Correspondence Memorandum

Date: April 26, 2024

To: Group Insurance Board

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

Subject: Insurance Administration System (IAS) Update

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

Background
As presented to the Group Insurance Board (Board) on Aug. 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.

IAS Program Restructure
In mid-February, the Office of Enterprise Initiatives (OEI) announced a new timeline for the IAS Program to allow for better customer experience, decreased risk, a solution that addresses the complexity of ETF's benefit programs, and to increase the likelihood of user adoption by ETF's end users and members. This timeline was established to position ETF for success.

To minimize risks, the program is also introducing a few structural changes that focus on meeting the needs of the remaining work for the project's success. These changes will add additional oversight for coordination between projects, the program, and vendors.

New roles have been identified to support the IAS program. These new roles include:

- IAS Program Manager.

- Technical and Data Program Manager.

- Business Program Manager.

Reviewed and approved by Shirley Eckes, Deputy Secretary
Electronically Signed 05/08/2024

Board	Mtg Date	Item #
GIB	05.23.24	10F

- Technical Lead.

- Data Lead.

These new roles and responsibilities will assist with the management of risks and issues that arise from the projects, define a clear escalation path, and provide the support our complex projects need moving forward. In addition to creating these new roles, the IAS Program will add new project manager and business analyst resources, to increase rigor and accountability to ensure that success.

Note: ETF now refers to the IAS effort as a "program," rather than "project." This naming transition recognizes the size and complexity of the work. Previously, the sub-efforts were referred to as "workstreams"; now, they are "projects."

Reporting

The team is working on integrating data from both the legacy systems (MEBS) and the various IAS data sources to produce reporting to support operations. We are collaborating with the end-to-end testing team to determine what reports may be needed to support that effort. In the meantime, we continue to prioritize building the reports needed at go-live in mid-2025.

The bulk of the work is integrating data from both the old and new systems. The team is building an impact analysis to trace each data element between the old system, the new system(s), and the associated Data Domains in the Data Lake. In order to mitigate risk, we will be meeting with business stakeholders to determine if the standard reports delivered from Benefitplace, and associated partners (Voya, Certifi) will suffice.

User Access Management / Identity Proofing

This project encompasses each of the applications needed for employers and members to access the new benefits application. Our new systems allow both members and employers to create an account, validate that the account belongs to an actual employer or member, and grant the permissions needed for employer or member to access their benefits.

This project was always scheduled to complete prior to the go-live date for the benefits application. Majority of the work is scheduled for completion this calendar year, well before the application is ready for release. ETF is currently assessing whether we can implement user access management independent and ahead of the IAS go-live date. Employer, member, and ETF customer support changes resulting from IAS is significant and addressing user access management changes in advance of IAS go-live would mitigate IAS go-live risk.

Data Transformation

The Data Transformation project is focused on ensuring that data received from employers is translated and input correctly into My Insurance Benefits, and that ETF

legacy systems and new applications are integrated and updated based on the program's requirements.

The team has been focused on testing the daily conversion process that will support data translation activities on an ongoing basis after go-live. After the current phase of daily translation testing is complete, the focus will be on testing the process to convert all data at the point of go-live with multiple employers' data and planning for testing retiree data conversion.

Retirees and Inactives
BenefitFocus is currently developing its Benefitplace solution to fully support Medicare insurance and payment functionality. ETF is closely monitoring their progress and continues to build new internal systems to support the retiree and inactive payroll process. This work is progressing on schedule. ETF's software development team has demonstrated the work they have completed up to this point to the project team for feedback.

ETF has been actively working with Benefitfocus to develop a testing plan for the retiree payroll process. The testing will take place over a four-month period at the end of 2024. In addition to testing various payroll scenarios, the plan includes running the full payroll process with data for around 85,000 members. This will allow ETF to catch a large range of issues and ensure all the impacted systems can handle a high volume of changes at the same time.

Billing
ETF and Benefitfocus have been working diligently in testing a billing solution supported by a Benefitfocus subservice organization, Certifi. We are wrapping up testing with the Department of Administration (DOA), University of Wisconsin Hospitals and Clinics (UWHC), and Non-State Employee and Retiree (Non-STAR) agencies . We will then focus on the requirements for retirees billing testing including premiums paid through annuity adjustments, sick leave credit offsets, or direct payments by retirees to health plans and other third-party vendors.

Payment Application
The development of the payment application is close to completion and integration of the application with other IAS systems will resume in May. The team has presented technical solutions for retro-active billing and off-cycle payments, which are under consideration by program leadership.

Employers

<u>DOA, Non-STAR Agencies, and UWHC</u>
The project team has been testing payroll file exchanges. Each of these employers are fully engaged with the ETF team in developing the necessary files for sharing employer/employee information.

<u>Universities of Wisconsin (UW)</u>
The ETF and Benefitfocus teams have been working with UW to refine and reiterate conversion and daily test files. We continue to work with the team to answer outstanding questions.

Local Employers
Since local employers can join and/or withdraw from participation in ETF-administered insurance benefits at multiple times each year, the total number of local employers in scope for the IAS project is fluid. Currently, there are 930 local employers with whom ETF is working in relation to the new IAS.

The project team is working with local employers to collect six data elements needed to successfully build an employer within the system. The following provides additional detail on each of the six data elements, the purpose, and the status of the collection efforts.

Employee Conversion Data

- Purpose: Required data element needed for employers and employees to exist in the new system so that enrollment information can be sent to insurance vendors when My Insurance Benefits goes live.

- Status: Data collection began in December 2023, and ETF is collecting this information in "waves" from employers, with different groups of employers targeted each month. To date, ETF has collected initial employee conversion data from approximately 55% of local employers (514 of 930). ETF will begin collection efforts with the remaining waves in May and June 2024.

Intake/Configuration Data

- Purpose: Required to set up and configure the employer in My Insurance Benefits.

- Status: Data collection began in the spring of 2023. To date, ETF has collected intake/configuration data from approximately 97% of local employers (900 of 930).

Income Continuation Insurance (ICI) Enrollment Data

- Purpose: Required to populate employee ICI enrollment data in My Insurance Benefits.

- Status: Data collection is scheduled to begin in May 2024. Currently, there are 342 employers from whom ICI enrollment data will need to be collected.

Accident (Supplemental Benefit) Enrollment Data

- Purpose: Required to populate employee supplemental accident coverage enrollment data in My Insurance Benefits.

- Status: Data collection is scheduled to begin in May 2024. Currently, there are 93 employers from whom supplemental accident enrollment data will need to be collected.

Security Access Agreement

- Purpose: Required to set up Human Resources Administrative access to My Insurance Benefits for employers and for ETF to establish a secure file transfer protocol with employers so they can submit and validate conversion data.

- Status: Data collection began in September 2023. To date, ETF has collected security access agreements from approximately 98% of local employers (910 of 930).

Rate Configuration Reports

- Purpose: For health insurance premiums to appear correctly within My Insurance Benefits, ETF needed to collect the employer contribution from each local employer, as this amount varies. This information then allows ETF and Benefitfocus to develop "rate configuration reports," which is a unique Excel file for each employer that itemizes each possible premium value for all benefits based on that employer's benefit selection, employer contribution, and a series of other variables. These reports are then added into Benefitplace, which allows My Insurance Benefits to present the correct benefits and premiums to end users.

- Status: ETF completed collection of 2024 employer contribution data from all local employers in December after five months of work. Efforts to collect 2025 employer contribution data will begin later this fall.

ETF continues to actively follow up with employers to obtain this information. With the extended IAS date to go live, employers have ample time to submit the required information. If information is not provided in a timely manner, their access to benefits will terminate.

End to End Testing
The benefits application, referred to as Benefitplace, provided by Benefitfocus is a "Commercial Off the Shelf" (COTS) solution that is configurable — but not customized — for ETF. This requires ETF to modify systems and processes to conform with benefits application rather than have it customized to fit ETF. The work required by ETF to accomplish this is significant, but well within our capability to manage. Each change ETF makes is systematically tested in isolated environments to validate functionality.

End-to-end testing assures that those changes can flow from the beginning of our process through the Benefitplace application and back to us or our employers.

A team of ETF and Benefitfocus staff are planning the tests now even though testing is not scheduled to start until December of this year. We currently estimate that end-to-end testing will take three to four months. When complete, this work ensures new systems, data and processes will integrate properly with the Benefitplace application.

Content Management
The Content Management team oversees the customizable text and event-based messaging within the Benefitplace platform. The team has completed the review of all the employer sponsor groups except retirees, which will be completed in July 2024. Templates have been provided for all event-based messages the business has identified for use after go-live. The team continues to work with employer sponsor projects for additional support, such as content for the newly built document center.
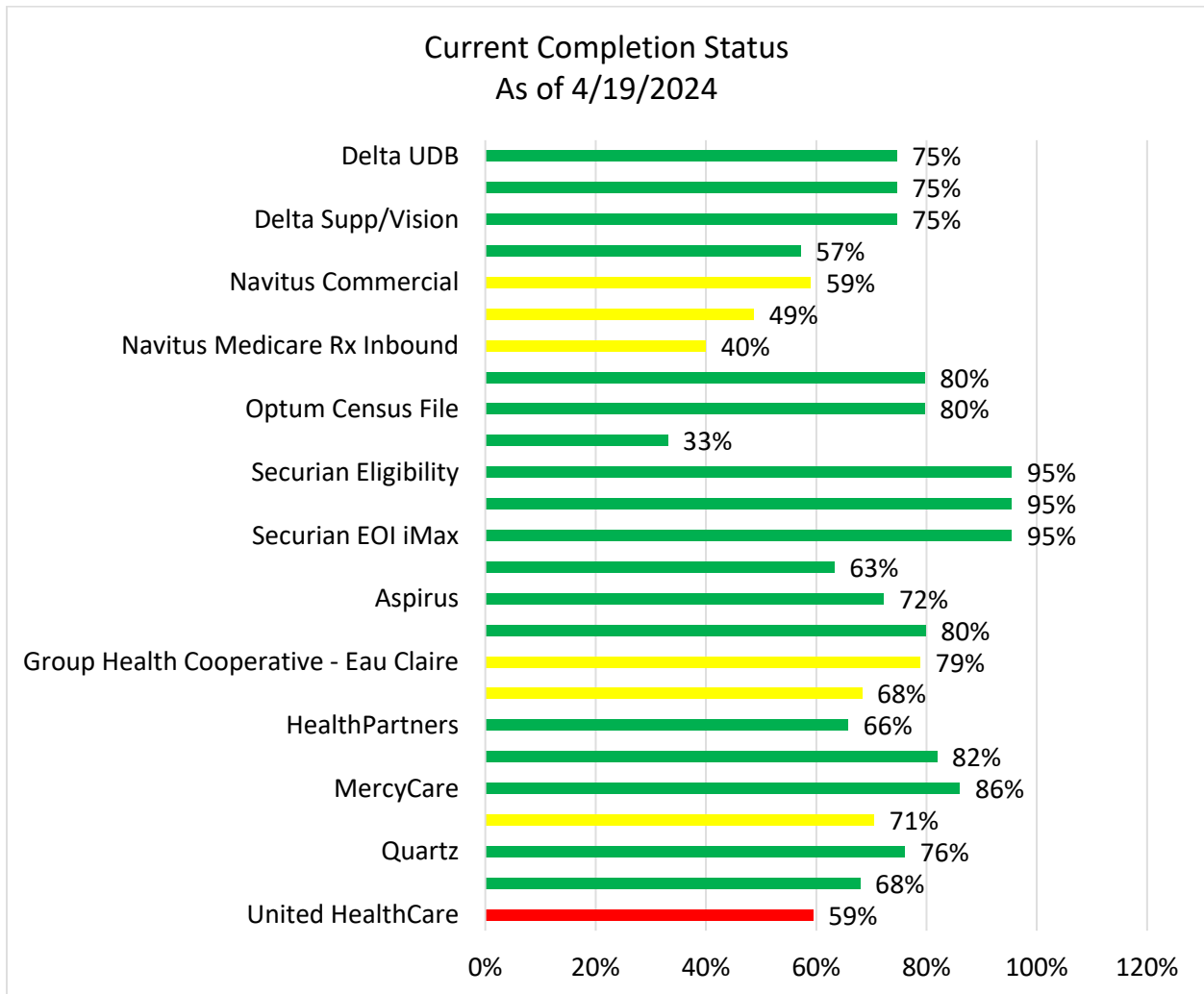
Vendor Integrations
ETF and Benefitfocus started implementation projects with all 17 identified vendors. Implementation projects create the connection needed between third-party vendors and Benefitfocus, allowing the IAS to work properly when launched. Depending on the type of interaction with ETF and Benefitfocus, some vendors require more than one implementation project.

In total, ETF and Benefitfocus have begun all 25 identified implementation projects. Each project is continuously tracked in terms of the overall health of the project. Of the 25 active projects, 18 are currently "on track," six are "at risk," and one is "off track." The identified risk is the likelihood of the specific vendor project taking more time to complete than allocated in the project timeline. If a project was to take significantly more time than is allotted, then the overall go-live date for IAS could be in jeopardy. To mitigate that risk, ETF has built time into the project plans to allow for a buffer, meets on a weekly basis with each vendor to review progress on the project plan, and continues to adjust the project plan based on efficiencies identified from other vendor interactions.

Multiple vendors will soon complete all work tasks that are possible to complete prior to the go-live date. ETF will place these vendors in a holding pattern either until close to go-live or if a task is added to a vendor's project plan. ETF will reduce the frequency of meetings with vendors in a holding pattern but remain in communication as needed. As of writing this memo, three vendors are in the holding pattern.

The graph below shows a snapshot of the status and overall project health for each vendor project. Some projects appear to have little activity; however, this is a result of the overall project schedule and not a reflection of a problem with the project itself. Each project is specific to the implementation requirements according to the business interaction being addressed, and 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, as well as other factors such as scope and transition management activities.

Current Completion Status
As of 4/19/2024

Category	Completion
Delta UDB	75%
	75%
Delta Supp/Vision	75%
	57%
Navitus Commercial	59%
	49%
Navitus Medicare Rx Inbound	40%
	80%
Optum Census File	80%
	33%
Securian Eligibility	95%
	95%
Securian EOI iMax	95%
	63%
Aspirus	72%
	80%
Group Health Cooperative - Eau Claire	79%
	68%
HealthPartners	66%
	82%
MercyCare	86%
	71%
Quartz	76%
	68%
United HealthCare	59%

Cobra

As part of IAS, the COBRA project will provide a stand-alone platform, support, and process for meeting all legal and policy requirements of the federal and state continuation of coverage laws. This new COBRA platform will be offered by Voya, the parent company of Benefitfocus, and will provide all administration functions of COBRA benefits for all ETF eligible members.

The COBRA project's scope is to implement a complete, accurate, and sustainable Voya COBRA solution that supports the needs of our ETF members and ensures that all COBRA requirements are met without the need for intervention by employers or ETF. Additionally, this project will convert all existing COBRA members to the new Voya

platform and convert all employer processes to the new COBRA solution. A support team will be identified, with appropriate contact information provided to both our COBRA enrollees and our ETF support teams.

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