How to Join the Wisconsin Public Employers' Group Health Insurance Program

Department of Employee Trust Funds
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Table of Contents

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Chapter 1: General Information

The Wisconsin Public Employers (WPE) Group Health Insurance Program (Program) offers WRS-eligible employees of local government employers the opportunity to choose between multiple health insurance plans. The Program became available to state employees in 1960 and to local government employees in 1987.

Chapter 2: How to Join

201: Employer Eligibility

To be eligible to join the WPE Program, an employer must either:

1. Already participate in the Wisconsin Retirement System (WRS), or
2. Be covered by a Section 218 agreement with the Social Security Administration

202: Timeline to Join

All eligible employers may join each quarter beginning:

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
January 1	April 1	July 1	October 1

The enrollment process can take up to **four months** and involves several major steps:

1. Underwriting for large employers only (50+ WRS-eligible employees): 4-6 weeks
2. Selecting Program Option: 2 weeks
3. Enrolling employees: 4 weeks
4. Processing enrollment: 2 weeks

The entire process requires various actions by the employer, employees, and ETF throughout, and the steps listed are just an overview. Complete information is available in the *Local Employer Health Insurance Standards, Guidelines and Administration Manual (ET-1144)*.

203: Underwriting for Large Employers (50+ WRS-eligible Employees)

Large employers with 50 or more WRS-eligible employees (and small employers who may reach that level prior to the effective date) must undergo a process called underwriting. Underwriting determines if a new large employer *may* have to pay a *temporary* surcharge (in addition to regular premiums) to participate in the WPE Group Health Insurance Program.

1. Underwriting takes 4-6 weeks and determines any added risk an employer's group would bring to the Program
2. Based on that risk, employers *may* be assessed a surcharge per contract (typically up to 24 months)
3. Surcharges for the 2024 Program range from $90-360/month for Single plans and $225-$900/month for Family plans

Administration of the underwriting process is done, and assessment of the surcharge is determined by the Board's actuary. The surcharge determination cannot be appealed. ETF reserves the right to separately rate underwritten groups larger than 2,000 total employees, as recommended by the actuary.

For more information about how to proceed with underwriting, please see the Underwriting Checklist/Questionnaire at the end of this brochure.

204: Employer Selects a Program Option

A new employer will select a Program Option or benefit design to offer its employees. The Program Options vary based on premiums and employee out-of-pocket costs.

All Program Options provide access to all health plans. “Health plans” refers to insurance companies that contract with networks of doctors and hospitals. Employees choose the health plan they want. Employers do NOT limit the choice of health plans for their employees. Employers also choose whether their Program Option will include dental benefits.

204A: Program Option Comparison

Use the chart below to compare the different Program Options:

Benefits for	“Traditional” Program Option 2*/12 ET-2128	“Deductible” Program Option 4*/14 ET-2158	“Local” Program Option 6*/16 ET-2168	“HDHP” Program Option 7*/17 ET-2169
Premiums[1]	$$$	$$	$$	$
Deductible[2]	No deductible	$500 Individual $1,000 Family (Not affected by prescription drug copays)	$250 Individual $500 Family (Not affected by prescription drug copays)	$1,600 Individual $3,200 Family (Affected by prescription drug paid full cost)
Office Visit Copay[3]	None	None	$15 Primary Care $25 Specialty Care	$15 Primary Care $25 Specialty Care
Coinsurance[4]	None (except 20% for DME[6], adult hearing aids and adult cochlear implants)	After deductible, None (except 20% for DME[6], adult hearing aids, and adult cochlear implants)	After deductible, 10% (except for office visit copays)	After deductible, 10% (except for office visit and prescription drug copays)
Annual out-of-pocket limit (OOPL):[5]	None (except $500/person for DME[6] and adult cochlear implants)	After deductible, None (except $500/person for DME[6] and adult cochlear implants)	$1,250 Individual $2,500 Family (Does not include prescription drug copays)	$2,500 Individual $5,000 Family (Does include prescription drug)

**Program Options 2, 4, 6, and 7 offer employees the option to enroll in Uniform Dental Benefits*

1. Premium: Monthly payment from employer to ETF; Includes both employer's and employees' share of premium
2. Deductible: Annual dollar amount that each individual or family must pay before health plan pays for any medical expenses

3. Copay: A set dollar amount for office visits, but not services like lab and x-ray

4. Coinsurance: The percentage of medical expenses that a patient pays after meeting a deductible

5. Out-of-Pocket-Limit (OOPL): The maximum amount an individual or family would pay in a year through deductible, copays, and coinsurance

6. Durable Medical Equipment (DME): Items that can withstand repeated use, such as wheelchairs or crutches

204B: Uniform Benefits and Pharmacy Benefits

All Program Options and all health plans have Uniform Benefits—they cover the same medical services and procedures with the same deductible, copayment, and coinsurance. Additionally, all Program Options and health plans have the same prescription drug coverage with no deductibles and the copayments and coinsurance outlined in the table below:

	Copayment/Coinsurance (For detail including prescription drug out-of-pocket limits, visit etf.wi.gov)	
Prescription Drug Benefits	Level 1	$5 or less
	Level 2	20% ($50 max)
	Level 3	40% ($150 max)
	Level 4	$50

NOTE: PO 7/17 (“HDHP”) Members pay full cost of drugs out-of-pocket until deductible is met

204C: Uniform Dental Benefit (UDB)

Employers choose whether to select a Program Option with or without Uniform Dental Benefits (UDB). UDB offers preventive coverage for cleanings, fillings, orthodontics for those under age 19, and other basic services.

If employers *do* select a Program Option with UDB, employees who enroll in health insurance have the choice whether or not to also enroll in UDB.

For more information about Uniform Dental Benefits, please see the Fact Sheet here.

204D: Employer Files Resolution

Once an employer selects a Program Option, they submit a *Resolution for Inclusion Under WPE Group Health Insurance* (ET-1324) at least 90 days prior to the intended start date. Large employers should undergo underwriting prior to submitting a resolution, in the event that any surcharge changes their decision to join the Program.

Employers should also submit with their Resolution:

- *Online Network for Employers Security Agreement* (ET-8928): Allows the employer to add, delete, and change online access for ETF programs (NOTE: Submit ET-8928 for each person who needs access)
- *Designation of Agent* (ET-1313): Names employee(s) authorized to represent the employer for ETF-related matters

204E: Employee and Employer Cost

Employer contributions toward health insurance coverage are limited to those described in Wisconsin Statutes § 40.05(4). The most common method used to determine cost sharing is the 88% Calculation Method. For other methods see Section 205 in the *Local Employer Health Insurance Standards, Guidelines and Administration Manual (ET-1144)*.

Under the 88% Calculation Method, the employer pays the following towards WRS-eligible employees' monthly premiums:

- **50% FTE or greater:** Employer pays 50-88% of the average premium cost of qualified tier one health plans in their county for employees
- **49% FTE or less:** Employer pays 25-50% of health plan monthly premium for employees

The following example shows how you might calculate employer contribution for individual coverage:

- ABC County has three qualified tier one health plans with the following individual premiums:
  - Dynamic Docs Health Care: $1,200/month
  - Magnificent Medical Care: $1,000/month
  - Punctual Provider Care: $800/month
- The average premium cost for the qualified tier one plans is:
  - (Total sum of tier one plans added together) / (total number of tier one plans)
  - ($1,200 + $1,000 + $800) = $3,000 Total sum
  - $3,000 / 3 = $1,000 average
- Employer share range:
  - 50-88% of $1,000 = $500-$880

If a county does not have a qualified tier one health plan, the State Maintenance Plan (SMP) would be available and its rates set the 88% Calculation Method. Premium rates change annually. For the most current information, please visit our website here and scroll down to the 88% tables under Local premium rates.

205: Enrolling Employees

205A: Initial Enrollment—Employees Choose Health Plans

After the employer files a resolution, ETF will notify the employer when to offer a 30-day initial enrollment period for the employees to select a health plan. All Program Options have the same health plans. Each health plan is an insurance company that has its own network of doctors, hospitals, and clinics.

Employees are encouraged to verify that a doctor or point of service is providing services under the health plan selected. Examples of health plans are Dean Health Insurance or Network Health Plan.

Most health plans have limited, regional provider networks and so can offer lower cost premiums. However, employees have the choice to enroll in the Access Plan, which has a nationwide network, and is more expensive than other plans.

NOTE: Employees *must* choose the Access Plan during initial enrollment if:

- The Employer does not currently cover its employees with group health insurance plans
- The employee is not insured under the Employer's current health insurance program
- The employee is insured for single coverage and wants to enroll in family coverage
- The employee is hired after the Resolution of Inclusion and before the effective date

205B: Employee Eligibility

WRS Employers:
All employees, including part-time and seasonal employees, participating in the WRS are eligible for coverage if the employer elects to participate in this program. **All WRS-eligible employees *must* be offered coverage for group health insurance**. Visit Section 401 in the *Local Employer Health Insurance Standards, Guidelines and Administration Manual (ET-1144)* or call 1-877-533-5020 if you have questions about employee eligibility.

Non-WRS Employers covered by a Section 218 agreement with the Social Security Administration**:**
Health insurance eligibility is based on the criteria below:

- Employees covered by any WRS employer **before July 1, 2011** must be:
  - Expected to work 440 hours for teachers and educational support staff, and 600 hours for all others; *and*
  - Expected to work at least one year (365 consecutive days, 366 in leap year) from their date of hire.

- Employees who were never in the WRS *or* were covered by any WRS employer **on or after July 1, 2011** must be:
  - Expected to work 880 hours for teachers and educational support staff, and 1,200 hours for all others; *and*
  - Expected to work at least one year (365 consecutive days, 366 in leap year) from their date of hire.

Contact ETF at 1-877-533-5020 to discuss employee eligibility.

205C: Retirees, COBRA, and Surviving Dependents

Retired employees, terminated employees on COBRA, and surviving dependents *currently* enrolled in their employer's health insurance program are eligible under the WPE Program, but employers have no responsibility to contribute to their premiums and can continue coverage at group rates. Members who are not currently participating in the employer's current insurance program cannot enroll in the Program. For more information on their eligibility, please see Section 401 in the *Local Employer Health Insurance Standards, Guidelines and Administration Manual (ET-1144)*.

205D: Medicare Coordination

All health plans have coverage options coordinated with Medicare. Once retired members become eligible for and enroll in Medicare Parts A and B, they still remain covered by their health plans, but have less expensive premiums since Medicare pays much of any claim costs.

Active employees should not enroll in Medicare Part B until they retire under WRS. If active employees have questions about Medicare, they should contact Social Security Administration (SSA) and inform SSA that they are enrolled in an *active* employer group health insurance plan.

Covered retirees, and their dependents, must enroll in both Parts A and B when eligible for Medicare.

For more information about Medicare eligibility, please see Section 1102 of the *Local Employer Health Insurance Standards, Guidelines and Administration Manual (ET-1144)*.

206: Processing Enrollment

206A: Processing Communication

ETF delivers employer announcements, **exclusively** through ETF E-mail Updates. Once the employer files a resolution to join the WPE Program, the employer's agent is required to receive, forward as necessary, and act as required for all ETF E-mail Updates. There is no charge for this service.

Prevent Emails From Delivery to SPAM Folder: Add etfwi@public.govdelivery.com to your email address book to prevent Employer Bulletins and other notices from ending up in a SPAM folder. If you use a spam filter, add etfwi@public.govdelivery.com to the whitelist. If you have questions, please call the Employer Communication Center at 1-877-533-5020.

206B: Minimum Participation Requirements

New employers must meet and maintain minimum participation levels from their employees during initial enrollment, otherwise they cannot participate.

Large employers (with 50+ WRS eligible employees) must achieve a 65% participation rate of all eligible employees to join the WPE Program.

Small employers (49 or fewer WRS eligible employees) must meet the following enrollment levels:

Group Size	Minimum Enrollment
1	1
2-4	2
5-6	3
7	4
8-9	5
10	6
11-49	70%

Certain employees can be "waived" from an employer's count of "eligible" employees if:

- Covered by a plan not sponsored by the employer
- Enrolled in a similar plan sponsored by the employer
- Annualized medical premium contribution exceeds 10% of their annualized gross earnings

NOTE: An employer may ***only*** deduct the allowable **"waives"** from the overall group when the **initial** group size of employees that participate in the WRS is 49 or fewer.

Employers wishing to join the WPE Program that have different collective bargaining units (e.g. Police and Firefighters) *may* have separate *outside* insurance for their units; however, the minimum participation level must be met based on the number of **all** WRS-eligible employees.

Chapter 3: After Joining

301: Annual Open Enrollment

After joining the WPE Program, employees will have an annual open enrollment period, also known as It's Your Choice (IYC). Open enrollment is a 30-day period every fall and new changes become effective January 1 of the following year.

Open enrollment represents an opportunity for subscribers to:

- Change health plans
- Switch from single to family or from family to single coverage
- Enroll in new coverage if previously declined (employees only)

Employees who declined enrolling when newly hired will need to wait for annual open enrollment to participate unless they have a qualifying life event (see Section 302-B).

302: Adding Members

302A: Enrolling New Employees

Once an employer participates in the Program, any newly hired WRS-eligible employee may enroll in health insurance within specific timeframes:

1. Within 30 days of the date of hire
    a. Employees responsible for full premium until the employer contribution begins
    b. Coverage effective first of month following date of hire (or day of hire if hired on first)
2. Within 30 days of the date the employer contributes to the premium
    a. Employers pay 50-88% of premium, employees pay the remainder (see Section 204-E)
    b. Employer contributions must be effective no later than first of month following six months WRS service. However, employers may want to start their contributions no later than the first of the month preceding the employee's completion of 90 days of qualified employment.

302B: Life Events

Employees who experience a qualifying life event (such as marriage or birth) can enroll in health insurance and add dependents as well. For the full list of qualifying life events, please see the Life Event Guide or see Section 601A in the *Local Employer Health Insurance Standards, Guidelines and Administration Manual (ET-1144)*.

302C: COBRA/Continuation and Conversion

As permitted by state and federal law, employees and their dependents are eligible for COBRA/continuation and conversion of WPE health insurance at **full monthly premium rates** after their eligibility ends (e.g. terminating employment). For more information about COBRA and Conversion, please see Section 1001 in the *Local Employer Health Insurance Standards, Guidelines and Administration Manual (ET-1144)*.

303: Employer Termination of Participation

Participation in the WPE Program is optional, and an employer can withdraw from the program at the end of any calendar year. To terminate participation, an employer must submit a *Resolution to Withdraw from the WPE Group Health Insurance Program* (ET-1318) to ETF no later than October 15.

NOTE: A newly participating employer must agree to continue participation in the WPE Program for a minimum of three years if they have been assigned a surcharge or if a second plan is retained.

Following an employer's withdrawal from the program, any participant, including retirees, survivors & COBRA continuants will no longer be eligible for coverage.

Employers withdrawing from the WPE Program cannot re-apply for participation in the program for three years and will have to go through underwriting again if they have 50+ WRS-eligible employees.

ETF may also terminate an employer's participation in the program if the employer fails to maintain the minimum participation level of eligible employees or otherwise violates the terms of the contract.

Chapter 4: Additional Resources

More Information

If you have any questions not covered here, you may contact:
Department of Employee Trust Funds
Employer Services, ATTN: Program Manager
P. O. Box 7931
Madison, WI 53707-7931

Toll free telephone: 1-877-533-5020

Email: ETFSMBESSNewEmployer@etf.wi.gov

Fax: 608-266-5801

Internet site: etf.wi.gov

Resolution for Inclusion Forms

Resolution for Inclusion Under WPE Group Health Insurance (ET-1324)

Resolution for Inclusion Under Second Group Health Plan (ET-1325)

Wisconsin Public Employers
Large Group Underwriting Checklist/Questionnaire

(For groups with 50 or more WRS-eligible employees.)

Do not file a resolution until you have received your group's rates and your governing body has decided to accept them.

All Information must be sent to:
Employer Services, ATTN: Program Manager
PO Box 7931, Madison, WI 53707-7931
Fax (608) 266-5801
Email: ETFSMBESSNewEmployer@etf.wi.gov

- ❑ Check made out to Segal Consulting for $3,000 for the cost of underwriting.
- ❑ Employer Questionnaire checklist from ET-1139 (this form)
- ❑ WRS Group Name: _____.
- ❑ Employer Identification Number (EIN): _____.
- ❑ Federal Employer Identification Number (FEIN): _____.
- ❑ Group Contact/WRS Agent (name): _____.
- ❑ Group Contact phone: _____ Fax: _____.
- ❑ Email Address: _____.
- ❑ Group Physical Address: _____ _____ _____

  Mailing Address (if different): _____ _____ _____
- ❑ County Location of Employer: _____.
- ❑ Desired Effective Date (Offered no sooner than 120 days from the renewal/effective date of the client): _____.
- ❑ Number of *all* employees on payroll including part time, seasonal whether or not they meet WRS eligibility requirements: _____.
- ❑ Number of WRS eligible employees including part time, seasonal: _____.
- ❑ Number of insured retirees: _____
- ❑ Number of COBRA continuants: _____
- ❑ US Dept. of Labor- Standard Industrial Classification (SIC) code (for example: 9199: General Government, Not Elsewhere Classified): #_____
- ❑ What is your *current* employer contribution and *anticipated* contribution guideline?:
  Current: _____ Anticipated: _____

- ❑ What is your *current* probationary period? What is your *anticipated* probationary period for health insurance eligibility? ETF recommends less than 90 days to avoid potential ACA penalties (e.g., 1st of the month following 60 days):
  Current: _____ Anticipated: _____

- ❑ Current insurance carrier & years enrolled: _____.

- ❑ Most recent State Department of Workforce Development quarterly Wage and Tax Report statement. This report must include employee names. This report can be sent by secure email to ETFSMBESSNewEmployer@etf.wi.gov or mailed with this checklist.

- ❑ Send electronic census data by secure e-mail to ETFSMBESSNewEmployer@etf.wi.gov or on disc that is mailed with this checklist. Your census data will be for all eligible employees (noting those employees who are in their probationary period), retirees, former employees receiving COBRA benefits (include COBRA end date) and employees waiving coverage under the current benefit plan. Census data should include:
  - The employee by name, employee number, or numeric assigned number
  - Date of birth or age
  - Sex
  - Current status of their insurance EE (single), EC (employee/child{ren}), ES (employee/spouse), F (family) preferable. At a minimum EE & F.
  - Zip code of the employee's address

- ❑ **For current self-funded groups and insured groups with experience data, send by secure email to ETFSMBESSNewEmployer@etf.wi.gov or on disc that is mailed with this checklist:**
  - Twenty-four months (month by month, 12 months minimum) of claims data
  - Enrollment data (month by month summary of enrollment by single, limited family, family)
  - Benefit plans in force for each year of rate history
  - Employer contribution
  - **High cost claims data (over $25,000) detail including dollar amount, diagnosis, current status (enrolled or cancelled) and prognosis (if available). *This information cannot include name, Social Security number, or any information that would identify the individual.***
  - Current rates by benefit plan. For self-funded groups, current COBRA/funding rates and/or current specific stop loss, aggregate stop loss, and administrative fees and aggregate factors by plan.

- ❑ **For insured groups with carriers who do not provide experience data, send by secure e-mail to ETFSMBESSNewEmployer@etf.wi.gov or on disc that is mailed with this checklist*:**
  - 3 years of rate history and renewal calculations, including renewal rates
  - Enrollment (summary of enrollment by single, limited family, and family) for each of 3-year rate history
  - Benefit plans in force for each year of rate history
  - High cost claim (over $25,000) detail including dollar amount, diagnosis, current status (enrolled or cancelled) and prognosis (if available). ***Note: Claims data cannot include name, Social Security number, or any information that would identify the individual***.

* Note: Groups that consist of 50-100 active WRS-eligible employees may have to request this information, in writing, from their current plan. If it is not received by ETF, your group may be assigned to the highest surcharge amount.