

DRAFT

MINUTES

March 27, 2025

Budget and Operations Committee

Employee Trust Funds Board
State of Wisconsin



Location:

Hill Farms State Office Building – Room N106
4822 Madison Yards Way, Madison, WI 53705
7:45 a.m. – 8:36 a.m.

COMMITTEE MEMBERS PRESENT:

Jen Flogel, Chair

Michele Stanton, Secretary

Chris Heller, Vice Chair

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Office of the Secretary:

Diana Felsmann, Deputy Secretary
Pam Henning, Assistant Deputy
Secretary
Kimberly Schnurr, Board Liaison

Division of Benefits Administration:

Patti Epstein, Chief Benefits Officer

Office of Budget and Management:

Tarna Hunter, Director

Office of Enterprise Initiatives:

Michelle Baxter, Director

OTHERS PRESENT:

ETF Staff:

Kurt Petrie, Peter Rank

Legislative Audit Bureau:

Jennifer Multerer*

Ms. Flogel, Chair, called the Budget and Operations Committee (Committee) to order at 7:45 a.m.

ANNOUNCEMENTS

Ms. Felsmann had no ETF announcements to share with the Committee.

* Attended virtually.

Board	Mtg Date	Item #
BUD	06.19.25	2

CONSIDERATION OF OPEN MINUTES OF DECEMBER 12, 2024, COMMITTEE MEETING ([Ref. BUD | 03.27.25 | 2](#))

MOTION: Ms. Stanton moved to accept the minutes of the December 12, 2024, meeting, as submitted by the Board Liaison. Mr. Heller seconded the motion, which passed unanimously on a voice vote.

ELECTION OF OFFICERS ([Ref. BUD | 03.27.25 | 3](#))

Ms. Fogel announced the current officers of the Budget and Operations Committee were herself as Chair, Chris Heller as Vice Chair, and Michele Stanton as Secretary.

Ms. Fogel asked for nominations for a slate of officers of the Budget and Operations Committee.

MOTION: Ms. Stanton moved to nominate the following slate of officers: Jen Fogel as Chair, Chris Heller as Vice Chair, and Ms. Stanton as Secretary of the Budget and Operations Committee. Mr. Heller seconded the motion, which passed unanimously on a voice vote.

OPERATIONS UPDATE

Ms. Epstein provided several operational updates. She shared modernization efforts continue at ETF, and several critical challenges continue to put the Insurance Administration System (IAS) Program at risk. The Group Insurance Board (GIB) decided on the three Request for Proposals in January and February (Pharmacy, Medicare, and Pre-Tax Savings). As a result of the GIB decisions, ETF issued notices of intent to award to Navitus Health Solutions, United Healthcare, and TASC. GIB also approved an extension of the contract for third-party administration of the Income Continuation Insurance (ICI) Program with The Hartford Life and Accident Insurance Company.

LEGISLATIVE UPDATE ([Ref. BUD | 03.27.25 | 5](#)) AND 2025-2027 BIENNIAL BUDGET UPDATE ([Ref. ETF | 03.27.25 | 6A](#))

Ms. Hunter provided a legislative update with information on proposed Senate Bills (SB) and Assembly Bills (AB). She gave an overview on the following pieces of proposed legislation:

- [2025 SB 35](#) and [2025 AB 36](#)
- [2025 SB 105](#) and [2025 AB 138](#).

Ms. Hunter also discussed ETF's 2025-2027 biennial budget. She reported that the Budget did not approve funding or positions for agency risk management and information security functions, positions for locating WRS missing participants, and did not provide increased autonomy toward managing personnel. Ms. Hunter said that Governor Evers gave his 2025-2027 State Budget Address, and the budget bill was

submitted to the Legislature. She said the Legislature will usually deliver an amended budget bill to the governor for review, approval, and/or partial veto in the summer. The Committee and ETF Board will be updated on ETF's funding request for the 2025-2027 biennium.

ETF MODERNIZATION PROJECTS UPDATE ([Ref. BUD | 03.27.25 | 6](#))

Ms. Baxter shared an update on ETF's modernization projects. She provided the Committee with an overview of the IAS and Pension Administration System (PAS) projects, which included highlights, health, major milestones, and key issues and risks. She highlighted key challenges and the impacts they were having on the IAS Program. These included BenefitPlace-required enhancements, retiree testing delays, billing solutions, reporting, end-to-end testing, and operational readiness. Ms. Baxter said that staff had worked to gather data from local employers and were down to just two employers with outstanding enrollment information to collect. This was a big accomplishment, as enrolling local employers was one of the projects in the IAS Program that was at risk.

Ms. Baxter shared information on the contingency plans in place in case BenefitPlace did not provide crucial deliverables to ETF required for IAS implementation. The first contingency plan involved pushing the go-live date out to a later date. The second plan was to go live with a single employer to start and push go-live dates back for all other employers. Whether or not a contingency plan was needed, and what that plan would entail, will be decided between April 10 and April 12.

Ms. Baxter said that Ms. Epstein took a lead role on PAS as the project sponsor. She added that the PAS Search and Selection Project's overall health is currently green/on track, although the schedule for individual milestones may be slightly at risk. Notice of Intent to Award was sent on March 23, 2025, to TELUS Health and Heywood Limited to participate in a proof of concept (POC) exercise, which would be conducted in fall 2025.

ETF ORGANIZATIONAL NORTH STAR METRCIS REPORT ([Ref. BUD | 03.27.25 | 7](#))

Ms. Henning provided a summary of ETF's scorecard for the last quarter ending December 31, 2024. She said that six of the seven measurements were on track, and one was significantly off track.

Ms. Henning highlighted two new measurements were added from the last quarter's report. The first was assessing IAS-impacted positions for critical non-technical skills in the areas of change management and problem solving. She said that a digital dexterity survey was completed, and ETF staff are assessing the results. The second new measurement is off track and measures the "Percent of milestones completed to operationalize process management for all IAS-impacted process owners." Ms. Henning explained the delay was due to resource constraints and work would resume again when feasible.

FUTURE ITEMS FOR DISCUSSION

Ms. Flogel asked if Committee members had any topics they wanted to discuss at future Committee meetings. Hearing none, she moved onto the next item on the agenda.

ADJOURNMENT

MOTION: Mr. Heller moved to adjourn the meeting. Ms. Stanton seconded the motion, which passed unanimously on a voice vote.

The Committee adjourned at 8:36 a.m.

Date Approved: _____

Signed: _____

Michele Stanton, Secretary
Budget and Operations Committee