



State of Wisconsin
**Group Health Insurance
FACT SHEET 2008**

The State of Wisconsin Group Health Insurance Program is an employer-sponsored program offering group coverage to employees of state and participating local government employers. Employees may choose between self-insured health plans and alternate health plans (i.e. Health Maintenance Organizations, or HMOs) with specific provider networks.

PROGRAM REVIEW

- Created by Chapter 40 of the Wisconsin Statutes.
- The Department of Employee Trust Funds and the Group Insurance Board (GIB) have statutory authority for program administration and oversight [Wis. Stat. §§ 15.165 (2) and 40.03 (6)]. HMO's follow GIB guidelines for eligibility and program requirements. All HMOs offer a prescribed benefit package called Uniform Benefits and participate in a yearly competitive premium rates bid process.
- The Standard Plan and State Maintenance Plan (SMP) are self-insured by the GIB and administered by WPS Health Insurance. The Standard Plan is a preferred provider plan.
- The pharmacy benefit is self-insured by the GIB and administered by Navitus Health Solutions.
- The Medicare Part D benefit for local government employees program is insured and administered by Dean Health Insurance, Inc.

HEALTH INSURANCE CHOICES

Active employees:

- 16 insurers, 23 service areas; two fee-for-service plans (Standard Plan and SMP)

Retirees:

- 16 insurers, 23 service areas; two fee-for-service plans

ELIGIBILITY AND ENROLLMENT

Who is eligible for health insurance?

- State employees participating in the Wisconsin Retirement System (WRS).
- Elected state officials and members or employees of the legislature.
- University of Wisconsin System - visiting faculty; graduate assistants employed at least one-third of full-time.
- Blind employees of the Workshop for the Blind with at least 1,000 hours of service.
- State retirees, their surviving spouses and dependents, and former employees who have 20 years of state service.
- Local government employees participating in the WRS whose employer elected to participate.
- Local government retirees and employees who terminate employment after age 55 (age 50 for protectives) and have 20 years of creditable service.

Participating employees as of June 2008*:

- State employee health benefit plans:
 - Active employees: 69,691 (97.6% enrolled in HMOs)
 - Retirees: 21,913 (65.5% enrolled in HMOs)
- Public employees whose employer elected to participate:
 - Active employees: 11,428 (99.6% enrolled in HMOs)
 - Retirees: 2,313 (90.4% enrolled in HMOs)
- Local Annuitant Health Plan (Offered to individual retirees regardless of employer participation; choice of Medicare Supplemental or Comprehensive Major Medical coverage only.)
 - Retirees: 297

* Includes direct pay retirees, but excludes continuants
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Participating employers:

- All state agencies, plus the state legislature and the executive branch.
- Public employers who file a resolution to participate.

COVERAGE OPTIONS

- Single (subscriber only) or family (includes legal spouse and all dependent children).
- Continuation Coverage: In cases where active coverage ends, continuation allows an extension of coverage for up to 36 months at group rates. The subscriber pays the full premium.
- Dual-Choice Enrollment: This enrollment opportunity occurs each October. Insured employees may change plans or level of coverage. The change is effective January 1 of the following year.

EMPLOYEE SHARE OF PREMIUM

- The employee share of premium contributions for most employers is based on the following tiering structure:
 - State: (not including UW graduate assistants and short-term academic staff)

	<u>Single</u>	<u>Family</u>
Tier I	\$ 31.00	\$ 78.00
Tier II	\$ 69.00	\$173.00
Tier III	\$164.00	\$412.00
 - State: UW graduate assistants and short-term academic staff:

	<u>Single</u>	<u>Family</u>
Tier I	\$ 15.50	\$ 39.00
Tier II	\$ 34.50	\$ 86.50
Tier III	\$ 82.00	\$206.00
 - Retirees: No employer contribution. State employees' sick leave credits can offset premium.

COMPARATIVE DATA FOR STATE EMPLOYEES AND RETIREES

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Standard Plan *								
Premium Rate								
Single	\$895.70	\$853.10	\$808.60	\$762.60	\$672.70	\$795.04	\$705.70	\$483.40
% Increase/Decrease	5.0	5.5	6.0	13.4	-15.3	12.7	46.0	23.2
Family	\$2235.60	\$2129.10	\$2,017.70	\$1,862.40	\$1,622.90	\$1,953.50	\$1,726.20	1,176.20
% Increase/Decrease	5.0	5.5	8.3	14.8	-16.9	13.2	46.8	22.3
# Contracts (June)								
Active Single	791	808	870	833	780	325	286	439
Active Family	828	793	903	946	869	232	243	407
Retirees including Direct Pay	7534	7,706	8,074	7,973	8,310	7,656	7,774	8,228
SMP Fee-for-Service Contracts**								
(June)								
Active Single	13	42	624	627	651	574	638	647
Active Family	35	142	2,222	2,061	2,076	878	850	934
Retirees including Direct Pay	18	39	430	386	389	589	487	453
HMOs								
Average Premium Rate***								
Single	\$499.68	\$467.23	\$435.60	\$399.95	\$390.25	\$349.15	\$319.48	\$282.96
% Increase/Decrease	6.9	7.3	8.9	2.5	11.8	9.3	12.9	14.3
Family	\$1245.50	\$1164.40	\$1,085.65	\$996.45	\$957.88	\$865.55	\$787.15	\$700.58
% Increase/Decrease	7.0	7.3	8.9	4.0	10.7	10.0	12.4	13.6
# Contracts (June)								
Active Single	24,332	23,776	23,647	23,375	23,354	22,898	23,682	21,286
Active Family	43,692	43,305	41,147	41,322	41,126	43,720	42,864	41,173
Retirees	14,361	14,359	13,288	12,908	12,813	12,829	11,772	10,877
Estimated Annual Total								
Premium	\$1,031,927	\$950,775	\$879,872	\$823,237	\$783,455	\$709,712	\$625,945	\$531,768
All plans, calendar year, no direct pays (in thousands)								

* Standard Plan I and Standard Plan II were combined into a single plan for 2004.

** Contract counts include Standard Plan II for years prior to 2004.

*** Average premium of Dane County HMO plans.