



STATE OF WISCONSIN
Department of Employee Trust Funds
Robert J. Conlin
SECRETARY

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CORRESPONDENCE MEMORANDUM

DATE: March 19, 2015
TO: Group Insurance Board
FROM: Tarna Hunter, Legislative Liaison
SUBJECT: 2015-17 Biennial Budget

On February 3, 2015, Governor Walker presented his 2015-2017 State Budget to the Legislature. In its review of the budget bill, the Department of Employee Trust Funds (ETF) has identified the following budget provisions that relate to the benefit programs that the Board oversees:

- **Employee Incentive to Opt Out of State Health Insurance Program** – Provides a \$2,000 annual incentive for employees who opt out of the state health insurance program.
- **Administration of Optional Insurance Plans** – Provides 1.0 FTE position to assist in the administration of optional employee-paid insurance plans.
- **Child Support Payments** – Currently, the Department of Children and Families (DCF) may assign child support obligations to Wisconsin Retirement System (WRS) benefits. This bill extends that authority to ETF's Income Continuation Insurance program and the Duty Disability program.
- **Health Insurance Savings** – Directs the Group Insurance Board to work with ETF's recently contracted benefits consultant to make appropriate changes in order to realize \$25 million GPR (\$54 million all funds) in efficiencies and savings over the biennium.
- **Group Insurance Board Terms** – Increases from two years to four years the terms of appointed members of the Group Insurance Board. The bill also staggers the terms to ensure continuity in the experience of the board.

Reviewed and approved by Pam Henning, Assistant Deputy Secretary

Pamela L Henning

Electronically Signed:
03/19/2015

Board	Mtg Date	Item #
GIB	3.25.15	7A

The Joint Committee on Finance (JCF) is currently holding public hearings around the state to collect public input on the budget bill. The JCF is a 16-member standing committee of the Wisconsin Legislature. The Committee's primary responsibility is the review of all state appropriations and revenues. After the public hearings are finished, the JCF is expected to begin deliberations on the budget. ETF will continue monitoring the budget bill as the JCF makes modifications. In late June, the Legislature will deliver an amended budget bill to Governor Walker for review, approval and/or partial veto of the budget to be effective July 1, 2015.

I will be available at the Board meeting to answer questions.