

**MINUTES OF MEETING  
STATE OF WISCONSIN  
GROUP INSURANCE BOARD**

Tuesday, February 21, 2006

**DRAFT**

**Sheraton Hotel – Madison  
706 John Nolen Drive  
Madison, WI 53719**

**BOARD PRESENT:** Stephen Frankel, Chair  
Randy Blumer, Vice-Chair  
Esther Olson, Secretary  
Robert Baird  
Martin Beil  
Janis Doleschal  
Cindy O'Donnell  
David Schmiedicke  
Gary Sherman  
Karen Timberlake

**BOARD  
NOT PRESENT:** None

**PARTICIPATING ETF  
STAFF:** Eric Stanchfield, Secretary  
Dave Stella, Deputy Secretary  
Tom Korpady, Administrator, Division of Insurance Services  
Bob Conlin, Director, Legislation, Communications and Planning  
Bill Kox, Director, Health Benefits and Insurance Plans Bureau  
Sharon Walk, Group Insurance Board Liaison

**OTHERS PRESENT:** Paul Beste, Navitus  
Marcia Blumer, Division of Insurance Services  
Christopher Burke, Broadspire  
Lydia Colon, Blue Cross Blue Shield of Wisconsin  
Phil Dougherty, Wisconsin Association of Health Plans  
Liz Doss-Anderson, Division of Management Services  
Jodi Dunaway, Mercy Care  
Rhonda Dunn, Executive Assistant  
Kendra Eppler, Legislative Audit Bureau  
Colleen Evans-Carter, CompCare Blue  
David Fee, Humana  
Charlotte Gibson, Department of Justice  
Steve Grob, Division of Insurance Services  
David Grunke, Wisconsin Physicians Service  
Emily Halter, Group Health Cooperative South Central  
Carrie Helms, Network Health Plan  
Sue Hill, Navitus  
Steve Hurley, Division of Management Services

Board	Mtg Date	Item #
GIB	04/18/2006	1

Kathy Ikeman, Unity Health Insurance  
Joy Kaiser, Medical Associates Health Plans  
Sari King, Division of Retirement Services  
Jon Kranz, Office of Internal Audit and Budget  
Arlene Larson, Division of Insurance Services  
Christina Keeley, Division of Management Services  
Mary Alice McGreevy, Division of Management Services  
Peg Narloch, Division of Insurance Services  
Deborah Nelson, Dean Health Plan  
Kris Nichols, Wisconsin Physicians Service  
Paul Ostrowski, Office of State Employment Relations  
Kathryn Otto, Dean Health Plan  
Robert Parr, Delta Dental Plan  
Ron Pelz, Mercy Care  
Diane Poole, Division of Insurance Services  
Stan Proffitt, Network Health Plan  
Beth Ritchie, University of Wisconsin System Administration  
Deb Roemer, Division of Insurance Services  
Paul Romuald, Minnesota Life Insurance Company  
Chris Schmelzer, Minnesota Life Insurance Company  
Sam Schmirler, Gundersen Lutheran Health Plan  
Ron Sebranek, Physicians Plus Insurance Corporation  
Mel Sensenbrenner, State Engineers Association  
Sonya Sidky, Division of Insurance Services  
Joan Steele, Division of Insurance Services  
Jill Thomas, Office of State Employment Relations  
Al Wearing, Blue Cross Blue Shield of Wisconsin  
Sharon Whitwarm, Wisconsin Physicians Service

Stephen Frankel, Chair, Group Insurance Board (Board), called the meeting to order at 8:35 a.m.

Mr. Korpady introduced new Department of Employee Trust Funds (ETF) staff. Bob Conlin has joined ETF as the Director of Legislation, Communications and Planning. Mary Alice McGreevy has been hired as the Health Insurance Portability and Accountability Act (HIPAA) Compliance Officer.

#### **CONSIDERATION OF MINUTES OF NOVEMBER 8, 2005, MEETING**

***MOTION: Mr. Blumer moved approval of the minutes of the November 8, 2005, meeting as submitted by the Board Liaison. Ms. Olson seconded the motion, which passed without objection on a voice vote.***

## ELECTION OF OFFICERS

***MOTION: Mr. Beil moved to cast a unanimous ballot for the current slate of officers (Chair/Steve Frankel, Vice-Chair/Randy Blumer and Secretary/Esther Olson) for another one-year term. Mr. Baird seconded the motion, which passed without objection on a voice vote.***

## INCOME CONTINUATION INSURANCE (ICI) AND LONG-TERM DISABILITY INSURANCE (LTDI)

Christopher Burke, Senior Account Executive for Broadspire, presented an update on the ICI and LTDI programs. Mr. Burke discussed projects and approaches utilized during 2005 as well as the transition from CORE to Broadspire. He emphasized that good customer service continues to be a priority for Broadspire.

## HEALTH INSURANCE

**Guidelines/Uniform Benefits Timeline.** Mr. Kox discussed the timeline for development of changes to the Guidelines and Uniform Benefits for contract year 2007. An ETF staff discussion group will meet to review the benefits that the health plans are required to offer. Board members and their staff will be invited to participate in this discussion. Final recommendations for changes will be presented to the Board at the April 18, 2006, meeting.

**Transition Report.** Mr. Kox updated the Board on the status of the contract implementation with Wisconsin Physicians Service (WPS) for the standard plan. WPS began administering the program on January 1, 2006. The transition has been very smooth due in large part to the cooperation of Blue Cross/Blue Shield and WPS. ETF and WPS developed an electronic enrollment and eligibility process that has eliminated paper applications and allowed for the electronic transmission of information. This process will be utilized in the future with all participating plans. There have been concerns expressed by out-of-state members concerning the Beech Street network with the primary complaint being physicians who are not covered by Beech Street. WPS has indicated that they will be looking at direct contracting with the providers.

**Dual-Choice Enrollment Statistics.** Mr. Kox provided the Board with information on the 2006 Dual-Choice enrollment results. Approximately 12,000 applications were submitted during the Dual-Choice enrollment period. The high number of applications is the result of tiering changes from 2005 to 2006 as well as new health plan options for 2006.

## MISCELLANEOUS

Mr. Conlin updated the Board on pending legislation. This past December, Governor Doyle signed Wisconsin Act 66, which adds another member to the Group Insurance Board. This member must be a chief executive or a member of a governing body of a local unit of government that is participating in the Wisconsin Retirement System.

Mr. Conlin also discussed Senate Bill (SB) 486. SB 486 is remedial legislation that allows coverage in the ICI program if an employee missed enrollment due to employer error. This bill has been introduced and reviewed by the Senate Insurance Committee.

Mr. Korpady referred the Board members to the various miscellaneous items included in the board packets.

### **MOTION TO CONVENE IN CLOSED SESSION**

Mr. Frankel announced that the Board would convene in closed session pursuant to the exemptions contained in Wis. Stat. § 19.85(1)(a) for the purposes of quasi-judicial deliberations. Mr. Ostrowski, Ms. Thomas and Ms. Walk were invited to remain during deliberations on the appeals.

***MOTION: Mr. Beil moved to convene in closed session pursuant to the exemptions contained in Wis. Stats. § 19.85 (1)(a) for the purposes of quasi-judicial deliberations. Ms. Olson seconded the motion, which passed without objection on the following roll call vote:***

**Members Voting Aye: Baird, Beil, Blumer, Doleschal, Frankel, O'Donnell, Olson, Schmiedicke, Sherman and Timberlake.**

**Members Voting Nay: None**

The Board convened in closed session at 9:25 a.m. and reconvened in open session at 11:52 a.m.

### **ANNOUNCEMENT OF ACTION TAKEN ON BUSINESS DELIBERATED DURING CLOSED SESSION**

Mr. Frankel announced that the Board took the following action during the closed session:

#### **Appeal Nos. 2004-012-GIB and 2004-047-GIB**

- The Board rejected the hearing examiner's proposed decision and upheld the Department's determination.

#### **Appeal No. 2003-076-GIB**

- The Board adopted the hearing examiner's proposed decision with amendments as recommended by counsel.

#### **Appeal No. 2005-021-GIB**

- The Board moved to:
  1. Defer the appeal to the June 13, 2006, Group Insurance Board meeting;
  2. Request information from the Department regarding non-traditional situations in which health insurance coverage is requested and how the Department responded; and
  3. Request additional legal analysis from the Board's counsel.

**ADJOURNMENT**

***MOTION: Mr. Beil moved adjournment. Ms. O'Donnell seconded the motion, which passed without objection on a voice vote.***

The Board adjourned at 11:55 a.m.

Dated Approved: \_\_\_\_\_

Signed: \_\_\_\_\_

Esther Olson, Secretary  
Group Insurance Board