

From: [REDACTED]
To: [ETF SMB Board Feedback](#)
Subject: Medicare Advantage policy provider United Health Care recent Wall St Journal Article
Date: Thursday, August 15, 2024 2:29:55 PM

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I received the DETF email today 8/15/2024 about the Group Insurance Board meeting to review costs. My wife and I are wondering if the DETF and/or the GIB has a position about our Medicare Advantage policy provider United Health Care and the recent 8/4/2024 Wall Street Journal Article about home health care visits that United Health promotes? The WS Journal title is immediately below. After reading the article we are not so certain that this is a legitimate service and whether it may be part of the reason our State Medicare Advantage coverage cost increased 36.2 percent in 2024 and is scheduled to increase an additional 37.3 percent in 2025. To save money for premiums should GIB take a position to encourage covered ETF Medicare Advantage recipients not to participate in what may be a legal but highly questionable tactic to tack on costs? Should GIB encourage its insurance providers to leave making diagnosis to medical personnel chosen by the insured and not the insurers whose incentives are to pad the tab?

Wall Street Journal Article August 4, 2024 - **The One-Hour Nurse Visits That Let Insurers Collect \$15 Billion From Medicare** - Information gathered from Medicare Advantage patients in their homes triggered extra payments; It made me "cringe"

Thanks for your consideration

Carl and Lynn Rasmussen

[REDACTED]

[REDACTED]



STATE OF WISCONSIN
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August 27, 2024

Carl and Lynn Rasmussen
[REDACTED]

Dear Carl and Lynn Rasmussen:

Thank you for your August 15, 2024, email to the Group Insurance Board (Board) and the Department of Employee Trust Funds (ETF) regarding your concern about Medicare Advantage insurers' use of programs like UnitedHealthcare's (UHC's) HouseCalls that has been found to result in Medicare claim upcoding, as reported in the Wall Street Journal on August 4, 2024. You further asked about the reasons behind the increase in premium rates for UHC's It's Your Choice (IYC) Medicare Advantage plan, offered in the State of Wisconsin Group Health Insurance Program (GHIP).

We have been monitoring the news about Medicare Advantage policies nationwide, and specifically about UHC's HouseCalls program. While this program is marketed as an opportunity for a medical professional to come to a member's home to talk about closing gaps in care, it is being used to upcode some claims.

As you may be aware, Medicare Advantage plans receive federal subsidies if they score well on Medicare's star rating program. Since UHC was offered in the GHIP, they have scored at 4.5 or 5 out of 5. This means that members receive the highest federal premium subsidies, and therefore, pay less in premium. UHC uses the HouseCalls program to encourage members to get care that results in better star rating results.

Medicare is concerned about upcoding and other practices by Medicare Advantage vendors that have been found to result in Medicare paying more for care than they may have for members enrolled in traditional Medicare. Medicare has audited Medicare Advantage claims submissions and for 2025, has somewhat reduced subsidies.

Since HouseCalls has been shown to increase star ratings and thus increase federal subsidies, ETF has not requested that HouseCalls cease to be offered to our members. Note that the contract for Medicare Advantage is out to bid currently through a Request for Proposal. A new vendor may be selected for coverage effective January 1, 2026.

You expressed concern about the premium increase for IYC Medicare Advantage for 2025. We share your concerns about the rising cost of health insurance. ETF works

Carl and Lynn Rasmussen

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very hard to limit premium increases. Plans who have been accepted into the GHIP formulate an offer to ETF of renewal rates based upon financial assessments of their administrative costs, provider contracts, the utilization of health care services, and the demographics of their enrollees. The Board's actuary, Segal, reviews the bids and other data supplied by the plans. We make every attempt to have plans only submit rates that are justified by their claims experience. We believe that our system has resulted in lower premium increases compared to other employer groups, especially given that the GHIP continues to offer consistently high benefits.

The primary reasons for the increase in 2025 premiums are as follows:

1. Post COVID-19 claims utilization continues to grow.
2. Inflation has affected all elements of health care, including provider wages, medical supplies, etc.
3. Reserves: The Board had been artificially reducing premium rates for seven years by using reserve funds. The reserves protect the GHIP against possible adverse experience and negative market trends. In 2024, reserve funds were below the target range set by the Board, and so the Board was no longer able to decrease premiums. Beginning in 2025, the Board took action to rebuild the reserves by adding 0.8% to premiums.

I hope you have found this response helpful. If you have additional questions or concerns, please feel free to reach out using the contact information provided below. A copy of your letter and ETF's response will be included in the materials for the November 13, 2024, Board meeting.

Sincerely,

Arlene Larson, Federal Program and Policy Manager

Office of Strategic Health Policy

Department of Employee Trust Funds

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