

STATE OF WISCONSIN Department of Employee Trust Funds A. John Voelker

SECRETARY

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Correspondence Memorandum

Date: May 7, 2025

To: Group Insurance Board

From: Tim Steiner, Director Budget, Contract Administration and Procurement

Subject: Board Authority Contracts Update

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

The following are contracts and amendments executed since the March 2025 update:

<u>PillarRx Compliance Audit Services for Pharmacy Benefits Manager (PBM)</u> Contract amendment #2 with PillarRx was signed by the Department of Employee Trust Funds (ETF) Secretary on April 3, 2025, for PBM contract compliance audits for years 2025, 2026, and 2027 at a cost of \$113,000 for each annual audit.

Brown & Brown of Massachusetts, LLC (Claim Technologies) Compliance Audit Services for Uniform Dental Insurance (UDB)

Contract amendment #4 with Claim Technologies was signed by the ETF Secretary on April 22, 2025, for UDB contract compliance audits for years 2023-2024 at a cost of \$37,300.

Navitus Health Solutions, LLC Third-Party Administration (TPA) of Pharmacy Benefit Program

Contract amendment #9 with Navitus was signed by the Board Chair on April 22, 2025, to incorporate modifications to the federal Inflation Reduction Act and Medicare Prescription Payment Program (M3P) for qualifying members beginning January 1, 2025.

Total Administrative Services Corporation (TASC) TPA of Pre-Tax Benefit Programs The contracts for Health Savings, Employee Reimbursement, Flexible Spending, and commuter pre-tax benefits and Section 125 Cafeteria Plan documentation were signed by the Group Insurance Board (Board) Chair on April 29, 2025, and May 2, 2025. Pretax benefits from TASC will be available to members starting with the 2026 plan year. The initial term of the contracts ends on December 31, 2028. The Board has the option to renew the contracts through the December 31, 2032.

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Request for Proposals (RFP) Updates

TPA of Medicare Advantage and Medicare Plus Plans

Contract negotiations with Sierra Health and Life Insurance Company, Inc. (UnitedHealthcare) are underway. The contracts will begin January 1, 2026, and end on December 31, 2027, with the potential for extensions through December 31, 2032.

Supplemental (employee-pay-all) Vision and Accident Plans

Proposals were received on January 31, 2025, and were evaluated by a committee. Recommendations for contract awards for the 2026 plan year will be made at this Board meeting.

TPA of Pharmacy Benefit Program

Contract negotiations with Navitus Health Solutions, LLC as TPA of the Pharmacy Benefit Program are under way. The contract will begin January 1, 2026, and continue through December 31, 2028. The Board retains the option to renew the contract for two additional two-year terms, ending no later than December 31, 2032.

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