



STATE OF WISCONSIN  
Department of Employee Trust Funds  
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SECRETARY

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## CORRESPONDENCE MEMORANDUM

**DATE:** May 15, 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.

The Governor's budget included a provision which would change the GIB board terms from two years to four years and stagger them. The Joint Committee on Finance has identified the GIB term length change as a non-fiscal policy item that should be considered as stand-alone legislation. The GIB term length change was removed from the budget bill.

Reviewed and approved by Pam Henning, Assistant Deputy Secretary

*Pamela L Henning*

Electronically Signed:  
05/18/15

Board	Mtg Date	Item #
GIB	5.19.15	7G

The Joint Committee on Finance (JCF) is scheduled to take action on ETF's budget on May 19, 2015. 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. 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.

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