

# Local Program Initial Analysis

## Item 5 - Group Insurance Board

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# Informational Item Only

The Group Insurance Board (Board) requested options for changes to the local Group Health Insurance Program (GHIP) at its Nov. 15, 2023 meeting.

ETF has gathered the following information and is providing initial options.

No Board action is required.

# Background



Most recent review of local GHIP to Board Feb. 17, 2021

Recommended improved marketing to locals for growth

Considered gathering more info from advisory group and survey

# Current state

Compared state to local PMPM claim costs, ages, risk scores, and geographic cost differences in six regions

Overall, locals have a lower PMPM cost (-3.32%) and are younger

Overall, locals have a worse risk score (+1%) and cover more dependents



# Health Plan Input

## Premium contribution:

- Tiering preferred to 88% formula for stability

## Individual to family premium factor:

- Adjust to reflect different pools

## Benefit alterations:

- Offer only benefit designs like state with choice for employee
- Offer second HDHP with higher out-of-pocket costs

## Concerns:

- Negative selection concern
- Concern about Dane County's influence on overall local GHIP

# Limited Local Employer Input

Employees like low out-of-pocket costs and provider choice



Cost is very important to employees, and many will change plans to have lower premium contributions



If Program Options were reduced from four, employers request a lot of lead time. They would explore all marketplace options

# Options for Consideration

- Sole-source or regionalized vendor options
- Value-based plan designs or other innovative contracting
- Dual plan offerings for local employers
- Dedicate an ETF staff person to managing the local GHIP





**Questions?**

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# Thank you

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