



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 #13 dated February 23, 2021

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

1. This Contract Amendment #13 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](mailto: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. This 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. 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 #13 dated February 23, 2021;
  - C) the Contract Amendment #12 dated January 8, 2021;
  - D) the Contract Amendment #11 dated February 28, 2020;
  - E) the Contract Amendment #10 dated January 2, 2020;
  - F) the Contract Amendment #9 dated June 25, 2019;
  - G) the Contract Amendment #8 dated June 14, 2019;
  - H) the Contract Amendment #7 dated April 23, 2019;
  - I) the Contract Amendment #6 dated March 7, 2019;
  - J) the Contract Amendment #5 dated February 19, 2018;
  - K) the Contract Amendment #4 dated February 2, 2017;
  - L) the Contract Amendment #3 dated May 16, 2016 with attached Scope of Work dated May 16, 2016;
  - M) the Contract Amendment #2 dated April 7, 2016 with attached Scope of Work dated April 7, 2016;
  - N) the Contract Amendment #1 dated January 7, 2016;
  - O) Questions from vendors and ETF Answers dated January 28, 2014;
  - P) Exhibit A, Changes Agreed to by the Parties from the Request for Proposal (RFP) ETD0012;
  - Q) Exhibit B, Business Associate Agreement dated July 23, 2014;
  - R) the RFP dated January 6, 2014, and
  - S) the Contractor's proposal dated February 17, 2014.

**Contract Number & Service:**

ETD0012 – Amendment #13  
 Consulting Actuary for Wisconsin Health Insurance Programs

<b>State of Wisconsin</b>	
<b>Department of Employee Trust Funds</b>	
<b>Signature</b>	DocuSigned by: <i>Robert J. Conlin</i>
<b>Name/Title</b>	249598FF085F431... Robert J. Conlin, Secretary Department of Employee Trust Funds
<b>Phone</b>	608.266.0301
<b>Date (MM/DD/CCYY)</b>	2/24/2021

<b>Contractor</b>	
<b>Legal Company Name</b> The Segal Company (Eastern States), Inc.	
<b>Trade Name</b> Segal Consulting	
<b>Taxpayer Identification Number</b> 13-1835864	
<b>Company Address (City, State, Zip)</b> 2018 Powers Ferry Road, Suite 850 Atlanta, GA 30339	
<b>By (print Name)</b> Kenneth C. Vieira, FSA, ECA, MAAA	
Signature	DocuSigned by: <i>Kenneth Vieira</i>
<b>Title</b>	Senior Vice President 01AF4A2DFC818B479...
<b>Phone</b>	678.306.3154
<b>Date (MM/DD/CCYY)</b>	2/23/2021

### **Amendment #13 Scope of Work**

#### **Contract Amendment 13 for preparing Other Postemployment Benefit Information (OPEB Information) for programs administered by the Wisconsin Department of Employee Trust Funds (ETF) in which the State participates as an employer.**

The scope of work for this Amendment includes the assistance on the OPEB Information that is to be incorporated into the State of Wisconsin's audited Fiscal Year (FY) 2021 Comprehensive Annual Financial Report (CAFR) to meet financial reporting requirements issued by the nationally recognized Governmental Accounting Standards Board (GASB) in their Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

#### **Contractor Deliverables:**

Provide GASB 75 actuarial OPEB Information for the State's Health Insurance Program – both pre-age 65 postretirement medical benefits for State employees and all other participating employers (implicit rate subsidy) and any post-age 65 liabilities for State employees and all other participating employers, reflecting as necessary any Medicare Part D subsidy or Employer Group Waiver Plan subsidies.

GASB 75 OPEB information to be provided for the Health Insurance Program in which the State of Wisconsin participates as an employer includes the following:

- Financial information to identify and/or calculate the amounts to be reported as liabilities, expenditures/expenses, and deferred outflows and deferred inflows of resources in the government-wide financial statements and the proprietary fund financial statements of the State of Wisconsin's CAFR following the requirements of GASB 75. Such information will address requirements of GASB 75, Paragraphs 146 through 159 (where applicable), and will include the derivation of the GASB 75 Net OPEB Liability (NOL) and the OPEB expense, based on the valuation performed by Contractor as of January 1, 2019, and updated for plan and assumption changes to the measurement date of June 30, 2020;
- OPEB plan totals for NOL, contributions, OPEB expense, deferred outflows, deferred inflows, and any other required amounts;
- Schedules for the allocation, proportionate share, amortization, sensitivity, schedule of changes and related ratios, and other rated items for the State and all other participating employers;
- Supporting information for the Health Program;
- Disclosures as required by GASB 75, Paragraphs 162 through 169, where applicable; and,
- Other OPEB Information, including Required Supplementary Information (as discussed in GASB 75, Paragraphs 170 and 171), where applicable; and,
- Auditor interaction.

In addition to the GASB 75 information noted above, Contractor will also collect the information necessary to perform a participation and lapse study for the Plan's participants, with the experience period to coincide with the Wisconsin Retirement System Experience Study results that are prepared every three years.

The financial information and note disclosures should be delivered to the Department electronically along with schedules provided in an Excel format.

#### **Due date to Department and fees:**

The draft report is due April 30, 2021 and final report due no later than May 31, 2021.

The total cost shall not exceed \$40,000 which includes up to 20 hours of time interacting with auditors after the report has been delivered. Contractor will provide an itemized accounting of auditor interaction and will discuss with the Department the need for additional hours beyond 20 before conducting additional work. \$25,000 of the total shall be billable upon delivery of the draft report. The remainder shall be billed when all deliverables are received, have been audited and the Department has acknowledged the quality of the deliverables.