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On May 12<sup>th</sup>, 2021, the Group Insurance Board (GIB) met and the Department of Employee Trust Funds (ETF) provided a COVID-19 update, several benefits plan changes for plan year 2022 and flexible spending account program changes for plan year 2021. The [GIB agenda](#) includes links to the detailed materials described below.

### **COVID-19 Updates. Informational Only**

ETF presented the below COVID-19 developments related to vaccines and the Well Wisconsin Program and the health impacts that apply to the GIB benefits programs.

- **Vaccines and Well Wisconsin Program** – Due to the ongoing supply/demand issue, ETF does not recommend adding the vaccine as a well-being activity at this time. Instead, ETF will focus on a comprehensive communication campaign to help provide vaccine education.
- **Health Impacts** – ETF is monitoring the number of vaccines administered through the State Group Health Insurance Program. ETF is also monitoring care utilization of members with chronic conditions. Utilization for members with diabetes and coronary artery disease has returned to normal. Dental service utilization has also returned to normal. Utilization for members with asthma, mental health conditions and substance abuse disorders is down slightly compared to utilization for these conditions prior to the pandemic.

### **Strategic Initiatives Update: Emergency Room Usage. Informational Only**

ETF continues their work on the strategic initiative to reduce the number of visits to the emergency room that could have been served at alternative lower cost sites of care. Recently, ETF focused on analyzing nurseline usage information provided by 6 of the 10 State Group Health Insurance plans. The analysis concluded that nurselines are a useful resource and effective at diverting care from emergency rooms as very few calls resulted in referrals to the emergency room. The analysis also supports the results of ETF's member survey confirming that a robust communication plan is necessary to help educate members on alternative lower cost sites of care.

### **New Health Insurance Plan Carrier for Plan Year 2022. Approved**

Aspirus Health Plan will be added to the State Group Health Insurance Program contingent upon their ability to continue to meet the Program standards. The addition of Aspirus will enhance access to health care services in counties, in central Wisconsin, that have typically been difficult to find qualified providers; therefore requiring the State Maintenance Plan to be offered to fill those gaps (prior to 2021).

### **Benefits Plan Changes for Plan Year 2022. Approved**

The below benefits plan changes for the health, pharmacy and dental plans were approved for plan year 2022. The changes involve adding coverage for specific services, simplifying the structure of the plans and clarifying how certain services are covered.

- **Health Insurance:** The changes include adding coverage for acupuncture and orthognathic surgery (i.e., corrective jaw surgeries), allowing coverage for continuous glucose monitors under both the medical and pharmacy benefit, removing the timeframe requirement for extractions and/or dental repairs due to accidents, updating maximum out-of-pocket limits to align with the federal limits, applying all benefits to the maximum out-of-pocket limits and clarifying coverage for telehealth services. Several program agreement changes will also be made including, but not limited to, adding language to support coverage for COVID-19 testing and vaccinations and clarifying language for out-of-network care when in-network care is not available.
- **Pharmacy Benefits:** Level 4 prescriptions will no longer have an out-of-pocket limit.
- **Uniform Dental:** Add coverage for composite/resin fillings for the back teeth.

Review the detailed memo provided in the GIB agenda for additional information.

## **Supplemental Insurance Program Updates for Plan Year 2022. **Approved****

The GIB approved the below contract extensions for the administration of the supplemental dental insurance plans and the long-term care insurance.

- **Delta Dental of Wisconsin:** Contract extension approved for the supplemental dental insurance plans through 2023 with a two-year rate guarantee.
- **HealthChoice and Mutual of Omaha:** Contract extension approved for the long-term care insurance plan through 2022.

## **Flexible Spending Account (FSA) Program Changes. **Approved****

The GIB approved the below changes, granted by the IRS late-December 2020, to the FSA Program to provide some COVID-19 relief for the 2021 plan year.

### **Healthcare FSA (includes Limited Purpose FSA)**

- Increase annual carryover limit to \$1,000 from \$550 for plan year 2020 to plan year 2021

### **Dependent Day Care Account**

- Increase age limit for qualifying dependent child(ren) to under age 14 from under age 13
- Add annual carryover limit of up to \$2,500 from plan year 2020 to plan year 2021. This is the first time the IRS has allowed a carryover provision for the dependent day care account
- Increase annual contribution limit to up to \$10,500 for individuals or married couples filing jointly and up to \$5,250 for married couples filing separately, for plan year 2021
- Allow a **one-time opportunity** from **June 1 – June 30, 2021** for current participants to increase their annual contribution, without a qualifying life event

### **Healthcare FSA and Health Savings Account (HSA)**

- Add personal protective equipment such as masks, hand sanitizer and sanitizing wipes as eligible expenses retroactively to January 1, 2021

ConnectYourCare (CYC), the administrator for these plans, will send communications directly to affected participants shortly following the GIB meeting. UW System HR will send slides to the Administrators, add language to the FSA webpage and publish a portal article to help communicate these changes.

## **Income Continuation Insurance (ICI) Valuations. **Approved****

A 50% premium decrease for the state ICI program was approved for plan year 2022.

## **Next Steps**

Benefits plan rates for the 2022 plan year will be presented and approved during the August GIB meeting.

For additional information regarding the GIB meeting, access the detailed materials at [etf.wi.gov](http://etf.wi.gov) or contact UW System Human Resources at [uwshr@uwsa.edu](mailto:uwshr@uwsa.edu).