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Correspondence Memorandum

Date: October 18, 2024

To: Group Insurance Board

From: Korbey White, Health Program Manager
 Luis Caracas, Health Plan Policy Advisor
 Molly Dunks, Disease Management & Wellness Program Manager
 Tricia Sieg, Pharmacy Benefits Program Manager
 Office of Strategic Health Policy

Subject: 2026 Preliminary Agreement and Benefit Changes

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

Background

The State of Wisconsin Department of Employee Trust Funds (ETF) reviews the contract documents signed by health plans and the Pharmacy Benefit Manager (PBM) that provide benefits under the Group Health Insurance Program (GHIP) annually. The Program Agreement (Agreement) outlines the administrative services that health plans provide to ETF, the Group Insurance Board (Board), and its members. Each health plan offers the same standard medical Uniform Benefits (UB) to GHIP members. UB coverage is summarized in the Certificate of Coverage (Certificate) and the Schedules of Benefits (Schedules). The Board’s PBM and the wellness and disease management program administrator have separate contracts for services, but these benefits are closely coordinated with the Agreement and Certificate.

ETF began the 2026 Agreement and Certificate review process in September 2024 by soliciting change ideas from contracted health plans and the PBM. Vendors returned their benefit changes and pilot program proposals to ETF in October 2024, and the summary of these changes will be sent to health plans and the PBM for their review. ETF, members, and other stakeholders also provided suggestions for changes.

This memo summarizes key changes being proposed to the documents referenced above. ETF continues to research all changes, as detailed in Attachment A, and is requesting cost analyses from the Board’s actuary, Segal Consulting (Segal). ETF will use these analyses to further refine change proposals. Detailed changes and cost projections will be brought to the Board for discussion and approval in Q1 2025.

Reviewed and approved by Renee Walk, Director, Office of Strategic Health Policy
 Electronically Signed 10/24/2024

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Proposed Changes to the Program Agreement Benefits

Health plans requested changes to the Agreement pertaining to web-portal security and certification, storage and transmission of confidential information outside of the United States and territories, and a review of Quarterly Performance Standards related to metrics and penalties.

ETF is recommending some changes related to the health plans and wellness and disease management data exchanges, referrals, and adding a department initiative for diabetes management and prevention. This will also include changes suggested by ETF Office of Internal Audit presented to the Board in August 2024 and language to support ETF's Insurance Administration System (IAS) to the contracts.

Proposed Changes to Uniform Benefits in the Certificate and Schedules

Proposed changes include administrative revisions to the Certificate and Schedules of Benefits, such as clarifying definitions and refining language related to covered benefits and exclusions.

ETF will review requested changes (see Attachment A) and identify modifications on cost sharing to simply benefits, as needed. ETF will also review the feasibility of moving continuous glucose monitoring solely to the pharmacy benefit.

Proposed Changes to Uniform Pharmacy Benefits

The Board is scheduled to assess and deliberate on awarding the Third-Party Administration of Pharmacy Benefits Program contract in Quarter 1 of 2025. After the Board votes on issuance of a letter of intent to award the contract, ETF will begin negotiating with the vendor on the contract that will begin on January 1, 2026. Any proposed benefit changes, such as anti-obesity medications coverage, will be discussed with the Board before the new contract is signed.

Proposed Pilot Programs

There are no new pilot programs being proposed for 2026. The Board can refer to the "Vendor Proposed Pilot Programs" memo ([Ref. GIB | 11.13.24 | 14](#)) for an update on existing pilot programs.

Next Steps

ETF will continue its review of the proposed changes and will consult with stakeholder groups, the Board's vendors, and Segal before presenting final changes to the Board in early 2025.

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