



# Employer *Bulletin*

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etf.wi.gov

## Consider Participating in the Wisconsin Public Employers Group Health Insurance Program

Have you considered joining the Wisconsin Public Employers (WPE) Group Health Insurance Program? This program is authorized by the Group Insurance Board and available to employers participating in the Wisconsin Retirement System, and local government employers that do not participate in the WRS and are separate from Social Security entities. The program is administered by the Department of Employee Trust Funds and offers the following benefits:

- Competitive health insurance premium rates.
- One-stop shopping for access to many provider networks statewide.
- A successful prescription drug benefit program administered by a pharmacy benefits manager (PBM) credited with saving state and local employers millions of dollars in prescription drug costs.

### Benefit Program Options

To support its commitment to establish and maintain quality, long-term partnerships with participating local government employers, ETF offers eight program options—four main health plan designs, each with or without dental.

**For additional information**, see Page 2 and the [How to Become a Participating Employer Under the Wisconsin Public Employers' Group Health Insurance Program \(ET-1139\)](#) brochure for WRS employers. Also for Non-WRS Employers please review [How to Join The Wisconsin Public Employers Group Health Insurance Program for Non-WRS Employers \(ET-1156\)](#), available at [etf.wi.gov](http://etf.wi.gov).

Employers may offer up to eight program options to different classes of employees (that is, collective bargaining units). Individual employees cannot choose between program options. There are separate pharmacy benefit out-of-pocket maximums that apply to all program options, except the High Deductible Health Plan (P07/P17).

The 2018 monthly premium rates, as well as an interactive map showing plans available by county and tier, are available on the [ETF It's Your Choice web pages](#). (Find the map under the Map tab of the IYC pages.)

*Note:* The map indicates which plans are “qualified,” meaning they meet minimum requirements for the number of primary providers, including a hospital (if one exists in the county), pharmacy, chiropractor and dentist (if applicable) physically located in specific counties. This map also shows plans that are “non-qualifying,” where they offer limited provider availability in the county.

**Wisconsin Public Employees  
Non-Medicare Medical Benefits/Program Options (POs)  
Effective January 1, 2018**

For HMOs and some PPOs: Represents benefits for in-network providers		Program Option 02*/12 IYC Local Traditional Plan	Program Option 04*/14 IYC Local Deductible Plan	Program Option 06*/16 IYC Local Health Plan	Program Option 07*/17 IYC Local High Deductible Health Plan (HDHP)
<b>Uniform Benefits</b>	Deductible (Unless otherwise noted, it is an overall deductible)	No deductible	\$500 Individual \$1,000 Family Except as required by federal law.  Does not apply to prescription drug copayments.	\$250 Individual \$500 Family Except as required by federal law.  Does not apply to office visit and prescription drug copayments.	\$1,500 Individual \$3,000 Family Except as required by federal law.  <i>Note:</i> Deductible must be met before coverage begins. For family coverage, full family deductible must be met. Deductible includes prescription drug coverage. Once met, office visit and prescription drug copayments apply up to OOP.
	Office Visit Copayment	None	None	\$15 Primary Care, \$25 Specialty Care. Applies to OOP but not deductible.	After deductible \$15 Primary Care, \$25 Specialty Care. Applies to OOP.
	Coinsurance	None except 20% for durable medical equipment, adult hearing aids and adult cochlear implants.	After deductible, none except 20% for durable medical equipment, adult hearing aids and adult cochlear implants.	After deductible you pay 10% except for office visit copayments.	After deductible you pay 10% except for office visit and prescription drug copayments.
	Annual out-of-pocket limit (OOP): includes deductible and coinsurance	None except up to \$500 Individual for durable medical equipment and adult cochlear implants. Plan pays no more than \$1,000 for each adult hearing aid. See <a href="http://etf.wi.gov">etf.wi.gov</a> .	After deductible, none except up to \$500 Individual for durable medical equipment and adult cochlear implants. Plan pays no more than \$1,000 for each adult hearing aid. See <a href="http://etf.wi.gov">etf.wi.gov</a> .	\$1,250 Individual \$2,500 Family	\$2,500 Individual \$5,000 Family

<b>Prescription Drug Benefits</b>	<b>Copayment/Coinsurance</b> (For detail including prescription drug out-of-pocket limits, visit <a href="http://etf.wi.gov">etf.wi.gov</a> )	
	Level 1	\$5
	Level 2	20% (\$50 max)
	Level 3	40% (\$150 max)
	Level 4 Preferred	\$50
	Level 4 Non-Preferred	40% (\$200 max)

\*Program option includes dental coverage with no deductible and a \$1,000 per individual annual benefit maximum for 100% coverage of specified diagnostic, preventive and restorative coverage; and 80% coverage for certain periodontics and adjunctive services. Also includes 50% coverage up to \$1,500 per child for orthodontia. For details, visit [etf.wi.gov](http://etf.wi.gov).

## Participation Process

Joining the WPE Group Health Insurance program consists of the following two steps:

1. Large employers, with 51 or more employees, must complete the group underwriting process to learn what, if any, surcharge your group would have to pay for a limited time. Small employers, with 50 or less employees, do not have to complete underwriting. The underwriting process begins 120 days prior to your effective date and takes about 30 days to complete. Groups can join the program effective January, April, July or October 1 of any year.
2. File a resolution to select the benefit option you will offer your employees and annuitants (see benefit options listed within this bulletin for further details). Once you receive your group rates following underwriting, the resolution to join should be filed 90 days prior to your chosen effective date.

To begin coverage effective January 1, 2019, you must begin the underwriting process, if applicable, by August 31, 2018 and your resolution must be received by September 30, 2018.

***All of your WRS-eligible employees, or WRS-eligible equivalent employees for non-WRS employers, must be offered the health insurance coverage, including part-time employees.***

Eligibility includes current and future WRS or WRS-equivalent retirees covered under your current group health insurance plan.

## Underwriting Process

Group underwriting applies to all large employers seeking insurance in the state. Small employers, with 50 or less employees, do not need to complete underwriting. Our program follows an underwriting process established under rules of the Office of the Commissioner of Insurance.

Employers may enter the program quarterly. Underwriting determines if the group may join at the rates published in the [It's Your Choice materials](#), or if a large group will receive an additional per-contract per-month surcharge, as determined by the Group Insurance Board's consulting actuary, for an average of 24 months. The surcharge will be applied if the group's risk is determined to be detrimental to the existing pool.

A checklist itemizing the information required for submittal is included at the end of the [How to Become a Participating Employer Under the Wisconsin Public Employers' Group Health Insurance Program \(ET-1139\)](#) manual for WRS employers. Also for Non-WRS Employers please review [How to Join The Wisconsin Public Employers Group Health Insurance Program for Non-WRS Employers \(ET-1156\)](#), available at [etf.wi.gov](http://etf.wi.gov). These describe what prospective employer groups must submit to ETF to complete the underwriting process.

Once ETF receives the required information from the employer, the information is forwarded onto WEA Trust Health Insurance (WEA) to perform the initial underwriting function, and to the Group Insurance Board's consulting actuary for review and determination of the surcharge amount, if applicable.

ETF will provide final rates to the employer. Following underwriting and ETF notification of the final rates, the employer's governing body must decide whether to pass a resolution for inclusion ([ET-1324](#) for WRS participating employers or [ET-1326](#) for non-WRS participating employers) to join the program. Upon filing the resolution with ETF, coverage is effective on the first day of the quarter following the 120-day process.

## Premium and Employer Contribution Information

Participating employers potentially have three options available for establishing the employer contribution toward premium:

- 88% Calculation Method
- Three-Tiered Premium Structure
- 105% Formula Method

Participating employers are allowed to pay up to 88% of the average premium cost of the qualified tier 1 health plans offered in the service area of the employer (i.e., the county), unless a collective bargaining agreement that was in place before June 28, 2011 continues in force and provides otherwise. A 105% of the low-cost qualified health plan contribution method applies only for those employees who are specifically exempt from the 88% contribution method.

The three-tiered premium structure is also available for employers to use to establish the maximum employee contribution toward the premium. Each year the Group Insurance Board and its consulting actuaries rank and assign each of the available health plans to one of three “tier” categories. An employee’s premium contribution is determined by the tier ranking of the health plan he or she selects.

For more information regarding the three options available for establishing employer contribution toward premium, please review the manual [How to Become a Participating Employer Under the Wisconsin Public Employers’ Group Health Insurance Program \(ET-1139\)](#), for WRS employers. Also for Non-WRS Employers please review the [How to Join The Wisconsin Public Employers Group Health Insurance Program for Non-WRS Employers \(ET-1156\)](#). These brochures are available on ETF’s website.

## Conclusion

As a participating employer, you potentially have three options available for establishing employer contribution toward premium (see above). Your employees will have their choice of health plans offered by the WPE Group Health Insurance Program when you elect to join. During the annual It’s Your Choice open enrollment in October, employees and insured retirees may elect, without restriction, to change to a different participating health plan within their program option or to change from individual to family coverage, or family to individual coverage, effective the following January 1.

## Contact

For more information on joining the WPE Group Health Insurance Program, contact the Employer Communication Center toll free at 1-877-533-5020 or 608-266-3285 (local Madison), or email at [etfsmbemployerinsurance@etf.wi.gov](mailto:etfsmbemployerinsurance@etf.wi.gov)

The Department of Employee Trust Funds does not discriminate on the basis of disability in the provision of programs, services or employment. If you are speech or hearing impaired and need assistance, call the Wisconsin Relay Service toll free at 7-1-1 or 1-800-947-3529 (English) 1-800-833-7813 (Español). If you are visually or cognitively impaired, call 1-877-533-5020 or 608-266-3285 locally. We will try to find another way to get the information to you in a usable form.

This *Employer Bulletin* is published by the Wisconsin Department of Employee Trust Funds. Questions should be directed to contact persons listed in the *Bulletin*. Employer agents may copy this *Bulletin* for further distribution to other payroll offices, subunits or individuals who may need the information. Copies of the most recent *Employer Bulletins* are available on our Internet site at [etf.wi.gov/employers.htm](http://etf.wi.gov/employers.htm)

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