



## Contract by Authorized Board

### Commodity or Service:

### Contract No.:

Consulting Actuary for Wisconsin  
 Group Insurance and Disability Programs

ETD0013 – Amendment #15 dated January 25, 2022

**Contract Period:** January 1, 2022 through December 31, 2022

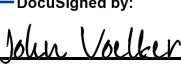
1. This Contract Amendment #15 is entered into by the State of Wisconsin, Department of Employee Trust Funds hereinafter referred to as the "Department," and Milliman, Inc., hereinafter referred to as the "Contractor," whose address and principal officer appear on page 3 below. The Department is the sole point of contact for this Contract.
2. Whereby the Department agrees to direct the purchase and the Contractor agrees to supply the Contract requirements cited herein in accordance with the State of Wisconsin standard terms and conditions and in accordance with the Contractor's proposal date February 17, 2014 hereby made a part of this contract by reference.
3. In connection with the performance of work under this Contract, the Contractor agrees not to discriminate against any employees or applicants for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s.51.01(5), Wis. Stats., sexual orientation as defined in s.111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor further agrees to take affirmative action to ensure equal employment opportunities. The Contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.
4. Contracts estimated to be over fifty thousand dollars (\$50,000) require the submission of a written affirmative action plan. Contractors with an annual work force of less than fifty (50) employees are exempted from this requirement. Within fifteen (15) business days after the award of the Contract, the plan shall be submitted for approval to the Department. Technical assistance regarding this clause is provided by the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931, 608.266.2586, or via e-mail at [ETFSMBProcurement@etf.wi.gov](mailto:ETFSMBProcurement@etf.wi.gov).
5. This initial contract period is for fifteen (15) months. Each contract period annually will be for twelve (12) months and extend unless and until either party gives the other 180 days' notice of their intent to cancel the contract.
6. The Contract Amendment 1 is to add Milliman's Proposal for Disability Plan Design Analysis Scope of Work dated January 13, 2015 (amended March 26, 2015). Task reimbursement amounts are eligible for payment from Table 1, when ETF gives written acceptance of the tasks satisfactory receipt and will cost no more than \$75,000. All task estimated timeframes are mutually agreed upon and deviations must be mutually agreed upon. The Contract Amendment 1 may be amended to reflect any change in tasks' estimated timeframes, additional requested work or costs associated with additional work requests. The Additional Plan Design Options (APDO) for researching the plan design for similar employers, including other state systems and large public sector plans will cost no more than \$5,000. Reimbursement for the APDO work is eligible for payment when ETF gives written acceptance of satisfactory receipt. All travel expenses associated with the services for this amendment shall be billed at actual costs, be reasonable for the work conducted, and when appropriate, be at state approved rates. Contract Amendment 1 is for the total cost not to exceed \$80,000.
7. The Contract Amendment 2 is dated February 3, 2016 for the consulting actuary related services, with the costs not to exceed \$118,450.
8. Article 6 above is amended to add expanded project analysis work on the Income Continuation Insurance (ICI) program and hereby incorporated by reference the Milliman letter dated January 21, 2016 for the Disability Plan Design Work. Delivery date for this expanded project analysis is June 30, 2016. The expanded analysis project, project delivery date, and an additional amount of \$25,000 has been mutually agreed upon. The original amounts from Article 7 and the additional amount included in this article are in addition to the contract amount for the consulting actuary related services specified in Article 8.
9. The Contract Amendment 3 is dated September 23, 2016 for the GASB 74 Implementation Planning, with the costs not to exceed \$71,000.

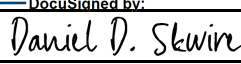
10. The Contract Amendment 4 is dated February 13, 2017 for the consulting actuary related services, with the costs not to exceed \$120,712.
11. The Contract Amendment 4 is dated February 13, 2017 and amends Contract Amendment 1 Scope of Work dated March 26, 2015, as permitted in Article 6 to include costs associated with additional work requests in the amount of \$5,000 and to remove provisions in Article 6 related to APDO work. The total cost for these services are not to exceed \$5,000 and are not included in Section 10 above costs.
12. The Contract Amendment 5 is dated January 5, 2018 for consulting actuary related services, with the costs not to exceed \$123,332.
13. The Contract Amendment 6 is dated June 22, 2018 and adds Amendment 6A which documents Contractor's scope of work, detailed in Attachment 6A, and clarifies payment is to be made by the Department's third party administrator of the Life Insurance Program to Contractor, and also adds Amendment 6B which documents the scope of Contractor's presentation related to the new GASB standards 74 and 75 impacting the valuation of the Retiree Life Insurance programs (State and Local plans) to the Wisconsin Group Insurance Board on August 22, 2018, the costs for which are not to exceed \$4,500.
14. The Contract Amendment 7 is dated October 2, 2018 which documents Contractor's scope of work detailed in Milliman's September 24, 2018 letter (attached), the costs for which are not to exceed \$25,000 and all work completed prior to the November 14, 2018 Group Insurance Board meeting.
15. The Contract Amendment 8 is dated January 17, 2019 which documents:
  - Contractor's scope of work detailed in Contractor's December 19, 2018 letter to the Department (attached) for actuarial audit of accumulated sick leave conversion credit program valuation wherein costs shall not exceed \$35,000; and
  - The consulting actuary related services, with the costs not to exceed \$126,021 for calendar year 2019.
16. The Contract Amendment 9 is dated October 25, 2019 and includes Contractor's letter to the Department dated October 14, 2019 (attached) with the agreed upon statement of work for services related to the Department's Group Life Insurance Request for Proposals, the costs for which shall not exceed \$32,000.
17. The Contract Amendment 10 is dated November 1, 2019 and includes Contractor's letter to the Department dated October 15, 2019 (attached) with the agreed upon statement of work for services related to the Department's Experience Studies for Duty Disability and Income Continuation Insurance Programs, the costs for which shall not exceed \$75,000.
18. The Contract Amendment 11 dated January 2, 2020 is for consulting actuary related retainer services described in RFP ETD0013 with costs not to exceed \$128,604 for calendar year 2020.
19. The Contract Amendment 12 dated January 25, 2021 is for:
  - Consulting actuary related retainer services described in RFP ETD0013 with costs not to exceed \$130,122 for calendar year 2021.
  - Contractor's scope of work detailed in their January 21, 2021 letter (attached) to the Department regarding State and Local Retiree Life Insurance GASB 74 Implementation Services with costs not to exceed \$25,000.
  - Additional work beyond that described in the January 21, 2021 scope of work, including work responding to audit inquiries or the creation of multiple draft reports, for reasons other than correcting Milliman errors, will be invoiced to the Department at the hourly rates in the attached January 21, 2021 letter and will be itemized by amendment number, auditor name, auditor firm, hours, hourly rate, and type of work performed. In the event this additional work exceeds \$3,000, Contractor will obtain prior approval from the Department before proceeding.
20. The Contract Amendment 13 dated August 16, 2021 is for the scope of work described in the attached July 1, 2021 letter regarding Impact of Eliminating Supplemental Benefits from the State and Local Income Continuation Insurance (ICI) Plans with costs not to exceed \$25,000.
21. The Contract Amendment 14 dated December 16, 2021 is for consulting actuary related retainer services described in RFP ETD0013 with costs not to exceed \$134,026 for calendar year 2022.
22. This Contract Amendment 15 dated January 25, 2022 is for:
  - Additional work required under the scope of work described in amendment #13 for studying the impact of eliminating supplemental benefits from the state and local Income Continuation Insurance (ICI) Plans with costs not to exceed \$5,000.
  - The work described in the Department's attached Wellness & Disease Management RFP SOW (SOW) and Contractor's attached January 18, 2022 response to the SOW with costs not to exceed \$60,000.
23. For purposes of administering the Contract, the Order of Precedence is:
  - A. The Contract with Milliman, Inc. dated July 31, 2014;

- B. This Contract Amendment 15 dated January 25, 2022;
- C. the Contract Amendment 14 dated December 16, 2021;
- D. the Contract Amendment 13 dated August 16, 2021;
- E. the Contract Amendment 12 dated January 25, 2021;
- F. the Contract Amendment 11 dated January 2, 2020;
- G. the Contract Amendment 10 dated November 1, 2019;
- H. the Contract Amendment 9 dated October 25, 2019;
- I. the Contract Amendment 8 dated January 17, 2019;
- J. the Contract Amendment 7 dated October 2, 2018;
- K. the Contract Amendment 6 dated June 28, 2018;
- L. the Contract Amendment 5 dated January 5, 2018;
- M. the Contract Amendment 4 dated February 13, 2017;
- N. the Contract Amendment 3 dated September 23, 2016 and Milliman letter dated September 14, 2016;
- O. the Contract Amendment 2 dated February 3, 2016 and Milliman letter dated January 21, 2016;
- P. the Contract Amendment 1 dated March 26, 2015;
- Q. questions from vendors and ETF Answers dated January 28, 2014;
- R. Exhibit A, Changes Agreed to by the Parties from the Request for Proposal (RFP) ETD0013;
- S. Exhibit B, Business Associates Agreement dated June 3, 2014;
- T. the RFP dated January 6, 2014; and,
- U. Contractor's proposal dated February 17, 2014.

**Contract Number and Service:** ETD0013-Amendment #15  
 Consulting Actuary for Wisconsin Group Insurance and Disability Programs

**This Contract Amendment shall become effective upon the date of last signature below (the "Effective Date").**

<b>State of Wisconsin Department of Employee Trust Funds</b>	
<b>Signature</b>	DocuSigned by: 
<b>Name/Title</b>	1EB9C35D52DD41E...
A. John Voelker Secretary, Department of Employee Trust Funds	
<b>Phone</b>	608.266.0301
<b>Date</b>	1/25/2022

<b>Contractor</b>	
<b>Legal Company Name</b>	Milliman, Inc.
<b>Trade Name</b>	Milliman
<b>Taxpayer Identification Number</b>	91-0675641
<b>Company Address (City, State, Zip)</b>	121 Middle Street Suite 401 Portland, ME 04101
<b>By (print Name)</b>	Daniel D. Skwire
<b>Signature</b>	DocuSigned by: 
<b>Title</b>	6D8558A615D1484...
Principal	
<b>Phone</b>	207.771.1203
<b>Date</b>	1/25/2022

## Wellness & Disease Management RFP SOW

This scope of work (SOW) documents the services to be performed by the Contractor to assist the Department with Request for Proposals ETB0047-49 for Third Party Administration of Wellness and Disease Management Programs (Wellbeing Services, Mental Health Services, and Chronic Condition Management Services). The Contractor will provide the following services:

### 1. Review RFP documents prior to release.

- Contractor will review the Department's draft RFP, including the specifications, general and technical questionnaires, questionnaire response benchmarks, performance standards and penalties, reporting requirements, cost proposal workbook, cost proposal scoring methodology, and other associated RFP documents, and provide comments and redlined document edits to the Department based on what the Contractor is seeing as best practices and standard benefits offered by other states.

In addition to the above, deliverables will include conference calls, as necessary, to discuss the Contractor's recommendations and the Department's feedback.

**Timeframe:** The Department will provide revised draft documents to the Contractor on or before February 1, 2022. Contractor will provide feedback on the documents to the Department on or before February 28, 2022. (The anticipated RFP release date is May 5, 2022).

### 2. Assist in answering RFP proposer questions.

- Contractor will assist the Department in answering proposer-submitted questions regarding the RFP that Department staff may be unable to address (e.g., questions regarding cost, performance guarantees, etc.).

The above deliverable will include conference calls and email correspondence, as necessary, to discuss Contractor's recommendations and the Department's feedback.

**Timeframe:** RFP proposer questions are due to the Department on or about May 26, 2022. Department staff will review all submitted questions. Should there be any questions that make sense for Contractor to answer, the Department will provide those questions to Contractor on or before June 10, 2022. Contractor will provide responses to the Department within two weeks of Contractor's receipt of the questions.

### 3. Validate top-scoring RFP proposers' cost proposals/score cost proposals/draft cost analysis report/provide report.

- Contractor will validate top-scoring proposers' proposed fees, score the top-scoring proposers' cost proposal workbooks, and prepare a formal, written cost evaluation and analysis report summarizing the results for the Department based on proposer-submitted cost proposal workbooks. (Note: top-scoring proposals will be determined by the evaluation committee.)
- The Department will require Contractor to rescore top-scoring proposers' BAFOs, if the evaluation committee requests BAFOs.
- The Department may request the Contractor to present its cost analysis report at a Group Insurance Board meeting.

In addition to the above deliverables, deliverables will include conference calls and emails, as necessary, to discuss the Contractor's work.

**Timeframe:** The Department will provide the Contractor the top-scoring proposers' cost proposals in mid to late November 2022. The Contractor will provide a cost analysis report, including cost scores, within two weeks of receipt of the cost proposals from the Department. The Department will provide the Contractor the top-scoring proposers' BAFOs, if requested by the evaluation committee, in late November to early December 2022. Within two weeks of Contractor's receipt of the BAFO information from the Department, the Contractor will provide a final report using the BAFO information.

**Estimated Timeframes:** The above-listed timeframes are subject to change. The Department will make every effort to communicate with the Contractor any timeframes that change from those listed above upon the Department's realization that the timeframe will change. As soon as practicable, the Department will give the Contractor advance notice of the estimated number of top-scoring proposer cost proposals the Contractor may have to review.

**Contractor Invoices:** The Contractor may send invoices to the Department after the Contractor provides major deliverables (e.g., review of RFP documents, completion of proposer-submitted questions, cost proposal analysis report/cost scoring), to the Department and the Department has acknowledged the quality of the deliverables. The Contractor will provide the Department with an itemized listing of costs including: name of Contractor's consultant(s) providing the services, number of hours, hourly rate, a detailed description of services provided, and contract number.



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milliman.com

January 18, 2022

Beth Bucaida  
Contracts Specialist  
Wisconsin Department of Employee Trust Funds  
P.O. Box 7931  
Madison, WI 63707

*[Sent via email: [beth.bucaida@etf.wi.gov](mailto:beth.bucaida@etf.wi.gov)]*

**Re: ETF Wellness RFP**

Dear Beth:

Thank you for the opportunity to provide a Scope of Work (SOW) to support ETF in its upcoming Request for Proposal (RFP) for Third Party Administration of Wellness and Disease Management Programs (Wellbeing Services, Mental Health Services, and Chronic Condition Management Services). Based on our understanding of your objectives, we propose performing the following specific tasks:

1. **Review RFP documents prior to release.** We will review the Department's draft RFP, including the specifications, general and technical questionnaires, questionnaire response benchmarks, performance standards and penalties, reporting requirements, cost proposal workbook, cost proposal scoring methodology, and other associated RFP documents, and provide comments and redlined document edits to the Department based on what we see as best practices and standard benefits offered in the employer, and specifically in the public sector, market.
2. **Assist in answering RFP proposer questions.** We will assist the Department in answering proposer-submitted questions regarding the RFP that Department staff may be unable to address (e.g., questions regarding cost, performance guarantees, etc.).
3. **Validate top-scoring RFP proposers' cost proposals, score cost proposals, draft cost analysis report, and provide report.** We will validate top-scoring proposers' proposed fees, score the top-scoring proposers' cost proposal workbooks, and prepare a formal, written cost evaluation and analysis report summarizing the results for the Department based on proposer-submitted cost proposal workbooks. We will rescore top-scoring proposers' Best and Final Offers (BAFOs) if the evaluation committee requests BAFOs. We will present our cost analysis report at a Group Insurance Board meeting upon request.

Our scope for each item above includes conference calls and email correspondence, as necessary.



Our proposed team for this initiative will include the following individuals:

**Mike Gaal, EMBA, FSA, MAAA**

Mike has over twenty years of experience in employee benefits consulting as has worked on numerous RFPs and market checks in his career. Mike will be the primary strategic lead for this initiative due to his extensive expertise in employer benefit consulting.

**Dan Skwire, FSA, MAAA**

Dan is a principal at Milliman who manages the work we perform for ETF on its disability and group life programs. He will provide additional project oversight and high-level peer review.

**Maryellen Vargas, FSA, MAAA**

Maryellen has over eight years of experience and her areas of expertise include employee benefits consulting, vendor management, self-funded pricing, reserving, contribution strategy, and reinsurance for employer-sponsored plans. In her work with Milliman, Maryellen has evaluated medical carriers, utilization management / case management vendors, PBMs, and disease management / wellness programs for employer groups.

**Anushka Desai, ASA, MAAA**

Anushka has over three years of experience in employee benefits consulting including vendor negotiations, contributions strategy, pricing, and reserve development. At Milliman, she has continued to work with employer clients, as well as expanded her knowledge in Medicare fee for service risk programs.

**Other Staff**

The team may engage other colleagues throughout the process including other consultants, actuarial analysts, and administrative staff as needed.

We propose providing these services to ETF under our current consulting services agreement. We propose doing so on a time and expense basis, using the hourly billing rates outlined in the table below, at a cost not to exceed \$60,000.

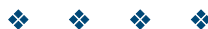
Personnel	Billing Rate	Task I	Task II	Task III	Total	Professional Fees
Mike Gaal, Principal and Consulting Actuary	\$725	5	5	10	20	\$15,000
Peer Reviewer / Principal	\$725	5	3	8	16	\$12,000
Maryellen Vargas, Consulting Actuary	\$435	15	5	20	40	\$17,000
Anushka Desai, Senior Actuarial Analyst	\$315	10	5	15	30	\$9,000
Professional Staff	\$255	8	0	10	18	\$5,000
Administrative Staff	\$175	5	0	5	10	\$2,000
<b>Grand Total - Not to Exceed</b>		<b>\$20,000</b>	<b>\$10,000</b>	<b>\$30,000</b>		<b>\$60,000</b>

To the extent that the scope of this work changes or additional work is required, we will request confirmation from ETF before proceeding. If the proposed services and fees for this assignment are acceptable, please prepare an amendment to the current contract between ETF and Milliman for these services.



Beth Bucaida  
Wisconsin Department of Employee Trust Funds  
January 18, 2022  
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Please contact me at 312 933 4557 or [mike.gaal@milliman.com](mailto:mike.gaal@milliman.com), if you have any questions on the content of this proposal. We look forward to working with you and the ETF team on this project.



Sincerely,

A handwritten signature in black ink that reads "Mike Gaal".

Mike Gaal, EMBA, FSA, MAAA  
Principal and Consulting Actuary

A handwritten signature in black ink that reads "Maryellen Vargas".

Maryellen Vargas, FSA, MAAA  
Consulting Actuary

MJG/MCV/bl

Attachments

cc: Dan Skwire  
Anushka Desai