



STATE OF WISCONSIN
Department of Employee Trust Funds
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SECRETARY

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Dear Local Employer,

Some of you have asked how we make decisions about health plan premiums, qualification of specific plans in our program and tier placement. We know that premium increases can have a significant impact on your budgets, but that you also want to make sure that your employees continue to have access to high quality health coverage. We want you to know what we are doing to help control health insurance premiums while continuing to provide access to high quality care.

Some of our health plans came to the annual renewal process this year with requests for premium increases that were not acceptable to us. The rate offerings you are seeing are significantly reduced from the initial bids. We worked with our actuaries and the plans to reduce the premiums as low as the plans were willing to go. At the end of the day, some of the health plans made the decision to move to a higher tier level than in previous years.

The [88% method](#) is structured to steer participants to low cost, high quality plans. This means that if employees chose higher cost plans, the cost burden is on the employee, and not the employer. We realize that many of your employees could be facing a tough decision this It's Your Choice open enrollment period. Some may change plans to avoid substantial monthly cost increases. While change is never easy, we are here to help with the transition. Participants should reach out to prospective health plan(s) to determine if their doctors are in-network or if they need to know about transitioning care. If they have any issues or need help, they can [call ETF](#). Our [ombudspersons](#) are available to help with complex issues or transitioning care to a new health plan.

The good news is that while some plans' premiums went up, several others went down. In most of the counties experiencing the increases, there is at least one other Tier 1 plan with reduced rates. In many of these areas, health care providers contract with more than one health plan. This means that while some of your employees may decide to change health plans, most should not have to change their doctors. We have posted a [Guide to Transitioning to a New Health Plan](#) under the resource tab in the It's Your Choice section at etf.wi.gov to help your employees.

Thank you for your continued trust in ETF.

Sincerely,

Eileen Mallow, Director
Office of Strategic Health Policy