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Correspondence Memorandum

Date: October 29, 2025

To: Group Insurance Board

From: Stacey Novogoratz, Program Management Section Chief
Luis Caracas, Accident and Life Insurance Plan Manager
Tricia Sieg, Pharmacy Benefits Program Manager
Office of Strategic Health Policy

Subject: 2027 Preliminary Agreement and Benefit Changes

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

Background

The State of Wisconsin Department of Employee Trust Funds (ETF) reviews the contract documents signed by health plans and the Pharmacy Benefit Manager (PBM) that provide benefits under the Group Health Insurance Program (GHIP) annually. The Program Agreement (Agreement) outlines the administrative services health plans provide to ETF, the Group Insurance Board (Board), and its members. Each health plan offers the same standard medical Uniform Benefits (UB) to GHIP members. UB coverage is summarized in the Certificate of Coverage (Certificate) and the Schedules of Benefits (Schedules). The Board's PBM, Uniform Dental program administrator, and wellness program administrator have separate contracts for services, but these benefits are closely coordinated with the Agreement and Certificate.

ETF began the 2027 Agreement and Certificate review process in August 2025 by soliciting change ideas from contracted health plans and the PBM. Vendors returned their benefit changes and pilot program proposals to ETF in September 2025, and the summary of these changes will be sent to health plans and the PBM for their review. ETF, members, and other stakeholders also provided suggestions for changes to ETF.

This memo summarizes key changes being proposed to the documents referenced above. ETF continues to research all changes, as detailed in Attachment A, and is requesting cost analyses from the Board's actuary, Segal Consulting (Segal). ETF will use these analyses to further refine change proposals. Detailed changes and cost projections will be brought to the Board for discussion and approval at the February 2026 Board meeting.

Board	Mtg Date	Item #
GIB	11.12.25	7

Reviewed and approved by Renee Walk, Director, Office of Strategic Health Policy
Electronically Signed 10/29/2025

Proposed Changes to the Agreement
Health plans requested changes to Agreement language related to data and information sharing and information required on member identification cards. In response to changes due to the implementation of My Insurance Benefits, health plans also requested changes to language related to primary care provider/clinic information that will not be captured in My Insurance Benefits.

Proposed Changes to Benefits in the Certificate and Schedules
Health plans requested several revisions to the Certificate and Schedules to clarify language and add specificity. Notably, several proposed changes relate to durable medical equipment and supplies, coverage of foreign claims, and prior authorization language. Additionally, ETF received requests for both health plan design changes and dental benefit changes.

ETF is reviewing proposed changes (see Attachment A) and working with the health plans to clarify their requests, as needed. ETF will also continue to monitor legislative changes to coverage of preventive services and incorporate them into proposed changes to the Certificate and Schedules, as well as the Agreement. This includes any changes resulting from the passage of 2025 SB 264, otherwise known as "Gail's Law," which would expand access to breast cancer screenings for women with dense breast tissue.

Proposed Changes to Uniform Pharmacy Benefits
ETF continues to monitor independent scientific studies, cost trends, and state and federal laws that would affect coverage of weight-loss drugs. Any significant developments will be brought to the Board for consideration at the February meeting.

Proposed Changes to Cost-Sharing
Following the GHIP plan design analysis shared with the Board in August 2025 (Ref. GIB | 08.13.25 | 3), and Segal's benchmarking analysis presented in November 2025 (Ref. GIB | 11.12.25 | 6), ETF is researching and analyzing several cost-sharing changes for 2027 to better align with the market and other public sector plans, support financial stability, reduce administrative complexity, and make benefits easier for members to navigate. Possible benefit changes may include increases to medical deductibles and visit copays for primary care, specialty care, urgent care, and emergency room services, as examples. ETF is reviewing all medical visit copays and coinsurance to ensure they align with plan design goals and encourage appropriate care utilization by members. As part of broader plan simplification, ETF is also looking into shifting to a single medical out-of-pocket limit (OOPL) and maximum out-of-pocket (MOOP) rather than having separate OOPLs and MOOPs. In addition, ETF is exploring simplifying the therapy benefit structure by applying limits separately to physical therapy, speech therapy, and occupational therapy, rather than using a combined limit for all three.

ETF is also exploring potential changes to pharmacy benefit cost-sharing. These changes may include increases to copays and coinsurances, as well as consolidation of the two current pharmacy OOPLs to one single OOPL.

ETF is analyzing the impact of these various cost-sharing changes in terms of financial sustainability, member behavior, and administrative simplification. ETF intends to present the Board with three menu options ranging in the number of changes and level of increases at the February 2026 meeting. This approach will be similar to what was presented in March 2025 (Ref. GIB | 03.12.25 | 3B).

Additionally, ETF will be surveying members and employers about their perspectives on increases to cost-sharing and premiums. ETF will seek responses from a representative sample of members but may be unable to do so due to limitations in access to email addresses. ETF will share results with the Board during the February 2026 meeting.

Proposed Pilot Programs
While a few health plans submitted proposed pilot programs for 2027, ETF determined that all proposed programs could be administered within the current program agreement, and therefore, none were considered pilots. An update on existing pilot programs will be shared with the Board at the February 2026 meeting.

Next Steps
ETF will continue its review of the proposed changes and will consult with stakeholder groups, the Board's vendors, and Segal before presenting final recommendations at the Board's February 25, 2026, meeting.

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

Attachment A: 2027 Preliminary Agreement and Benefit Change Requests