



STATE OF WISCONSIN
Department of Employee Trust Funds
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CORRESPONDENCE MEMORANDUM

DATE: January 20, 2005
TO: Group Insurance Board
FROM: Kari Jo Zika, Director, Quality Assurance Services Bureau
SUBJECT: Correspondence and Complaint Summary

This summary is provided for informational purposes and contains a listing of issues raised by participants relating to insurance benefits under the authority of the Group Insurance Board (GIB). The tables attached include a summary of the following:

- (1) Correspondence received by the Department written to the Secretary or the GIB; and
- (2) The number of written complaints or informal complaints (usually via the telephone) handled by the ombudspersons in the Quality Assurance Services Bureau.

The information provided in the attachments is from the time period of October 1, 2004, to December 31, 2004.

I will be available at the Board meeting to address any questions you have regarding this report. Thank you.

Attachments

Reviewed and approved by Pam Henning, Division of Management Services.

Signature Date

Board	Mtg Date	Item #
GIB	2/15/2005	6

Correspondence:

	Number
Health Insurance	17 (71%)
<i>Issues:</i> <ul style="list-style-type: none"> • <i>Not notified that COBRA coverage ended.</i> • <i>Requests for a waiver of the three-year waiting period for municipalities wishing to rejoin the WI Public Employers Group Health Insurance Program.</i> • <i>Request to increase deductibles to help lower the cost of monthly premiums for annuitants.</i> • <i>Request for a health savings account.</i> • <i>Opposition to the prohibition on opt-out incentives for local government employees.</i> • <i>Request for benefit changes (e.g., gastric bypass, increase inpatient day limit, coverage of midwives in self-funded plans).</i> • <i>Request for increased organ transplant maximum.</i> • <i>Request for a two-person or couple insurance rate.</i> • <i>Request for an extension of Dual-Choice period because of mailing delay.</i> • <i>Concerned over three-month gap in insurance until becomes an annuitant and can use accumulated sick leave conversion credit.</i> 	1 2 1 1 3 4 2 1 1 1
Pharmacy Benefit	3 (12.5%)
<i>Issues:</i> <ul style="list-style-type: none"> • <i>Request that medications be placed in a lower copayment level.</i> 	3
Disability Benefits	4 (16.5%)
<i>Issues:</i> <ul style="list-style-type: none"> • <i>Concerned that Annual Income Statement has been sent three times and not recorded by ETF.</i> • <i>Concerned that disability payments are terminated.</i> • <i>Request for information from ETF regarding denial of duty disability.</i> • <i>Concerned over adjustment of duty disability payments based on pension income.</i> 	1 1 1 1
Total	24 (100%)

Key:

- *COBRA stands for the Consolidated Omnibus Budget Reconciliation Act (of 1985). Federal law entitling eligible employees to continuation of group health insurance coverage for 36 months after terminating employment.*

Formal Written and Informal Complaints:

During the last quarter of the year (October-December), the ombudspersons handled 202 informal and formal complaints regarding insurance programs. The majority of these complaints involved health insurance, disability programs and the pharmacy benefit. The following highlights the variety of issues handled by the ombudspersons.

	Number
Health Insurance Complaints	111 (55%)
Health Maintenance Organizations <i>Most Common Issues:</i>	73
<ul style="list-style-type: none"> • <i>Eligibility and Enrollment (21%)</i> • <i>Billing (15%)</i> • <i>Non-covered Services (14%)</i> 	
Standard Plans (all) <i>Most Common Issues:</i>	38
<ul style="list-style-type: none"> • <i>Billing (26%)</i> • <i>Referrals/Prior Authorizations (24%)</i> • <i>Medical Necessity (13%)</i> 	
Pharmacy Benefit Complaints	44 (22%)
<i>Most Common Issues:</i>	
<ul style="list-style-type: none"> • <i>General Program Design (24%)</i> • <i>Copayment Reduction (22%)</i> • <i>Non-covered Drugs (17%)</i> 	
Disability Program Complaints	40 (20%)
Income Continuation Insurance <i>Most Common Issues:</i>	38
<ul style="list-style-type: none"> • <i>Overpayments (31%)</i> • <i>Tax Withholding (13%)</i> • <i>Integration of Benefits (13%)</i> • <i>Payment/Check Error (13%)</i> 	
Disability Retirement (§ 40.63)	1
Duty Disability (§ 40.65)	0
Long-Term Disability Insurance	1
Other Program Type Complaints (Life, ERA, EPIC, Spectera)*	7 (3%)
Total	202 (100%)

*It is not common to receive a large number of complaints regarding these programs because the availability of ombudsperson assistance isn't as widely known and most of the programs are not under contract with ETF, rather approved for payroll deduction by the Board.

Key:

- *ERA: Employee Reimbursement Act. Optional pre-tax savings account for medical expenses and dependant care.*
- *EPIC: Optional supplemental benefit plan that provides coverage for dental excess medical and accidental death and dismemberment.*
- *Spectera: Option vision benefit.*