State of Wisconsin Group Insurance Board
Department of Employee Trust Funds

Benchmarking Study

November 12, 2025

Segal Consulting

Background

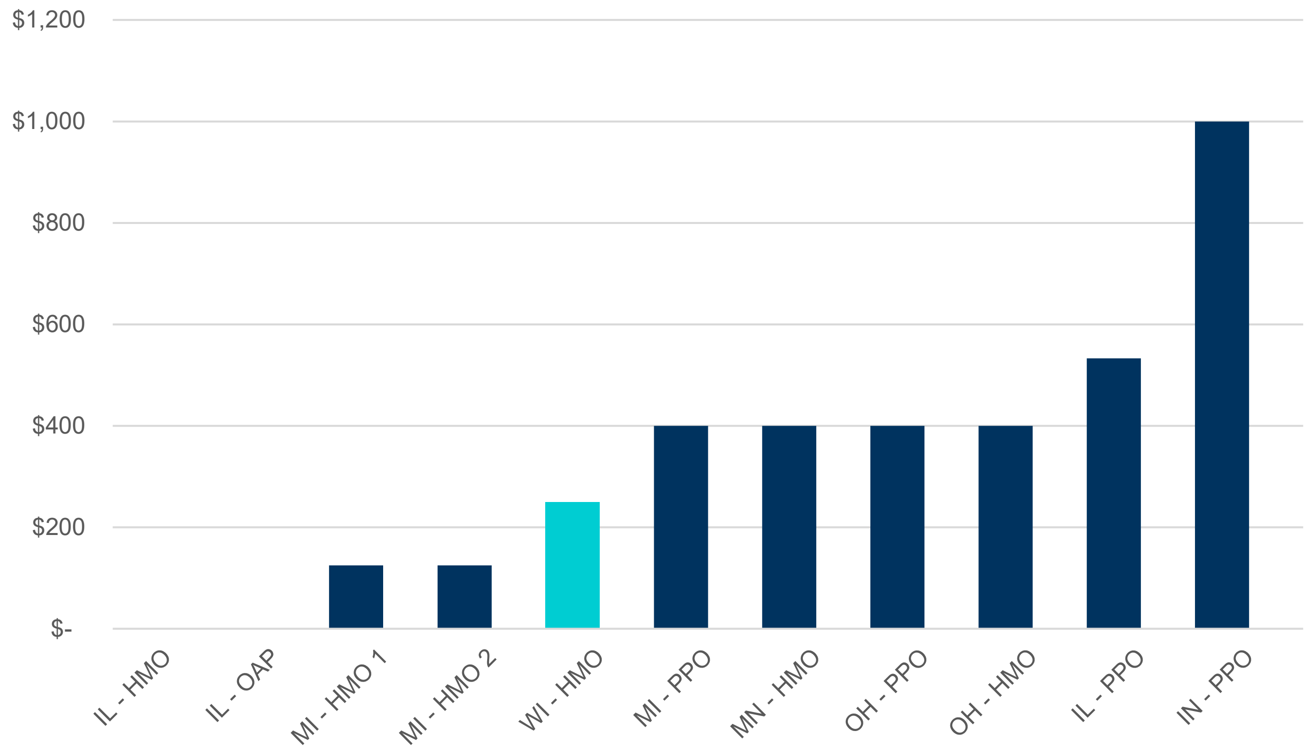
- Wisconsin's health plan features were compared to neighboring state health plans.
  - State IYC Health Plan was compared against non-HDHPs.
  - State IYC HDHP was compared against other HDHPs.
- Benchmark States:
  - Illinois
  - Indiana
  - Michigan
  - Minnesota
  - Ohio
- Medical and Pharmacy benefits, premium rates and member contributions were used in the comparison.
- Data collected:
  - Plan type (PPO, HMO, HDHP, etc.)
  - Plan Designs (Deductibles, Maximum out-of-pocket limits, copays, etc.)
  - Monthly Rates (Total costs/premiums, and employee/state cost share)
- Benchmarked ETF State plans against Wisconsin Exchange too.
- Data is for plan year 2025 across the board.

State Plan Abbreviations

State	Plan Name	Abreviation
Wisconsin	IYC Health Plan	WI - HMO
Wisconsin	IYC HDHP	WI - HDHP
Illinois	HMO Illinois	IL - HMO
Illinois	Aetna OAP Tier 1	IL - OAP
Illinois	Consumer Driven Health Plan	IL - HDHP
Illinois	Quality Care Health Plan	IL - PPO
Indiana	Indiana CDHP - 1 Tier 1	IN - HDHP 1
Indiana	Indiana CDHP - 2 Tier 1	IN - HDHP 2
Indiana	Indiana Traditional Tier 1	IN - PPO
Michigan	Michigan PPO	MI - PPO
Michigan	Michigan HDHP	MI - HDHP
Michigan	Michigan BCN HMO	MI - HMO 1
Michigan	Michigan HAP HMO	MI - HMO 2
Minnesota	Minnesota Advantage CL 2	MN - HMO
Minnesota	Minnesota HDHP CL 2	MN - HDHP
Ohio	Ohio MMO HDHP	OH - HDHP
Ohio	Ohio MMO PPO	OH - PPO
Ohio	Ohio MMO Select	OH - HMO

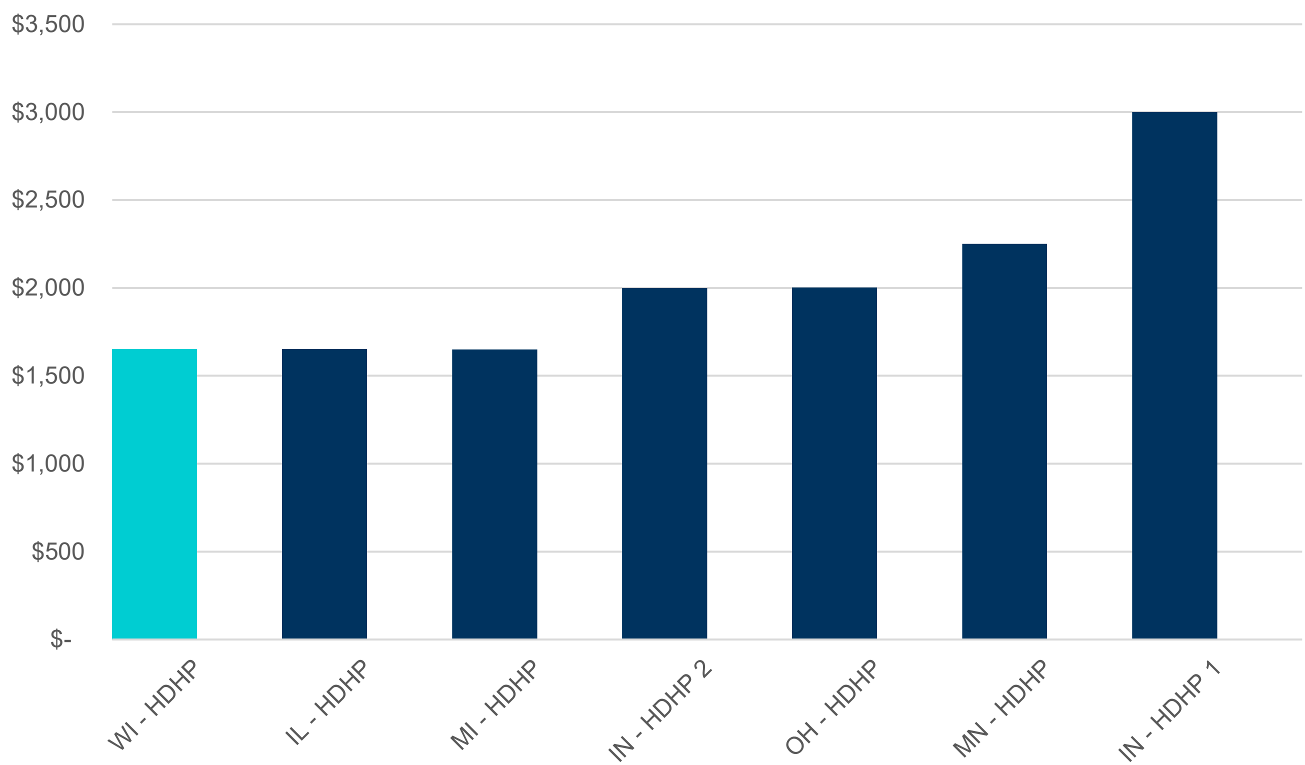
Single Deductible (Non-HDHP)

- Wisconsin's single deductible for the HMO plan is on the lower end for Non-HDHP plans.
- For the following plans, prescription drugs are subject to a deductible:
  - IL HMO and IL OAP have a $150 deductible for prescription drugs.
  - IL PPO has a $175 deductible for prescription drugs.
  - IN PPO has medical and prescription drug deductible combined.



Single Deductible (HDHP)

- Wisconsin's single deductible for the HDHP plan is tied for the lowest for the benchmark among HDHP plans.
- All HDHP plans in the benchmark have a combined medical and prescription drug deductible.



Family Deductible (Non-HDHP)

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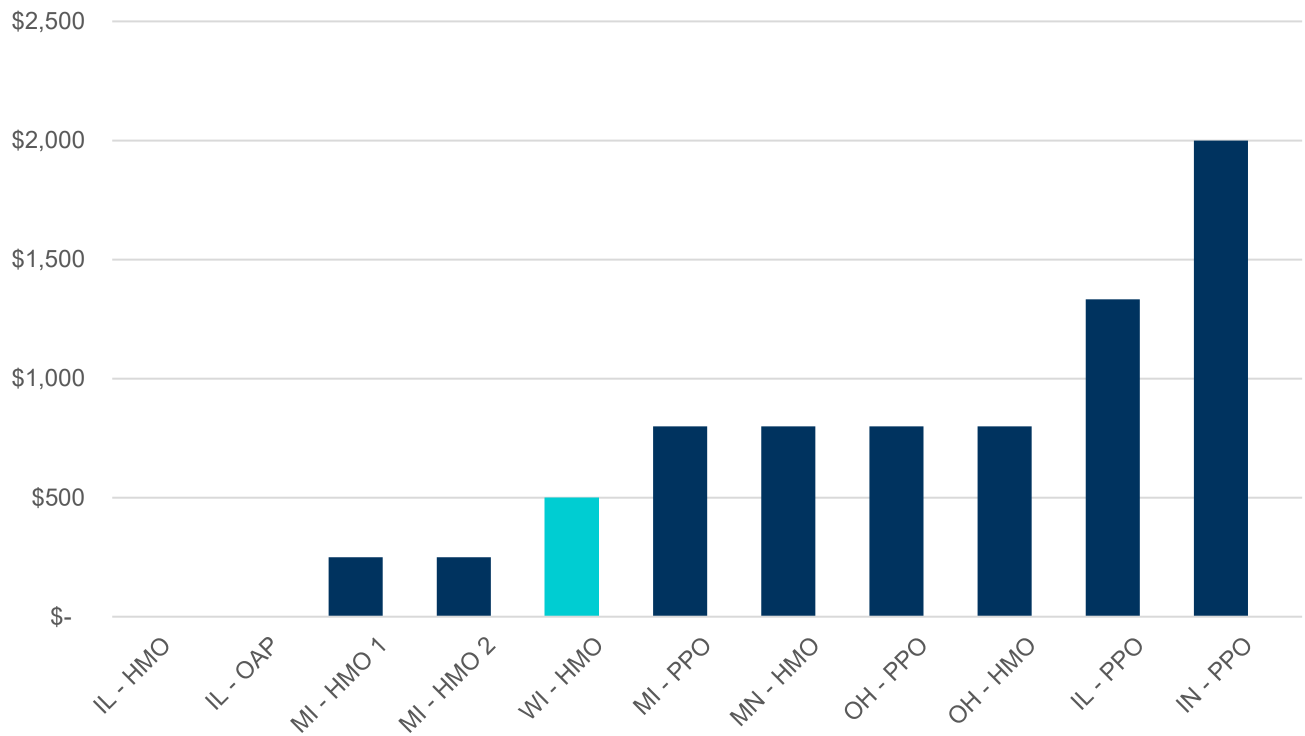

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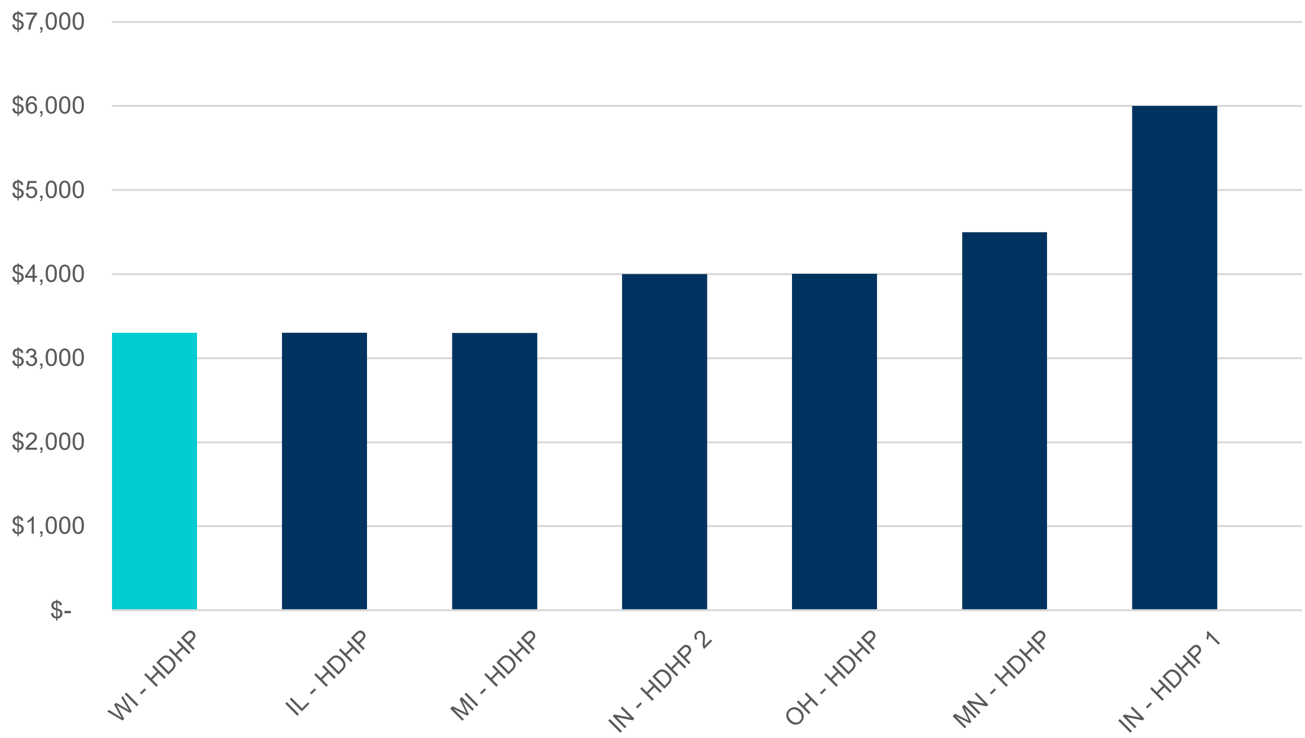
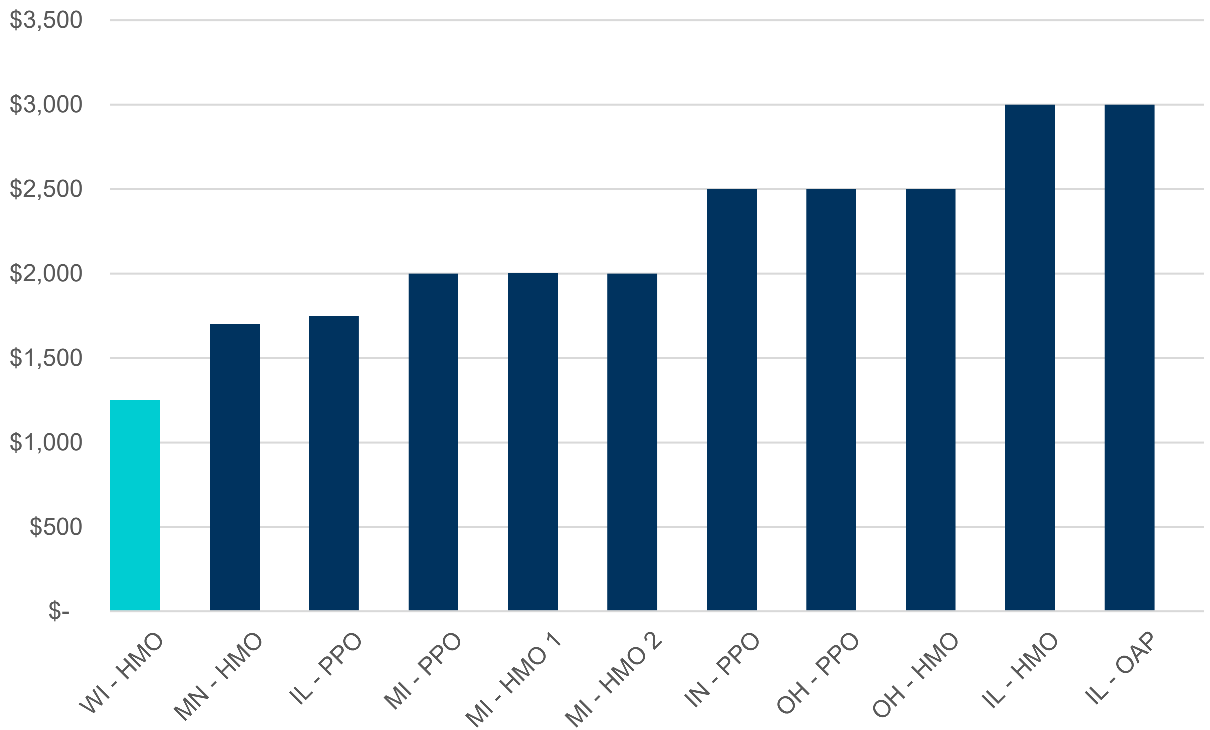


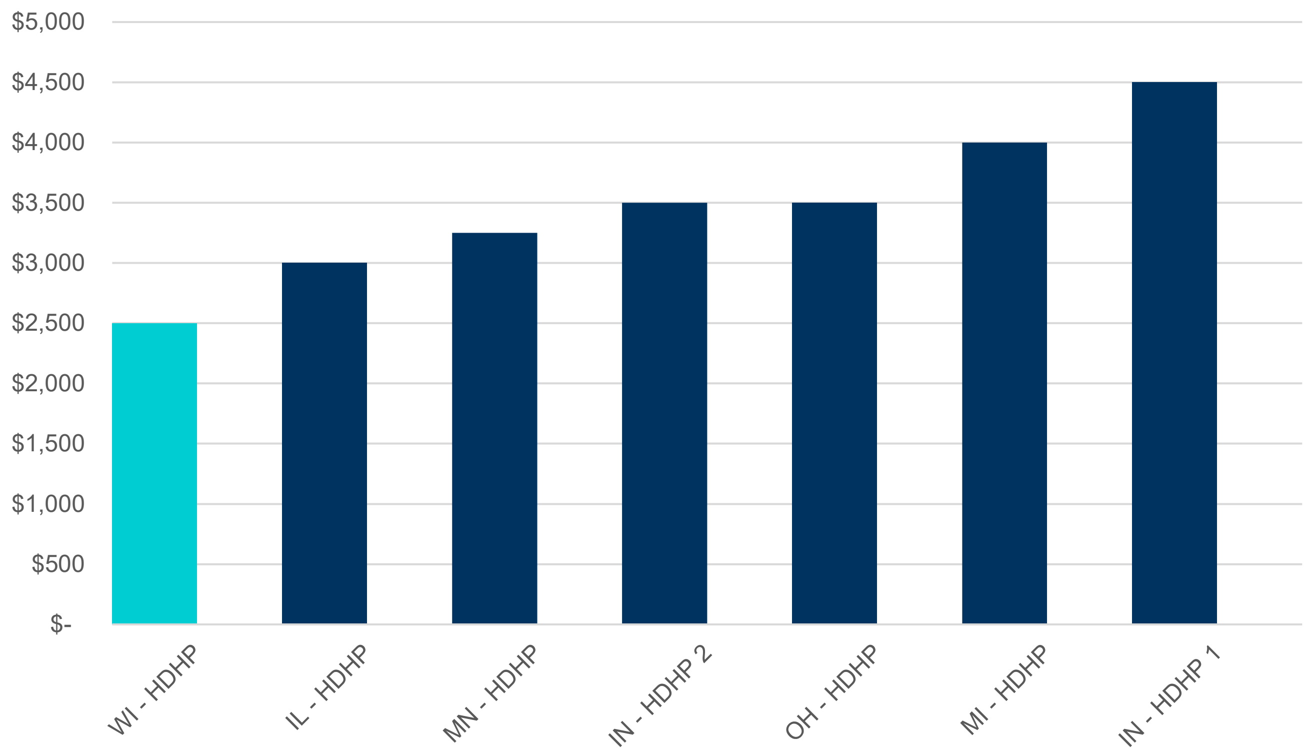
Single Maximum Out-of-Pocket (MOOP) (Non-HDHP)

- Wisconsin's HMO plan has the lowest single MOOP in the benchmark among Non-HDHP plans.
- All benchmark plans have a combined MOOP with medical and prescription drugs except those listed below.
  - WI HMO: $600 for Rx Tiers 1 & 2, and $9,200 for Tiers 3 &4.
  - MN HMO: $1,050 for Rx.
  - OH PPO and OH HMO: $3,500 for Rx.



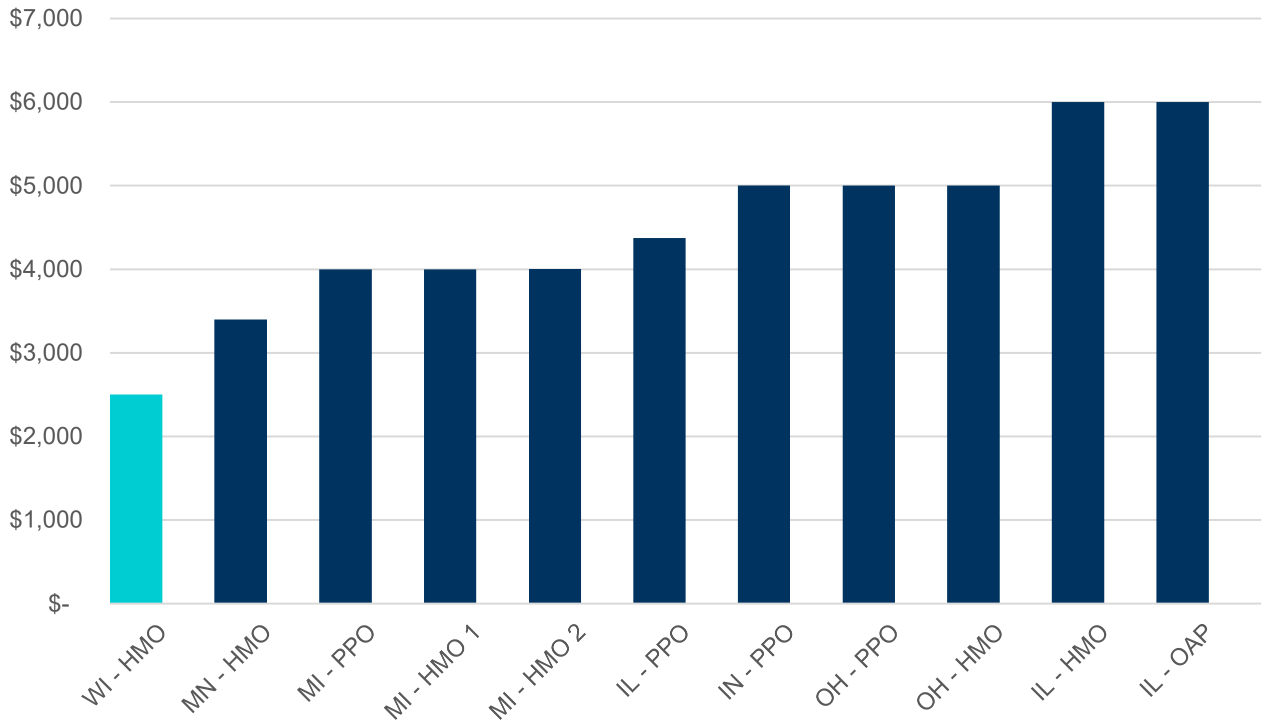
Single Maximum Out-of-Pocket (HDHP)

- Wisconsin's HDHP has the lowest single MOOP in the benchmark for HDHP plans.
- All HDHP plans in the benchmark have a combined MOOP for medical and prescription drugs.



Family Maximum Out-of-Pocket (Non-HDHP)

- Wisconsin's HMO plan has the lowest family MOOP in the benchmark among Non-HDHP plans.
- All benchmark plans have a combined MOOP with medical and prescription drugs except those listed below.
  - WI HMO: $1,200 for Rx Tiers 1 & 2, and $18,400 for Tiers 3 &4.
  - MN HMO: $2,100 for Rx.
  - OH PPO and OH HMO: $7,000 for Rx.



Family Maximum Out-of-Pocket (HDHP)

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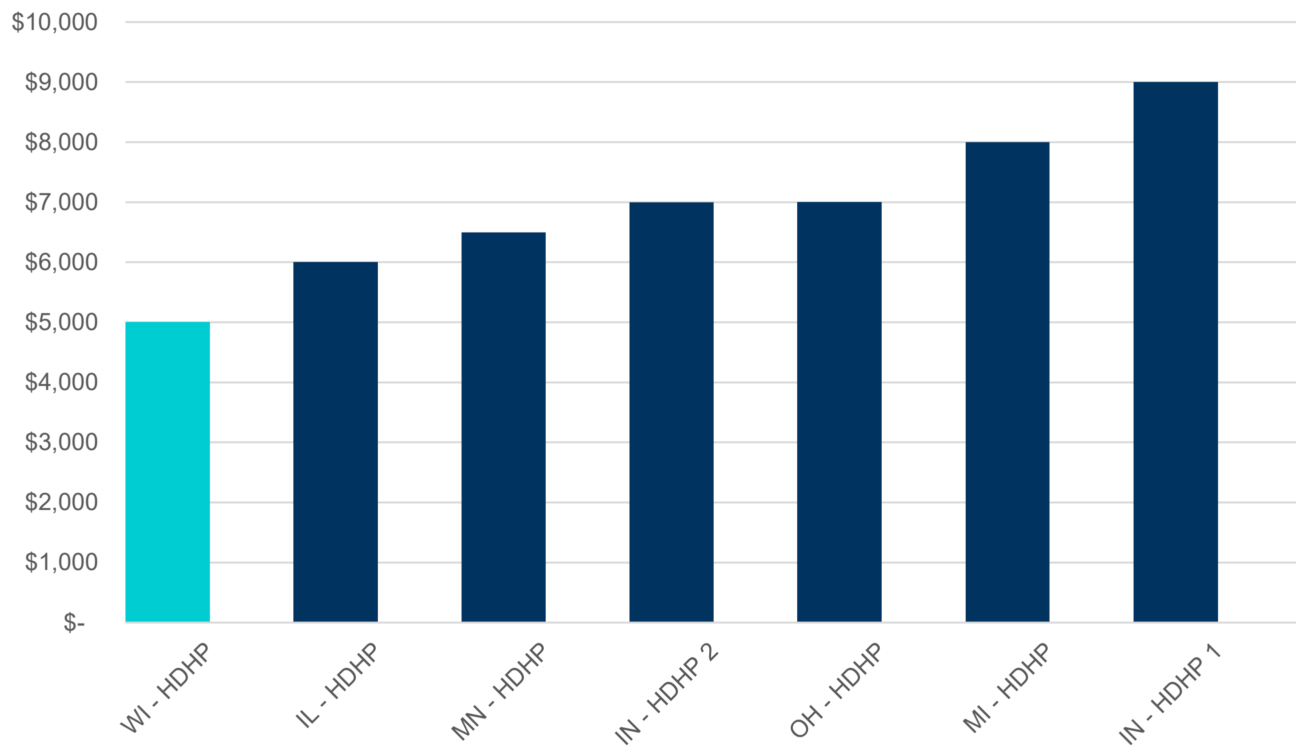
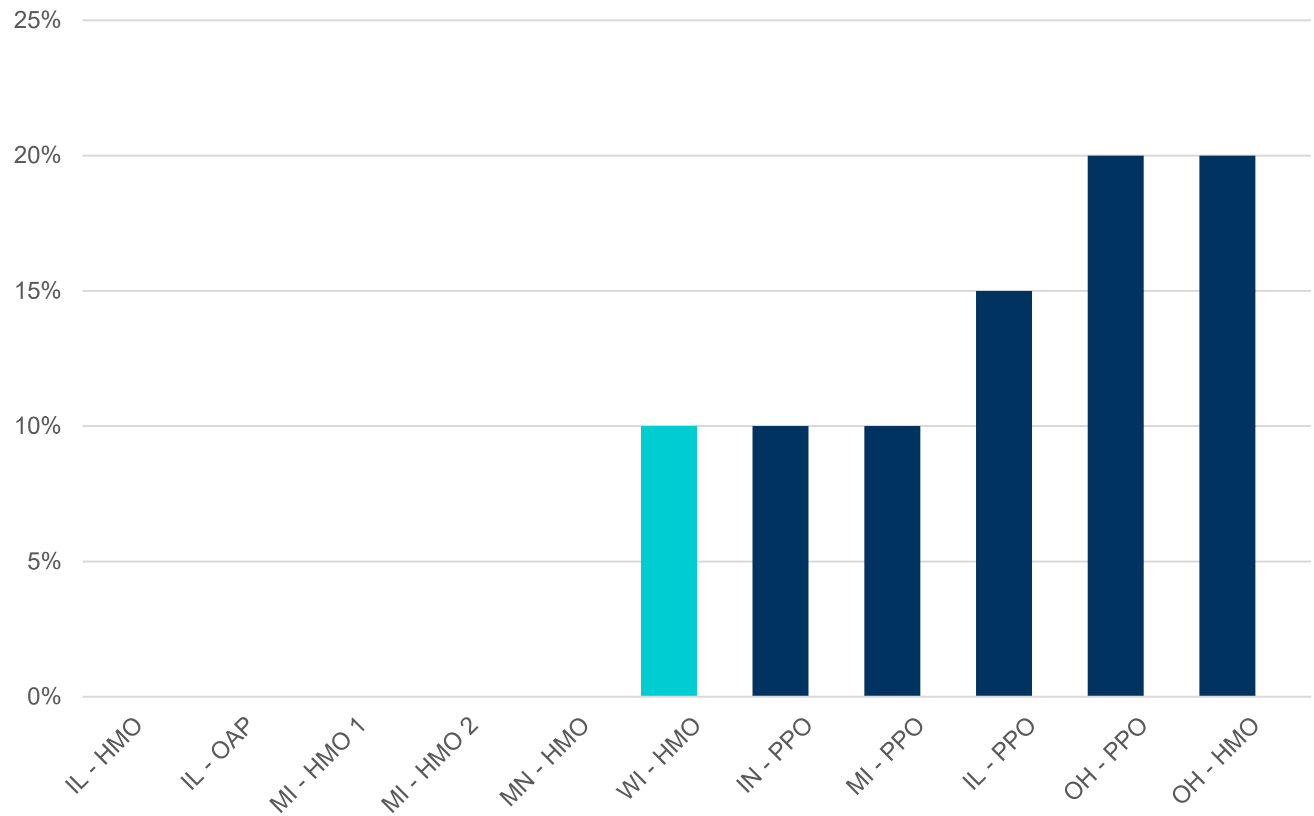


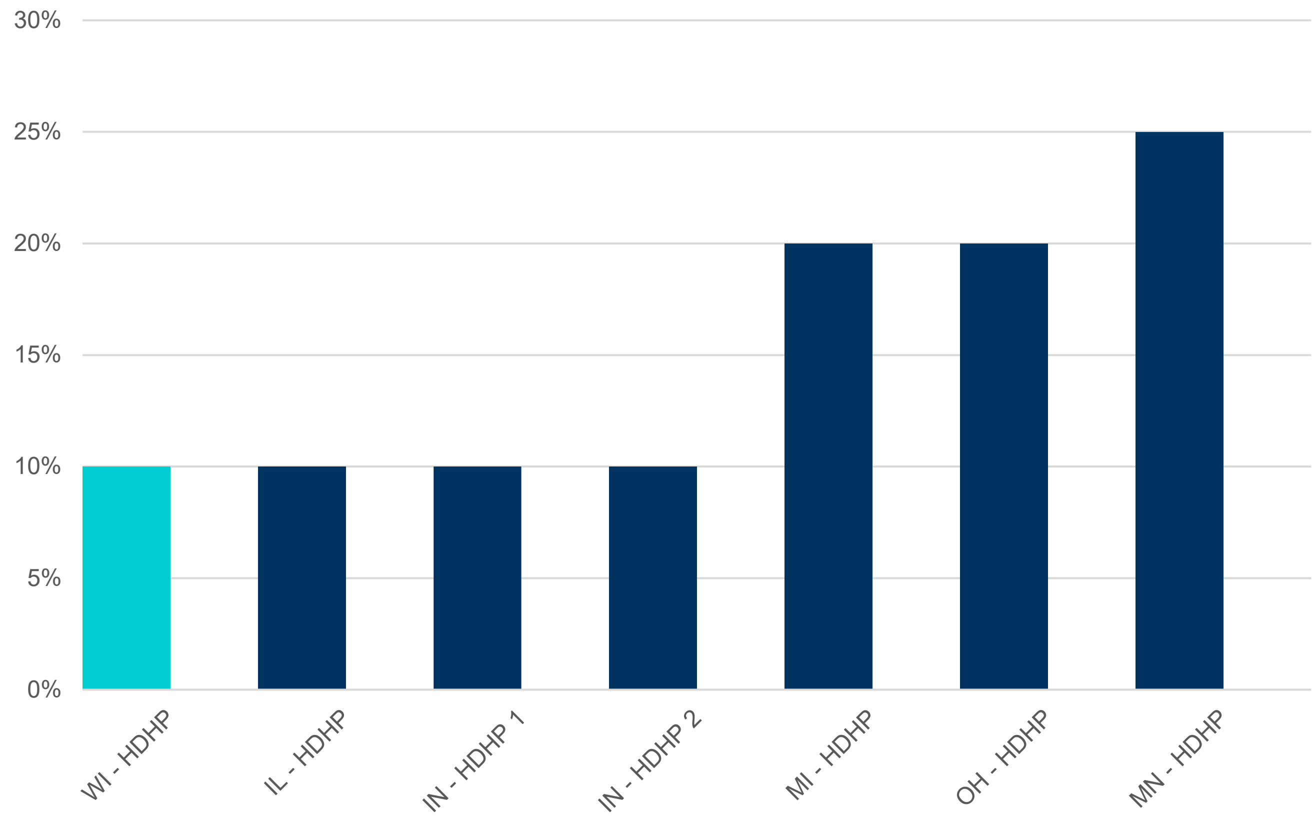
Coinsurance (Non-HDHP)

- Wisconsin's HMO plan has equal coinsurance to the lowest of the Non-HDHP plans in the benchmark that have a coinsurance. The plans with 0% coinsurance use strictly copays.



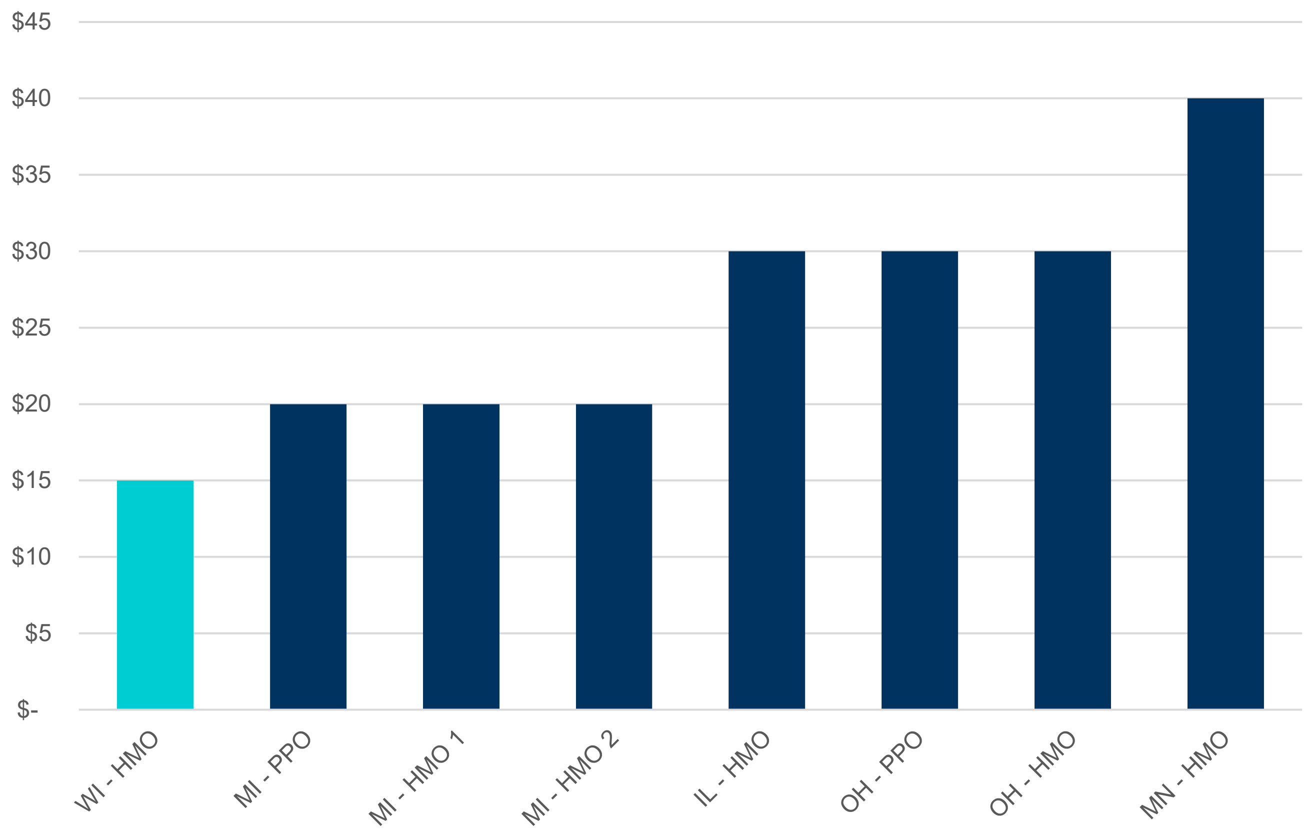
Coinsurance (HDHP)

- Wisconsin's HDHP is equal to the lowest coinsurance in the benchmark HDHP's.



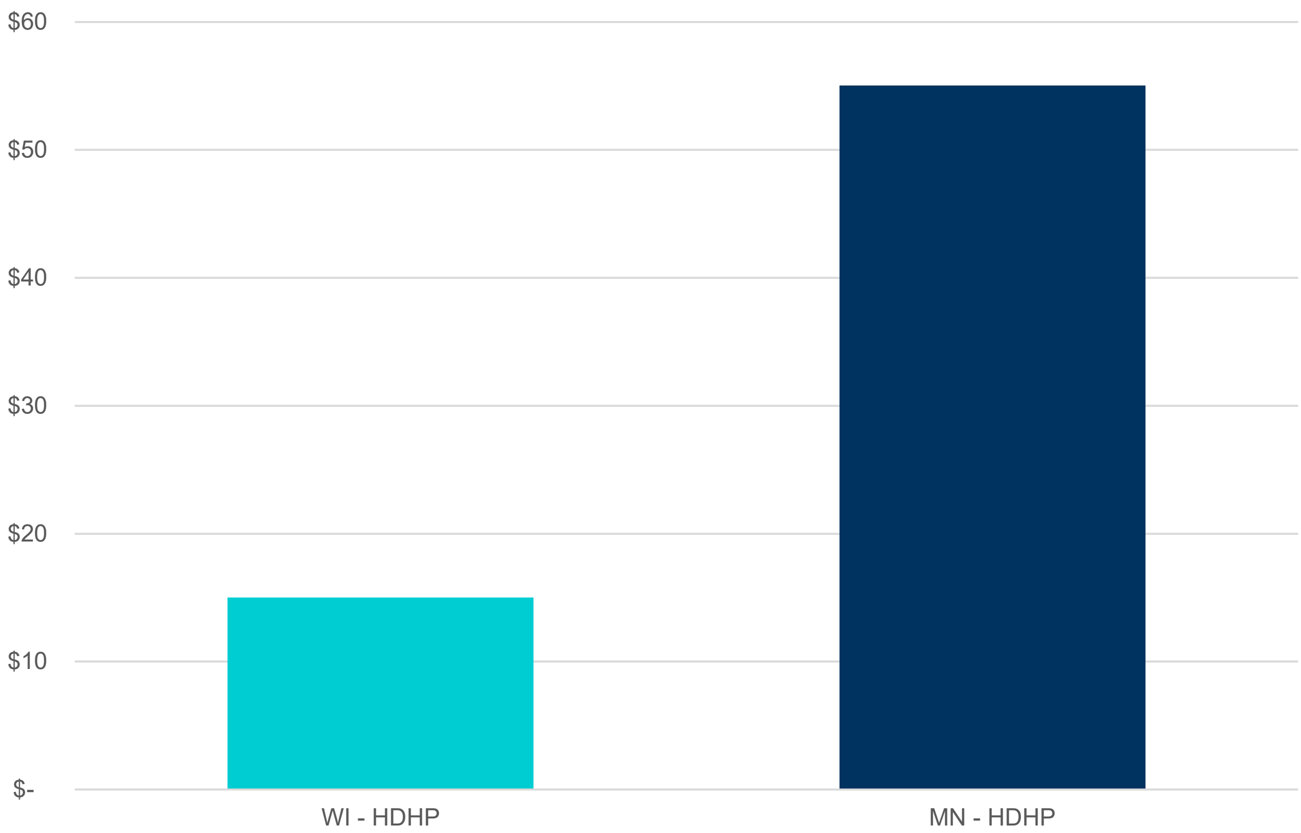
Primary Care Physician Copay (Non-HDHP)

- Wisconsin's HMO plan has the lowest PCP copay compared to the other Non-HDHP plans.



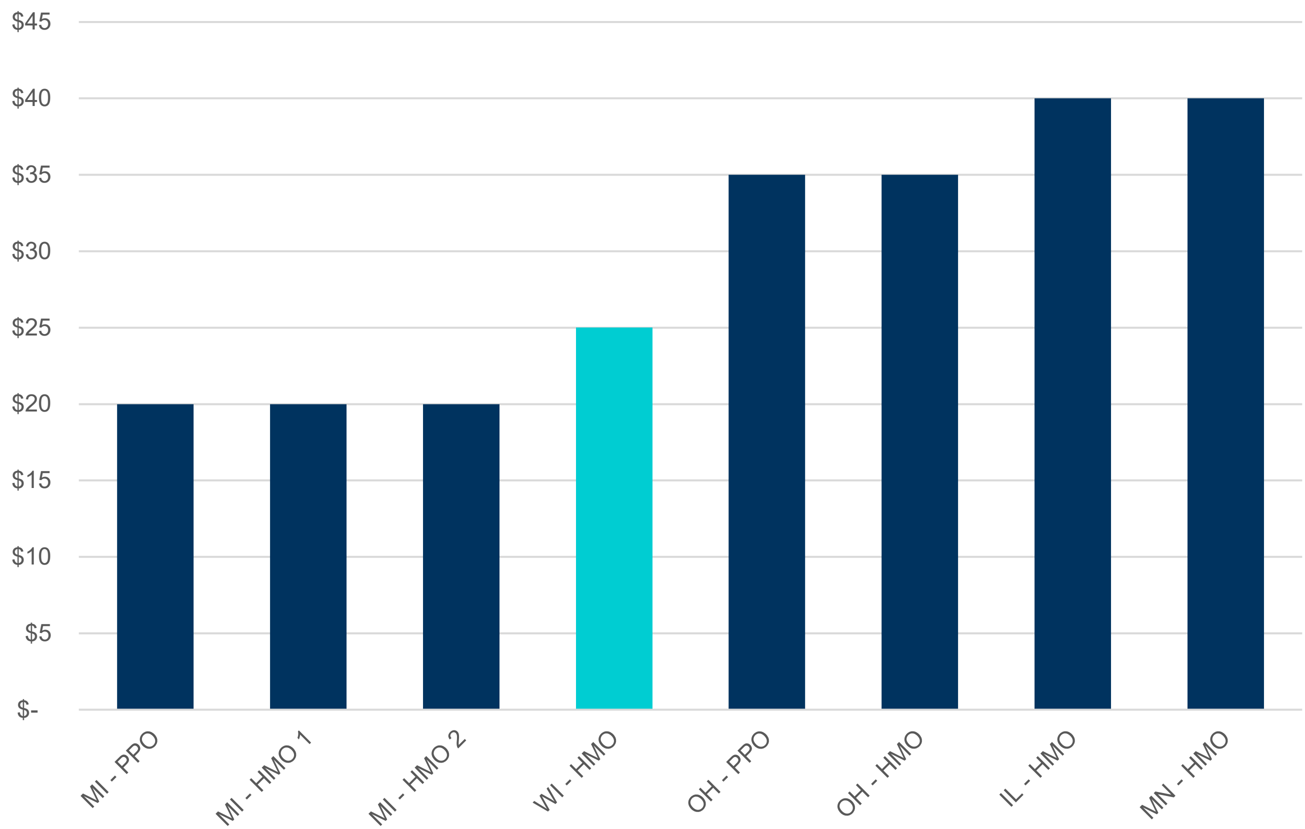
Primary Care Physician Copay (HDHP)

- The only other HDHP plan in the benchmark that has a PCP copay is Minnesota. All other HDHPs use coinsurance instead of copays.



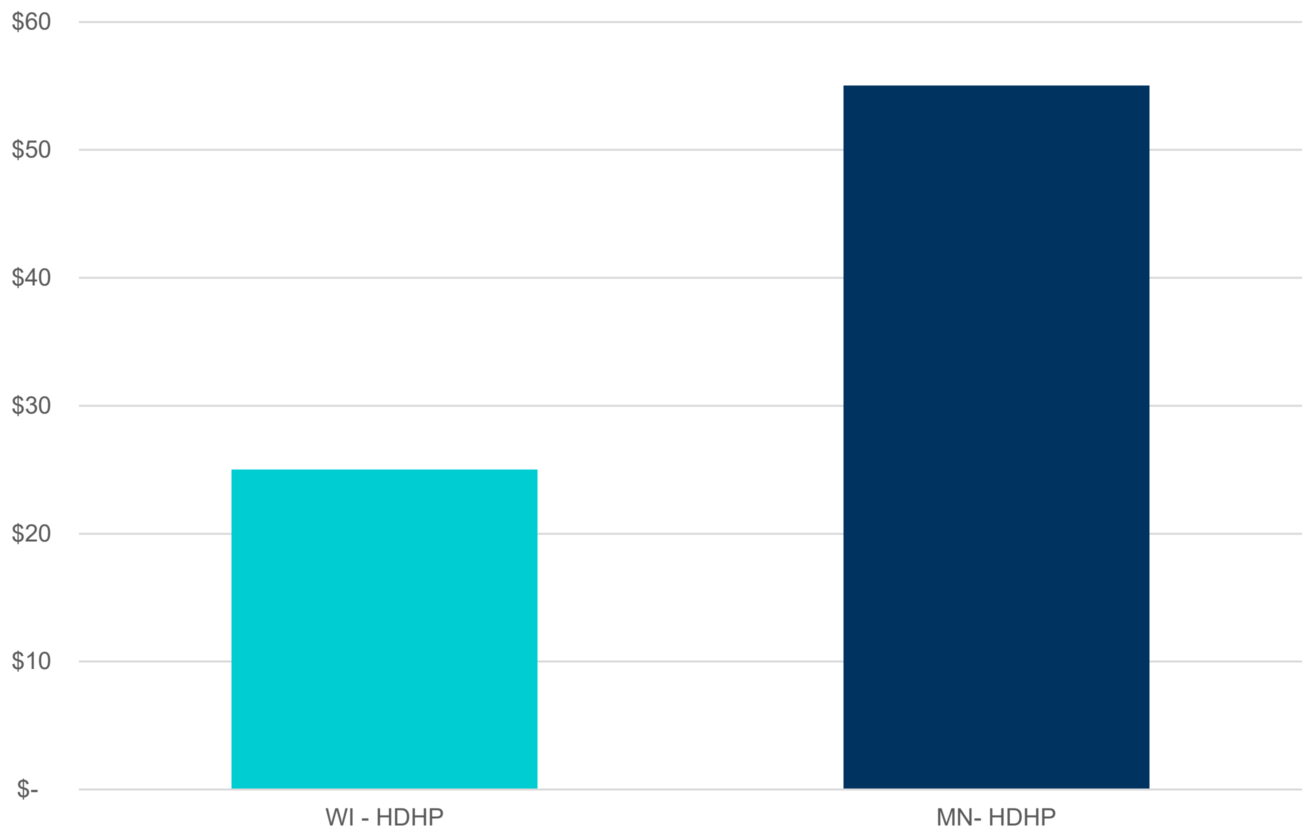
Specialist Visit Copay (Non-HDHP)

- Wisconsin's HMO plan specialist copay is lower than the benchmark average for Non-HDHP plans.



Specialist Visit Copay (HDHP)

- The only other HDHP plan in the benchmark that has a specialist copay is Minnesota. All other HDHPs use coinsurance instead of copays.



Inpatient / Outpatient Coinsurance (Non-HDHP)

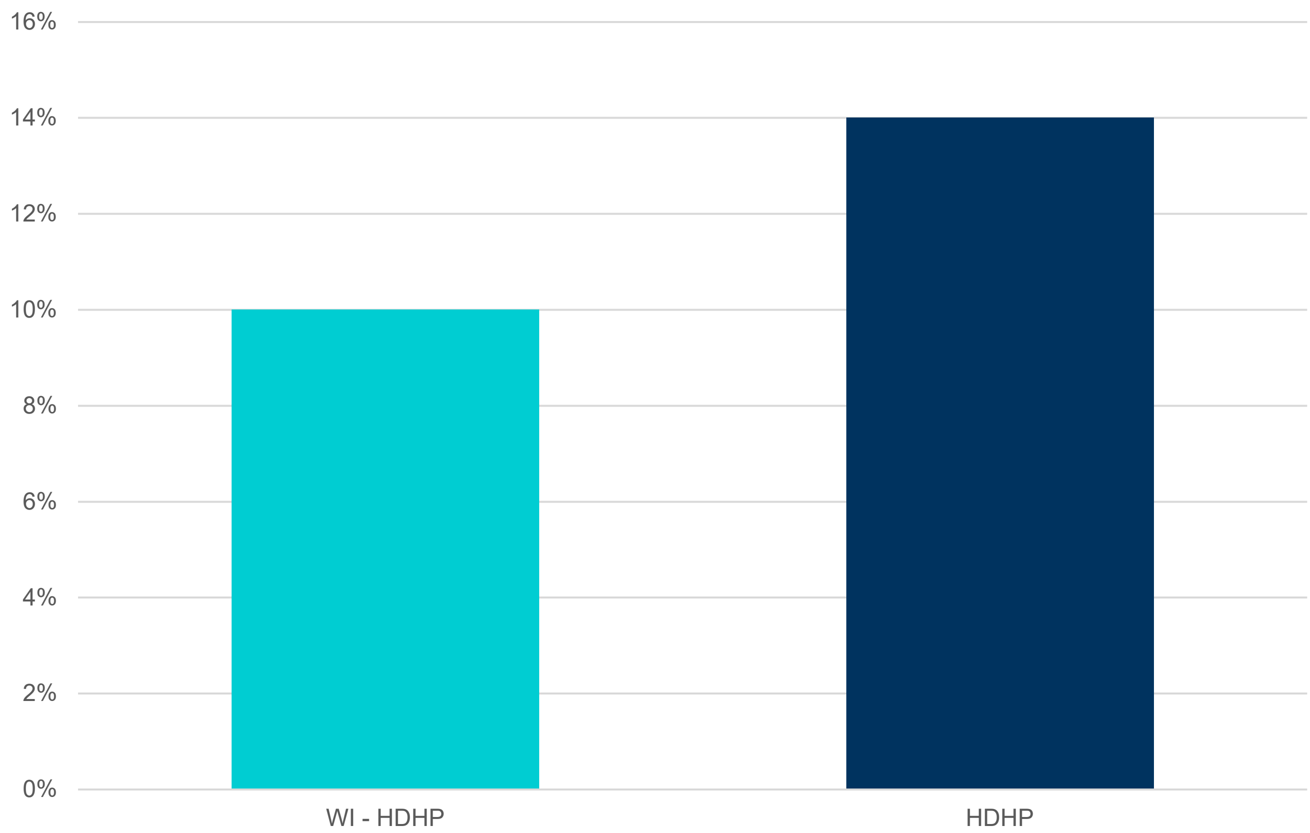
- All benchmarked Non-HDHPs that have coinsurance for Inpatient have the same coinsurance for Outpatient. Below is a table showing coinsurance and copays for each plan.

Plan	Inpatient	Outpatient
WI – HMO*	10%	10%
IL – HMO	$475	$350
IL – OAP	$475	$350
IL – PPO*	15%	15%
IN – PPO*	10%	10%
MI – PPO*	10%	10%
MI – HMO 1	No Charge	No Charge
MI – HMO 2	No Charge	No Charge
MN – HMO	$200	$120
OH – PPO*	20%	20%
OH – HMO*	20%	20%

* Subject to deductible.

Inpatient / Outpatient Coinsurance (HDHP)

- Wisconsin's HDHP plan and the benchmark plans have the same coinsurance for Inpatient and Outpatient visits. The HDHP plan is lower than the benchmark average and tied for the lowest among all HDHP benchmarking plans.



Urgent Care Copay and Coinsurance (Non-HDHP)

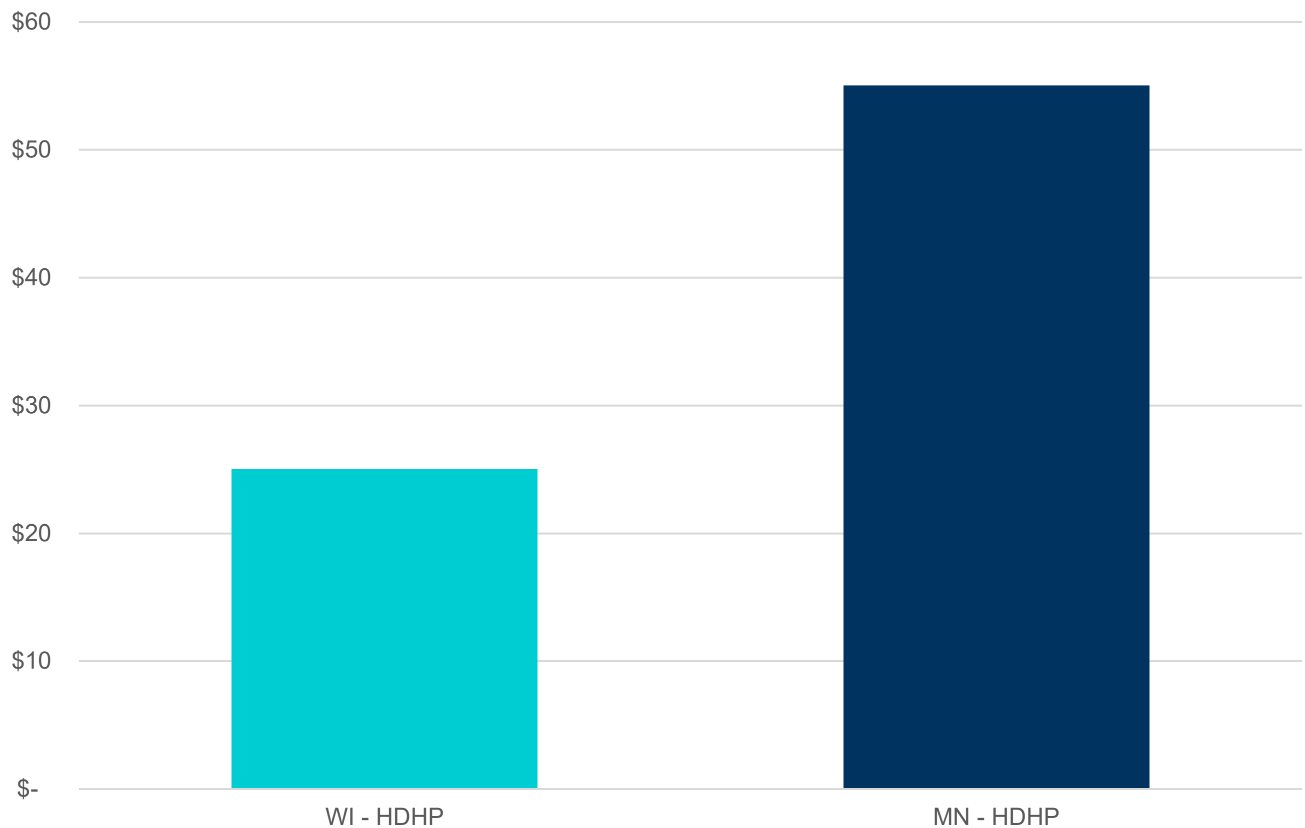
- Wisconsin's HMO plan Urgent Care copay is on the lower end of the benchmark for Non-HDHP plans.

Plan	Urgent Care
WI – HMO	$25
IL – HMO	$30
IL – OAP	$40
IL – PPO*	15%
IN – PPO*	10%
MI – PPO	$20
MI – HMO 1	$20
MI – HMO 2	$20
MN – HMO	$40
OH – PPO	$40
OH – HMO	$40

* Subject to deductible.

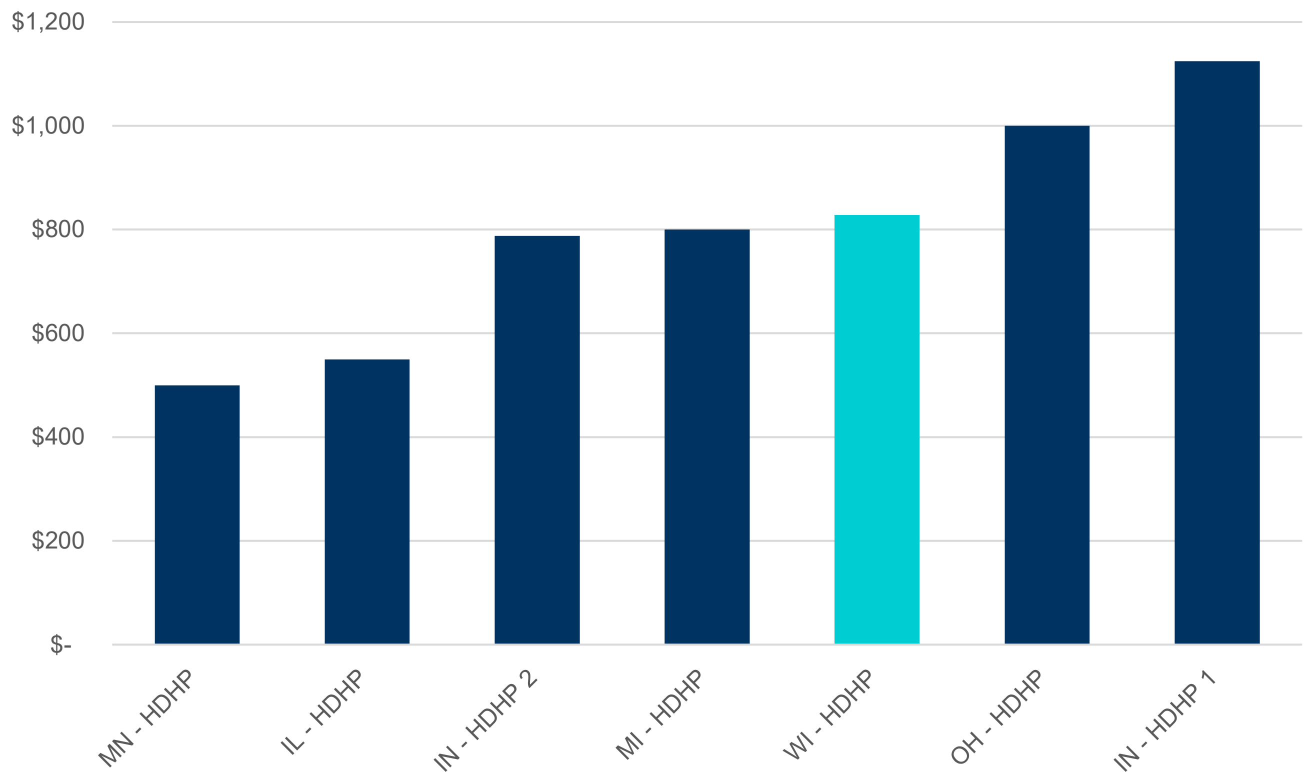
Urgent Care Copay (HDHP)

- The only other HDHP plan in the benchmark that has an Urgent Care copay is Minnesota. All other HDHPs use coinsurance instead of copays.



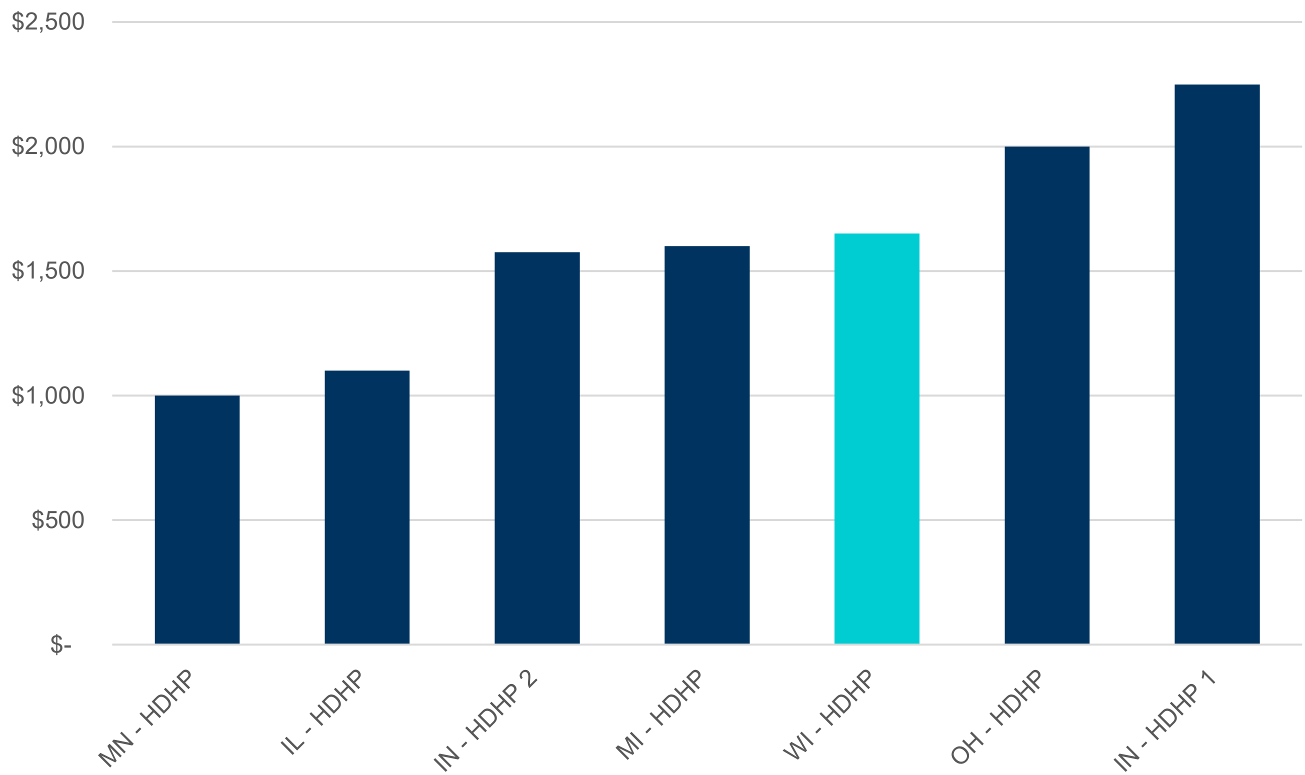
HSA State Contribution Single

- Wisconsin has slightly higher single HSA contributions than the average for the benchmarking states.



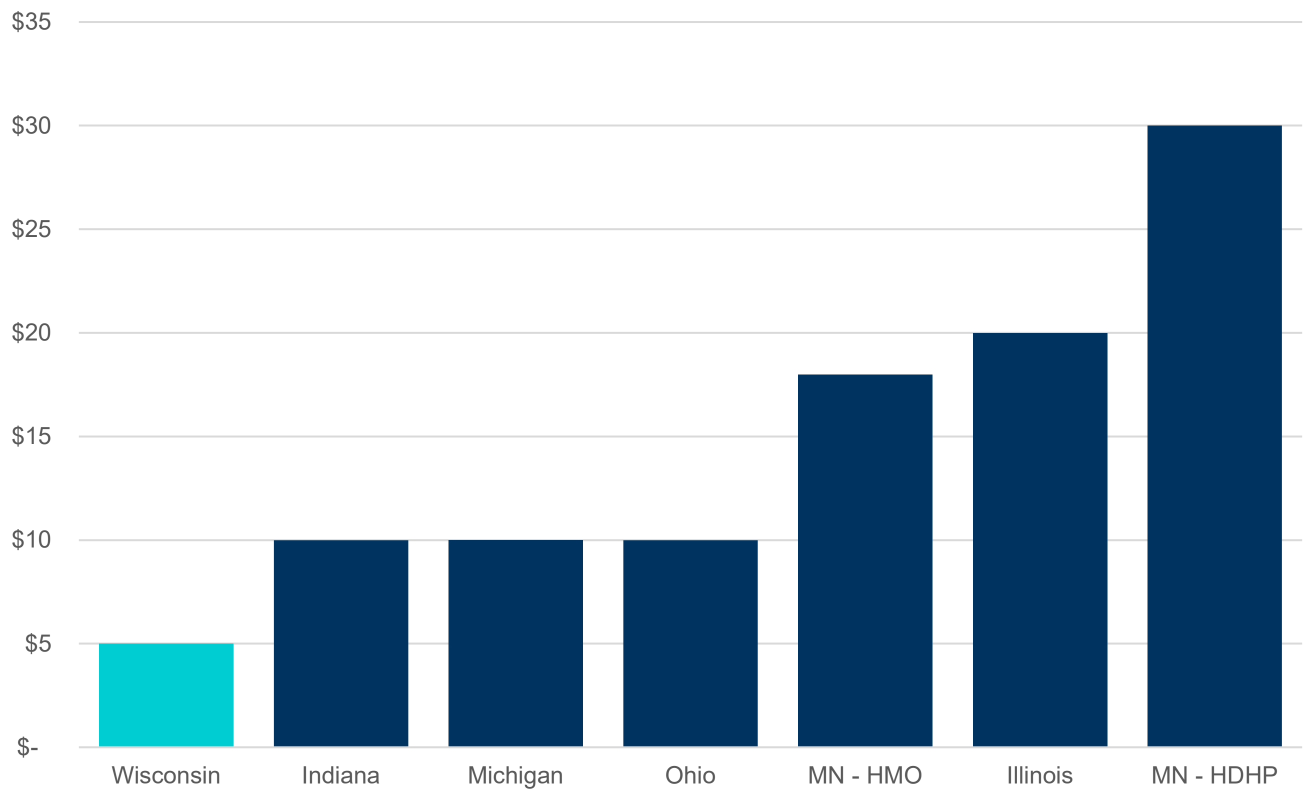
HSA State Contribution Family

- Wisconsin has slightly higher family HSA contributions than the average for the benchmarking states.



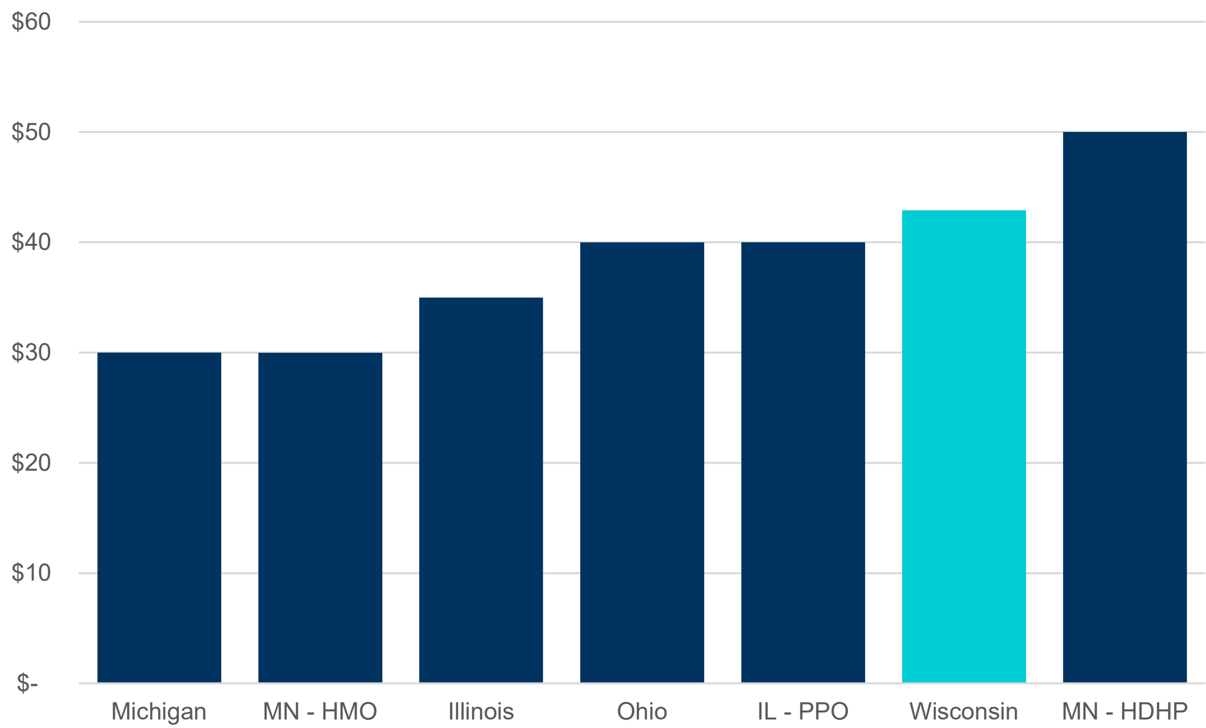
Generic Drugs

- Wisconsin's Generic drug copay is the lowest in the benchmark.
  - All benchmarking states, except Minnesota, have the same generic drug copay for each of their plan design options.



Preferred Brand Drugs

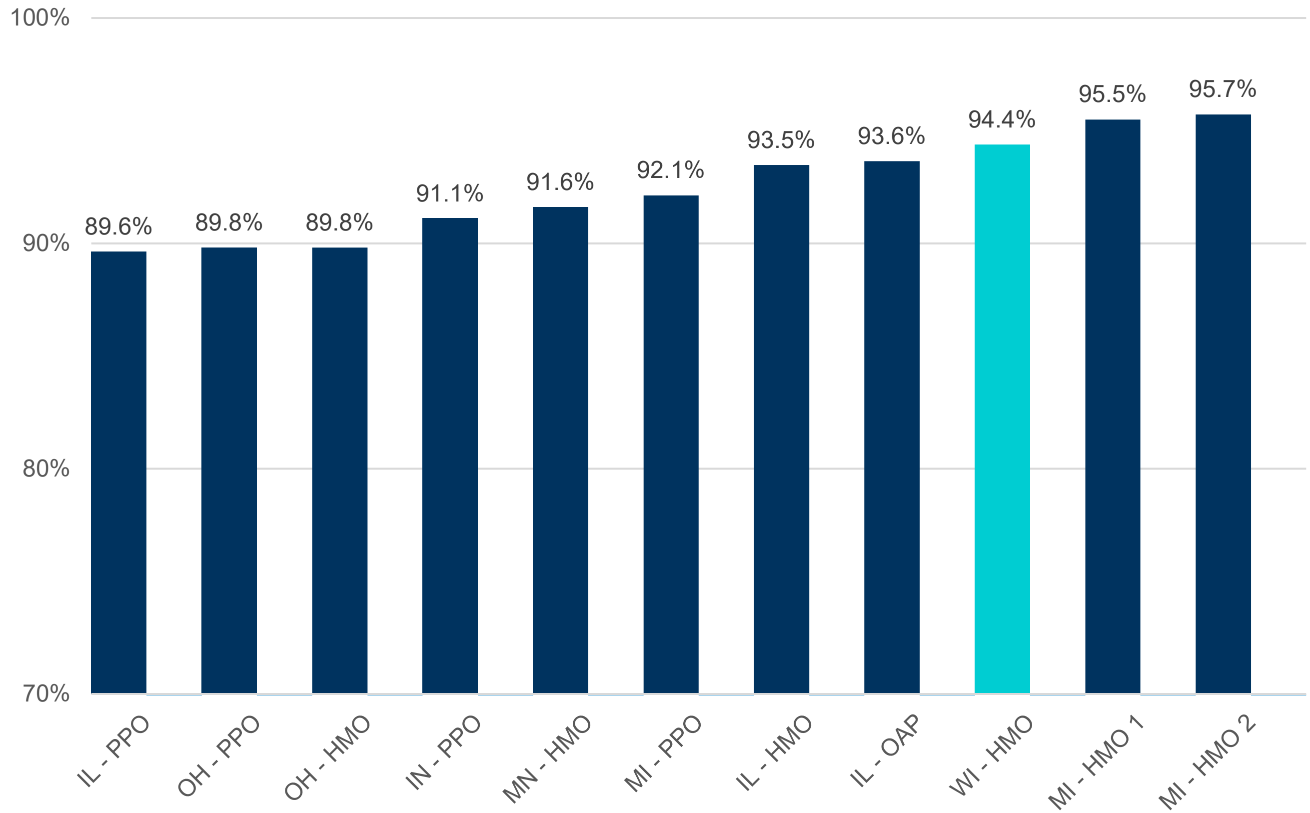
- Wisconsin has a 20% coinsurance ($50 max) for Preferred Brand drugs. Since most benchmarking states have a copay, Segal is using data from Merative for average member cost for preferred brand drugs to compare plans with copays.
- Wisconsin's preferred drug member cost is the second highest in the benchmark.
  - All benchmarking states, except Illinois and Minnesota, have the same preferred drug copay for each of their plans.



* Indiana members pay the higher of $30 per prescription or 20% coinsurance with a $50 maximum. Indiana is not included in this exhibit.

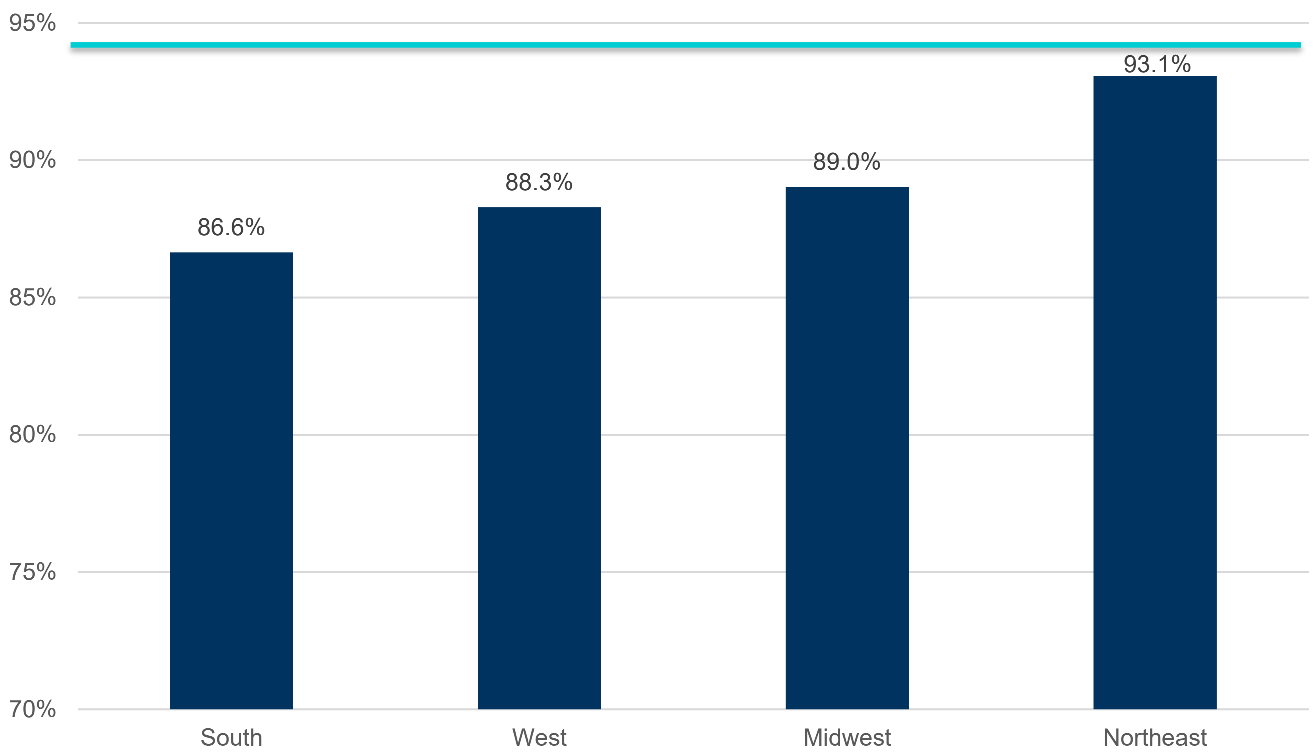
Actuarial Value (Non-HDHP)

- Actuarial Value (AV) is the percentage of total average costs for covered essential health benefits that a health insurance plan is expected to pay for a standard population.
- Wisconsin's HMO plan AV is on the higher end of the benchmark for Non-HDHP plans.



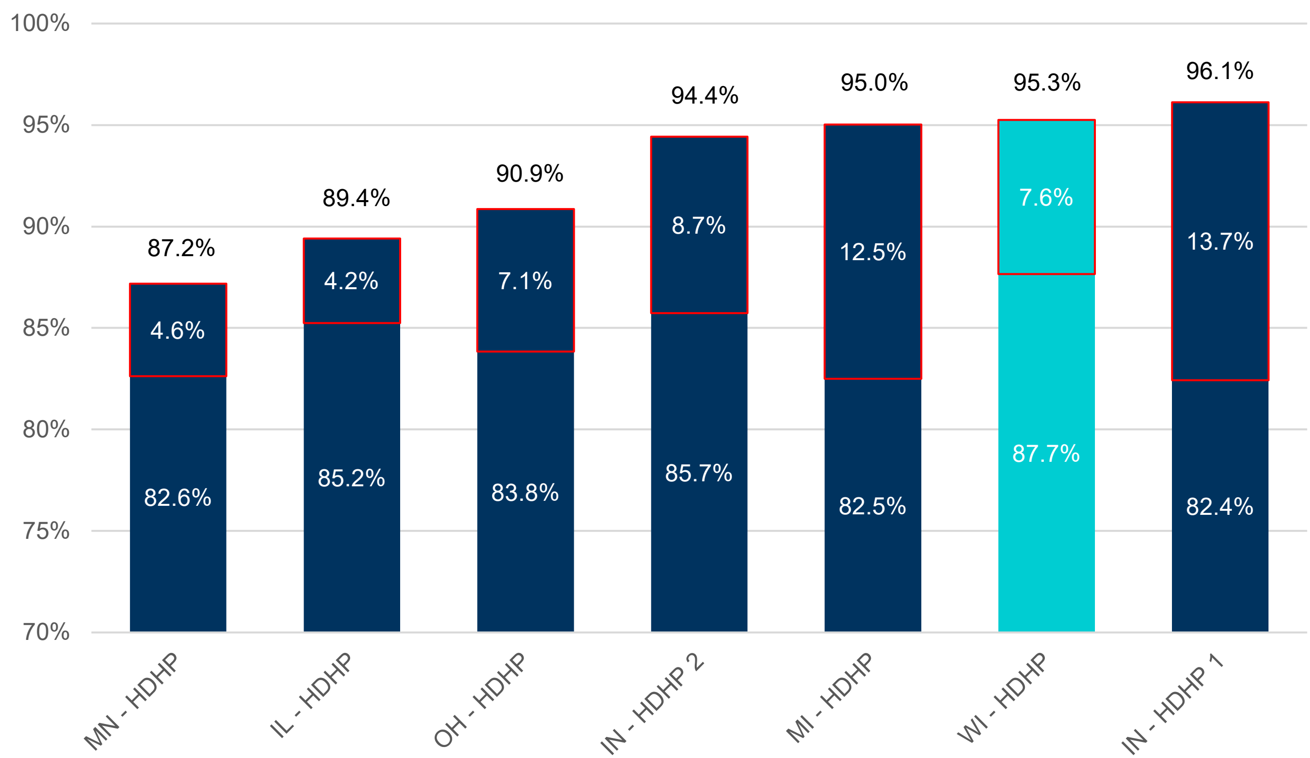
Average Actuarial Value by Region (Non-HDHP)

- Wisconsin HMO's 94.4% AV is higher than all the regional averages.
- The solid blue line indicates the AV for the Wisconsin HMO plan.



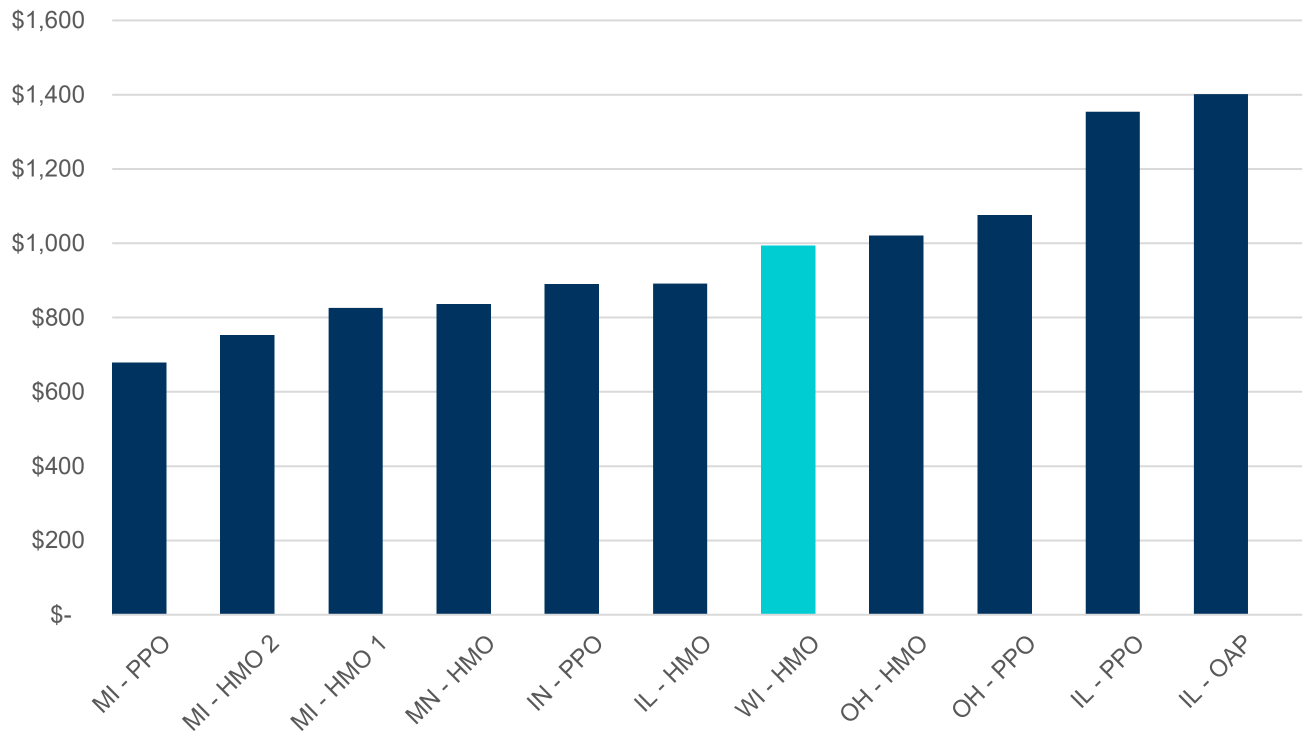
Actuarial Value (HDHP)

- Percentages in the bar indicate the AV without considering HSA contribution. The red box indicates how much the HSA contribution adds to the AV. Percentages above the bars are total AVs.
- Wisconsin's HDHP AV is one of the highest among the benchmarking HDHP plans.



Single Total Premium (Non-HDHP)

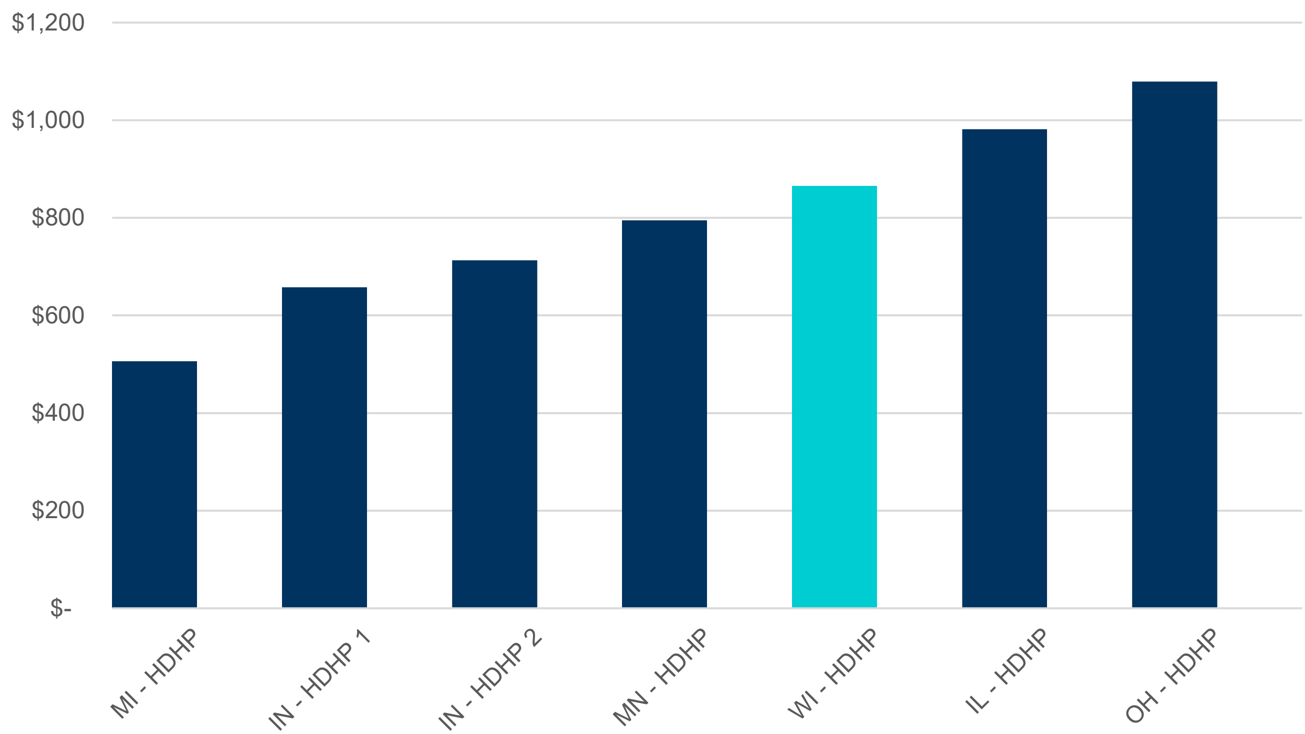
- Wisconsin monthly premiums are a weighted average using 2025 full premium. The HMO single premium is slightly higher than the benchmark average for Non-HDHP plans.



Single Total Premium = Employer Single Premium + Employee Single Premium

Single Total Premium (HDHP)

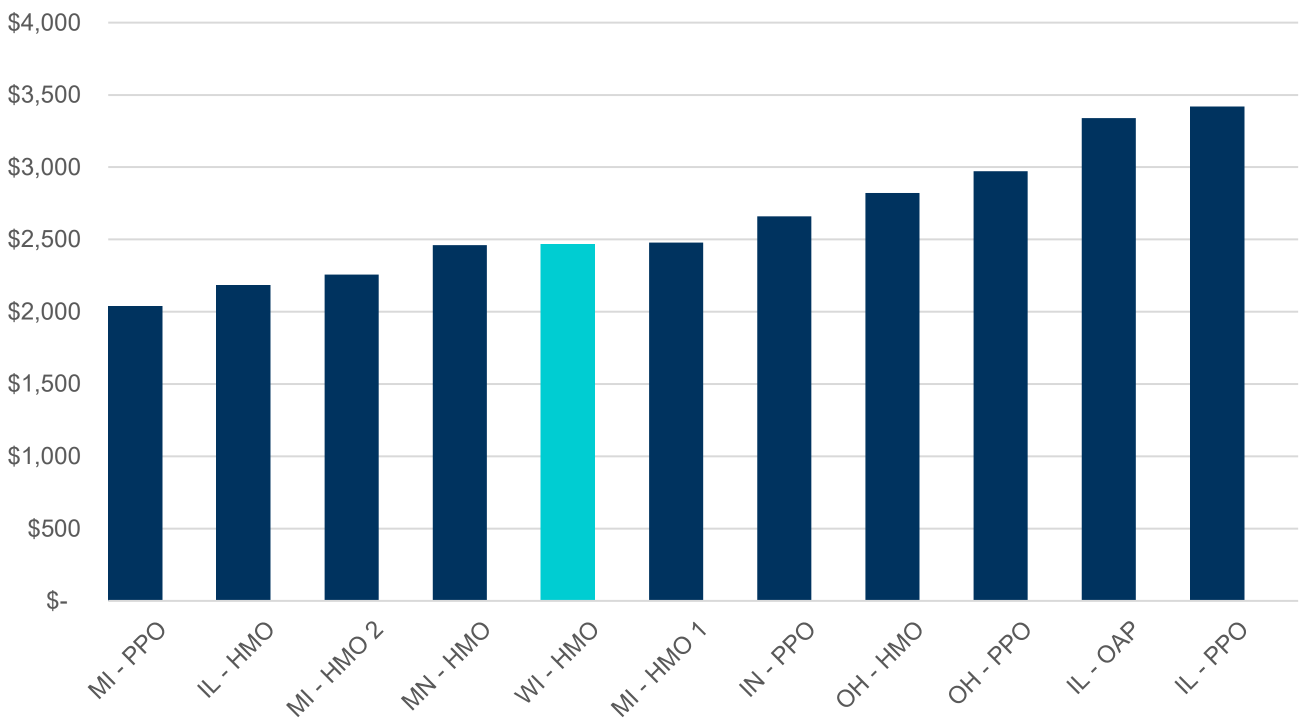
- Wisconsin premiums are a weighted average using 2025 full premium. The HDHP single premium is higher than the benchmark average for HDHP plans.



Single Total Premium = Employer Single Premium + Employee Single Premium

Family Total Premium (Non-HDHP)

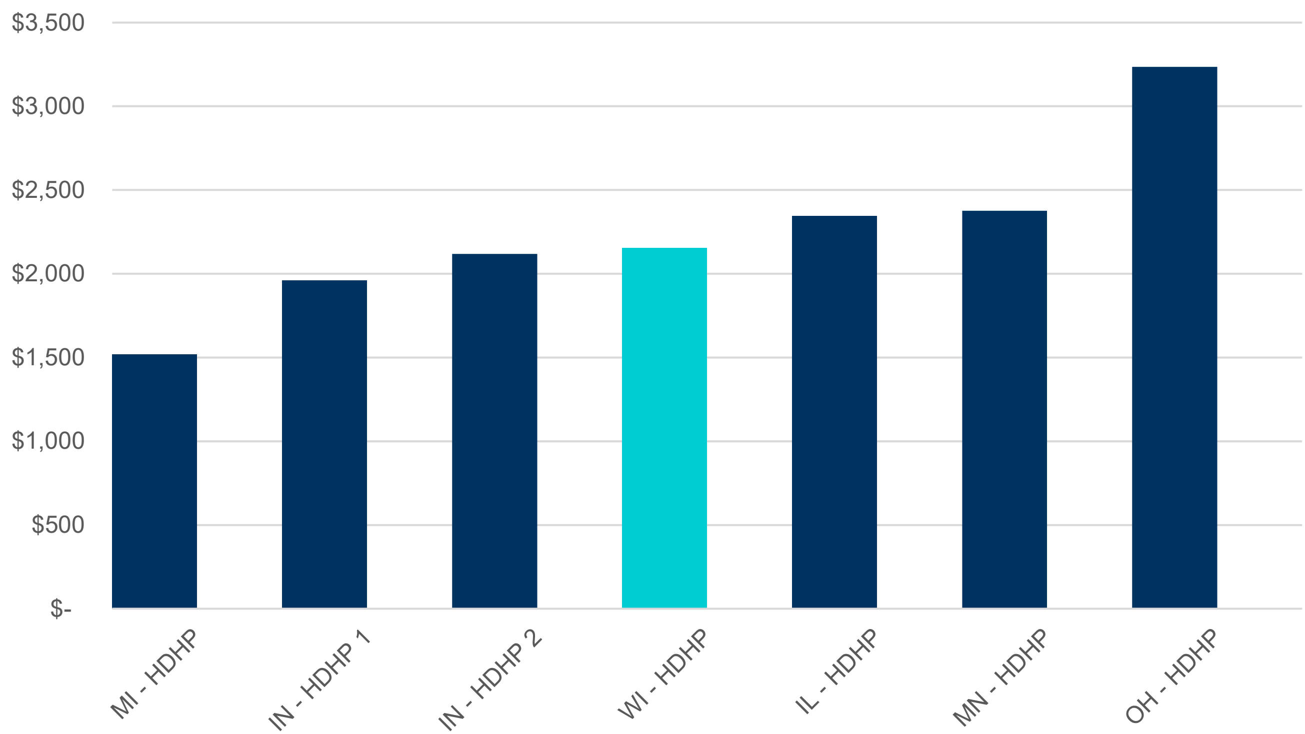
- Wisconsin premiums are a weighted average using 2025 total premiums. The HMO family premium is lower than the benchmark average for Non-HDHP plans.



Family Total Premium = Employer Family Premium + Employee Family Premium

Family Total Premium (HDHP)

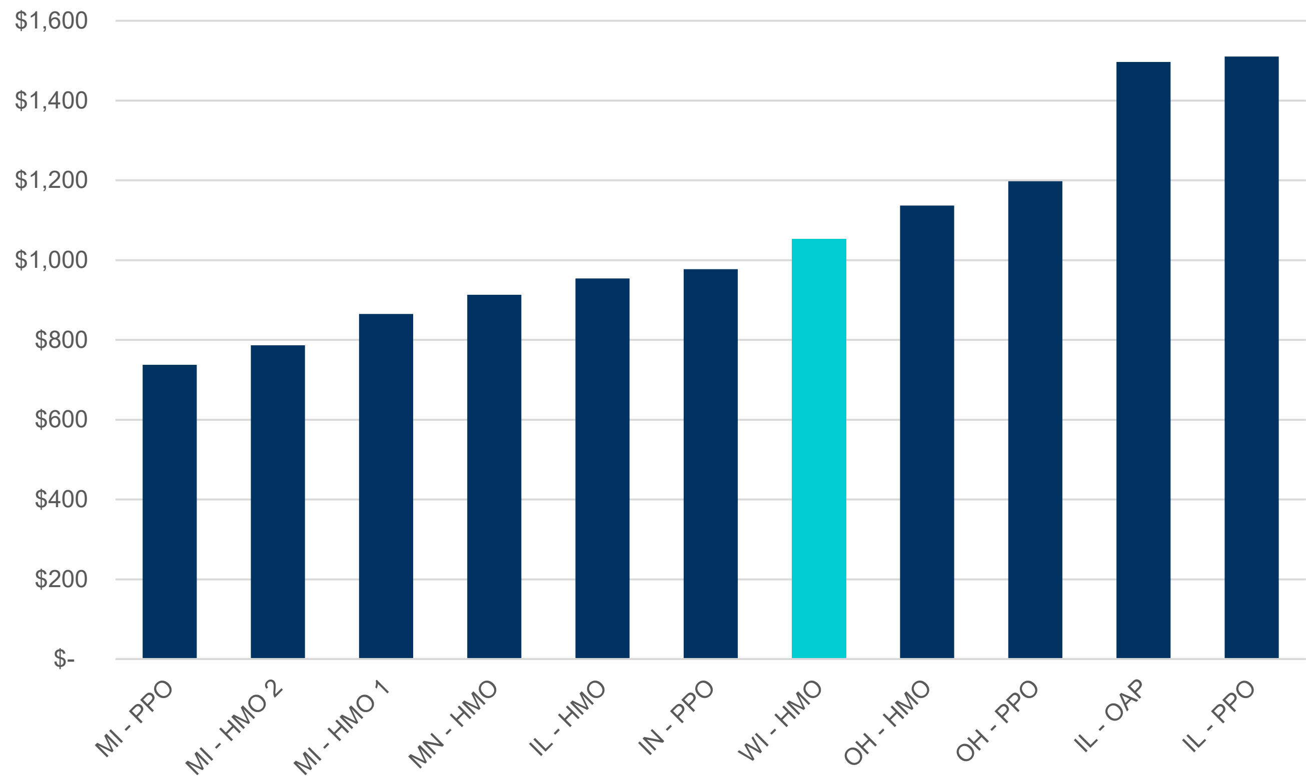
- Wisconsin premiums are a weighted average using 2025 total. The HDHP family premium is slightly lower than the benchmark average for HDHP plans.



Family Total Premium = Employer Family Premium + Employee Family Premium

Single Premium Efficiency (Non-HDHP)

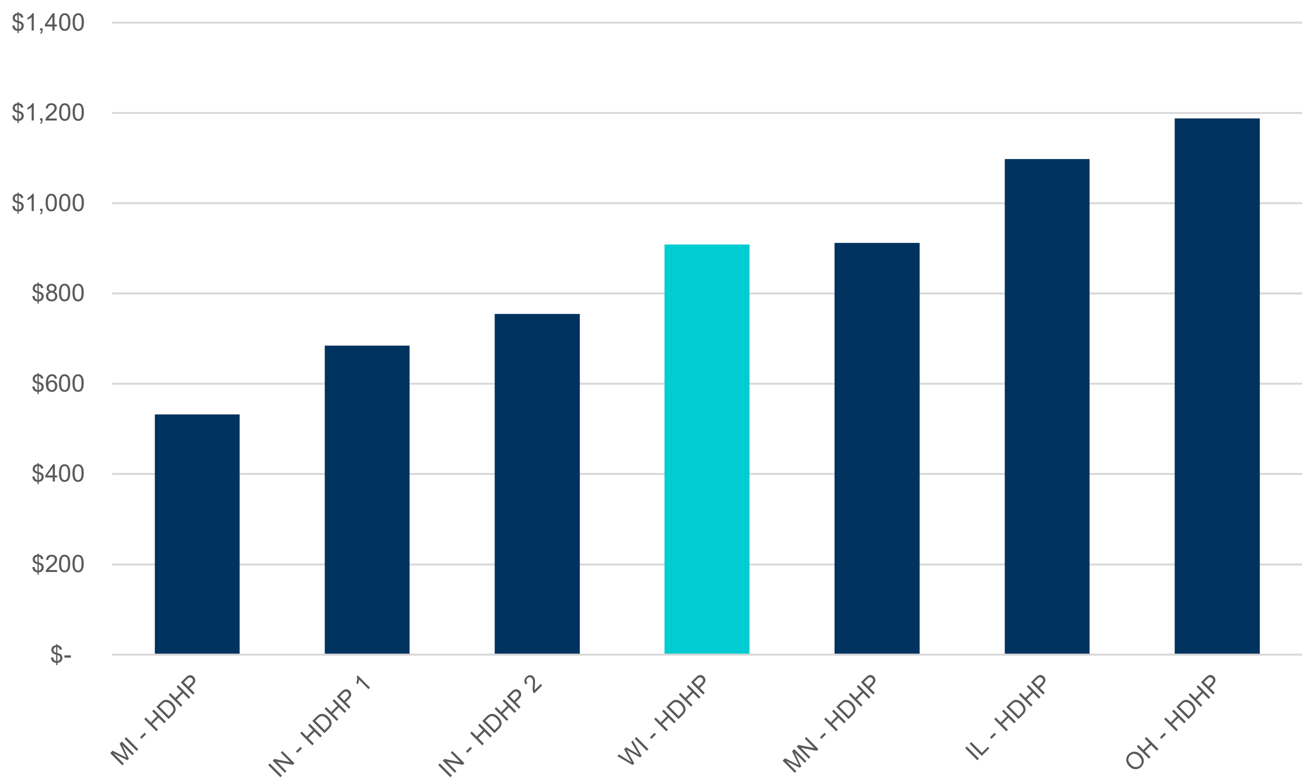
- Premiums are normalized for plan's actuarial value. Higher $ translates to less efficient plan.
- Wisconsin single HMO premium efficiency is slightly lower compared to other Non-HDHP benchmarking plans.



Total Cost or Allowed Cost = Total Premium + Member Out of Pocket Claims Costs

Single Premium Efficiency (HDHP)

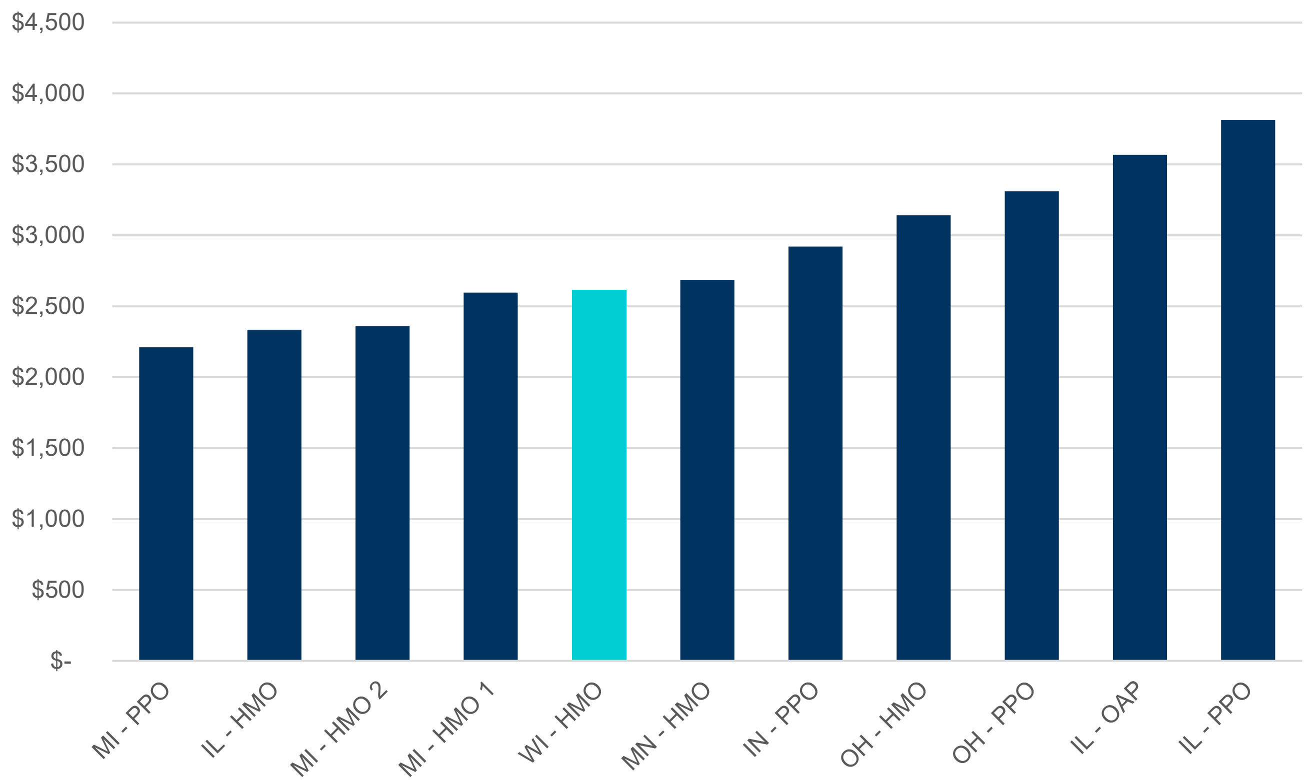
- Wisconsin single HDHP premium efficiency is average compared to other HDHP benchmarking plans.



Total Cost or Allowed Cost = Total Premium + Member Out of Pocket Claims Costs

Family Premium Efficiency (Non-HDHP)

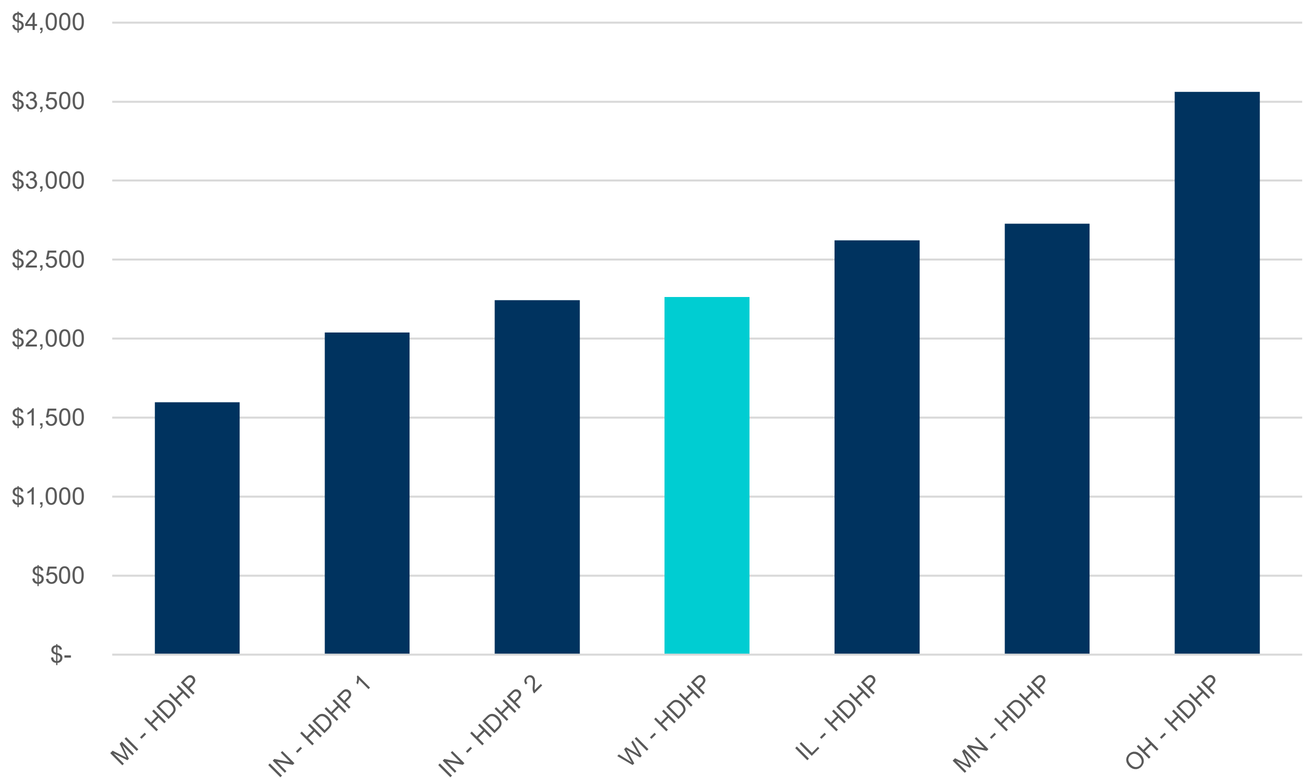
- Wisconsin family HMO premium efficiency is average compared to other Non-HDHP benchmarking plans.



Total Cost or Allowed Cost = Total Premium + Member Out of Pocket Claims Costs

Family Premium Efficiency (HDHP)

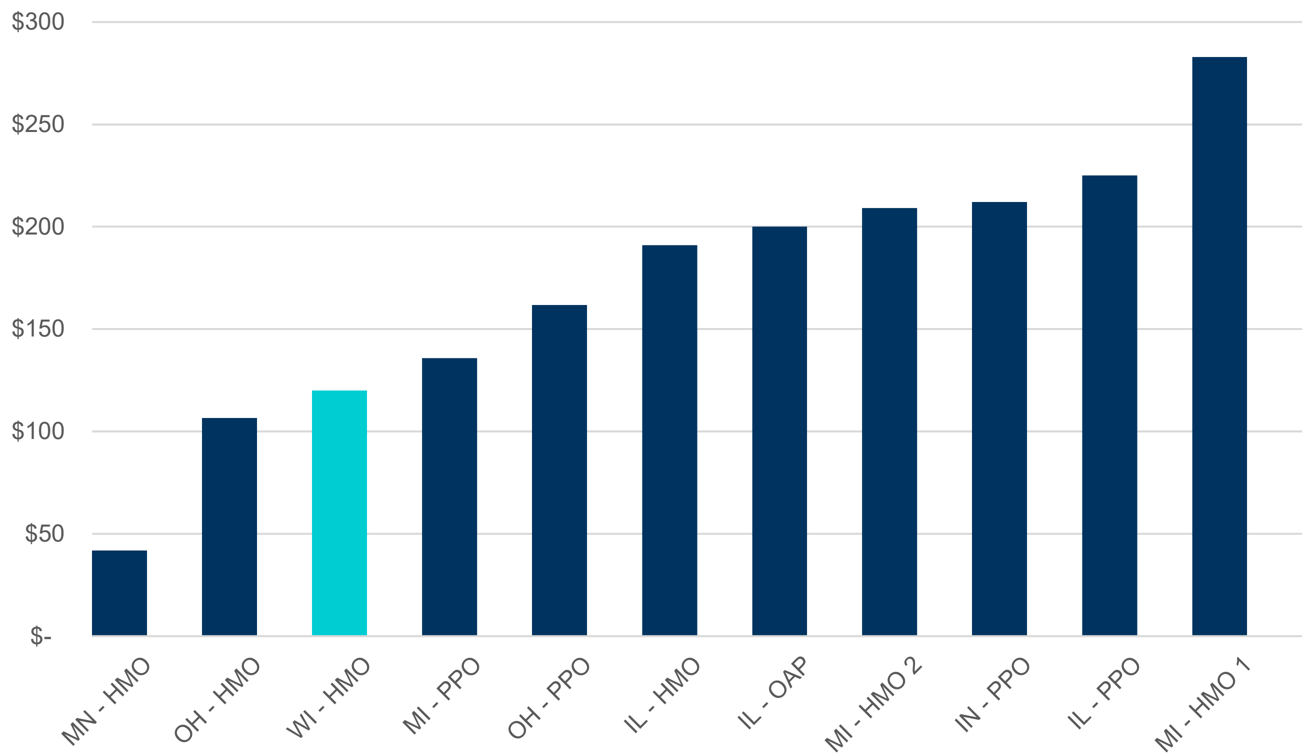
- Wisconsin family HDHP premium efficiency is average for premium efficiency compared to other HDHP benchmarking plans.



Total Cost or Allowed Cost = Total Premium + Member Out of Pocket Claims Costs

Single Employee Contribution (Non-HDHP)

- Wisconsin's single employee contribution for the HMO plan is on the lower end of the benchmark for Non-HDHP plans.



Single Employee Contribution (HDHP)

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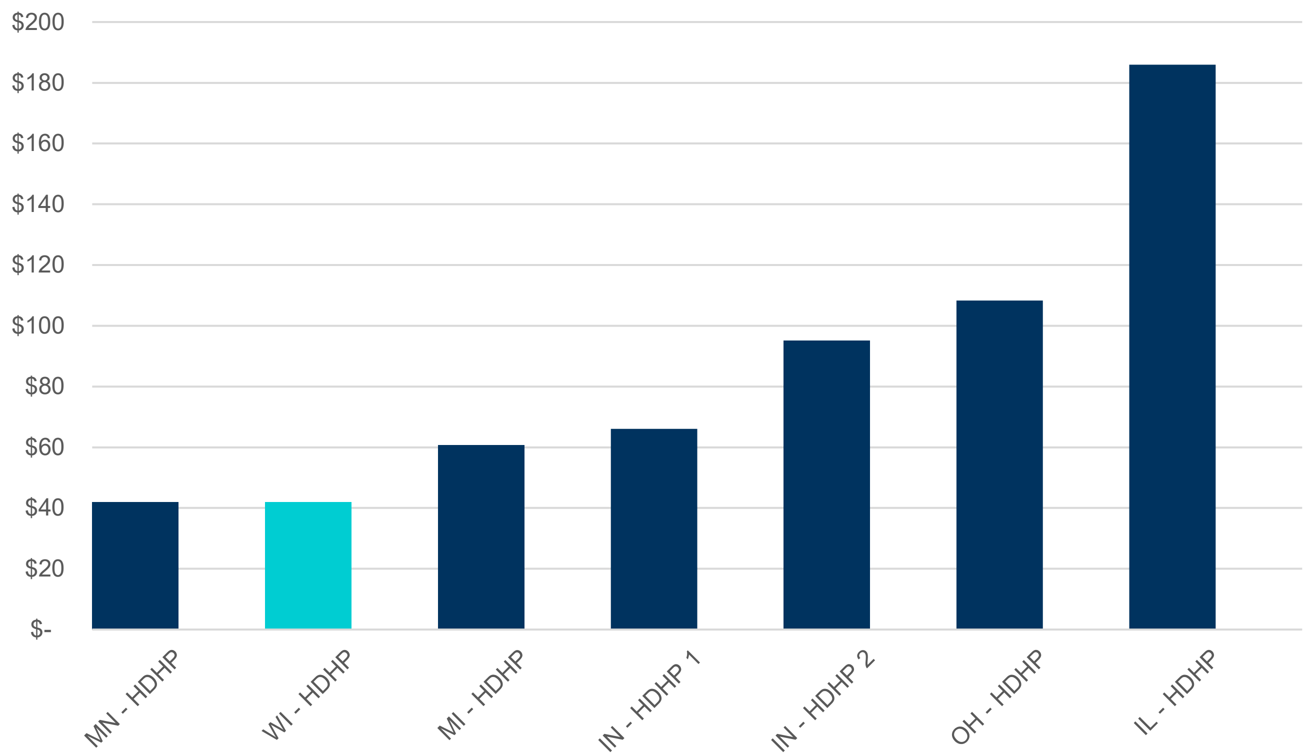

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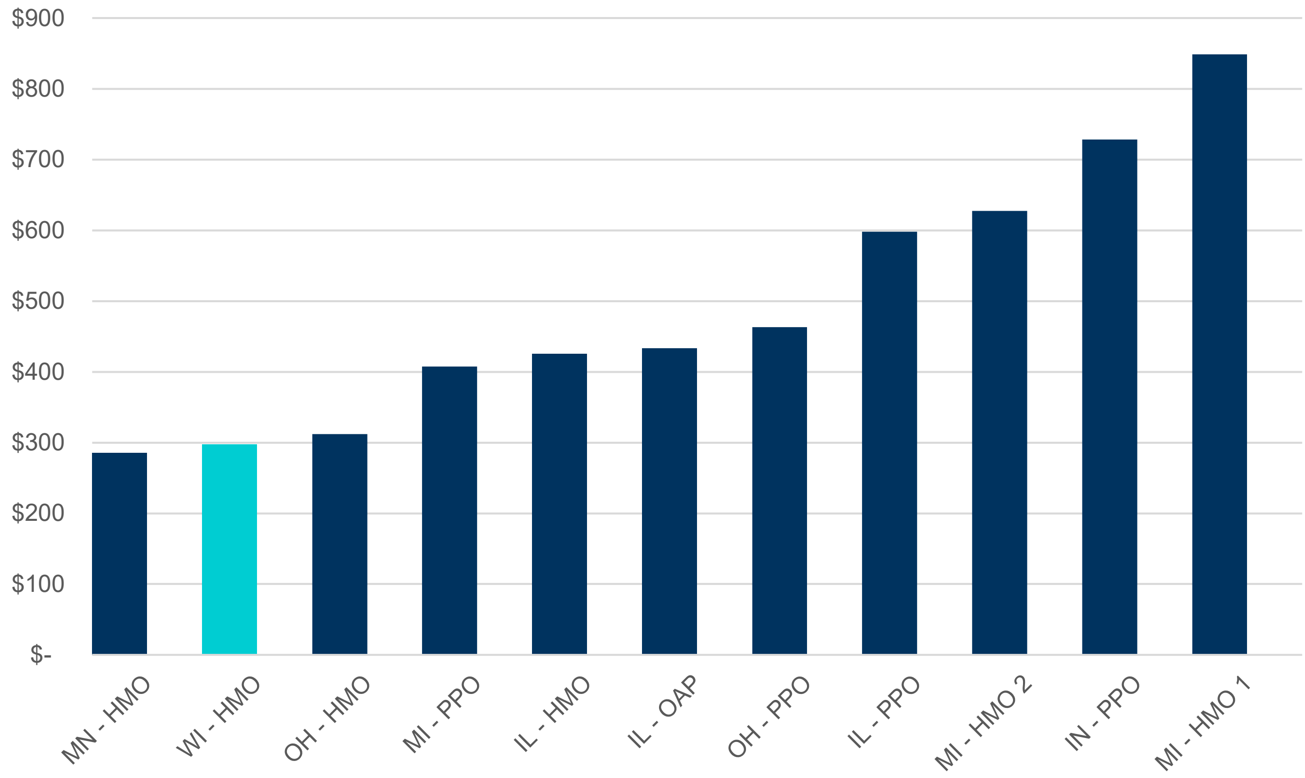
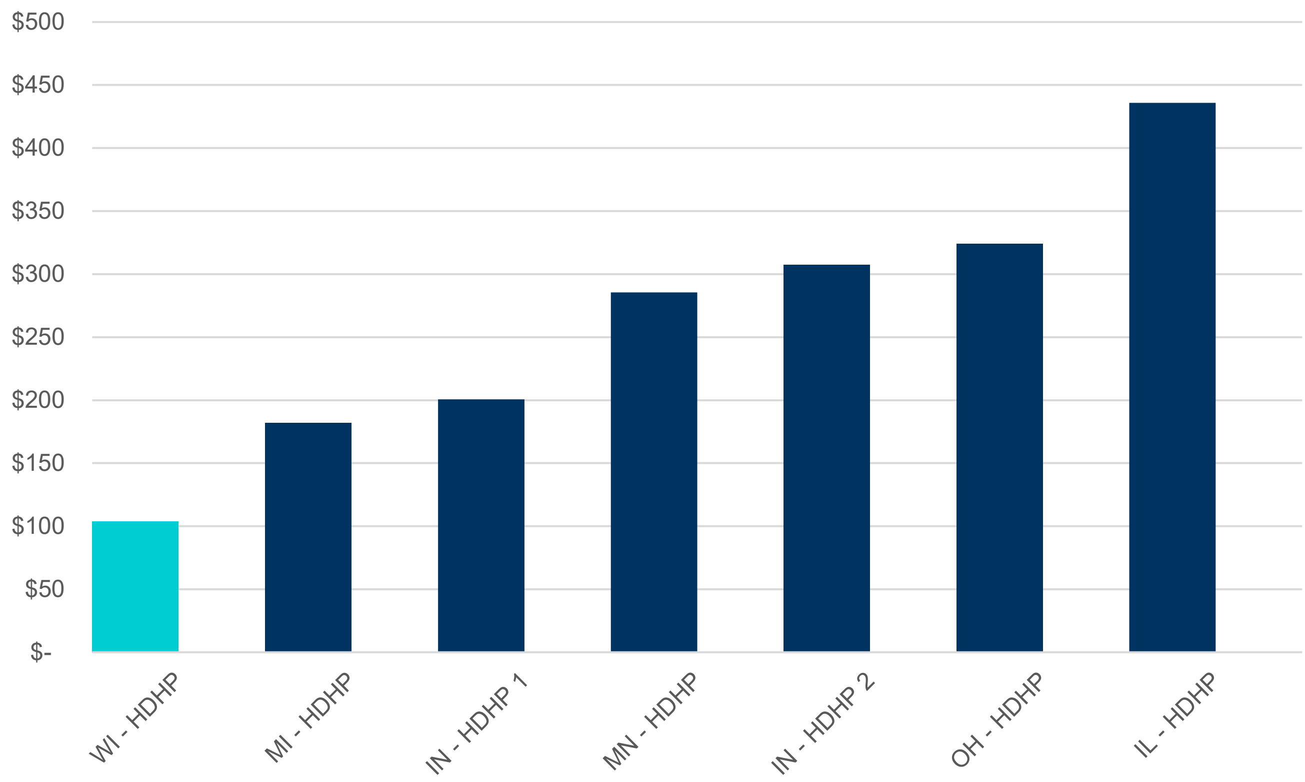
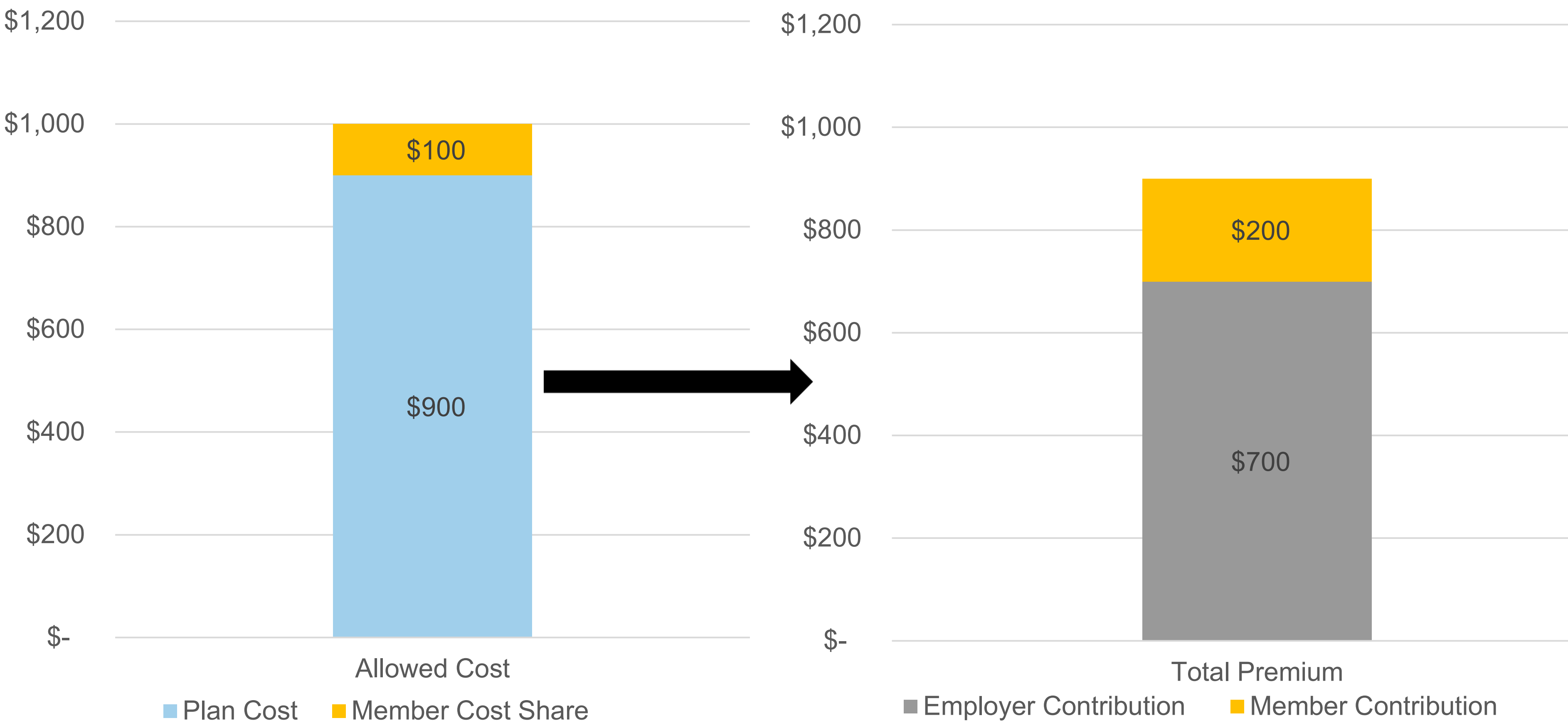


Family Employee Contribution (HDHP)

- Wisconsin's family employee contribution for the HDHP is the lowest for the benchmark for HDHP plans.



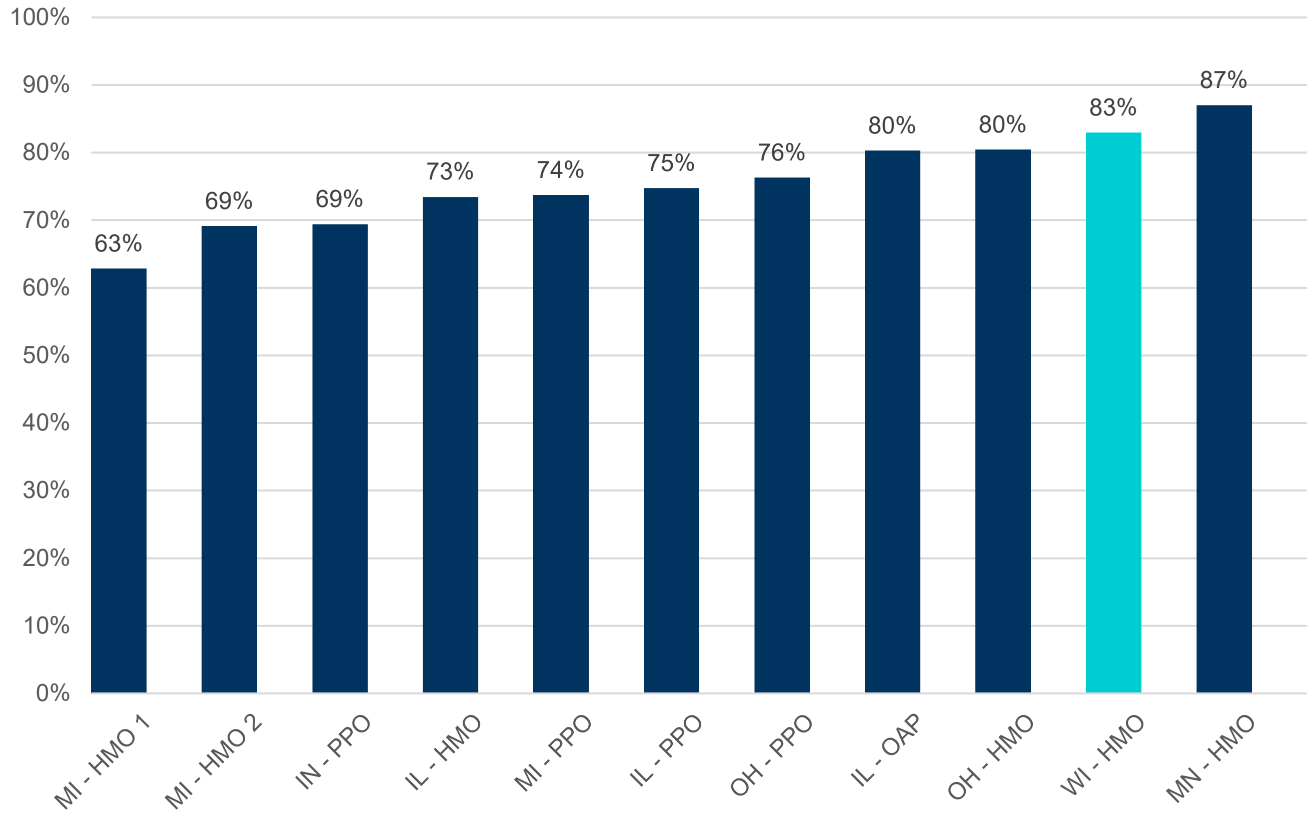
Plan Richness Example



- Out of the full $1,000 cost, $300 is paid by the member through a combination of employee contributions and out of pocket claims. The remaining $700 is paid by the plan. Therefore, the richness is 70%.

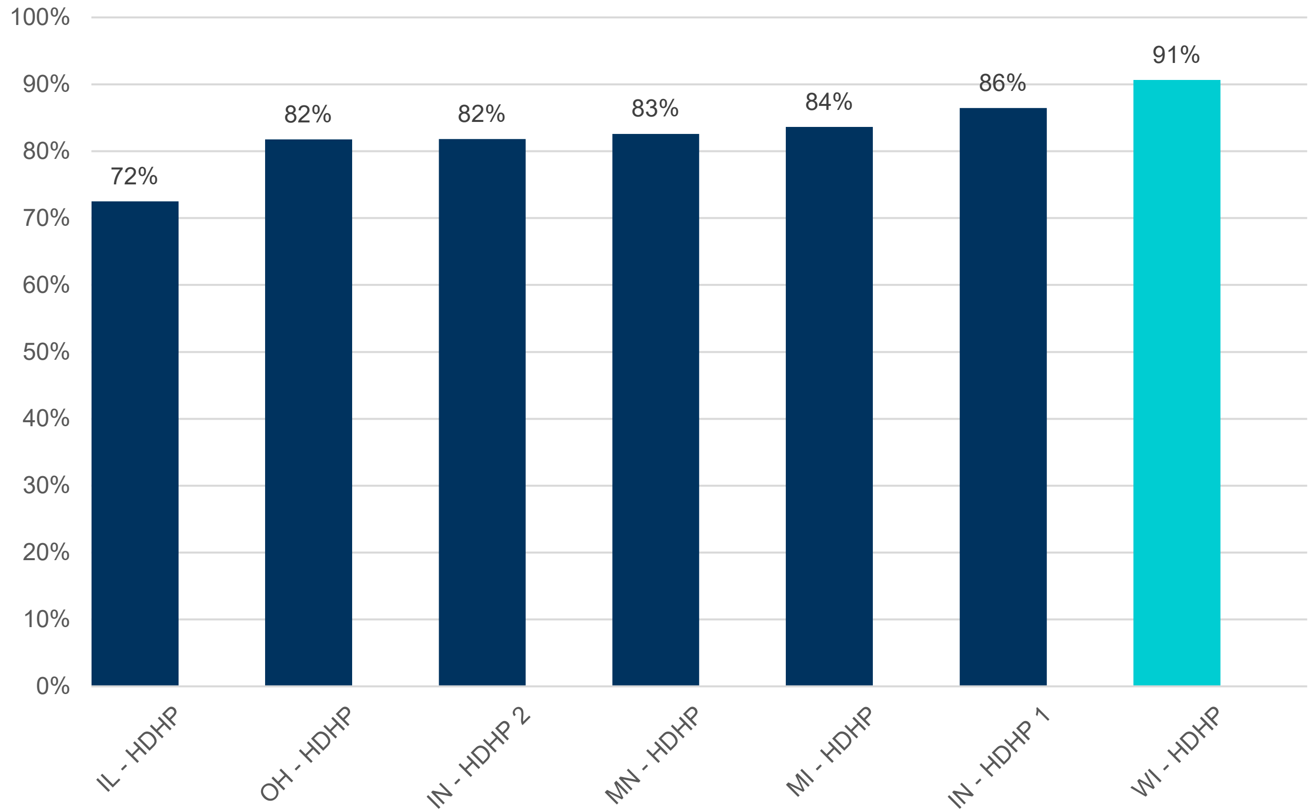
Overall Plan Richness – Single (Non-HDHP)

- Plan Richness measures plan premiums relative to the total cost to illustrate the overall employer subsidy. It is calculated by dividing the employer contribution by the total premium and multiplying by the Actuarial Value.
- Wisconsin HMO has one of the highest plan richness among single Non-HDHP benchmarking plans.



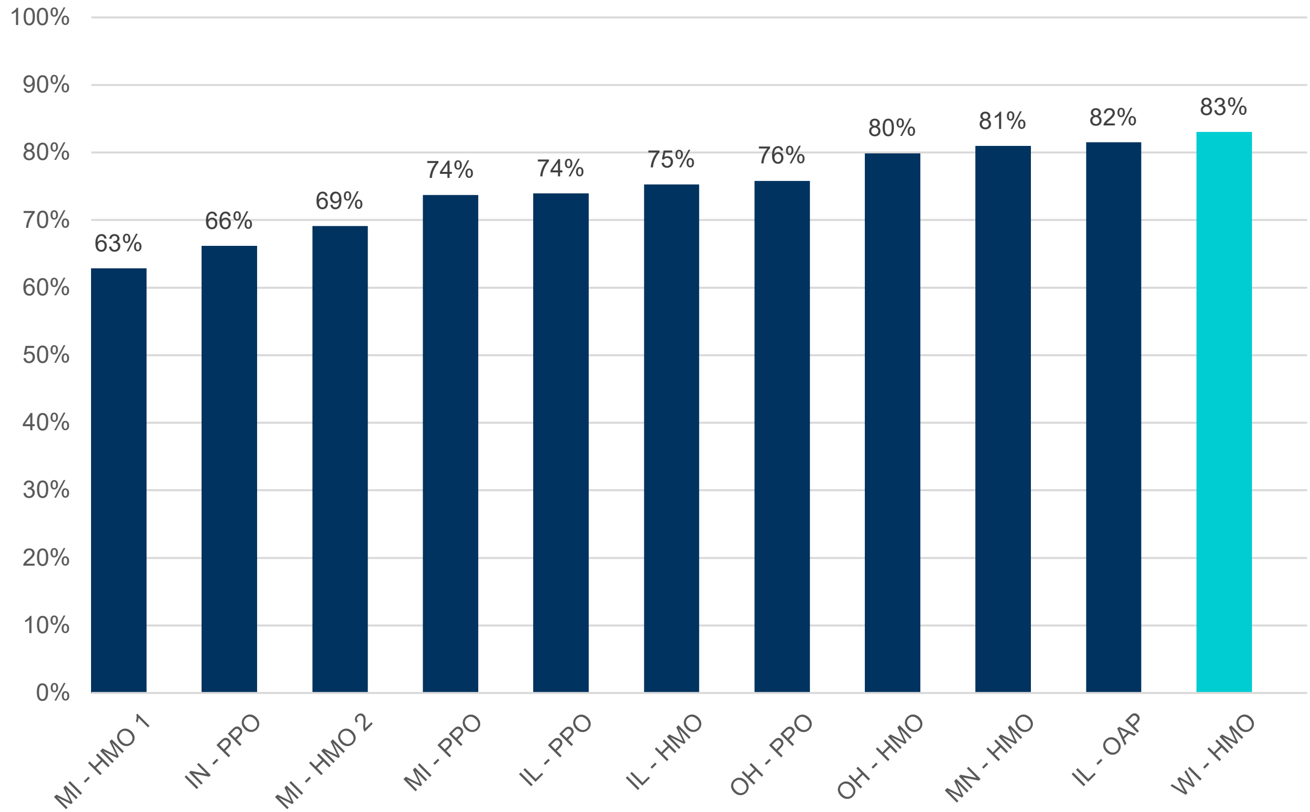
Overall Plan Richness – Single (HDHP)

- Plan Richness measures plan premiums relative to the total cost to illustrate the overall employer subsidy. It is calculated by dividing the employer contribution by the total premium and multiplying by the Actuarial Value.
- Wisconsin HDHP plan has the highest plan richness among single HDHP benchmarking plans.



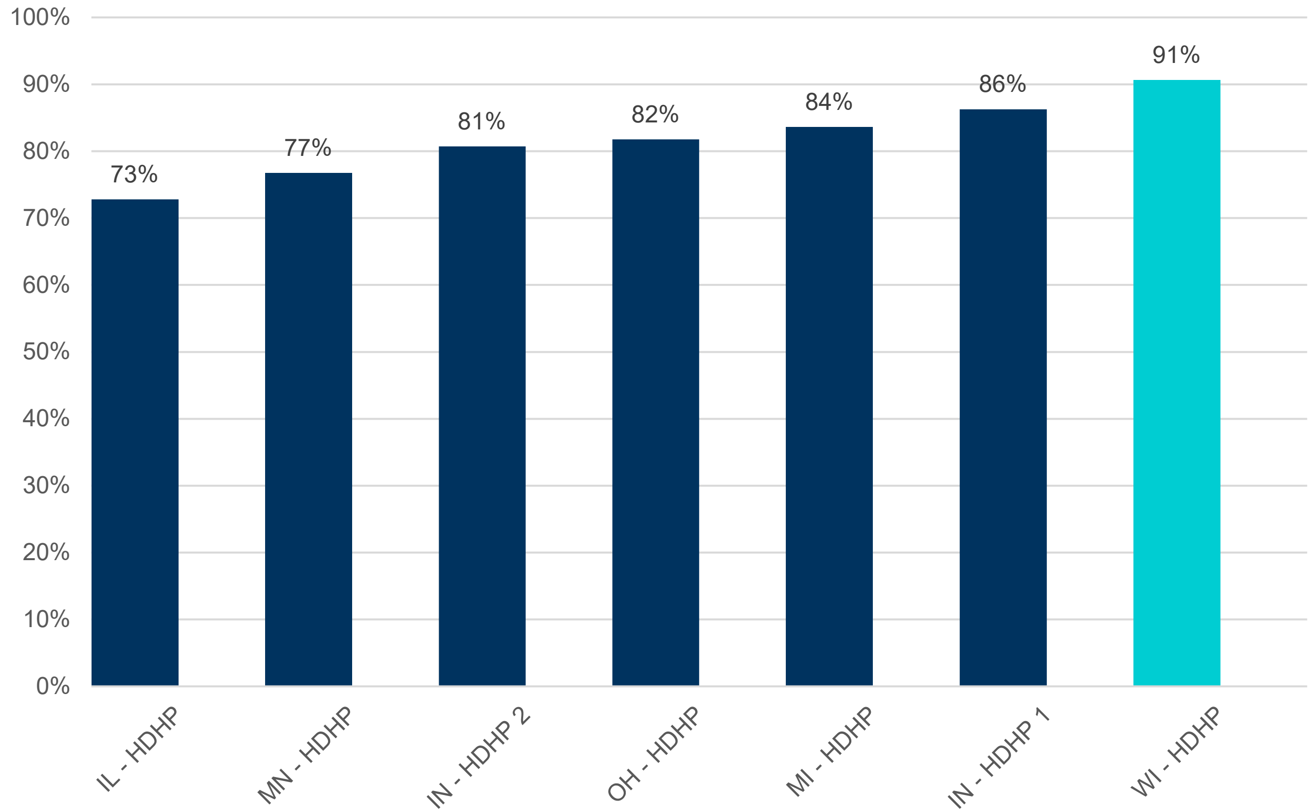
Overall Plan Richness – Family (Non-HDHP)

- Plan Richness measures plan premiums relative to the total cost to illustrate the overall employer subsidy. It is calculated by dividing the employer contribution by the total premium and multiplying by the Actuarial Value.
- Wisconsin HMO has the highest plan richness among family Non-HDHP benchmarking plans.



Overall Plan Richness – Family (HDHP)

- Plan Richness measures plan premiums relative to the total cost to illustrate the overall employer subsidy. It is calculated by dividing the employer contribution by the total premium and multiplying by the Actuarial Value.
- Wisconsin HDHP plan has the highest plan richness among family HDHP benchmarking plans.



1. Background

2. Benchmarking: Plan Details

3. Benchmarking: Plan Value

4. Exchange Benchmarking

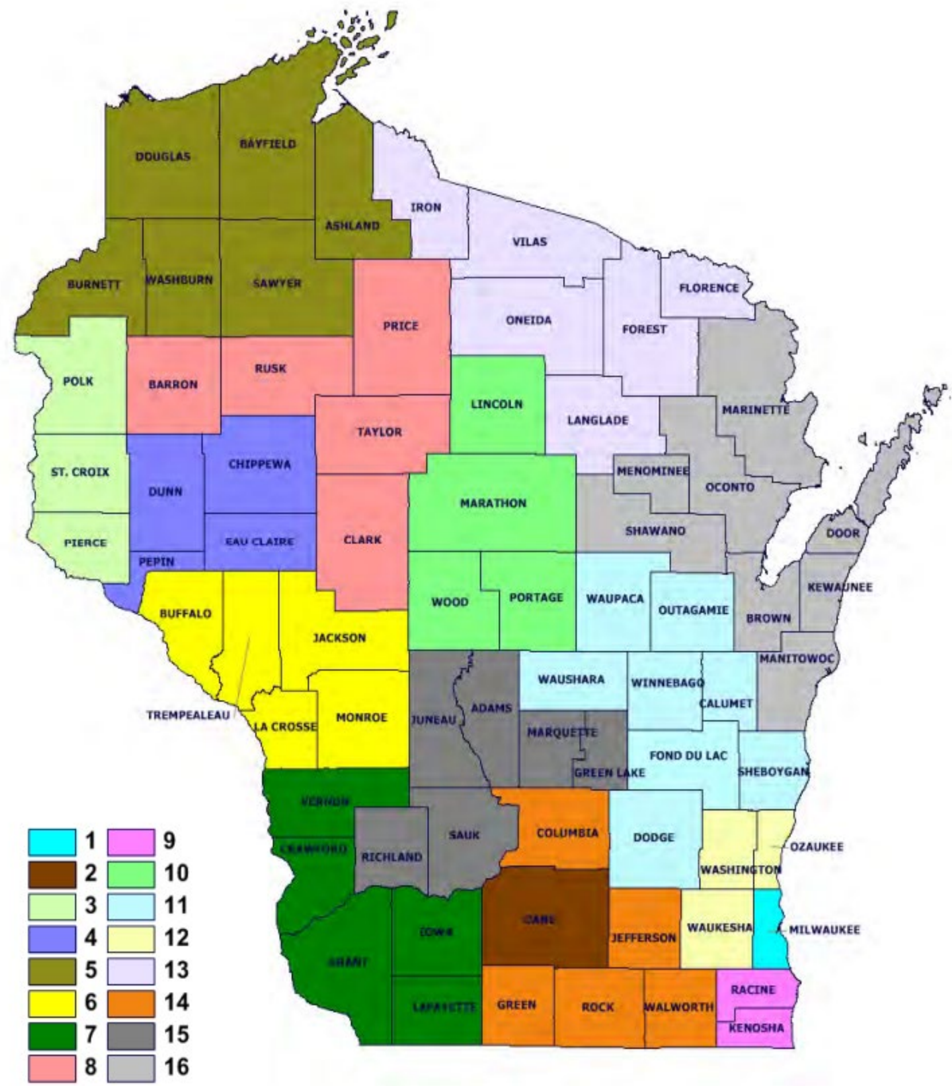
5. Key Findings

Exchange Rates Overview

- The Affordable Care Act (ACA) requires states to establish and operate their own exchange, or absent that, the Federal Government will operate one in its place
  - The State of Wisconsin has elected to allow the Federal government to operate the exchange in WI
- An insurance exchange is an online portal where individuals can compare and shop for individual health insurance policies
- Individuals who are not Medicare-eligible may purchase coverage through their local state exchange on a guaranteed issue basis, with plans providing benefits at the following levels:
  - Platinum: 90% Actuarial Value, which means the plan covers 90% of covered expenses on average
  - Gold: 80% Actuarial Value
  - Silver: 70% Actuarial Value
  - Bronze: 60% Actuarial Value
  - Catastrophic: Available to some people under 30 and those with hardship exemptions. Catastrophic plans only cover the bare minimum health benefits and have a very limited network and can result in high out-of-pocket costs
- All plans offered through the state exchange must provide minimum essential coverage, with premium subsidies and enhanced benefits provided on a sliding-scale basis to individuals below 400% of the Federal Poverty Level

Rating Area Overview

- Each state is divided into multiple regions, called rating areas
- Carriers must offer the same plans at the same premium levels uniformly across a rating area
- Wisconsin's state exchange has 16 Rating Areas
- All rating areas in Wisconsin have at least one Gold, Silver, or Bronze option
  - Only Rating Area 2 has a Platinum option in 2025



Number of Plans by Metal Level by Rating Area

- The following tables summarizes the number of plans at each metal level for each of the 16 rating areas:

Rating Area	Location	Platinum	Gold	Silver	Bronze	Catastrophic
Rating Area 1	Milwaukee	0	31	33	31	3
Rating Area 2	Madison/ Dane County	3	19	21	22	3
Rating Area 3	St. Croix/ West	0	23	29	32	3
Rating Area 4	Eau Claire/ West	0	40	43	53	9
Rating Area 5	Far Northwest	0	61	69	87	14
Rating Area 6	La Crosse	0	65	69	74	11
Rating Area 7	Southwest	0	70	75	75	10
Rating Area 8	NW Interior	0	46	57	75	13
Rating Area 9	Racine/SE	0	62	66	62	6
Rating Area 10	Wausau/ Central	0	42	56	59	12
Rating Area 11	Oshkosh/ East	0	180	199	178	27
Rating Area 12	Waukesha/SE	0	96	102	96	10
Rating Area 13	Green Bay/NE	0	58	77	90	20
Rating Area 14	South/Central (NOT Dane)	0	97	110	101	15
Rating Area 15	Castle Rock Lake Area	0	97	111	112	20
Rating Area 16	Rhinelander/North	0	191	222	199	32
Total Plans Offered (4704)		**3**	**1178**	**1339**	**1346**	**208**

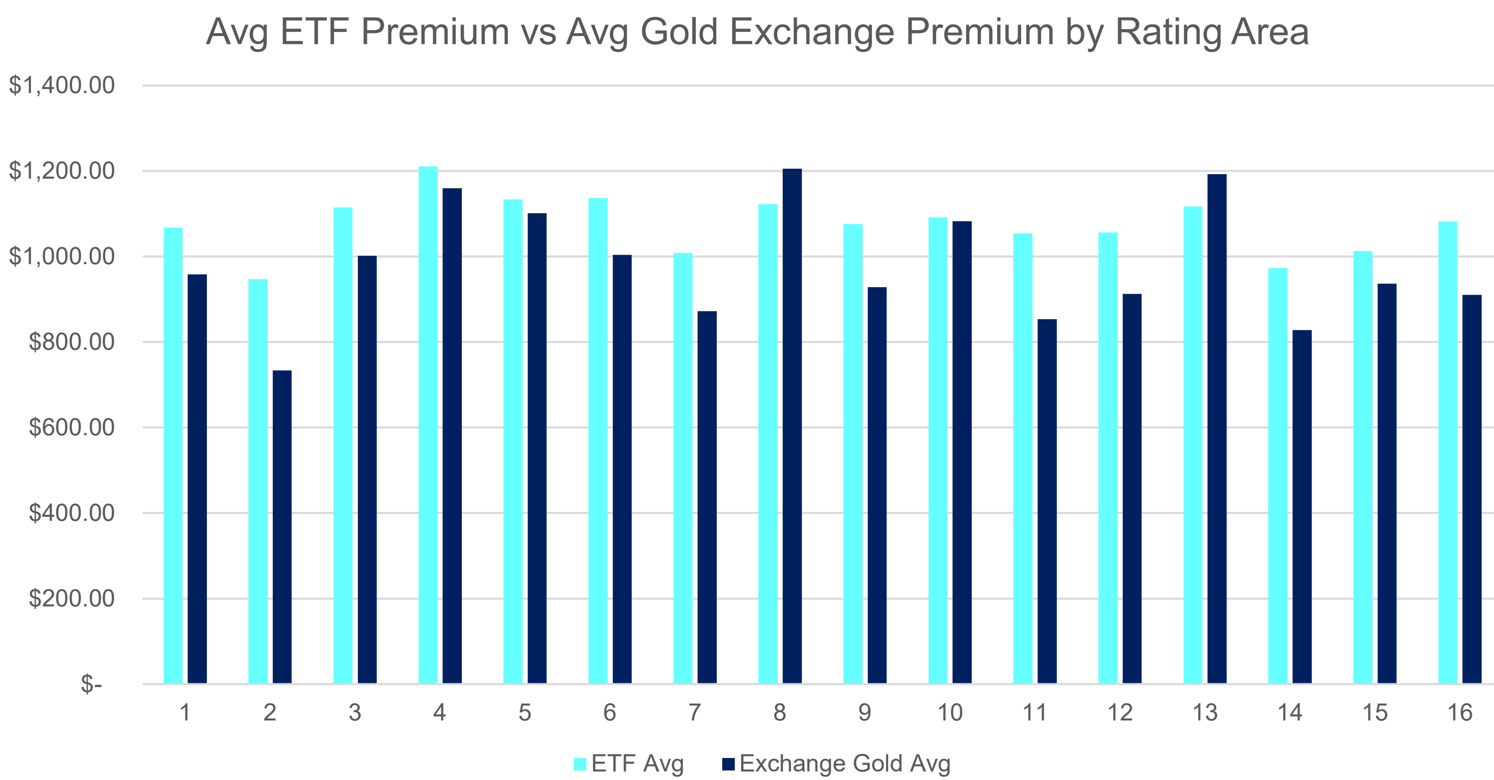
* 313,579 members in 2025 – an 18% increase over 2024

Exchange Benchmarking Methodology

- The purpose is to compare the premiums offered by the State to the premiums offered on the public exchange
- Took the following steps:
- First step was to establish an enrollment weighted average single premium rate for the Wisconsin ETF Premiums for each of the 16 Rating Areas
  - 2025 Total Single IYC No Dental Rates were used for this comparison
- Next, the average age per subscriber was determined for each rating area
- The age-appropriate average Gold rate per Rating Area was chosen for the comparison
- The exchange rates were then normalized to adjust for the difference in Actuarial Value from the WI IYC HMO's
  - IYC HMO's have an Actuarial Value of 94.4%, which qualifies as a Platinum Plan
  - Gold Plans are assumed to have an Actuarial Value of 80%
  - Only one Rating Area had a Platinum plan available, so Gold plans were used for the analysis and adjusted for the difference in Actuarial Value to compare against the Wisconsin ETF Premiums

Wisconsin ETF Premiums vs Actuarial Adjusted Average Gold Exchange Premiums

- Please see below a graph comparing the average ETF premiums by Rating Area to the average gold exchange premiums (adjusted for age and plan value) in the same Rating Areas:



- In aggregate, Wisconsin ETF premiums are 20.2% higher than the actuarial adjusted average gold premiums offered on the public exchange ($1,005.85 vs $837.01)

5. Key Findings

Key Findings

- Plan design specifics for Wisconsin tend to have lower cost shares for the member compared to the other benchmarking states.
- Total premiums are higher than average for single rates but are lower than average for family rates.
- The HDHP has the second highest Actuarial Value (AV) of the benchmarked state plans, and the HMO is also one of the highest Non-HDHP plans.
- The HDHP Plan has the highest richness of any benchmarking plan for both single and family tiers, and the HMO plan is one of the richer Non-HDHP plans for single and the highest for family.
- Wisconsin plans are more expensive than plans offered on the Public Exchange after adjustments for age and plan value.

Questions & Discussion

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