



STATE OF WISCONSIN
Department of Employee Trust Funds

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CORRESPONDENCE MEMORANDUM

DATE: January 15, 2004
TO: Group Insurance Board
FROM: Joan Steele, Manager, Alternate Health Plans
Audrey Koehn, Director, Disability Programs Bureau
Division of Insurance Services
SUBJECT: Participation in the Wisconsin Public Employers' Group Health Insurance Program and Income Continuation Insurance Plan

This memo is for the Board's information only. No action is required.

Annually, staff provides the Board with an update of local government employers that have either joined or terminated participation in the Wisconsin Public Employers' Group Health (WPEG) Insurance Program and the Income Continuation Insurance (ICI) plan during the prior calendar year.

It is worth noting that 21 employers have already passed resolutions to join the WPEG plan in 2004. We believe that the increased interest in the health program is due, at least partly, to the double-digit premium increases that many employers have faced recently.

Nine employers terminated participation in the WPEG plan effective December 31, 2003: City of Black River Falls, Edgerton Fire Protection District, Lincoln County Housing Authority, Town of Medford, Merrill Housing Authority, Town of Rib Mountain, Town of Three Lakes, City of Tomahawk, and Village of Withee. Seven of the employers are located in central northern Wisconsin, which offers the State Maintenance Plan (SMP) as there are no participating plans in 2004. Unfortunately, when CompCareBlue-North (CCB-N) left the program, employers moving from CCB-N to SMP experienced an effective premium increase of approximately 50%. These employers have told us they simply could not remain in the program at this cost level.

The local ICI plan continues to see moderate growth. The largest local employer joining into the ICI plan for 2003 was the City of Oshkosh with 563 employees.

The table on the next page provides a summary of the types of the employers in the WPEG plan and the local ICI plan as of December 31, 2003.

Reviewed and approved by Tom Korpady, Division of Insurance Services.

Signature

Date

Board	Mtg Date	Item #
GIB	2/17/2004	4

Category	Group Health Insurance Program	Income Continuation Insurance Plan
New Employers in CY2003	18	8
New Employees in CY2003	1,467	728
Employers terminating in CY2003	9	0
# of participating cities	64	36
# of participating villages	83	46
# of participating school districts	3	0
# of participating special districts	73	47
# of participating towns	63	11
# of participating counties	10	6
Total Employers	296	146
Total Employees	12,843	6,197