

Frequently Asked Questions 2006 Health Care Options for State of Wisconsin Employees in NW Wisconsin

In 2005, employees located in northwest Wisconsin had access to several Tier 1 health plans including Atrium, CompCareBlue Northwest (CCB), and Humana Western. In 2006, Atrium is no longer offered and CompCareBlue Northwest and Humana Western are Tier 2 plans. This FAQ addresses some commonly asked questions about the plans offered in northwest Wisconsin and the tiering process.

1. Why is Atrium no longer offered? What does this mean for members?

Atrium Health Plan has been acquired by and merged with CompCareBlue Northwest (CCB) Network. If you are enrolled in Atrium and do not file an application during the Dual Choice enrollment period, you will automatically become a member of CCB. CCB will provide new identification cards and its referral and prior authorization procedures will apply to all members enrolled in 2006. CCB will mail information to current Atrium and CCB members prior to Dual Choice. Questions or concerns may be directed to CCB; the phone number can be found on the inside back cover of the *It's Your Choice* booklet.

2. Is it true that Group Health Cooperative of Eau Claire (GHC-EC) will be offered in some far northern counties?

After the *It's Your Choice* booklet went to press, GHC-EC expanded its network to include Washburn, Sawyer, Douglas, Bayfield and Ashland Counties. ETF has not yet determined if they meet the qualification criteria for the number of providers required in each county. (See Q&A 46 on page C-24 of the *It's Your Choice* book for more information about "qualified plans".) However, you may choose this plan if you are comfortable with the providers they offer. You may request a provider directory directly from GHC-EC.

3. How do the networks for the State Maintenance Plan (SMP), Humana Western (HW), CompCareBlue Northwest (CCB), Group Health Cooperative of Eau Claire (GHC-EC) and Health Tradition (HT) compare in the new SMP counties? Why aren't they the same?

The table below lists the major clinics that are available through the SMP plan, as well as the Health Maintenance Organization (HMO) plans in northwest Wisconsin counties. In some counties, the SMP provider network is more limited than the HMO networks, but it nevertheless offers significant provider networks that include the largest clinics in each county. Though not all provider groups are offered by SMP, it is unusual for managed care plans to offer all of the available clinics in a given geographic area, and this can perhaps help explain why CCB and HW are not as cost-effective as other plans in the program. (Note that **CompCareBlue Northwest** (CCB) has purchased Atrium (A) and their networks are the same in the clinics listed.)

| County* | Plan | Clinic** |
|-------------------------------|---------------|---------------------------|
| Buffalo | HW & SMP | Midelfort Clinic, Mondovi |
| | HT & HW | Alma (Mayo) Clinic, Alma |
| Pepin (see also Pierce) | CCB, HW & SMP | Castleberg Clinic, Durand |

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|--|-------------------------|---|
| Pierce | A/CCB, HW & SMP | River Falls Medical Clinic, River Falls |
| | A/CCB & HW | Ellsworth Medical Clinic, Ellsworth |
| St. Croix | A/CCB, HW & SMP | Western WI Medical Assn., Hudson & New Richmond |
| | A/CCB & HW | Baldwin Clinic, Baldwin |
| Polk | A/CCB, HW & SMP | Osceola Medical Center, Osceola |
| | A/CCB, HW & SMP | Amery Medical Center, Amery & Clear Lake |
| | A/CCB, HW & SMP | St. Croix Medical Clinic, St. Croix Falls |
| | A/CCB, HW & SMP | Unity Clinic of St. Croix Medical Clinic, Balsam Lake |
| | A/CCB, HW & SMP | Frederic Medical Center, Frederic |
| Burnett | A/CCB, HW & SMP | Burnett Medical Center, Grantsburg |
| | A/CCB, HW & SMP | Shell Lake Clinic, Siren |
| | A/CCB, HW & SMP | Ingalls Family Medical Clinic, Webster |
| Washburn | A/CCB, HW, GHC-EC & SMP | Spooner Clinic, Spooner |
| | A/CCB, HW & GHC-EC | NorthWoods Health Center, Minong |
| | A/CCB, HW, GHC-EC & SMP | Shell Lake Clinic, Shell Lake |
| Sawyer | A/CCB, HW, GHC-EC & SMP | Hayward Clinic, Hayward |
| | A/CCB & GHC-EC | NorthWoods Health Center, Hayward |
| | A/CCB GHC-EC & SMP | Stone Lake Medical Clinic, Stone Lake |
| | A/CCB & GHC | Marshfield Clinic, Radisson Center |
| Douglas | A/CCB, HW, GHC-EC & SMP | Duluth Clinic, Superior |
| | A/CCB, HW & GHC-EC | Mariner Medical Clinic, Superior |
| Bayfield | A/CCB, GHC-EC & SMP | Red Cliff Health Center, Bayfield |
| Ashland | A/CCB, HW, GHC-EC & SMP | Ashland Clinic, Ashland |
| | A/CCB, HW & GHC-EC | Chequamegon Clinic, Ashland |
| | A/CCB, HW & SMP | Mainstreet Clinic, Ashland |
| *Counties are listed geographically from South to North | | |
| **Plans may add more providers in the future. Please call the plan for more information. CCB 888-239-9514, HW 800-448-6262, GHC 888-203-7770 and SMP 800-634-5448. | | |

4. How does tiering work and why are Humana Western (HW) and CompCareBlue Northwest (CCB) Tier 2 plans for 2006?

To determine into which tier each plan would be placed, the Group Insurance Board's (Board) actuary annually evaluates each plan's efficiency and cost effectiveness by analyzing its cost of providing health care based on the relative risk of the populations the plan serves. As a result of this analysis, all plans are placed into one of three tiers. This "population risk adjustment" process ensures that plans whose costs are based on caring for a higher-cost patient population are compared fairly with plans with a relatively lower-cost population. (See pages [A-2](#) and [C-24](#) in the *It's Your Choice* book for more information about the tiering concept.)

All plans placed in Tier 2 or Tier 3 based on their premium rate bids are given the opportunity to justify their position. In addition, the Department tells these plans how much they need to lower their bid to become a Tier 1 plan. Most plans respond by lowering their bids, but HW and CCB refused to do so, therefore making a business decision to accept the Tier 2 placement.

5. Why was SMP brought into my county?

Since 1984, the State Maintenance Plan (SMP) has been offered in any Wisconsin county that had no qualified HMO available. This same practice continued with the inception of the tiering concept in 2004; SMP is offered in counties where no qualified Tier 1 plan is available. Beginning in 2005, the SMP plan benefits were changed to match those that all HMOs offer under Uniform Benefits, as described in Section D of the *It's Your Choice* book.

Although SMP is slightly less cost-effective than other Tier 1 plans, the Board designated it as such in response to concerns that all employees statewide should have access to a Tier 1 plan.

The Board and Department are concerned that the lack of competition among providers has resulted in fewer health plan choices for participants. It is unfortunate that of some plans have chosen to be offered at Tier 2, which means a higher premium cost for our members.

6. Is SMP available to out-of-state residents or to those who have qualified, Tier 1 HMOs in their county of residence?

Because SMP is not a true Tier 1 plan, it is limited to individuals who reside or work in the counties where it is offered. This is because participants in other counties or out-of-state have access to health plans with providers that are more conveniently located and accessible than the SMP providers.

7. What are the health plan choices for individuals who live out-of-state and want to have access to a broader network?

Under the compensation plans governing most employees, out-of-state residents have the option of choosing the Standard Plan at a Tier 2 premium level, rather than the in-state Tier 3 level. This allows those with limited choices a plan that offers greater access. The Standard Plan has always offered the freedom to choose any provider and is an excellent value at Tier 2.

For members in or near St. Louis County, Minnesota, Group Health Cooperative of Eau Claire, a tier 1 plan, has been contracting with providers in this area. For more information about this tier 1 option, please call GHC-EC at (888) 203-7770.

8. How can a health plan like Humana be broken into two or more regions (Humana Western and Humana Eastern) and fall into different tiers?

Health plans submit premium bids based on the cost of administration in their service areas. Plans such as CompCareBlue and Humana can choose to subdivide their plan based on available provider groups and/or geographic areas. Based on these subdivisions, each plan's experience is reviewed separately to determine its cost-effectiveness. (See also question #3.) While Humana Eastern and Humana Western have similar premium rates, they have different risk profiles. Humana determined that its premium rates could be reduced enough to meet Tier 1 requirements in its eastern area, but not its western area.

9. Is there a difference between the health benefits offered by SMP and the HMOs?

No. SMP offers Uniform Benefits to participants just as the HMOs do. Plans do have the option of administering Uniform Benefits based on their own standards of medical necessity and other contract provisions. This may result in slight differences in plan administration based on the plan's criteria for medical care.

10. Why doesn't SMP offer dental benefits?

Uniform Benefits was created in 1994 to standardize the medical benefits that HMOs must offer under the program. Dental coverage is optional and is not included in Uniform Benefits. The Board cannot require dental coverage of plans, and those plans that do offer it, do so entirely at their option.

SMP is self-funded by the Board and the Board cannot offer optional coverage such as dental within the plan. However, keep in mind that dental coverage provided by health plans is a relatively small part of the benefit plan, accounting for less than 5% of the total benefit on average.

11. Is there a profit margin on the SMP plan?

This is a self-funded plan that has no margin for profit. All premiums are used to pay claims, in addition to a small fixed fee paid to the administrator, Wisconsin Physicians Service (WPS) Health Insurance, for its services.