 cases involved local members, continuants, or other non-WRS individuals. Collecting information on whether complaints were generated by state or local annuitants, active employees, or their dependents provides ETF with valuable information. This information helps to identify opportunities where more employer training or resources for employees and their families are needed.

From January 1 through December 31, 2022, OS handled 867 cases. This was an increase of 19.75% from the 724 received in 2021. A total of 413 cases (48% of the annual total caseload) were related to health insurance, which is consistent with the prior year.

Cases are identified into categories. Most cases received by OS staff were related to the following complaint categories:

- Enrollment and eligibility issues (226)
- General program provisions and design (206)
- Claims processing and billing (87)
- Non-covered or excluded benefits (81)
- External review information (54).

Pamela L Henning

Reviewed and approved by Pam Henning, Assistant Deputy Secretary
Electronically Signed 04/26/2023

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Cases involving program design is another category, which represents member complaints about ETF benefit program administration and is not reflective of any activity by the health plans. For example, if a member was upset because a specific benefit was not covered in the health plan's contract, the issue was attributed to benefit administration rather than to the health plan because all plans are required to follow uniform contract provisions. Program design cases increased by 62% from 144 cases in 2021 to 234 in 2022. This increase can be attributed to major changes within the GHIP. These included WEA Trust exiting the GHIP, plan expansions of territory covered, network area changes, and Security Health Plan joining the GHIP as a new health plan for 2023.

Pharmacy Program

There was a decrease in complaints and inquiries about the pharmacy benefits program during the pandemic but the trend is reversing to pre-pandemic levels. There were 115 total cases in 2022, which is a 3.6% increase from 2021. Pharmacy Benefit cases can involve drug tier changes, medications no longer on the formulary, or name brands replaced by generics. These changes require members to obtain a different prescription or follow other processes to continue to access a preferred or better-tolerated medication or to request lower copays.

Employee Reimbursement Account Program

Employee Reimbursement Account cases declined from 78 in 2021 to 38 in 2022. The unsubstantiated debt process and procedures for substantiation claims and recoupment of funds were the primary complaints. The decrease in cases reflects two differences between 2021 and 2022:

1) The new substantiation process includes more information for members, reminders to provide documentation, clarity in timelines, the ability to send documentation through the Optum online portal.
2) No allowable mid-year election changes due to the pandemic.

Working with Optum and ETF staff, OS staff were able to resolve several of these complaints in favor of the member, along with educating members on program policies and how to avoid similar problems in the future.

Enrollment and eligibility took the top spot on the list of cases and inquiries. The exit of WEA Trust from the GHIP affected both commercial members and Medicare-eligible retirees. OS staff provided member assistance to navigate new provider groups for transitioning care. OS staff also worked closely with Dean and First Health on the new nationwide network access for non-Medicare eligible retirees, their families, and remote-working staff.

Other notable issues generating complaints and inquiries were related to Prior Authorizations and Access to Care/Provider, as members were changing health plans and familiarizing themselves with new provider networks. Additional ongoing activities throughout 2022 included explaining copays and deductibles, enrollment in Medicare

upon retirement, and counseling members on the grievance process for denied procedures or eligibility.

Appeals

Written insurance complaints have the potential to become Board appeals. OS staff received 13 written complaints in 2022 compared to 28 received in 2021. After OS staff completed work on these written complaints, six members requested Departmental Determinations (DDs) from the Office of Strategic Health Policy (OSHP), and one has been appealed to the Board. Efforts by OS staff to resolve cases before the need arises for a written complaint are reflected in the overall increase in cases handled in 2022. This, in turn, continues to reduce the number of DDs requested by members, thereby allowing other ETF staff, particularly those in OSHP, to focus on new policies, programmatic commitments, and initiatives.

Looking Ahead

The second half of 2022 had an exceptionally complicated open enrollment period, which was a significant driver in case increases. However, this trend in the rising numbers of cases handled by OS staff is unlikely to change. Many who contacted OS staff for the first time due to a plan change had other healthcare needs for themselves or family members. OS staff took these cases as opportunities to educate members. After learning about the services OS staff can provide, it is anticipated that many members will continue to reach out for help or refer fellow public employees to OS for assistance.

OS staff persist in efforts to offer recommendations for improving member communications. Some of these efforts include providing presentations internally and externally to State and Local Employers, which receive positive feedback. In collaboration with OSHP and the Office of Communications, OS staff will be adding a new landing page on the ETF website that provides a central location for information about the different plans' grievance processes. This new resource will benefit members, employers, and staff with easy-to-access and valuable grievance information.

OS staff continue to work productively with other ETF business units and State agencies to resolve member issues. In particular, the ability to access expert help from the Board on Aging and Long-Term Care is especially advantageous to resolving issues from Medicare-eligible members. OS staff remain vigilant on monitoring trends in complaint issues. By identifying patterns, OS staff can inform future benefit changes or provide discussion points useful in meetings, such as those held by the Council on Health Insurance Program Improvement.

In 2022, OS transitioned from the Office of Legal Services to the Office of the Secretary. The change provided a level of independence to the program as recommended by the industry. The team consists of two full-time Ombudspersons. One of the OS staff will be retiring in a few weeks, and a replacement will be welcomed to continue providing uninterrupted services to members.

Staff will be at the meeting to answer any questions.