



State of Wisconsin
 Department of Employee Trust Funds
 4822 Madison Yards Way
 Madison, WI 53705-9100

P. O. Box 7931
 Madison, WI 53707-7931

Contract by Authorized Board

Commodity or Service:

Consulting Actuary for Wisconsin
 Health Insurance Programs

Contract No.:

ETD0012 – Amendment #15 dated August 16, 2021

Contract Period: January 1, 2021 through December 31, 2021

1. This Contract Amendment #15 is entered into by the State of Wisconsin Department of Employee Trust Funds (ETF), hereinafter referred to as the "Department," and The Segal Company (Eastern States), Inc., hereinafter referred to as the "Contractor," whose address and principal officer appear 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 ETFMBProcurement@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 dated January 7, 2016 and the costs are not to exceed \$333,720.
7. The Contract Amendment #2 is dated April 7, 2016 with the attached Scope of Work dated April 7, 2016. Maximum costs for Wellness and Data Warehouse and Business Intelligence services shall be \$27,000 and paid upon ETF's satisfactory deliverable receipt and an approved invoice with billable hours. Maximum costs for Self-insuring/Regional Services shall be \$175,000 and paid in eight (8) equal installments from April through November 2016 upon receipt of an approved invoice. The total costs for Contract Amendment #2 shall not exceed \$202,000.
8. The Contract Amendment #3 is dated May 16, 2016 with attached Scope of Work dated May 16, 2016. All deliverables will be received by June 30, 2016. The total cost for Contract Amendment #3 shall not exceed \$106,000.
9. The Contract Amendment #4 is dated February 2, 2017 and the costs are not to exceed \$340,094.
10. The Contract Amendment #5 February 19, 2018 for consulting actuary related services, with the costs not to exceed \$354,474 for retainer fee services described in RFP ETD0012 and Amendment #5A. Amendment #5B includes the scope of work and fees for the Medicare Advantage RFP, and the costs are not to exceed \$107,844. Amendment #5C includes the scope of work and fees for the preparation of the Other Postemployment Benefit (OPEB) Information and the costs are not to exceed \$125,000. Amendment #5D includes the scope of work and fees for assistance on the RFP for the Self-insuring and regionalization of the health benefits program and the costs are not to exceed \$159,794. Costs for Amendments #5B&C&D shall be billed in addition to the 2018 retainer fee, in a single invoice, after ETF's satisfactory receipt of deliverables.
11. The Contract Amendment #6 dated March 7, 2019 is for consulting actuary related services:

- costs are not to exceed \$362,201 for those retainer fee services described in RFP ETD0012;
 - RFP ETD0012 Sect. 2.4 is amended as shown in Amendment #6A; and
 - RFP ETD0012 Sect. 3.6 Annual Health Insurance Dates and Deliverables Timetables is replaced with the table in Amendment #6B; and
 - Amendment #6C adds scope of work dated February 20, 2019 regarding Audit of the Income Continuation Insurance (ICI) and Duty Disability (DD) Actuarial Valuations for the Wisconsin Department of Employee Trust Funds (ETF) for which costs are not to exceed \$110,000.
12. The Contract Amendment #7 dated April 23, 2019 is for consulting actuary related services. It includes the scope of work and fees for the preparation of the Other Postemployment Benefit (OPEB) Information and the costs are not to exceed \$40,000.
 13. The Contract Amendment #8 dated June 14, 2019 is for consulting actuary related services. It includes the scope of work described in Amendment #8A for the assessment of the Department's data warehouse and visual business intelligence services with costs are not to exceed \$40,000.
 14. The Contract Amendment #9 dated June 25, 2019 is for the scope of work described in Amendment #9A for the audit of the Department's wellness and disease management contract with costs not to exceed \$63,000.
 15. The Contract Amendment #10 dated January 2, 2020 is for consulting actuary related retainer services described in RFP ETD0012 with costs not to exceed \$369,626 for calendar year 2020.
 16. The Contract Amendment #11 dated February 28, 2020 is for:
 - The scope of work described in Amendment 11A for preparing other postemployment benefit information (OPEB Information) for programs administered by ETF in which the State participates as an employer for which costs are not to exceed \$110,000; and
 - RFP ETD0012 Sect. 3.6 Annual Health Insurance Dates and Deliverables Timetables is replaced with the table in Amendment 11B for calendar year 2020.
 17. The Contract Amendment #12 dated January 8, 2021 is for:
 - Consulting actuary related retainer services described in RFP ETD0012 with costs not to exceed \$373,988 for calendar year 2021; and
 - The scope of work (SOW) described in Amendment 12A for the Wellness Return on Investment (ROI) with costs not to exceed \$25,000.

18. The Contract Amendment #13 dated February 23, 2021 is for the statement of work described in this Amendment regarding Other Postemployment Benefit Information (OPEB Information) which shall not exceed \$40,000 and be invoiced according to this payment schedule:

Deliverable	Due Date	Invoice Amount
Draft audit report	April 30, 2021	\$25,000
Final audit report	May 31, 2021	\$15,000

19. The Contract Amendment #14 dated April 15, 2021 replaces RFP ETD0012 Section 3.6 Annual Health Insurance Dates and Deliverables Timetable with the table in Amendment #14A for calendar year 2021.
20. This Contract Amendment #15 dated August 16, 2021 is for Contractor to audit the Department's Wellness and Disease Management contract ETG0005 with WebMD Health Services according to the attached scope of work in Amendment #15A which shall not exceed \$55,000.
21. For purposes of administering the Contract, the order of precedence is:
 - A) The Contract with the Segal Company (Eastern States), Inc.;
 - B) this Contract Amendment #15 dated August 16, 2021;
 - C) the Contract Amendment #14 dated April 15, 2021;
 - D) the Contract Amendment #13 dated February 23, 2021;
 - E) the Contract Amendment #12 dated January 8, 2021;
 - F) the Contract Amendment #11 dated February 28, 2020;
 - G) the Contract Amendment #10 dated January 2, 2020;
 - H) the Contract Amendment #9 dated June 25, 2019;
 - I) the Contract Amendment #8 dated June 14, 2019;
 - J) the Contract Amendment #7 dated April 23, 2019;
 - K) the Contract Amendment #6 dated March 7, 2019;
 - L) the Contract Amendment #5 dated February 19, 2018;

- M) the Contract Amendment #4 dated February 2, 2017;
- N) the Contract Amendment #3 dated May 16, 2016 with attached Scope of Work dated May 16, 2016;
- O) the Contract Amendment #2 dated April 7, 2016 with attached Scope of Work dated April 7, 2016;
- P) the Contract Amendment #1 dated January 7, 2016;
- 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) ETD0012;
- S) Exhibit B, Business Associate Agreement dated July 23, 2014;
- T) the RFP dated January 6, 2014, and
- U) the Contractor's proposal dated February 17, 2014.

Contract Number & Service: ETD0012 – Amendment #15
 Consulting Actuary for Wisconsin Health Insurance Programs

State of Wisconsin	
Department of Employee Trust Funds	
Signature	DocuSigned by: John Voelker
Name/Title	<small>1EB9C35D52DD41E...</small> A. John Voelker, Secretary Department of Employee Trust Funds
Phone	608.266.0301
Date (MM/DD/CCYY)	8/17/2021

Contractor	
Legal Company Name The Segal Company (Eastern States), Inc.	
Trade Name Segal Consulting	
Taxpayer Identification Number 13-1835864	
Company Address (City, State, Zip) 2018 Powers Ferry Road, Suite 850 Atlanta, GA 30339	
By (print Name) Kenneth C. Vieira, FSA, FCA, MAAA	
Signature	DocuSigned by: Kenneth Vieira
Title	Senior Vice President <small>AF4A2DFC818B479...</small>
Phone	678.306.3154
Date (MM/DD/CCYY)	8/17/2021

Amendment #15A

Scope of Work - Wellness and Disease Management Contract Audit

This scope of work documents additional services to be delivered by The Segal Company (Eastern States), Inc. (Contractor) to the Wisconsin Department of Employee Trust Funds (Department) under contract ETD0012 (Segal Contract). The Contractor will audit the services provided to the Department by WebMD Health Services (WebMD) under the Department's contract ETG0005 (WebMD Contract) for the wellness and disease management program (Program).

The Contractor will audit a statistically valid sample of both the incentive payments made to Program participants and quarterly performance reports received by the Department, and audit billing to the Department pursuant to the WebMD Contract, which is available at https://etfonline.wi.gov/etf/internet/RFP/Wellness_2016/index.html. The audit must include:

1. Incentive processing and payments, including:
 - 1.1 Accuracy and Eligibility
 - 1.2 Timeliness
 - 1.3 Duplicate payments
2. Accuracy of quarterly performance reports
3. Accuracy of billing to the Department

Using the five sampling components listed below to validate administrative processing performance, Contractor will evaluate WebMD's day-to-day operational components critical to accurate and timely Program benefit determinations. Contractor will review incentive gift cards provided to Program participants to confirm compliance with established adjudication procedures. Note: WebMD issues two different incentive gift card amounts: \$150 for active employees/spouses and \$138.52 for retirees/continuant/spouses; WebMD withholds the employee-portion of FICA taxes for retirees/continuant/spouses and submits it to ETF for tax filing.

Sampling Components:

1. Adjudication Procedures Review – Contractor will send an advance questionnaire to WebMD that focuses on procedures used for Program incentive benefits to ensure proper claim controls are in place (i.e., eligibility updates, etc.). Contractor will validate compliance through sampled reviews.
2. Random Sampling – A random sample provides confidence in the overall processing achievements and confirms payment accuracy and eligibility. Contractor will compare the random samples to industry standards using WebMD's self-reported results. This sample will include a cross-section of benefits that fall in the various paid ranges.

Sample Size:
A total of 250 claims: 100 random Program incentive gift card transactions and 25 possible duplicates (125 total) from 2020 and 100 random Program incentive gift card transactions and 25 possible duplicate transactions (125 total) from 2021. The amount of duplicate transactions will depend on the outcome of the electronic analysis.
3. Electronic Analysis and Target Sample – An analysis of all Program incentive gift cards transactions is designed to identify potential system deficiencies requiring validation through review of hard copy documentation and system notes. This sample will include possible duplicated Program incentive gift cards.
4. Performance Guarantee Review – Contractor will test the accuracy of WebMD's performance guarantee data and calculations provided to the Department against WebMD's raw data used to make those calculations.
5. Participant Counts – Contractor will verify the accuracy of the Program participant counts invoiced to the Department. Contractor will verify the Program administration fees charged to the Department and verify the number of coaching calls, Program incentive gift cards sent, number of screenings held, and other miscellaneous fees that the Department was charged for.

Report of Findings:

Contractor's qualitative analysis will be based on conclusions drawn from information gathered throughout the audit, relying on Contract requirements, the Contractor's experience and judgement and acceptable industry practices. Contractor's report memorandum (memo) provided to the Department will summarize areas Contractor believes may be of interest to WebMD or the Department. As appropriate, Contractor will discuss errors and areas requiring improvement with WebMD's representatives. Contractor's final report will include at a minimum:

- Summary listing the identified findings and metric results;
- Description of the audit process;

- Procedural and payment errors displayed in table format;
- Recommendations for corrective action to ensure optimal benefit handling; and
- WebMD's action plan and response to the audit recommendations.

Contractor will submit a draft report to the Department and WebMD for review and comment prior to providing the final report (including a copy of WebMD's response) to the Department. WebMD will have an opportunity to explain its position and identify corrective action that has or will be taken.

Due Dates:

The initial audit is scheduled to start in early 2022 and will cover calendar years 2020 and 2021.

The draft audit report is due to the Department by July 31, 2022.

The final audit report is due to the Department by August 31, 2022.

Fees and Payment Schedule:

The total cost for the services described herein shall not exceed \$55,000 and shall be billed after the deliverables are provided to the Department and the Department has acknowledged the quality of the deliverables. These invoice amounts shall be itemized on the Contractor's monthly retainer fee invoice identified as "Amendment #15 Wellness Audit."

Payment Schedule	
Deliverable/Event	Segal Invoice Amount
Data Request released to WebMD	\$13,750
Release of sample to WebMD	\$13,750
Draft audit report	\$13,750
Final audit report	\$13,750