

Welcome to the Group Insurance Board

August 13, 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



Consideration of: Open and Closed Minutes of May 21, 2025, Meeting



Items 2A – 2C – Memos Only



Action Needed

- Motion needed to accept the Open and Closed Minutes of the May 21, 2025, Meeting as presented by the Board Liaison.

Group Health Insurance Program Plan Design Analysis

Item 3 – Group Insurance Board

Stacey Novogoratz, Program Management Section Chief

Jessica Rossner, Data and Compliance Section Chief

Office of Strategic Health Policy



Informational Item Only

No Board action is required.

Background

Challenges

- Rising healthcare costs and administrative complexity
- GHIP reserve experiencing negative cash flows

Last major plan design update

2016 Plan Year

Comparison to the market

- Analysis conducted to understand how the GHIP plan designs compare to the market.

Overview of Comparative Process

Based on 2025 Plan Year

Conducted a comparative analysis of our highest enrolled plan designs against other state and local employee benefit programs

- State IYC and HDHP: Michigan, Minnesota, Illinois, and Indiana
- Local Deductible Plan: Minnesota, Illinois, Tennessee, New Jersey

Other research

- GHIP Pharmacy Benefit Manager – Navitus
- Marketplace Platinum plans
- National publications

State IYC Health Plan Comparison

- Lower or comparable member cost-sharing
- GHIP uses standard OOPL + federal MOOP for non-essential health benefits vs. peer plans using a single OOPL or MOOP
- Lower ER visit copays
- 10% coinsurance comparable

Benefit Area	IYC Health Plan	Comparison States
Deductible (Individual/Family)	\$250/\$500	\$400/\$800
OOPL (Individual/Family)	\$1,250/\$2,500	\$1,000-\$2,000 \$2,000-\$4,000 Most on the higher end of the range
Coinsurance	10%	5-10%
PCP Office Visit	\$15 copay	\$20-\$40 copay
ER Visit	\$75 copay	\$100-\$275 copay

State HDHP Comparison

- Lower or comparable member cost-sharing on deductibles, copays, coinsurance, and out-of-pocket limits
- Fixed copay model after deductible instead of coinsurance only model

Benefit Area	State HDHP	Comparison States
Deductible (Individual/Family)	\$1,650/\$3,300	\$1,600-\$3,000 Individual \$3,200-\$6,000 Family
OOPL (Individual/Family)	\$2,500/\$5,000	\$3,000-\$4,500 Individual \$6,000-\$9,000 Family
Coinsurance	10%	10%-20%
PCP Office Visit	\$15 copay, after deductible	10%-20% coinsurance
ER Visit	\$75 copay, after deductible	10%-20% coinsurance

Local Deductible Plan Comparison

- Lower or comparable member cost-sharing
- Lower ER visit copay
- \$0 cost after deductible for many medical services vs. copays or coinsurance for common services

Benefit Area	Local Deductible Plan	Comparison States
Deductible (Individual/Family)	\$500/\$1,000	\$100-\$1,300 individual \$250-\$3,250 family
OOPL (Individual/Family)	\$500/\$1000 +\$500 per person DME only*	\$400-\$2,000 individual \$1,000-\$4,000 family
Coinsurance	None, pays 100% for most services	10%-20% coinsurance
PCP Office Visit	\$0, after deductible	\$15-\$30 copay
ER Visit	\$60 copay	\$100-\$400 copay or 15%-20% coinsurance

Pharmacy Comparison Highlights

- GHIP Tier 1 copay: \$5 (lower than typical \$10+)
- Two separate pharmacy OOPs vs. single OOP in peers
- GHIP Tier 2 and 3 use coinsurance with caps; peers often use flat copays or coinsurance with min/max limits
- GHIP has 4 drug tiers; peers often only had 3 drug tiers

Marketplace Comparison Highlights

- Only three Platinum plans identified – all in Dane County
- Lower OOPL
- Lower ER copay
- Mid-range for PCP and Specialist copays
- Higher urgent care copay

Benefit Area	State/Local IYC	Marketplace Platinum Plans
Deductible	\$250	Two: \$0, One: \$500
OOPL	\$1,250	\$1,500, \$2,800, and \$4,300
PCP Copay	\$15	Two: \$10, One: \$20
Specialist Copay	\$25	Two: \$20, One \$40
Urgent Care Copay	\$25	\$10, \$15, \$20
ER Copay	\$75	Two: \$100, One: \$450
Level 1 (Generic) Drugs	\$5	One: \$5, Two: \$10

National Comparison Highlights

2024 KFF National Employer Survey

- Deductibles: National average \$1,787 (\$1,538 at large employers) – IYC significantly lower (\$250)
- Office visit copays: National average \$26 for PCP, \$42 for specialist – IYC lower (\$15 PCP, \$25 specialist)

Rationale for Plan Design Updates

Cost Containment, Financial Sustainability, Market Alignment

- Benefit design unchanged over 10 years despite rising costs and evolving needs
- Member cost-sharing (deductibles, copays, coinsurance, OOPLs) lower than peers amid cost pressures

Encourage Better Consumer Behavior

- Benefits don't discourage avoidable high-cost use; ER visits up ~17% since 2020
- Changes can guide members to lower-cost, appropriate care
- Supporting medication adherence and early chronic care reduces disease progression

Administrative Simplification

- Varied out-of-pocket limits confuse members and complicate administration
- Simplifying medical and pharmacy OOPL improves clarity and efficiency
- Combined therapy visit limits are confusing; separate, standardized limits ease administration

Key Considerations

Competitiveness for
recruitment/retention

Avoid creation of
unintended barriers

Simplicity and
reduce confusion

Support preventive
and chronic
condition care

Long-term financial
viability

Improve member
experience

Next Steps

Plan design change recommendations at November Board meeting

Additional analyses to inform recommendations

- Truven by Merative analysis of trend drivers and modeling of potential changes
- Navitus analysis of the impact of cost-sharing adjustments
- Segal benchmarking analysis

Collect health plan suggested recommendations

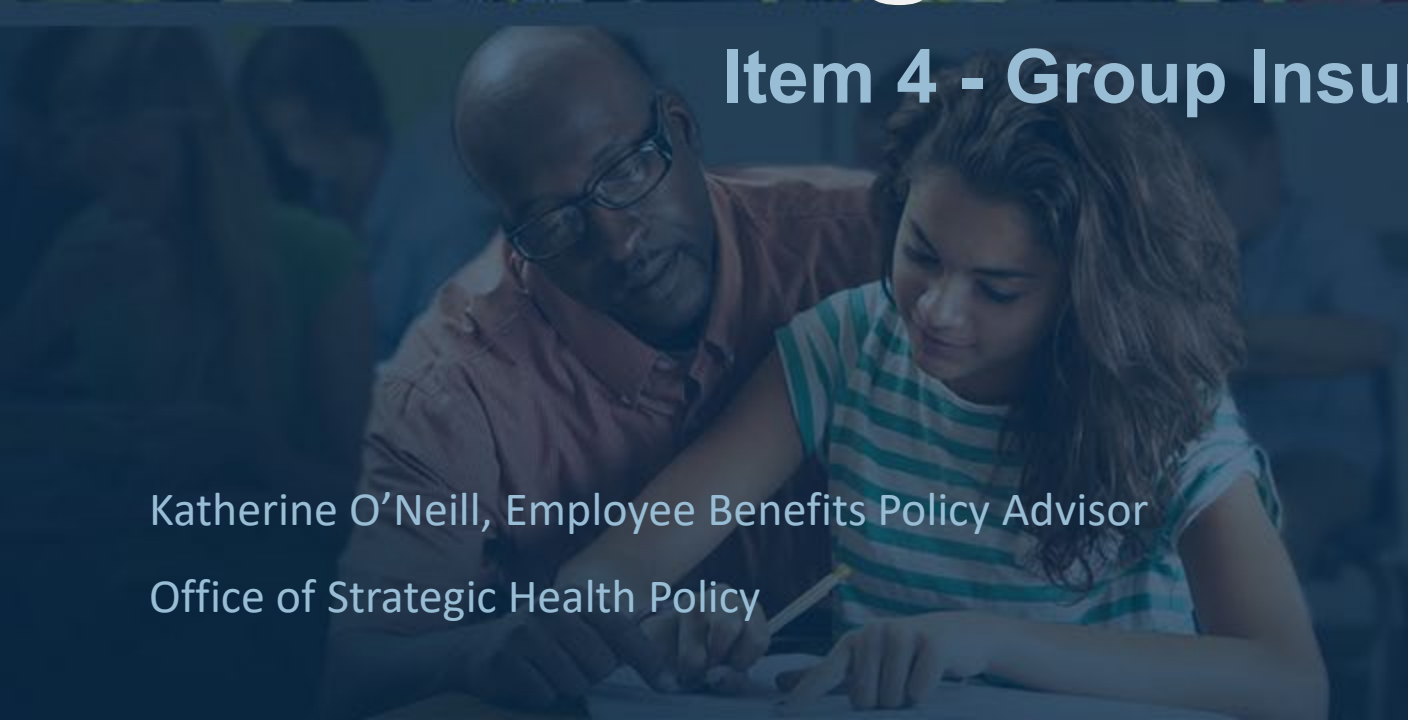
A photograph of a family of four outdoors. A man with a mustache and a woman with short grey hair are smiling and hugging each other. Two children are also present, one hugging the man and the other hugging the woman. The image has a blue overlay and the word "Questions?" is written in large white letters at the bottom.

Questions?



Local Program Initiative Update

Item 4 - Group Insurance Board



Katherine O'Neill, Employee Benefits Policy Advisor
Office of Strategic Health Policy



Informational Item Only

No Board action is required



Local Program Growth

Employer Participation Growth

As of	Employer Participation	Annual % Change
January 2021	408 employers	+4.1%
January 2022	419 employers	+2.7%
January 2023	440 employers	+5.0%
January 2024	452 employers	+2.7%
January 2025	462 employers	+2.2%

Program Option Growth

As of	Local Traditional Plan (PO2/12)	Local Deductible Plan (PO4/14)	Local Co-Insurance Plan (PO6/16)	Local HDHP (PO7/17)
January 2021	236	121	15	25
January 2022	238	131	16	27
January 2023	241	138	16	36
January 2024	247	145	15	37
January 2025	246	149	18	42



State Maintenance Plan (SMP) Growth

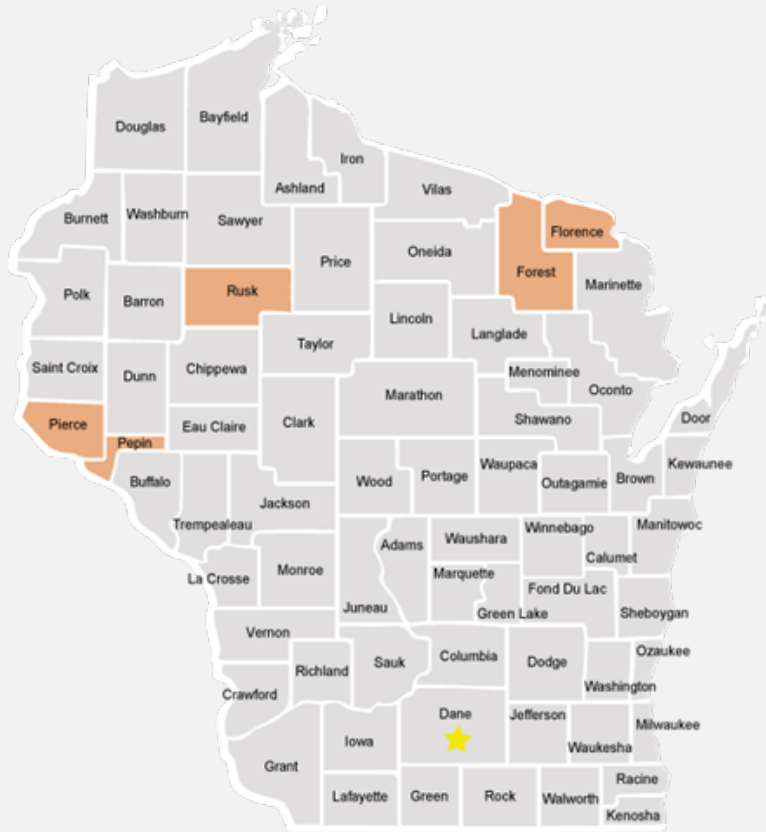
SMP Growth

Color key:

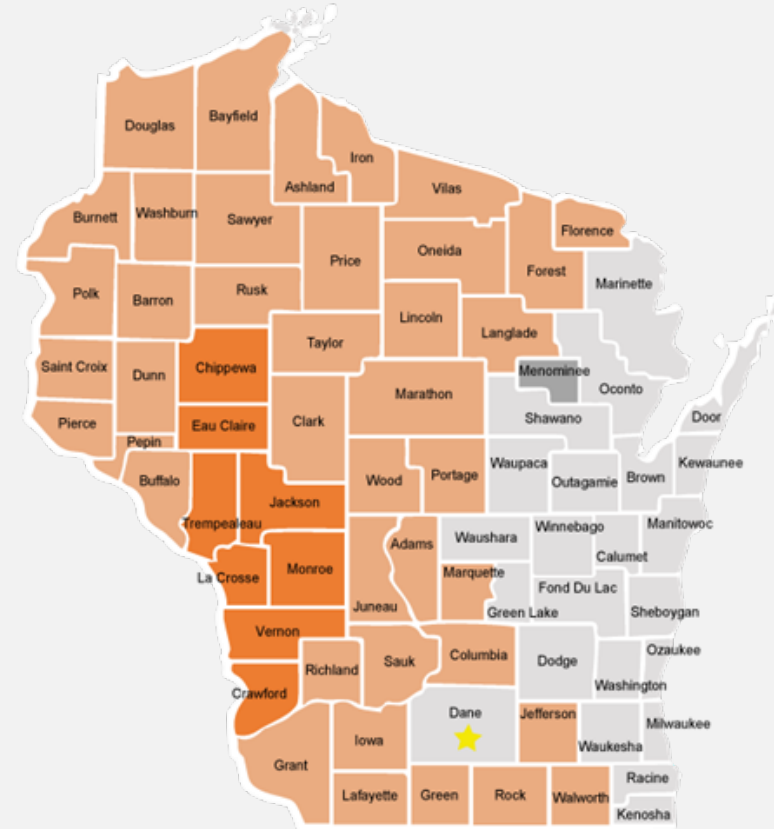
Light orange: SMP county, no change from prior plan year

Dark orange: New SMP county for plan year

Dark grey: No longer a SMP county for plan year



SMP Counties 2020



SMP Counties 2026



Interventions

Potential Interventions

Decouple, Allow Bids as HMO

Decouple, Pursue Sole Source Local Vendor

Tiering

Education & Outreach

Adjust Program Options

Decouple, Allow Bids as HMO

- Current state requires bidding on both State and Local
- Plans not required to be in the same tier for State and Local
- Decoupling allows plans to bid on State, Local, or both
- 2024 RFI indicated at least 3 vendors interested in bidding for Locals

Decouple, Pursue Sole Source Local Vendor

- Procure single vendor for Local GHIP
- Vendors need to provide nationwide network
- Local GHIP simplified for employers and ETF
- May lead to lower rates initially
- Rates could increase later with lack of competition

Tiering

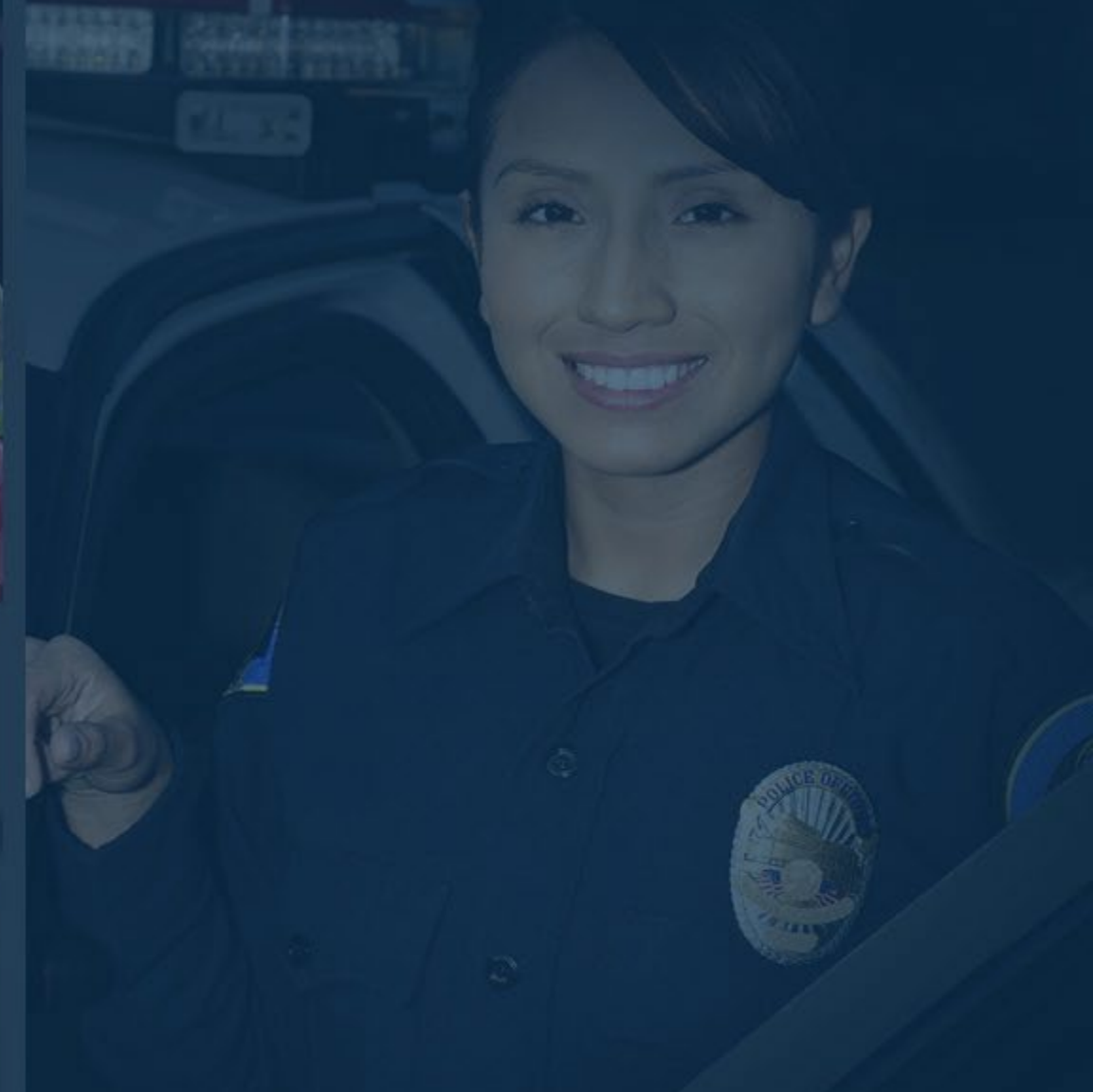
- Most locals utilize 88% formula
- Tiering caps the employee contribution amount
- Outlined in statutory requirements
- Promoted through education and outreach

Education & Outreach

- Proactive outreach and comprehensive education efforts
- Increase awareness and form partnerships
- High-touch, high-resource undertaking
- Any intervention requires education, outreach, transition plan

Adjust Program Options

- Expensive, rich plan offered to Local employers
- Reducing program options may reduce cost
- Risk employer participation
- Historical limitations with ETF administration systems



Next Steps

Next Steps

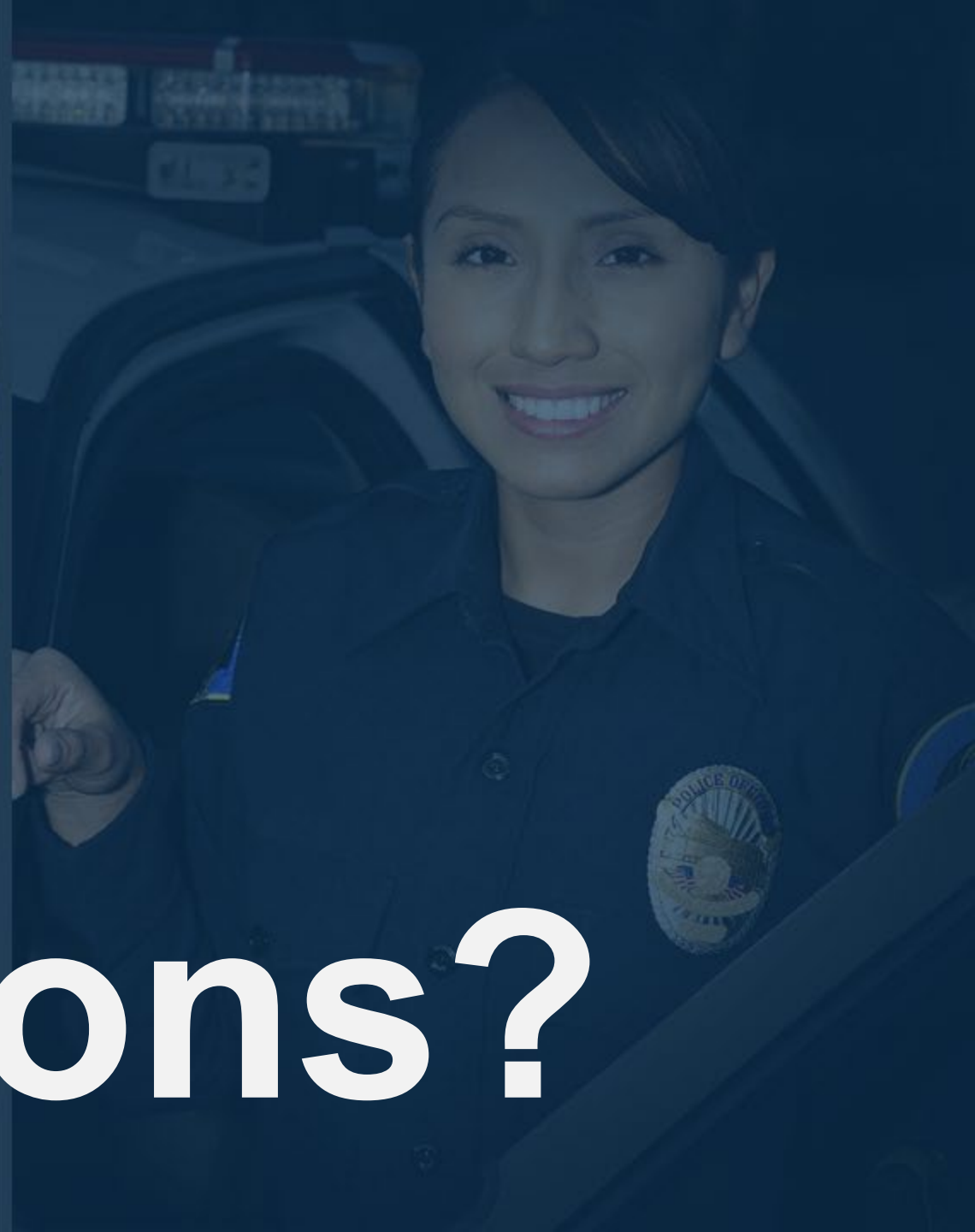


Issue RFP for SMP
and Access plan



Solicit additional
feedback





Questions?

Quality Credit Review

Item 5 – Group Insurance Board

Stephanie Trigsted, Health Care Data Quality and Integrations Analyst

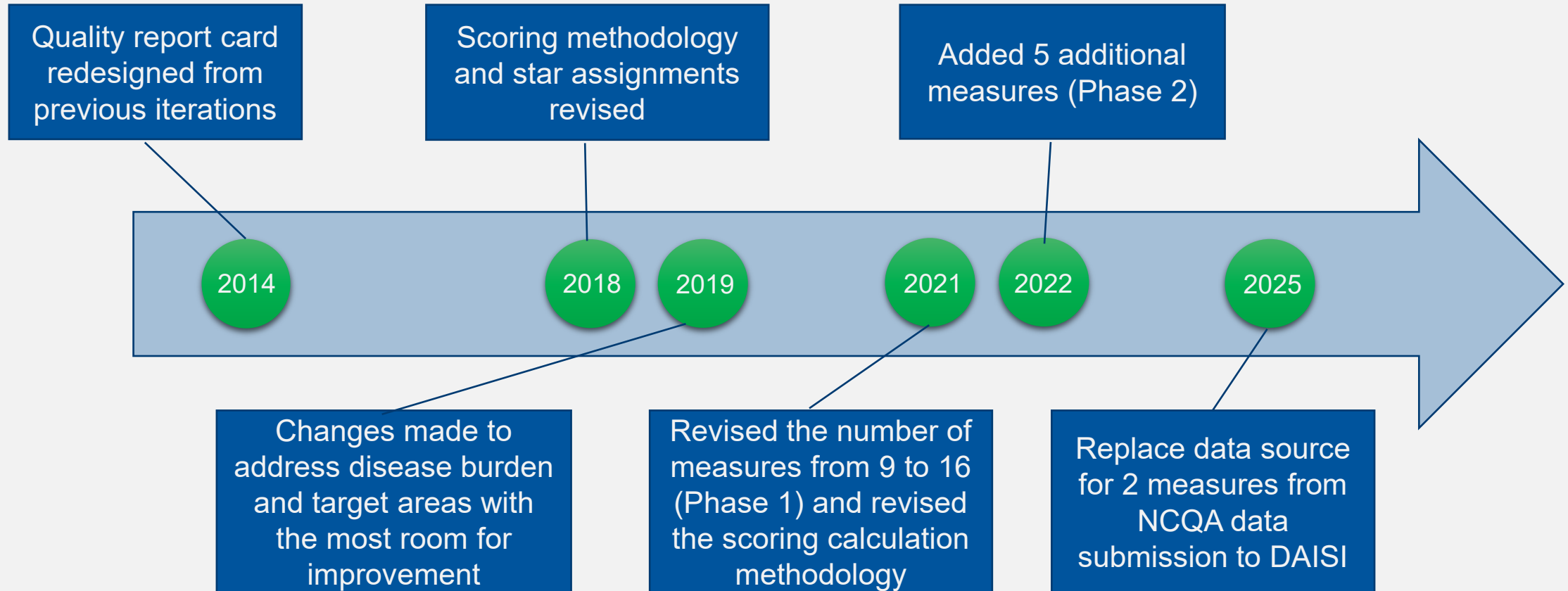
Office of Strategic Health Policy



Informational Item Only

No Board action is required.

Quality Credit History Overview



Performance Since Measurement Year 2019

Consistent Improvement for Most Health Plans

1. Breast Cancer Screening
2. HbA1c Control for Patients with Diabetes (<8%)
3. Blood Pressure Control for Patients with Diabetes

Inconsistent or Small Improvements for Some Health Plans

1. Antidepressant Medication Management
2. Follow up after Hospitalization for Mental Illness
3. Follow-up after ED Visit for Substance Use
4. Appropriate Testing for Pharyngitis
5. Controlling High Blood Pressure

No Improvement for Most Health Plans

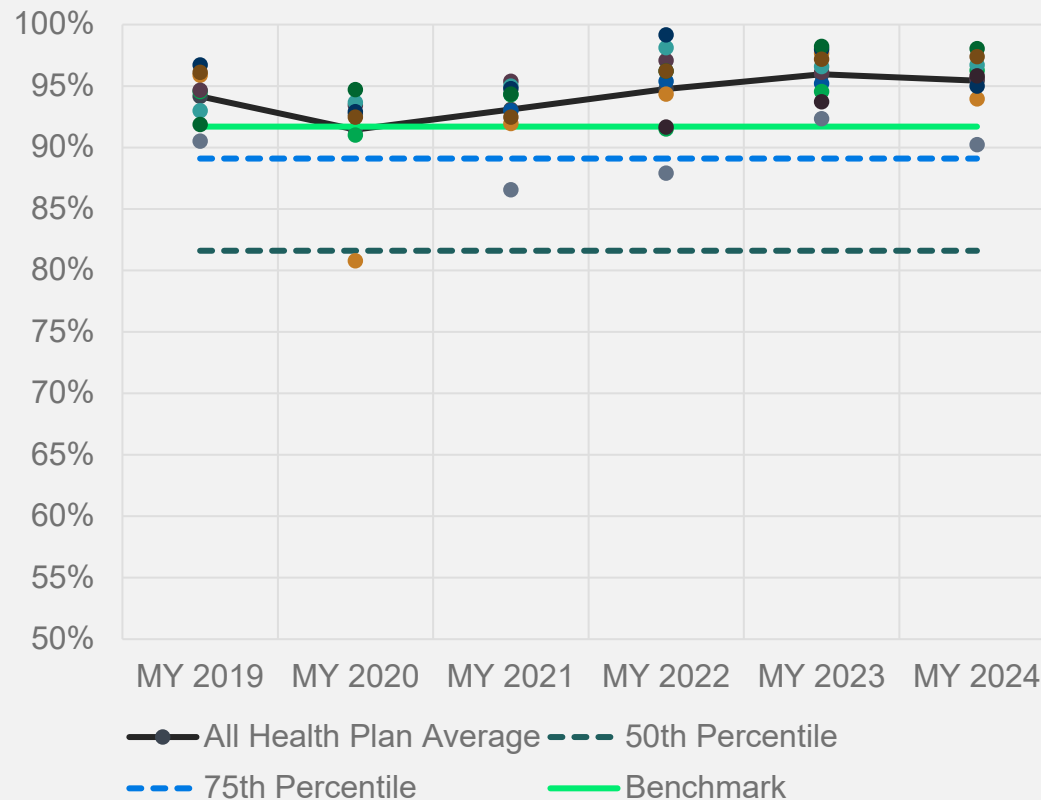
1. Asthma Medication Ratio
2. Avoidance of Antibiotic Treatment for Acute Bronchitis/Bronchiolitis
3. Coordination of Care
4. Engagement of Treatment for Substance Use Disorder
5. Immunizations for Adolescents Combo #2
6. Timeliness of Prenatal Care
7. Postpartum Care

Worsened Performance for Most Health Plans

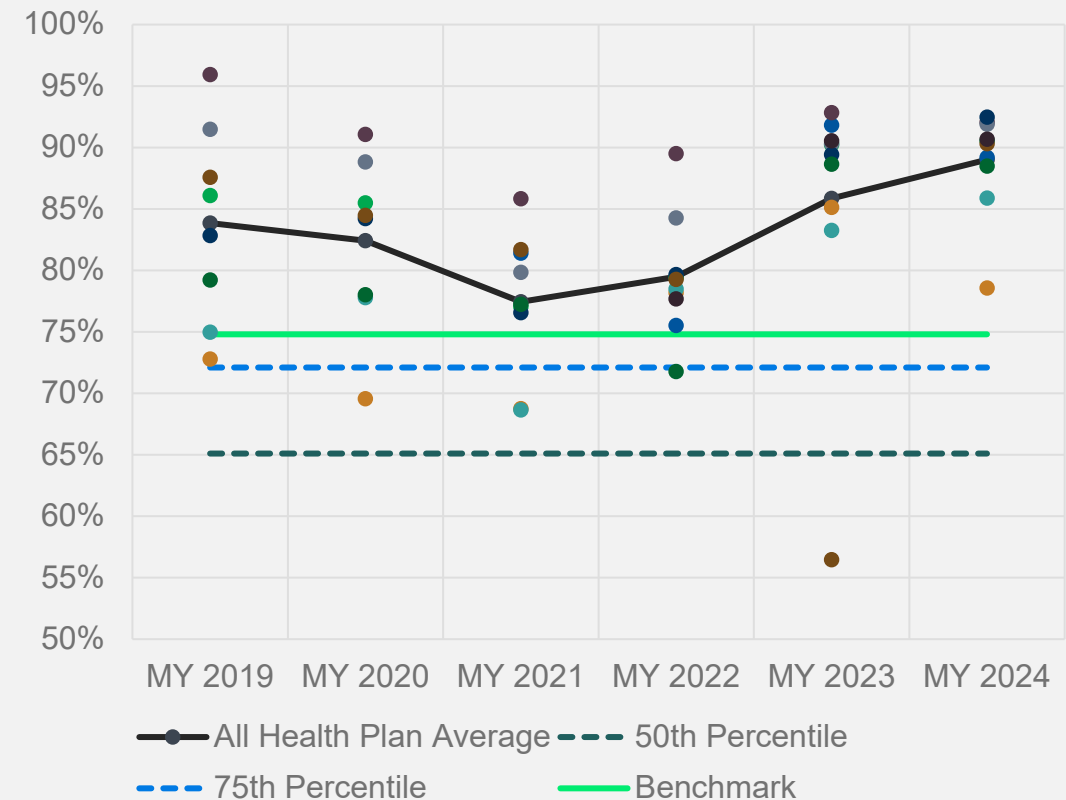
1. Cervical Cancer Screening
2. Colon Cancer Screening
3. Childhood Immunization Status Combo #3
4. Adult Flu Vaccination
5. Rating of Health Plan

Limited Opportunity for Growth

Postpartum Care



Appropriate Testing for Pharyngitis



Quality Credit Distribution



How Plans Use Credit



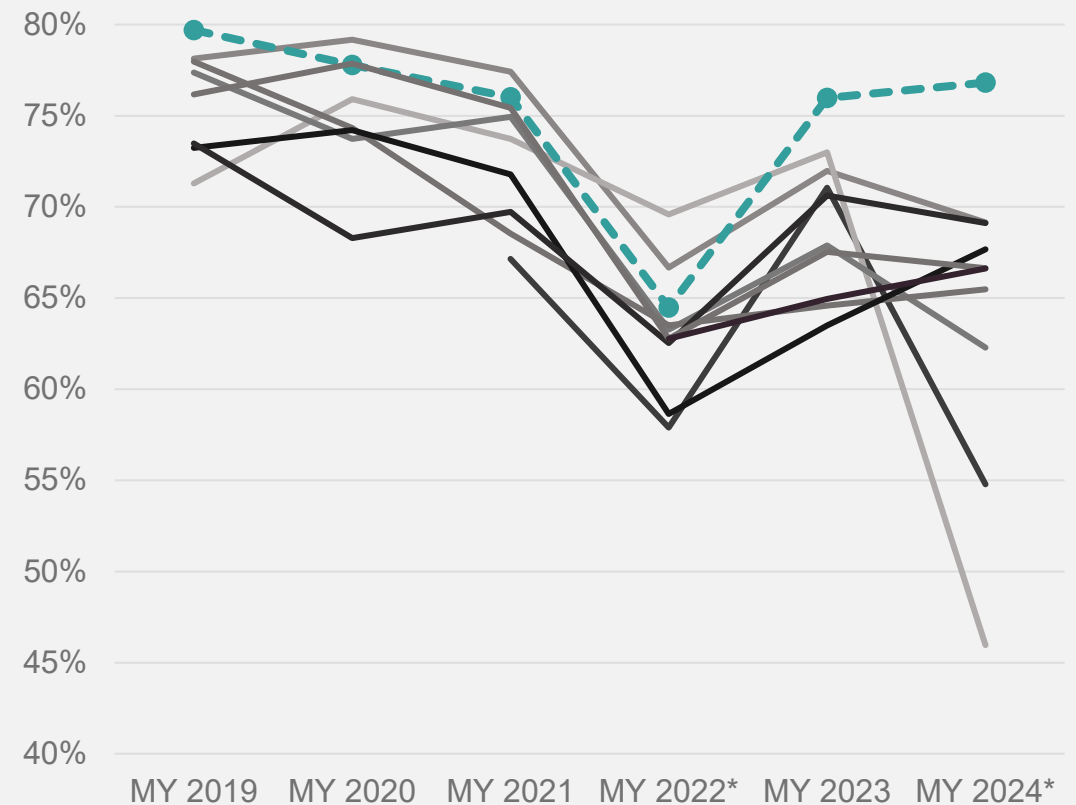
Improve medical loss ratio, contain costs, and/or lower premiums

Quality-related initiatives



Support quality-related staffing

Colon Cancer Screening Rate



Alternative Approaches

Performance
Guarantee

Reward Consistent,
High Performance

Narrow Focus

Align with National
or Federal
Programs

A photograph of a classroom scene with a teacher and several students. The teacher, a Black woman with curly hair, is standing and smiling, looking towards the students. Several students are seated at their desks, and many of them have their hands raised, indicating they want to ask a question or answer. The classroom has large windows in the background, and there are educational posters on the wall. The entire image is overlaid with a semi-transparent blue filter.

Questions?

Group Life Insurance Program Audit and Annual Reports



Item 6 - Group Insurance Board

Luis Caracas, Health Plan Policy Advisor and Accident and Life Insurance Program Manager
Office of Strategic Health Policy

Susan Munson-Regala, Vice President and Actuary
Hans Larsen, Actuarial Senior Consultant
Securian Financial



Action Item

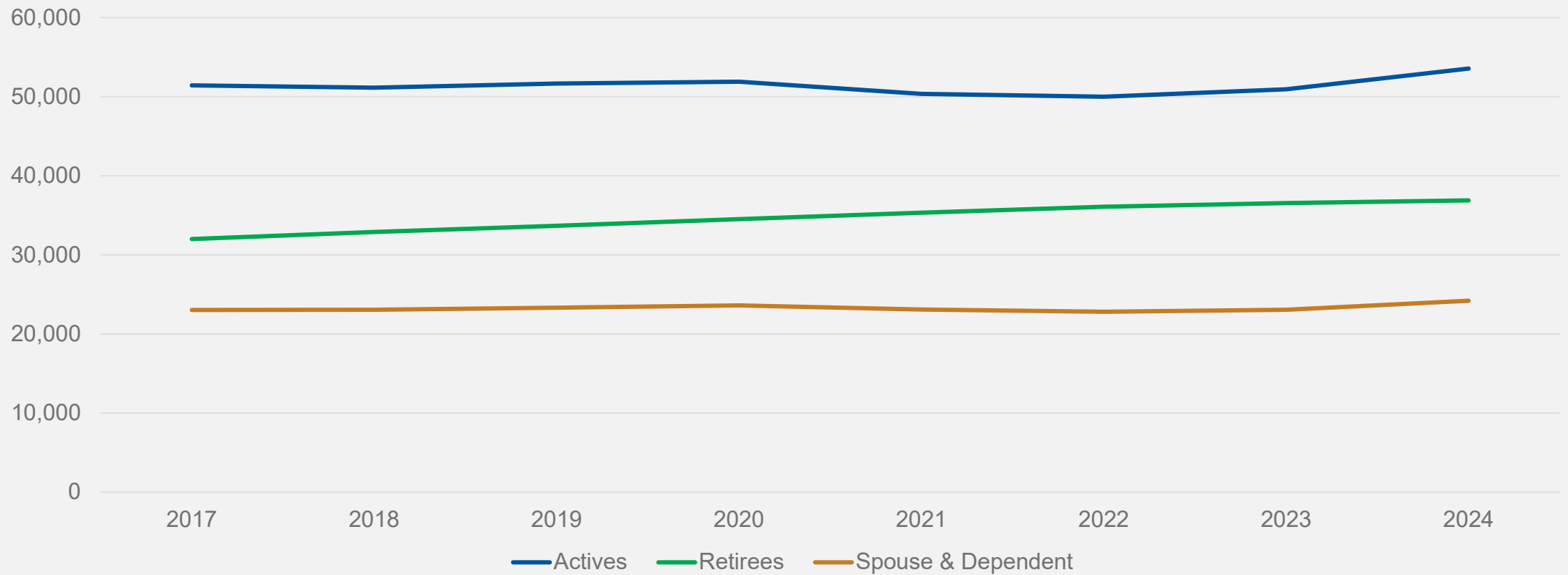
ETF requests the Board accept the annual Wisconsin Public Employers Group Life Insurance 2024 Policy Year Report by Securian Financial Group and approve a \$0.35 increase to the Local Plan - Spouse and Dependent Premium.

Enrollment and Valuation Trends



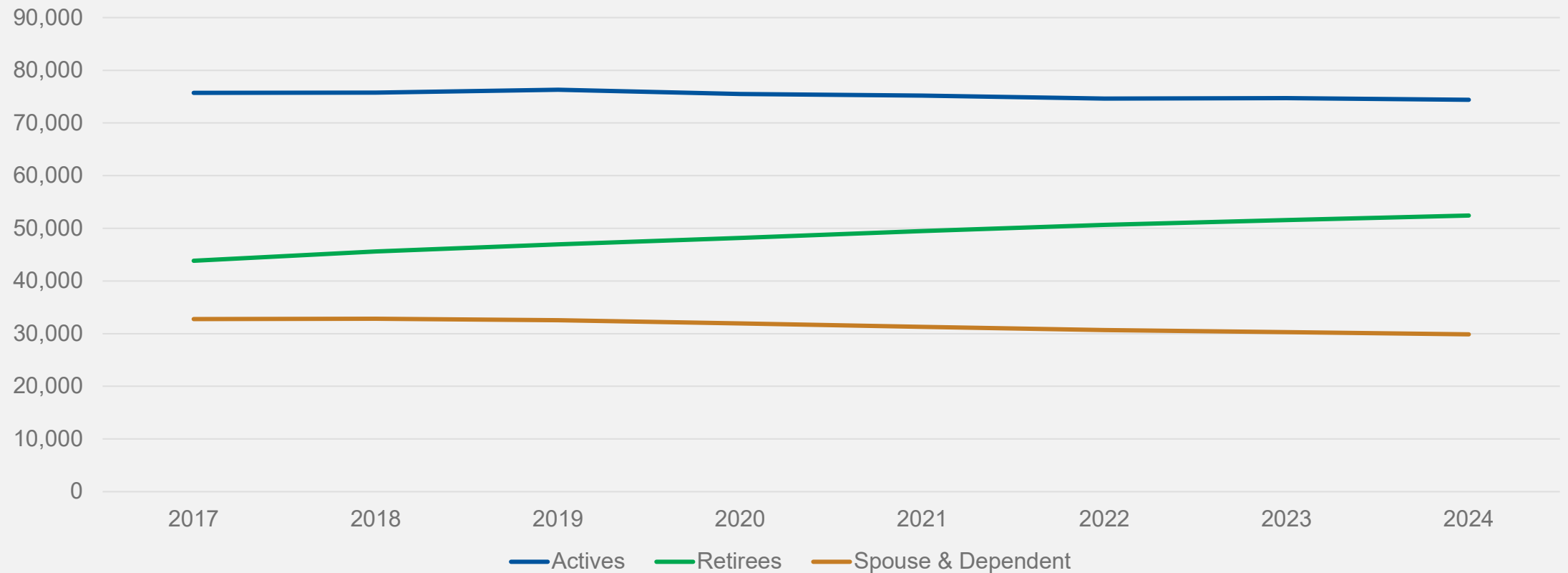
State Plan

Life Insurance Enrollment Plan Years 2017-2024



Local Plan

Life Insurance Enrollment Plan Years 2017-2024

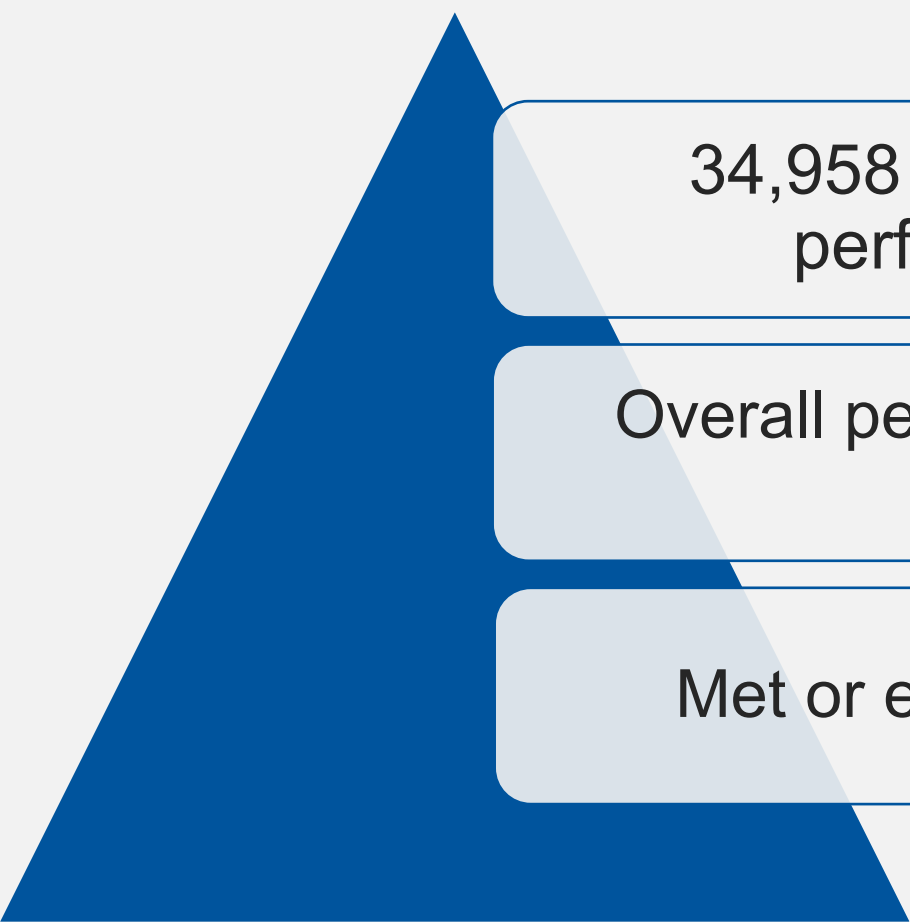


Group Life Insurance Valuation

ASSETS AS A PERCENTAGE OF NET LIABILITIES

Date	State Plan	Local
12/31/2024	94.7	105.7
12/31/2023	88.2	110.6
12/31/2022	88.5	105.8
12/31/2021	85.4	117.5
12/31/2020	96.5	108.0
12/31/2019	99.1	106.1
12/31/2018	74.3	115.7


2024 Performance Standards



34,958 transactions subject to
performance standards

Overall performance success rate of
99.89%

Met or exceeded all 9 standards

The background of the slide is a photograph of the Wisconsin State Capitol building. The building is a large, light-colored stone structure with a prominent central dome topped by a golden statue. The facade features numerous arched windows and classical columns. The sky is a clear, bright blue. The text is overlaid on the left side of the image.

Report to the Group Insurance Board of the State of Wisconsin

Securian Financial

Susan Munson-Regala

Vice President and Actuary

Hans Larsen

Actuary

August 13th, 2025

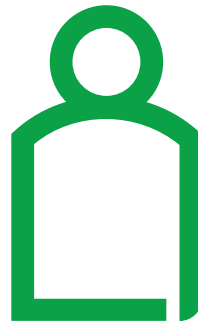


Group Life Insurance Program

State Plan and Local Government Plan Components



**Active
Employees**



Retirees



**Spouse &
Dependents**



2024 Policy Year Report Highlights

State Plan

Employees

- 2024 Claims lower than expected
- Recent three years' mortality experience at the expected level

Spouse & Dependent

- 2024 Claims in line with expectation
- Recent three years' experience in line with expectation as well
- Current reserve is higher than target; premium rates are set to draw down the reserve

Aviation AD Benefit

- Work-related accidental deaths
- No claims in 2024



2024 Policy Year Report Highlights

State Plan

Plan Growth

- Insurance in force increased 9.2% to \$15.1 billion
- More than 90,000 active and retired insured lives

Other Benefits

- Conversion of post retirement life insurance
- Pay health insurance or long-term care premiums
- 306 retirees utilized

Reserve Funds

- Funding of future benefits is at 94.7%
- Earned 3.23%
- Incorporates schedule of future premium rate increases approved in 2019

❁ Report to the Group Insurance Board

State Plan



Employee Life Insurance

Recommendation:

- No change to previously approved premium increase schedule
- Premium rates will increase according to schedule approved in 2019
 - Premium increases were implemented in order to maintain post-retirement benefit funding

Report to the Group Insurance Board

State Plan

Spouse and Dependents



Recommendation:

- No change to premium rate
- Current premium rate allows for gradual draw down of the stabilization reserve



2024 Policy Year Report Highlights

Local Government Plan

Employees

- 2024 Claims lower than expected
- Recent three years' experience better than expected as well

Spouse & Dependents

- 2024 Claims in line with expectation
- Recent three years' experience in line with expectation as well
- Plan is priced to draw down the reserve to the target level; the target has now been reached



2024 Policy Year Report Highlights

Local Government Plan

Plan Growth

- 764 local governments participate
- Insurance in force increased by 3.8% to \$14.4 Billion
- More than 126,000 active and retired insured lives

Other Benefits

- Conversion of post retirement life insurance
- Pay health insurance premiums
- 1 participant utilized

Reserve Funds

- Funding of future benefits is at 105.7%
- Earned 3.19%

Report to the Group Insurance Board

Local Government Plan

Employee Life Insurance

Recommendation:

- No change to premium rates in 2026
- Prudent to hold premium rates at current levels, consistent with valuation assumption



Report to the Group Insurance Board

Local Government Plan



Spouse and Dependents

Recommendation:

- Plan is currently priced to draw down reserve to the target level
 - The target has now been reached
- Increase premium rate from \$1.60 to \$1.95
- Sets the premium rate at the true cost of insurance

Rate Changes for 2026



State Plan

- Continue the employee premium rate increase schedule approved in 2019
- No premium rate changes for the Spouse & Dependent premium rate for 2026

Local Plan

- Spouse and dependent premium rate increase from \$1.60 per unit to \$1.95





Milliman Financial Audit Results

Pooling Charges

- Pooling is a risk mitigation tool for the life insurance plan
- Pooling margin has increased in recent years
- Driven by increase in pooled coverage and general mortality improvement
- As a result of Securian's review, 10% reduction to pooling charge rates for all coverages effective 1/1/2025

Disclosure Document

- Contains detailed disclosures related to the post-retirement funding, per the Actuarial Standards of Practice (ASOPs)
- Additional documentation that does not impact the valuation or the financial results
- Provided as a separate document to ETF



Questions?

Action Item

ETF requests the Board accept the annual Wisconsin Public Employers Group Life Insurance 2024 Policy Year Report by Securian Financial Group and approve a \$0.35 increase to the Local Plan - Spouse and Dependent Premium.

Pre-Tax Implementation Update

Item 7 – Group Insurance Board

Xiong Vang, HSA & ERA Accounts Program Manager

Office of Strategic Health Policy



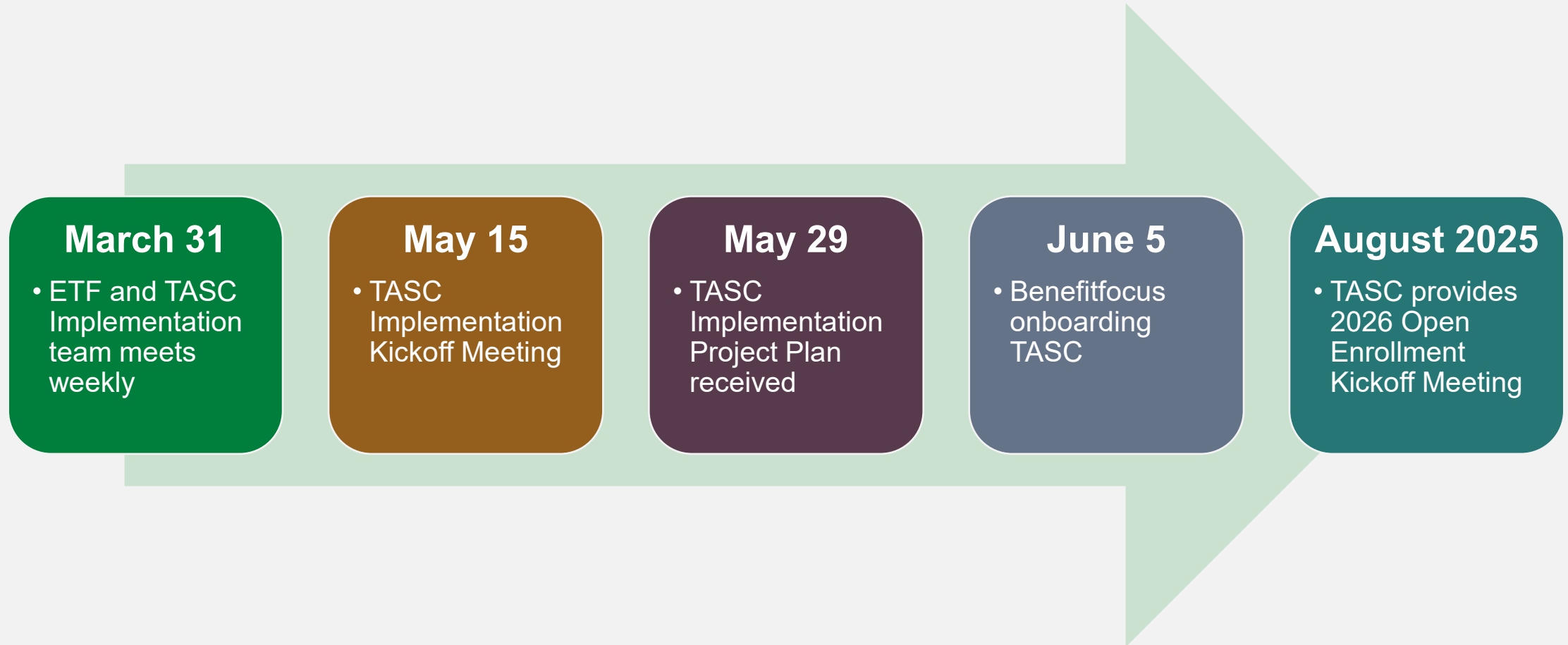
Informational Item Only

No Board action is required.

Contract Negotiation

- ETF and TASC teams started negotiation in early April 2025:
 - Health Savings Account (HSA) – ETD0052
 - Section 125 Cafeteria Plan, Employee Reimbursement Account (ERA), and Commuter Fringe Benefits (Section 125/ERA) – ETD0053
- Both contracts were signed on April 29, 2025:
 - Performance Standards and Guarantees (Implementation)
 - Additional Requirements (Reporting and Administrative Support for IAS)

TASC Implementation Timeline



TASC Implementation Project Plan

1

Phase I: Initiation

(Completed)

- Finalize and sign contracts
- Schedule and hold initial planning calls
- Conduct implementation kickoff meeting

2

Phase II: Planning

(In-progress)

- Collect employer contact information
- Set up benefit plan details
- Define implementation requirements
- Establish banking and financial setup

3

Phase III: Execution

(In-progress)

- Prepare and co-brand materials
- Communicate vendor transition
- Integrate TASC with Benefitfocus (UW)
- Conduct file testing

4

Phase IV: Closing

(Not started)

- Final wrap-up and project closure activities
- This phase is expected to begin mid-2026

Benefitfocus (TASC Implementation)

Completed Discovery session

Currently in User Acceptance Testing (internal and structure file testing)

TASC continue to adhere to current existing file specs

File Specification Testing

Table 1: Go-live January 1, 2026

TASC File Testing with Benefitfocus and Payroll Centers

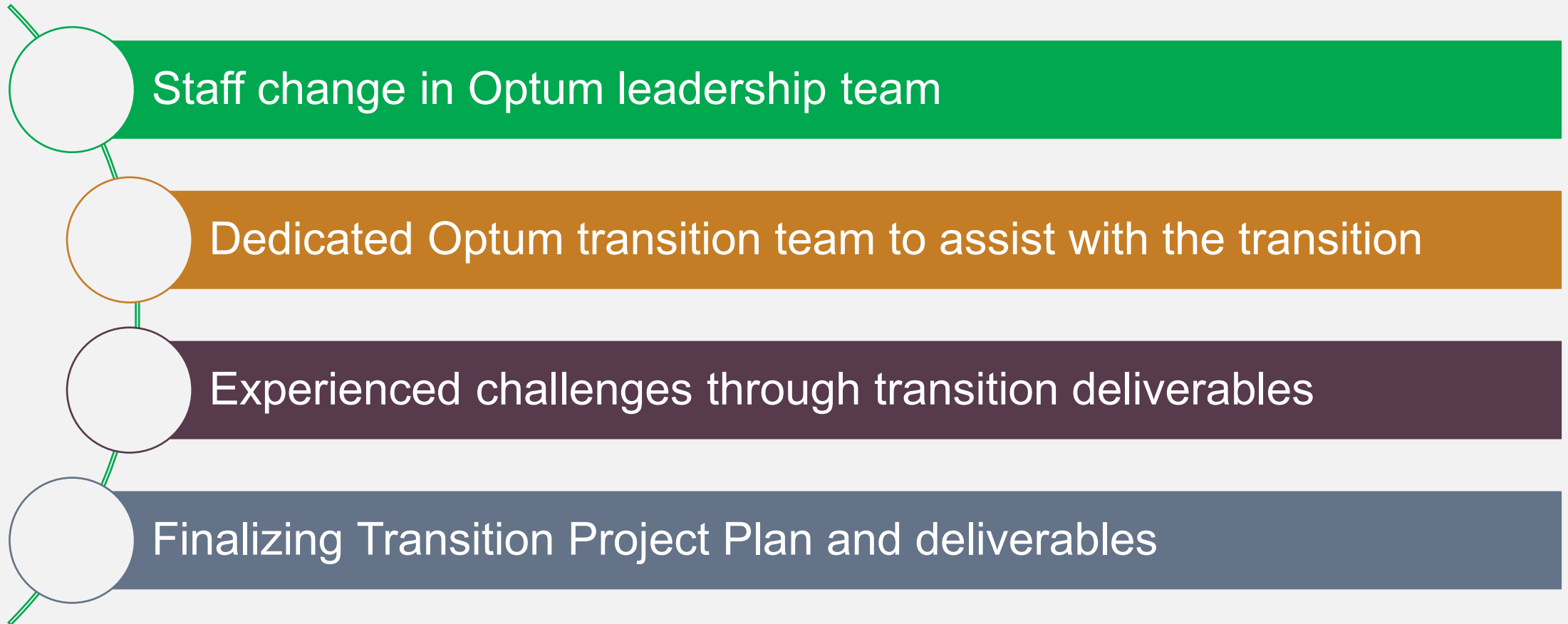
	Benefitfocus (UW)	Payroll Centers
Census File	X	X
Enrollment File	X	X
Contribution File		X

Table 2: Post Go-live TBD, 2026

TASC File Testing with Benefitfocus to Onboard Remaining Payroll Center

	Benefitfocus (Remaining Payroll Centers)
Census File	X
Enrollment File	X
Contribution File	

Optum Transition

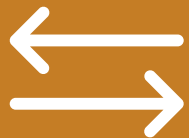


Optum Transition Challenges



Communication Delay

- Optum will send a vendor transition notice



Employee Reimbursement Account (ERA) Rollover

- Batch 1: Finalized by mid-April 2026
- Batch 2: FSA claims with payroll withholding roll over to TASC by mid-May 2026



HSA Assets Transfer

- HSA bulk transfer versus individual transfer
- More details to come from TASC

Communication Strategy

ETF Communication

Enrollment and
education materials

ETF website, Decision
Guide, Open Enrollment

Send notifications (E-
alerts, newsletter, etc.)

Optum Communication

Vendor Transition Notice
(August)

Claims substantiation
(Nov-Dec)

TASC Communication

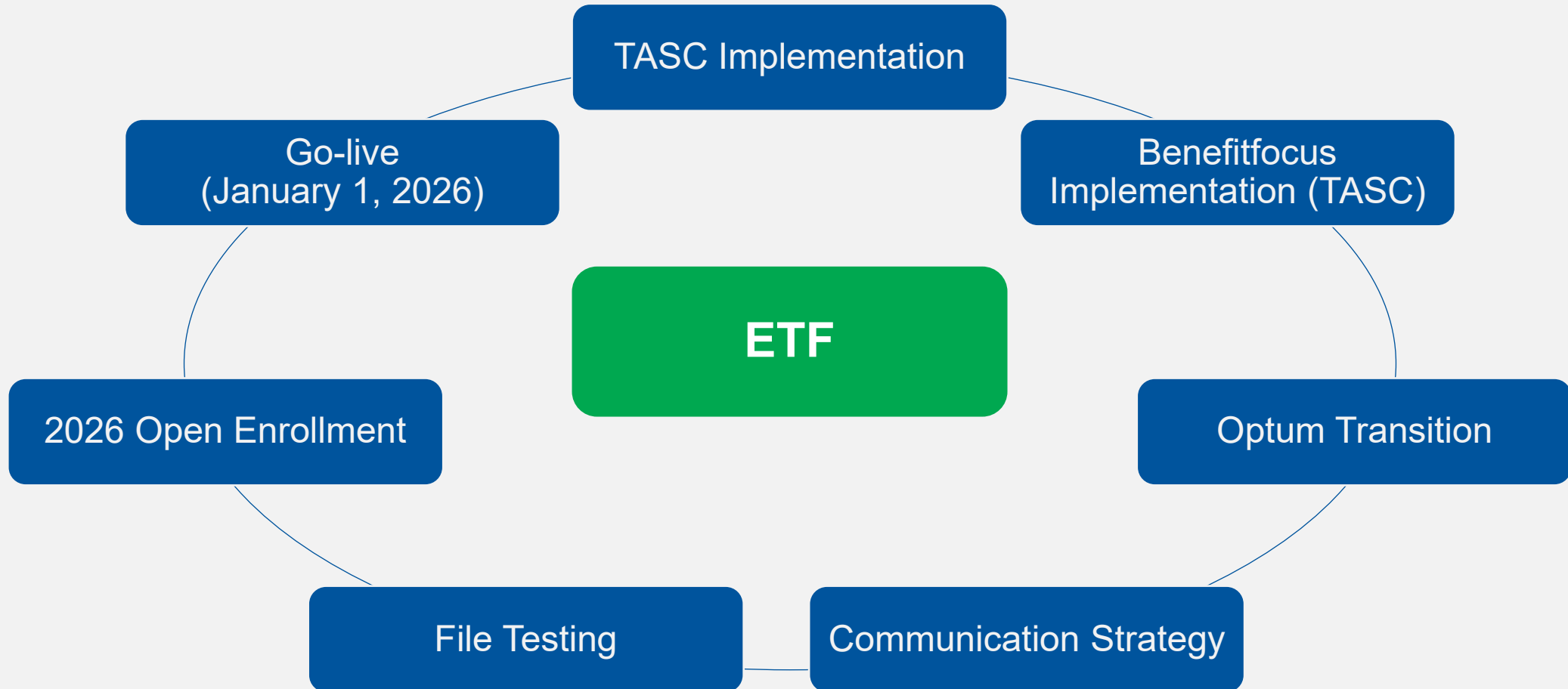
New Administrator
Notice (August)

New microsite
(September)

Open Enrollment
(October)

HSA Transfer Reminder
(Oct-Dec)

ETF Next Steps



Conclusion



TASC and
Benefitfocus
implementation
going as expected



Communications
expected to go
between August-
December



Preparation for 2026
Open Enrollment



The background of the slide is a dark blue gradient with a bokeh effect. It features numerous out-of-focus circles in shades of blue and purple, scattered across the frame, creating a soft, abstract pattern.

Questions?

Insurance Administration System Update

Item 8 – Group Insurance Board

Michelle Baxter, Director
Office of Enterprise Initiatives



Informational Item Only

No Board action is required.

Agenda

- UW Launch
- UW Support
- Timeline
- Next Steps

UW Launch



Successful Launch



99+% of UW's demographic, eligibility, and enrollment was successfully converted through automation to My Insurance Benefits.

UW Statistics

Unique Users
2,135

Total Sessions
4,462

Census

- 45,821 Total Employees
- 41,500 Total Dependents
- 87,321 Total

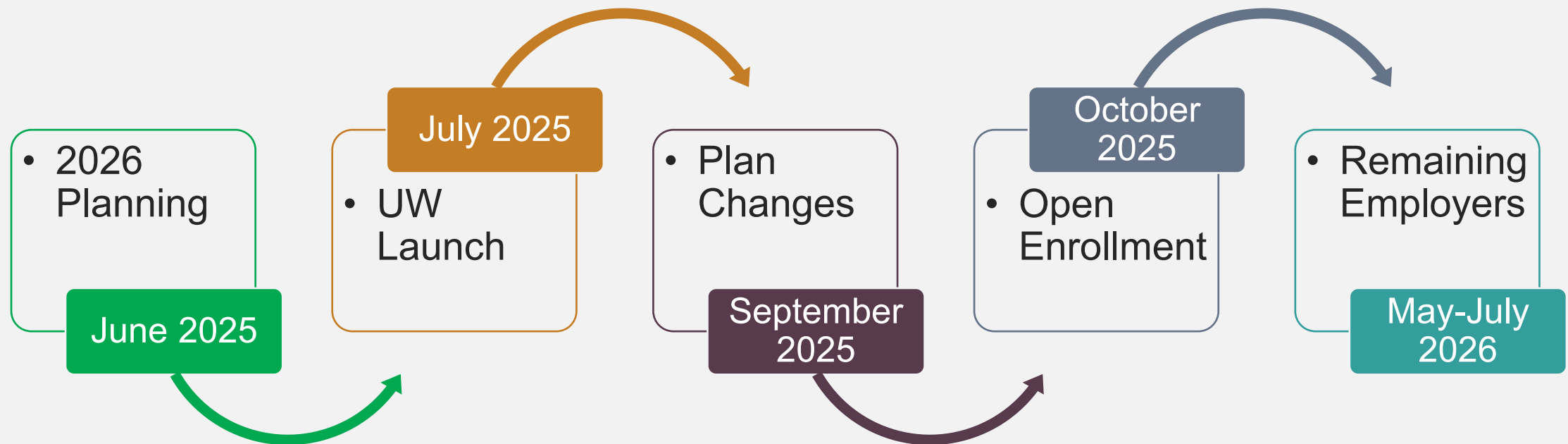
As of 8/08/2025

Support

Issue Priority	Resolved	Pending	Total	Average Response Time	Average Resolution Time
High	35	2	37	2.2 Minutes	1.2 Days
Medium	42	6	48		3.7 Days
Low	51	3	54		4.0 Days
Totals	128	11	139		

As of 8/08/2025

Insurance Administration System



Next Steps

- Complete Cycle 5 end-to-end testing.
- Finalize replanning efforts for the remainder of work in coordination with Benefit Focus, Employers and Vendors.
- Continue new vendor onboarding activities for TASC and MetLife.

A photograph of a family of four outdoors. A man with grey hair and a mustache, wearing a dark sweater over a blue and white checkered shirt, is smiling and looking towards the right. A young girl with dark hair, wearing a pink shirt, is hugging him from behind. To the right, a woman with short grey hair, wearing a red jacket over a patterned top, is smiling and looking towards the left. A young boy with dark hair, wearing a blue and orange striped shirt, is hugging her from behind. The background is a blurred green landscape. The entire image has a semi-transparent blue overlay. The word "Questions?" is written in large, white, sans-serif font across the bottom center of the image.

Questions?

Operational Updates

Items 9A-9N – Memos Only



Tentative November 2025 Agenda

Item 10 – Memo Only

Renee Walk, Director

Office of Strategic Health Policy



Move to Closed Session



Item 11 - No Memo



Action Needed

- The Board may meet in closed session pursuant to the exemption contained in Wis. Stat. § 19.85 (1) (a) for quasi-judicial deliberations. If a closed session is held, the Board may vote to reconvene into 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 Appeal Deliberated During Closed Session

Item 14 – No Memo

Herschel Day, Chair

Group Insurance Board



Adjournment



Item 15 – No Memo

