



STATE OF WISCONSIN  
Department of Employee Trust Funds

David A. Stella  
SECRETARY

801 W Badger Road  
PO Box 7931  
Madison WI 53707-7931

1-877-533-5020 (toll free)  
Fax (608) 267-4549  
<http://etf.wi.gov>

FOR IMMEDIATE RELEASE

For more information, contact:  
Tom Korpady, Administrator  
Division of Insurance Services, (608) 266-0207

September 4, 2008

## **Group Insurance Board Announces Single Digit Premium Rate Increases**

MADISON, (Wis.) – Health insurance premium rate increases for the majority of members covered under the state’s Group Health Insurance Program will average approximately 7% next year, according to a Group Insurance Board (Board) announcement. This marks the fifth straight year the program has held cost increases to single digits. The program covers more than 230,000 state and local government employees, retirees, and their dependents.

Individual rate increases may be higher or lower for some local government employers and some health plan options under the state plan, explained David Stella, Secretary of the Department of Employee Trust Funds (ETF), “but overall, this is good news.” The innovative program design changes and strategies implemented five years ago not only “continue to prove themselves effective,” Stella said, “they are key elements in our work to keep cost increases from rising as much as they otherwise would have, while maintaining a quality program at a reasonable cost for public employers, employees and retirees.”

Highlights from the 2009 premium rates approved by the Board include an average 7% increase for state employee health maintenance organization (HMO) plans, and an average 7.1% increase for HMOs in the Wisconsin Public Employers program, which covers local government employees. Stella also said he is especially pleased that rate increases were held to just 2% for the approximately 10,000 members age 65 and over participating in the Medicare Plus \$1 Million program.

-- more --

**Additional information**

- The Department of Employee Trust Funds and the Group Insurance Board have statutory authority for program administration and oversight. Health maintenance organization (HMO) plans follow the Board's guidelines for eligibility and program requirements.
- All HMOs offer a prescribed benefit package called Uniform Benefits and participate in an annual, competitive premium rate bid process.
- The Standard Plan and State Maintenance Plan (SMP) are self-insured by the Board and administered by WPS Health Insurance.
- The pharmacy benefit for plans under the program is self-insured by the Board and administered by Navitus Health Solutions.

-- end --