



STATE OF WISCONSIN
Department of Employee Trust Funds
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CORRESPONDENCE MEMORANDUM

DATE: April 24, 2012
TO: Group Insurance Board
FROM: David H. Nispel, General Counsel
SUBJECT: Status of Pending Legal Cases

This memo is for informational purposes only. No Board action is required.

This memorandum presents the status of pending or recently settled legal cases involving insurance issues and the Department of Employee Trust Funds (ETF) and the Group Insurance Board (GIB). In order to maintain Wisconsin Retirement System (WRS) member confidentiality, the names of the parties and case numbers are not identified in this memorandum.

The purpose of this memorandum is to inform you of litigation in which the GIB and ETF are parties or are otherwise involved, not to provide any legal advice concerning the cases listed here. Each of the cases is being handled by either an assistant attorney general from the Department of Justice (DOJ) or a private attorney retained by Wisconsin Physicians Service (WPS). If you have any questions about a particular case, I will be able to provide you with the name of the attorney handling the case.

As of April 24, 2012, there are nine cases, which can be divided into the following categories:

Circuit Court Cases (3)

ETF (GIB not a party).....2
 GIB and ETF 1

Subrogation Cases Handled by Private Attorney (6)

(per Article XII, Section H, Administrative
 Service Agreement with WPS)
 GIB 6

Reviewed and approved by Robert J. Conlin, Secretary	
	5/1/12
Signature	Date

Board	Mtg Date	Item #
GIB	5.22.12	8C

CIRCUIT COURT CASES

Case No. 1:

Issue – Member received disability benefits following a motor vehicle accident while on duty.

Summary – ETF provided the member with income continuation, duty disability, and disability retirement benefits for the injuries the member sustained in the accident. Thus, ETF may have a subrogation interest in this matter depending on how the case is resolved.

Status – Jury trial is scheduled for May 2012.

Attorney – DOJ attorney.

Case No. 2:

Issue – Member received income continuation benefits following a motor vehicle accident.

Summary – ETF provided the member with income continuation benefits for the injuries the member sustained in the accident. Thus, ETF may have a subrogation interest in this matter depending on how the case is resolved.

Status – On March 27, 2012, the case was dismissed. A Stipulation and Order of Voluntary Dismissal was signed by the judge.

Attorney – DOJ attorney.

Case No. 3:

Issue – Insurance provider denied payment for a specified service.

Summary – ETF determined that the insurance provider had acted within its discretion under the contract and did not exceed its authority in denying payment of coverage for service. The member also has asserted he was the victim of discrimination and retaliation.

Status – A letter to request that DOJ represent the GIB and ETF was sent on April 16, 2012.

Attorney – DOJ representation has been requested.

SUBROGATION CASES

WPS has retained private counsel to handle these cases. No ETF or DOJ attorney is involved in these cases. There are six cases pending in which GIB or ETF has a subrogation interest in an action filed in circuit court by a WRS member because ETF provided benefits to that member following a personal injury.

I will be available at the May 22, 2012, Board meeting to answer questions you may have.