



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 #12 dated January 8, 2021

Contract Period: January 1, 2021 through December 31, 2021

1. This Contract Amendment #12 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 on page 3 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 ETF SMBProcurement@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. This 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. 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 #12 dated January 8, 2021;
 - C) the Contract Amendment #11 dated February 28, 2020;
 - D) the Contract Amendment #10 dated January 2, 2020;
 - E) the Contract Amendment #9 dated June 25, 2019;
 - F) the Contract Amendment #8 dated June 14, 2019;
 - G) the Contract Amendment #7 dated April 23, 2019;
 - H) the Contract Amendment #6 dated March 7, 2019;
 - I) the Contract Amendment #5 dated February 19, 2018;
 - J) the Contract Amendment #4 dated February 2, 2017;
 - K) the Contract Amendment #3 dated May 16, 2016 with attached Scope of Work dated May 16, 2016;
 - L) the Contract Amendment #2 dated April 7, 2016 with attached Scope of Work dated April 7, 2016;
 - M) the Contract Amendment #1 dated January 7, 2016;
 - N) Questions from vendors and ETF Answers dated January 28, 2014;
 - O) Exhibit A, Changes Agreed to by the Parties from the Request for Proposal (RFP) ETD0012;
 - P) Exhibit B, Business Associate Agreement dated July 23, 2014;
 - Q) the RFP dated January 6, 2014, and
 - R) the Contractor's proposal dated February 17, 2014.

Contract Number & Service:

ETD0012 – Amendment #12
 Consulting Actuary for Wisconsin Health Insurance Programs

State of Wisconsin	
Department of Employee Trust Funds	
Signature	DocuSigned by: <i>Robert J. Conlin</i> 249598FF085F431...
Name/Title	Robert J. Conlin, Secretary Department of Employee Trust Funds
Phone	608.266.0301
Date (MM/DD/CCYY)	1/8/2021

Contractor	
Legal Company Name The Segal Company (Eastern States), Inc.	
Trade Name Segal Consulting	
Taxpayer Identification Number 13-2619259	
Company Address (City, State, Zip) 2018 Powers Ferry Road, Suite 850 Atlanta, GA 30339	
By (print Name) Kenneth C. Vieira, FSA, FCA, MAAA	
Signature	DocuSigned by: <i>Kenneth Vieira</i> AF4A2DFC818B479...
Title Senior Vice President	
Phone 678.306.3154	
Date (MM/DD/CCYY) 1/8/2021	

Amendment 12A Wellness Program Return on Investment (ROI) Scope of Work

Background and Scope

The State of Wisconsin, Department of Employee Trust Funds (“ETF”) has contracted with The StayWell Company, LLC (“StayWell”) for health, wellness and disease management program (“Well Wisconsin”). ETF is asking Segal to complete a Return On Investment (“ROI”) analysis of the Well Wisconsin program.

Evaluation Eligibility and Period Definitions

ROI calculations will be based on a claims-based analysis, both medical and pharmacy claims, that includes employees and spouses/domestic partners enrolled in Well Wisconsin for the entirety of each applicable Program Year. Individuals enrolled in the State of Wisconsin Group Health Insurance Medicare Advantage plan will be excluded from this analysis.

Baseline period will be calendar year 2016 (the year prior to the launch of the program, as administered by StayWell). The evaluation period begins at baseline and is evaluated every Program Year (2017, 2018, 2019) after the first programmatic element is implemented. “Program Years” for this evaluation are defined as each 12-month period following the baseline period and beginning with the initial implementation of the first program component.

Participants Definitions

“Participants” are defined as those who have received program incentives from ETF during each applicable Program Year. Whereas “Non-Participants” include everyone else in the evaluation sample, except those individuals excluded as indicated in the evaluation eligibility section.

Data Requirements and Analysis

Segal will pull the below data summaries from IBM Watson Health Data Analytics in order to complete the ROI Analysis.

- List of participants in each program year
- Enrollment, medical, and pharmacy summaries – at the individual level – for baseline and each subsequent program year
- DCG risk score by individual for baseline and each program year (or where available)
- Total program cost for each program year

ROI will be calculated using a benefit:cost ratio. Benefits will be represented by group differences in changes in health care cost trends (health care cost savings) and costs will be represented by total direct program costs paid by ETF during the evaluation period.

The below exhibit illustrates the proposed outcome of the analysis. The below outcome will be replicated for subsequent program years.

	Participants	Non-Participants	<i>Row Reference / Calculations</i>
Demographics			
Members	#	#	A
Average Age	#	#	B
Baseline			

Relative Risk Score	#	#	<i>C</i>
PMPM (Med + Rx)	\$	\$	<i>D</i>
Risk-Adjusted PMPM	\$	\$	$E = D / C$
Program Year 1			
Relative Risk Score	#	#	<i>F</i>
PMPM (Med + Rx)	\$	\$	<i>G</i>
Risk-Adjusted PMPM	\$	\$	$H = G / F$
Financial Impact			
PMPM Trend	%	%	$I = (H / E) - 1$
Target PMPM ¹	\$	NA	$J = E * (1 + I)$
Risk-Adjusted Target PMPM	\$		$K = J * (F / C)$
PMPM Impact/(Savings)	\$		$L = H - K$
% PMPM Impact/(Savings)	%		$M = H / K - 1$
Program Impact/(Savings)	\$		$N = L * (A * 12)$
Program Cost	\$		<i>O</i>
ROI	#		

1. Target PMPM of the participants group will be calculated based on observed PMPM trend of Non-Participant members.

Project Timing and Fees

The ROI analysis will begin when the list of participants is made available to Segal within the IBM Watson Health Data Analytics platform; ETF has indicated that the data will be available by January 15, 2021. Segal will complete the initial draft of the analysis within 4-6 weeks. Final draft due by March 31, 2021. The cost for this ROI analysis is USD \$25,000.