

2018 Health Insurance Program Overview

Joint Meeting

Employee Trust Funds Board, Teachers Retirement Board

Wisconsin Retirement Board

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Overview

- Negotiations
- Plan Changes
- Member Impact and Disruption
- Medicare
- Communications Plan

Background



Factors Affecting Negotiations

Affordable Care Act (ACA)

- Uncertain future at national level
- National insurers have withdrawn from state exchanges and markets across the country

State Biennial Budget

- Significant required program savings
- Stalled. No final statutory language on requirement

Group Insurance Board

- ETF aimed to be consistent with Board's direction to maintain benefits for 2018

Negotiations

- Aggressive stance based on budget-required savings. Aimed for:
 - Minimal 2018 medical premium increases
 - Tight requirements for Tier 1 participation
- Result: 10 participating insurers for 2018
 - Most-efficient insurers stayed, and met premium requirements
 - Less-competitive insurers terminated
 - Concern: Data submission requirements for the Truven data warehouse
- Must still make significant draw on reserves to meet savings target

6 Health Plans Leaving Program

	Area Served	Members Served
Anthem Blue Preferred Northeast	Northeast WI	4,300
Arise Health	Northeast WI	1,700
Health Tradition Health Plan	Western WI	4,600
Humana Eastern and Western, including Medicare Advantage	Eastern & Western WI Medicare Advantage: Nationwide	18,100
UnitedHealthcare of Wisconsin	Eastern WI	14,000
WPS (Contract terminates Dec. 31, 2017)	All of WI, nationwide and the MedicarePlus population	10,600

Health Plans Leaving

- Several lower-performing plans have terminated
 - In terms of quality, grievances and customer service issues
- Terminating health plans are not allowed to re-enter for 3 years

Overall Performance Rating	
Health Plan	Star Rating
Network Health (all plans) ³	★☆☆☆☆
UnitedHealthcare of Wisconsin	★★★★★
Arise Health Plan	★★☆☆☆
Humana (all plans) ²	★★☆☆☆
Medical Associates Health Plans	★★☆☆☆
Anthem Blue	★★★★★
GHC of Eau Claire	★★★★★
GHC of South Central Wisconsin	★★★★★
Health Tradition Health Plan	★★★★★
MercyCare Health Plans	★★★★★
Physicians Plus	★★★★★
Unity Health Insurance (all plans) ⁵	★★★★★
WEA Trust (all plans) ⁶	★★★★★
Gundersen Health Plan	★★★★★
Security Health Plan (all plans) ⁴	★★★★★
Dean Health Insurance (all plans) ¹	★★★★★
HealthPartners Health Plan	★★★★★

2018 Health Plans

Dean Health
Insurance and Dean
Health Insurance-
Prevea360

Group Health
Cooperative of
Eau Claire

Group Health
Cooperative of South
Central Wisconsin

HealthPartners
Health Plan

Medical Associates
Health Plans

MercyCare Health
Plans

Network Health

Security Health Plan –
Central
Security Health Plan –
Valley

Quartz – Community
Quartz – UW Health

WEA Trust

East, Northwest Chippewa Valley
and Mayo Clinic Health System

IYC Access Plan, Medicare Plus
and State Maintenance Plan

Merger: Quartz

- Gundersen Health Plan, Physicians Plus and Unity Health Insurance
- Offered under the name “Quartz”
- Participants will be automatically enrolled

Quartz

WPS Replacement: WEA Trust

- Replaces WPS in 2018 for the:
 - IYC Access Plan
 - Medicare Plus
 - State Maintenance Plan
- Offered on a fully insured basis
- Participants will be automatically transitioned

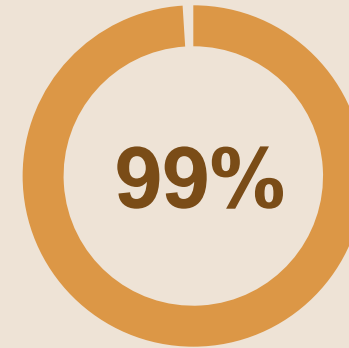


Member Impact



~53,000 Members

Required to change health plans in 2018



Most members will be able to keep their current doctors

Member Impact – Disruption

Facilities



No longer in-network	400
With 2016 claims <\$1k	200
With 2016 claims <\$10k	330
With 2016 claims >\$100k	15
With only 1 patient disrupted	300
Average patients disrupted per facility	3

Member Impact – Disruption

Providers



No longer in-network	1000
With 2016 claims >\$100k	7
With >25 patients disrupted	13
Average patients disrupted per provider	2

Members



Total members disrupted	4500
Total member physician disruption	2500

State Maintenance Plan (SMP)

**Offered in 2018:
Florence County**
Compared to
8 counties in 2017

Minimizing Member Disruption

ETF and remaining health plans identified key gaps in networks

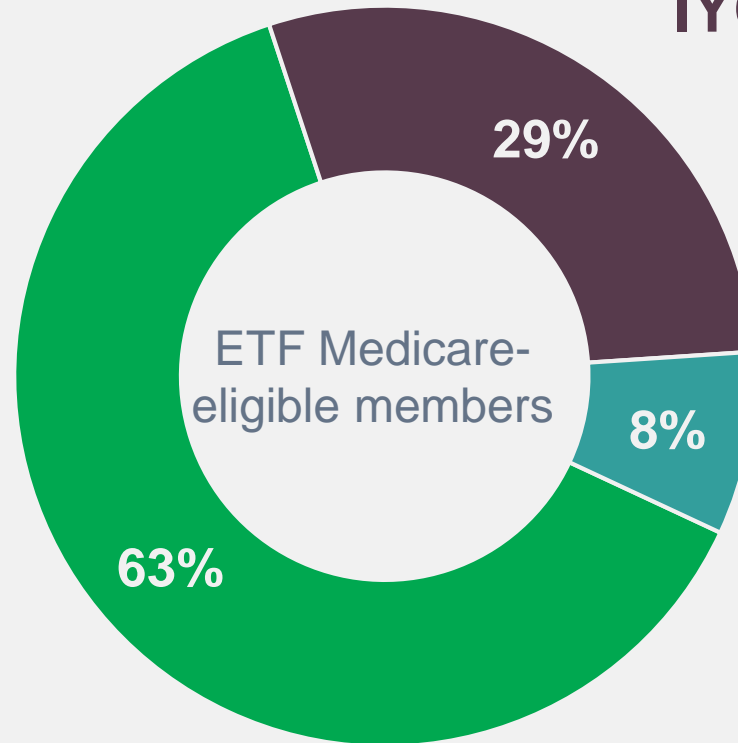
Some plans were able to make affordable expansions to networks to minimize disruption

**Nationwide:
Only 1 clinic not included**

(of the 50 most-utilized facilities in 2016)

Medicare Options

IYC Health Plan – Medicare
Uniform Benefits



IYC Medicare Plus

Medicare supplement plan
National network

IYC Medicare Advantage

Uniform Benefits, Nationwide Access
No longer available in 2018
RFP to solicit proposals for Medicare Advantage plan starting in 2019

Communications Plan

- Extensive plan targeting: staff, active members, retirees, employers (state and local), health plans, media, the Legislature and other stakeholders
 - Participating health plans: Annual subscriber letter, September
 - Terminating health plans: Mailing to members, mid-August; 2nd mailing, September
 - For retirees: ETF's communication channels will include the health plans, advocacy groups, direct mail and the website.

2018 IYC Enrollment Period October 2-27

Questions?

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