

Welcome to the Group Insurance Board

March 12, 2025

Meeting will begin at: 8:30 a.m.



WI-GUEST

No Password is needed



Please Sign In

- Who? All meeting attendees
- Sheet available at the door



Meeting Materials

- Scan the QR Code
- Available at etf.wi.gov



**Please Silence your
Cell Phone and Mute
your Microphone**

Announcements

Item 1 – No Memo

Renee Walk, Director

Office of Strategic Health Policy



Income Continuation Insurance Contract Extension



Item 2 – Group Insurance Board

Gene Janke, Benefit Services Bureau (BSB) Director
Division of Benefits Administration





Action Item

ETF requests the Board approve the extension of the contract for third party administration of the ICI program with The Hartford for two years, effective January 1, 2027, through December 31, 2028.

Background

In August 2021, the Board approved a five-year contract to provide administrative services for the ICI program, which is scheduled to end December 31, 2026. The contract included one two-year extension, for 2027 and 2028.

In December 2024, the Board approved contract amendment number 1 that increased the annual retainer fee paid to The Hartford for 2025 and 2026.

The Hartford has consistently met or exceeded the performance standards set forth in the contract.

Advantages

Staff Focus

- Multiple modernization efforts underway
- Limited resources & timeline for an RFP
- Limited vendors

Experienced Customer Service

- Over 60% of The Hartford's key staff have at least 7 years of experience working with the ICI program.
- Ombudsperson has over 20 years of experience working with ETF on this program.

Disadvantages

Possible Cost Increase

- The Hartford has indicated in preliminary discussions that fee increases are likely. However, considering the ICI third party administrator landscape, fee increases are also likely if ETF issues an RFP and a different vendor is awarded the contract.



Action Item

ETF requests the Board approve the extension of the contract for third party administration of the ICI program with The Hartford for two years, effective January 1, 2027, through December 31, 2028.

A photograph of a family of four outdoors, smiling and hugging. The father is on the left, wearing a dark sweater over a blue and white checkered shirt. A young girl is hugging him from behind. The mother is on the right, wearing a red jacket over a patterned top. A young boy is hugging her from behind. The background is a blurred green landscape. The entire image has a blue overlay, and the word "Questions?" is written in large white text across the bottom.

Questions?

Thank you



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ETF E-mail Updates



608-266-3285
1-877-533-5020

Establish the 2026 Plan Year Open Enrollment Period



Item 3A – Group Insurance Board

Korbey White, Health Program Manager

Office of Strategic Health Policy

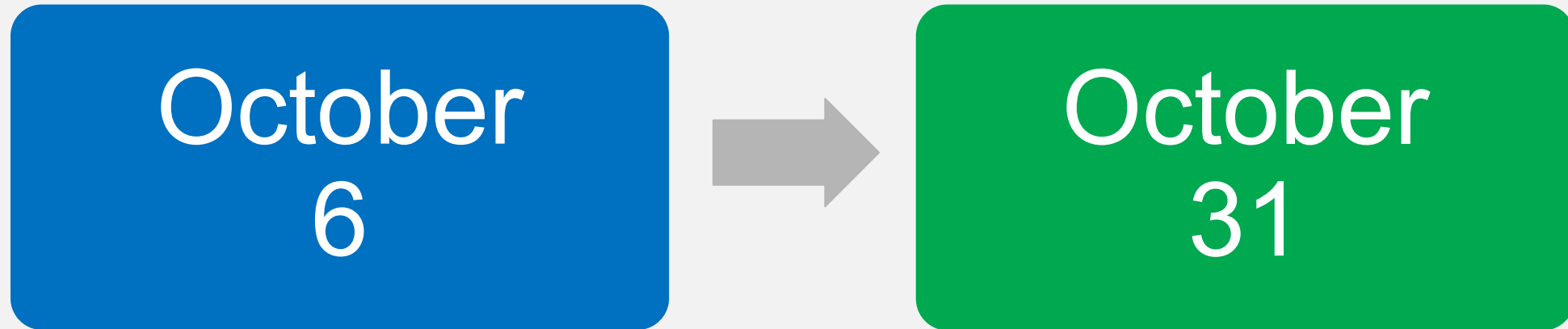




Action Needed

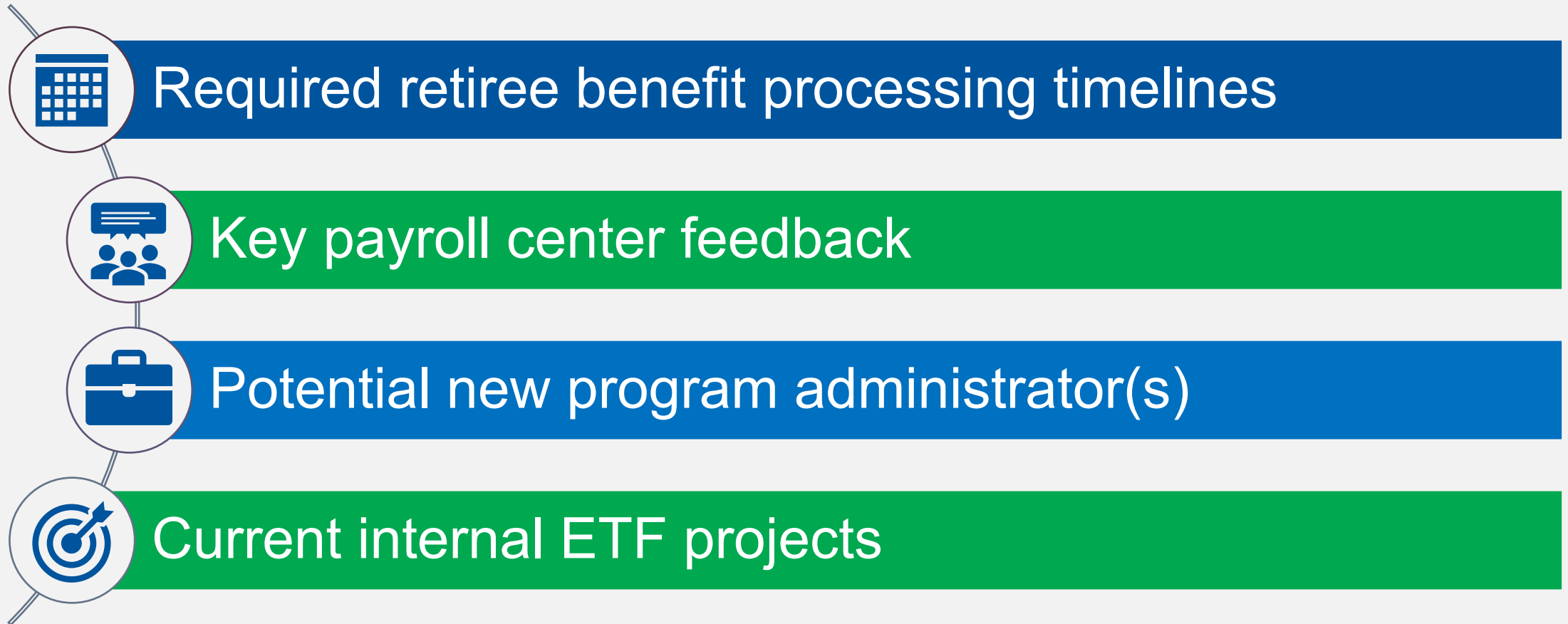
ETF requests the Board approve **October 6 to October 31, 2025**, as the open enrollment period for plan year 2026.

2026 Plan year Open Enrollment Period



Proposed open enrollment period will begin on the Monday of week 41 and end Friday week 44 of the calendar year.

Considerations



Action Needed

ETF requests the Board approve **October 6 to October 31, 2025**, as the open enrollment period for plan year 2026.

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Questions?

Thank you



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2026 Final Benefit and Contract Changes



Item 3B – Group Insurance Board

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



Action Needed

ETF requests the Board approve modifications to the Program Agreement (PA), Uniform Benefits (UB) Certificates of Coverage (CoCs), wellness and condition management (CM), and the Uniform Pharmacy Benefits (UPB).

Background

Initial change concepts for program year 2026 were presented at the November 2024 Board meeting.

ETF reviewed potential changes with employer groups, vendors, and Segal (Board's actuary) and identified a final set of proposed benefit changes.

Health Program Agreement Changes

Memo Pages 1-3

Program Agreement Changes

Data Integration

Performance Standards

(Sample Calculation on Next Slide)

Performance Standards Modification Sample Calculation

- **Small Plans**

- Penalty: **\$1,000 per percentage** point below 80% target metric
- Example: Plan scores 75% → 5% shortfall × \$1,000 = **\$5,000 penalty**

- **Medium Plans**

- Penalty: **\$3,000 per percentage** point below 80% target metric
- Example: Plan scores 75% → 5% shortfall × \$3,000 = **\$15,000 penalty**

- **Large Plans**

- Penalty: **\$5,000 per percentage** point below 80% target metric
- Example: Plan B scores 75% → 5% shortfall × \$5,000 = **\$25,000 penalty**

Program Agreement Changes Continued

Communications

- Adding Language

Care Management Section

- Diabetes Prevention and Management

Cost-Neutral Benefit Changes

Memo Pages 3-5

Cost-Neutral Certificate of Coverage Changes



Clarifying Language Within Eligibility, Enrollment and Termination

Aligning Definition of Dependent Student

Removing Prior Authorization Requirement

Cost-Neutral CoC Changes Continued



Awarding Discretion to ETF to Determine “Reasonable Timeframe” for Proof of Claim

Changing Health Plan Following Death of Subscriber or Dependent

Expanding Conditions Eligible Under Biofeedback

Cost-Neutral Wellness and Pharmacy Changes



It's Your Health: Diabetes

Continuous Glucose Monitoring Coverage
All Under the Pharmacy Benefit

Cost Pressures Relevant to Benefit Changes that Increase Cost

Memo Pages 5-9

Additional 2026 Cost Pressures

Reserve
Fund

Dean Health Plan
Settlement

Premium
Increases

AOMs in
Medicare Part D

Well WI for
Medicare
Advantage (MA)

Alternatives to Mitigate Costs for 2026

Memo Pages 9-10

Redirect Funds from Well Wisconsin

- Program costs of \$16M per year.
- \$8.5M is for program service fees paid to vendor.
 - Services support over 50,000 members with managing health and preventing chronic illness, including overweight and obesity.
 - Services could be paired with AOMs, and vendor is able to work directly with PBM.
- \$7.5M is for incentives paid to members.
 - Small extrinsic award to support members' relationship with vendor for when members are intrinsically motivated to deepen engagement.
 - \$150 incentive is well below the Wisconsin average of \$737/person.

Deductible, Copay/Coinsurance Increases

Memo Pages 9-15

2025 Plan Designs

Plan Design	PO1, PO6/P16, and PO8	PO4/P14	HDHP PO1 and PO7/P17
Deductible (Individual/Family)	\$250/\$500	\$500/\$1,000	\$1,650/\$3,300
Out-of-Pocket Limit (Individual/Family)	\$1,250/\$2,500	\$9,200/\$18,400	\$2,500/\$5,000
Coinsurance	10%	0%	10%
Primary Care Office Visit Copay	\$15	100%*	\$15*
Specialist Office Visit Copay	\$25	100%*	\$25*
ER Copay	\$75 (\$60 for P08)	\$60*	\$75*

* Member pays 100% until deductible

2026 Plan Design Change Options

	Option 1	Option 2	Option 3	Option 4
Plan Design	PO1, PO6/16, PO8, HDHP PO1, and PO7/17	PO1, PO6/16, PO8, HDHP PO1, and PO7/17	PO1, PO6/16, PO8, HDHP PO1, and PO7/17	PO4/14
Non-HDHP Deductible	\$1,000/\$2,000	\$750/\$1,500	\$500/\$1,000	\$750/\$1,500
Non-HDHP OOP	\$1,750/\$3,500	\$1,750/\$3,500	\$1,750/\$3,500	NC
Coinsurance	20%	20%	20%	20%
Primary Care Office Visit	\$25	\$25	\$25	NC
Specialty Office Visit	\$40	\$40	\$40	NC
ER Copay	\$200	\$200	\$200	\$200
HDHP OOP	\$3,000/\$6,000	\$3,000/\$6,000	\$3,000/\$6,000	NC
Projected Savings	\$56,112,061	\$49,720,889	\$41,790,236	\$12,965,185

Weight Loss Drugs and Cost Sharing Considerations

Memo Pages 15-18

AOM Cost Analysis with Full Rebates

Year	Utilizers	AOMs Prescriptions	AOM Cost	Medical Savings	Net Loss
1	13,053	56,129	\$37,185,614	\$6,175,060	-\$31,010,553
2	16,234	84,530	\$59,012,775	\$21,716,516	-\$37,296,259
3	17,078	97,049	\$71,382,889	\$34,977,832	-\$36,405,057
4	17,461	106,382	\$82,425,828	\$48,469,853	-\$33,955,975
5	17,520	113,381	\$92,524,228	\$62,186,799	-\$30,337,428
6	17,355	118,429	\$101,772,140	\$75,948,834	-\$25,822,306

AOM Cost Analysis with Partial Rebates

Year	Utilizers	AOMs Prescriptions	AOM Cost	Medical Savings	Net Loss
1	7,406	31,844	\$26,908,178	\$3,503,319	-\$23,404,859
2	9,315	48,406	\$43,069,498	\$12,373,407	-\$30,696,091
3	9,602	54,802	\$51,335,325	\$19,912,500	-\$31,422,825
4	9,412	58,174	\$57,363,445	\$27,175,462	-\$30,187,983
5	8,950	59,520	\$61,774,139	\$34,048,327	-\$27,725,812
6	8,390	59,612	\$65,112,307	\$40,423,105	-\$24,689,201

Pilot Program

Administer via Well Wisconsin vendor and PBM.

An estimated cost of \$14.4M per year will cover the costs of GLP-1s and \$335K per year for coaching program for 1,000 members.

Vendor can send qualifying participants who complete lifestyle management activities to PBM to fill GLP-1 prescription.

Concern regarding pilot program having similar findings as other published studies and coverage of GLP-1s ending.

Summary of Recommendations

Memo Pages 18-19

2026 Changes Not Recommended

Commercial
pharmacy
coverage of
AOMs

Diverting Funds
from the Well
Wisconsin
Program

Implementing
an AOM pilot
program

2026 Changes Recommended

All cost-neutral benefit changes

Allow MA members to earn the Well WI incentive

Increase ER copays across all plan designs

Plan design option 3

Recommended Option 3

	Current State	Option 3
Plan Design	PO1, PO6/16, PO8, HDHP PO1, and PO7/17	PO1, PO6/16, PO8, HDHP PO1, and PO7/17
Non-HDHP Deductible	\$250/\$500	\$500/\$1,000
Non-HDHP OOP	\$1,250/\$2,500	\$1,750/\$3,500
Coinsurance	10%	20%
Primary Care Office Visit	\$15	\$25
Specialty Office Visit	\$20	\$40
ER Copay (across all plans)	\$75	\$200
HDHP OOP	\$2,500/\$5,000	\$3,000/\$6,000
Projected Savings	--	\$41,790,236

Action Needed

ETF requests the Board approve the modifications to the Program Agreement (PA), Uniform Benefits (UB) Certificates of Coverage (CoCs), wellness and condition management (CM), and the Uniform Pharmacy Benefits (UPB).

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Questions?

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Insurance Administration System Implementation Update

Item 4 – Group Insurance Board

Michelle Baxter, Director
Office of Enterprise Initiatives

Bonnie Cyganek, Customer Experience and Business Initiatives Manager
Division of Benefits Administration

Renee Walk, Director
Office of Strategic Health Policy



Informational Item Only

No Board action is required.

Overall Program

Status “At Risk”

Significant progress made toward milestones, but issues and watch points remain

Contingency planning for some issue areas identified and in progress

Project Areas of Note (Slide 1)

User Access Management

- Member Portal User Acceptance Testing
- Employer Portal and Employer Transaction Application Go Live

Retirees

- ETF internal application under development
- Retirees to use paper enrollment for now
- Wellness tax files delayed until post go live

Billing and Payment

- Concerns around rate accuracy, invoicing
- Some scenarios may require manual work at go live

Project Areas of Note (Slide 2)

Employers

- DOA continues testing work
- UW and UWHC testing started
- Local employer data collection continues, no required disenrollments to date

End to End Testing

- Cycle 3 testing began February 24, 2025
- Issues identified in Cycles 1 and 2 will be retested in Cycle 3
- Risk of whether exit criteria will be met

Vendor Integrations

- Testing and implementation with vendors continues
- Concerns from ETF and vendors on manual processes
- Biweekly all vendor meetings started to raise and discuss issues

Project Areas of Note (Slide 3)

COBRA

- Development delay by Voya puts go live of COBRA at risk
- Contingency planning in progress

Training

- Live, virtual, and on-demand trainings created
- Scheduled to begin for ETF in March, April/May for employers

Annual Renewal

- New project within program to address open enrollment impacts
- Ensures new IAS processes are integrated and documented for future

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Questions?

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Operational Updates

Items 5A-5H – Memos Only



Tentative May 2025 Agenda

Item 6 – Memo Only

Renee Walk, Director

Office of Strategic Health Policy



Move to Closed Session



Item 7 - No Memo



Action Needed

- The Board will be required to meet in closed session pursuant to the exemptions contained in Wis. Stats. § 19.85 (1) (a) for quasi-judicial deliberations. The Board will vote to reconvene in open session following the closed session.

**The Board is meeting in closed session.
Audio and visual feed will resume upon the
Board's return.**



Announcement of Action Taken on Appeals Deliberated During Closed Session

Items 11A-11B – No Memos

Herschel Day, Chair

Group Insurance Board



Adjournment



Item 12 – No Memo

