



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 #22 dated February 20, 2023

### Contract Period: January 1, 2023 through December 31, 2023

1. This Contract Amendment #22 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 [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 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. The 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. The Contract Amendment #16 dated December 14, 2021 is for consulting actuary related retainer services described in RFP ETD0012 with costs not to exceed \$385,208 for calendar year 2022.
22. The Contract Amendment #17 dated March 2, 2022 is for Contractor to perform the attached scope of work for preparing other postemployment benefit (OPEB) information for programs administered by the Department in which the State participates as an employer with costs not to exceed \$120,000.
23. The Contract Amendment #18 dated March 10, 2022 replaces RFP ETD0012 Section 3.6 Annual Health Insurance Dates and Deliverables Timetable and the table in Amendment #14A with the attached table in Amendment 18 for calendar year 2022.
24. The Contract Amendment #19 dated June 17, 2022 is for Contractor to (a) evaluate 6-9 new and current health plan vendors offering to expand their network to provide Access-type services to ETF's members, (b) build a new tier rate model

that will migrate all the various members to the new plans, in qualified counties where they operate, (c) estimate the risk moving to each, (d) develop regional factors, (e) look at other high dollar claimants from the exiting WEA Trust, and (f) develop new premium rates for all of the above with costs not to exceed \$30,000.

25. The Contract Amendment #20 dated December 16, 2022 is for consulting actuary related retainer services described in RFP ETD0012 with costs not to exceed \$396,764 for calendar year 2023.
26. The Contract Amendment #21 dated February 3, 2023 is for Contractor to perform the attached scope of work regarding the 2023 GASB75 WI Health Insurance OPEB valuation with costs not to exceed \$44,000.
27. This Contract Amendment #22 dated February 20, 2023 replaces RFP ETD0012 Section 3.6 Annual Health Insurance Dates and Deliverables Timetable and the prior tables in Amendments #6B, 11B, 14A, and 18 with the attached 2023 Annual Health Insurance Dates and Deliverables Timetable.
28. 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 #22 dated February 20, 2023;
  - C) the Contract Amendment #21 dated February 3, 2023;
  - D) the Contract Amendment #20 dated December 16, 2022;
  - E) the Contract Amendment #19 dated June 17, 2022;
  - F) the Contract Amendment #18 dated March 10, 2022;
  - G) the Contract Amendment #17 dated March 2, 2022;
  - H) the Contract Amendment #16 dated December 14, 2021;
  - I) the Contract Amendment #15 dated August 16, 2021;
  - J) the Contract Amendment #14 dated April 15, 2021;
  - K) the Contract Amendment #13 dated February 23, 2021;
  - L) the Contract Amendment #12 dated January 8, 2021;
  - M) the Contract Amendment #11 dated February 28, 2020;
  - N) the Contract Amendment #10 dated January 2, 2020;
  - O) the Contract Amendment #9 dated June 25, 2019;
  - P) the Contract Amendment #8 dated June 14, 2019;
  - Q) the Contract Amendment #7 dated April 23, 2019;
  - R) the Contract Amendment #6 dated March 7, 2019;
  - S) the Contract Amendment #5 dated February 19, 2018;
  - T) the Contract Amendment #4 dated February 2, 2017;
  - U) the Contract Amendment #3 dated May 16, 2016 with attached Scope of Work dated May 16, 2016;
  - V) the Contract Amendment #2 dated April 7, 2016 with attached Scope of Work dated April 7, 2016;
  - W) the Contract Amendment #1 dated January 7, 2016;
  - X) Questions from vendors and ETF Answers dated January 28, 2014;
  - Y) Exhibit A, Changes Agreed to by the Parties from the Request for Proposal (RFP) ETD0012;
  - Z) Exhibit B, Business Associate Agreement dated July 23, 2014;
  - AA) the RFP dated January 6, 2014, and
  - BB) the Contractor's proposal dated February 17, 2014.

**Contract Number & Service:** ETD0012 – Amendment #22 Consulting Actuary for Wisconsin Health Insurance Programs

<b>State of Wisconsin</b>
<b>Department of Employee Trust Funds</b>
<b>Signature</b> <i>John Voelker</i>
<b>Name/Title</b> A. John Voelker, Secretary Department of Employee Trust Funds
<b>Phone</b> 608.266.0301
<b>Date (MM/DD/CCYY)</b> 2/20/2023

<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>	2727 Paces Ferry Road SE, Bldg. 1 Suite 1400, Atlanta, GA 30339
<b>Name/Title</b>	Kenneth C. Vieira, FSA, FCA, MAAA, Senior Vice President
<b>Signature</b>	<i>Kenneth Vieira</i>
<b>Phone</b> 678.306.3154	
<b>Date (MM/DD/CCYY)</b>	2/21/2023

### 2023 Annual Health Insurance Dates and Deliverables Timetable

Replace prior RFP ETD0012 Section 3.6 Annual Health Insurance Important Dates and Deliverables Timetables and the prior tables in Amendments #6B (2019) 11B (2020), 14A (2021), and 18 (2022) with the below table titled "2023 Annual Health Insurance Dates and Deliverables Timetable".

The Department may assess penalties upon Segal for failure to deliver quality deliverables by the listed due dates. Annual True-up: Within 60 days prior to the end of the 2023 calendar year, the Department shall deliver to Segal any statement of the penalty(ies) incurred by Segal along with an explanation for any penalty. If Segal owes any amount, the Department shall remit the amount from Segal's retainer fee. Such penalty(ies) shall not exceed fifteen percent (15%) of Segal's annual 2023 retainer fee.

2023 Annual Health Insurance Dates and Deliverables Timetable			
No.	Segal Deliverable Due Date	Segal Deliverables for 2023 IYC Rate Setting Plan	Penalty
1	03/20/2023	Segal delivers to the Department the health plan and rate structure changes modeling – can piecemeal ( <i>i.e., health plan and benefit and/or rate structure changes</i> ) If mutually agreed, volume of plan or rate changes may require an extension to due date.	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
2	03/28/2023	Segal delivers to the Department: (1) <b>Financial and Utilization Data Submission (FUDS) Tool</b> ; (2) <b>Initial Preliminary Bid Tool (Preliminary Rates)</b> for Health Plans; (3) <b>United Health Care (UHC) Renewal Tool</b> ; and (4) <b>Network Access Tool</b> .	\$1000 per day late, for each of the four (4) Deliverables, due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
3	04/04/2023	Only if there are changes/edits, Segal delivers to the Department updated: (1) <b>FUDS Tool</b> ; (2) <b>Preliminary Bid Tool</b> ; (3) <b>UHC Renewal Tool</b> .	\$1000 per day late, for each of the three (3) Deliverables, due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
4	04/12/2023	Segal delivers <b>Dental Renewal Tool</b> to the Department.	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
5	04/14/2023	Segal delivers to the Department the preliminary <b>Fund Reserve Balance</b> Presentation Deck to the Department for use at the May GIB meeting.	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
6	05/04/2023	Segal reports to the Department any Health Plan late returning or providing an incomplete: 1. <b>FUDS tool</b> 2. <b>Preliminary Bid Tool</b> or 3. <b>Network Access Tool</b> . [Segal track number of business days].	\$1000 per day late, for each of the three (3) Deliverables due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
7	05/15/2023	Segal concludes process to generate comparisons roll-up, high-level summary, of DAISI claims data to <b>FUDS</b> data and sends to the Department	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.

8	06/02/2023	Segal delivers to the Department initial (draft) <b>FUDS Tier Model Summary and Tier Rate Analysis</b> (breakpoint) in a unified .xls file format for negotiations.	\$2000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
9	06/09/2023	Segal completes analysis of <b>Network Access Tool</b> and sends <b>Network Access Summary</b> to the Department.	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
10	06/12/2023	Segal delivers to the Department <b>BAFO Tool</b> template based on <b>Preliminary Bid Tool</b> (Health Plans) and <b>UHC Renewal Tool</b> (UHC).	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
11	06/12/2023	Segal delivers to the Department finalized <b>FUDS Tier Model Summary and Tier Rate Analysis</b> (aka <b>Final Tiering Notice</b> ).	\$2000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
12	06/15/2023	Segal updates FUDS Tier Model Summary based on the Department's comments.	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
13	06/19/2023	Only if there are changes/edits, Segal delivers to the Department updated: 1. final <b>BAFO Tool</b> templates.	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
14	06/23/2023	Segal delivers to the Department the <b>Pharmacy and Dental projection and rate renewals</b> .	\$1000 per day late, for each of the two (2) Deliverables, due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
15	07/27/2023	Segal refreshes <b>Network Access Tool</b> and submits <u>updated</u> <b>Network Access Summary</b> service area (if applicable or needed by EOD (earlier if possible) to Department.	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
16	07/28/2023	Segal delivers to the Department compiled Health, Dental, Pharmacy, Admin Fee into one <b>Rate Build Master</b> (pre-buydown rates) file – Summary of BAFO Rate submissions.	\$3000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
17	07/28/2023	Segal delivers to the Department the: 1. <u>preliminary</u> <b>Database Rate Tables</b> (Pre-buydown rates) file; 2. <b>BAFO Summary</b> ; 3. <b>GIB Service Area Qualifications Memo Summary</b> (draft memo) and	\$2000 per day late, for each of the three (3) Deliverables, due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
18	08/04/2023	Only if there are changes/edits, Segal delivers to the Department updated: 1. <b>final Network Access Tool</b> .	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
19	08/04/2023	Segal delivers to the Department the <u>updated</u> <b>GIB meeting deliverables</b> (presentation deck) including addition of Buydown slide(s).	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
20	08/04/2023	Segal delivers <u>final</u> <b>GIB Service Area Qualifications Memo</b> summary to the Department.	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.

21	08/07/2023	Segal delivers to the Department: <ol style="list-style-type: none"> <li>1. <u>final Pre-GIB Rate Build Master File</u> with buydown rates and</li> <li>2. preliminary pre-GIB <b>Database Rate Tables</b> (with buydown) file (option recommendation for GIB).</li> </ol>	\$3000 per day late, for each of the two (2) Deliverables, due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
22	08/11/2023	Segal's delivers to the Department <u>final GIB meeting deliverables (Presentation deck)</u> .	\$3000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
23	08/17/2023	Only if there are changes/edits, Segal delivers to the Department updated: <ol style="list-style-type: none"> <li>1. final post-GIB <b>Rate Build Master</b> file and</li> <li>2. final post-GIB <b>Database Rate Tables</b>.</li> </ol>	\$1000 per day late, for each of the two (2) Deliverables, due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
24	08/18/2023	Only if there are changes/edits, Segal delivers to the Department updated: <ol style="list-style-type: none"> <li>1. FINAL <u>final Post-GIB Rate Build Master</u> file, and</li> <li>2. <b>Database Rate Tables</b>, if there are changes.</li> </ol>	\$3000 per day late, for each of the two (2) Deliverables, due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
25	08/23/2023	Segal delivers to the Department <b>Underwriting Surcharge</b> (via spreadsheet).	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
26	08/25/2023	Segal delivers to the Department the <b>88/105 Tables</b> (via Excel spreadsheet and PDF file formats).	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.
27	10/20/2023	Segal delivers to the Department the <b>Actuarial Certification of Minimum Value</b> (non-rate setting activity).	\$1000 per day late due to failure to deliver, errors, or unacceptable quality, as determined by the Department.