

## STATE OF WISCONSIN Department of Employee Trust Funds

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## CORRESPONDENCE MEMORANDUM

DATE: November 13, 2015

**TO:** Group Insurance Board

**FROM:** Tarna Hunter, Legislative Liaison

**SUBJECT:** Legislative Update

This memorandum provides information on pertinent legislative issues to the Group Insurance Board (Board).

The following bills, introduced this session, impact the Board.

**2015** AB 361 and 2015 SB 278 would require the Board, beginning on January 1, 2018, to make the optional insurance plans available to local government employers. The local government employers that participate in the program must establish payroll deductions for the employees to pay the premiums.

2015 AB 361 was introduced by Rep. Steffen and referred to the Committee on Urban and Local Affairs. 2015 SB 278 was introduced by Sen. Kapenga and referred to the Committee on Elections and Local Government.

The Committee on Urban and Local Affairs held a public hearing and an executive session on 2015 AB 361. The committee passed the bill 9-0.

**2015 SB 312** and **2015 AB 394** requires the Board, in consultation with the Division of Personnel Management in the Department of Administration, to submit all proposed changes to public employee group health insurance programs to the Joint Committee on Finance (JCF). Under the bill, the Board may not implement any changes in the group health insurance programs unless approved by JCF through a 21-day passive review process.

Reviewed and approved by Pam Henning, Assistant Deputy Secretary

Pamela & Henning

Electronically Signed: 11/13/15

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2015 SB 312 was introduced by Sen. Darling and 2015 AB 394 was introduced by Rep. Nygren. The bills were referred to the Joint Committee on Finance.

In October, the JCF held a public hearing and executive session on 2015 SB 312 and 2015 AB 394. The JCF passed both bills 15-0. Subsequently, the Assembly passed the bill 90-2. In early November, the Senate amended the bill, deleting language that all proposed changes to the health plans be submitted to JCF. The amended bill provides that the Board notify the JCF through a 21-day passive review if it intends to execute a contract to provide self-insured group health plans on a regional or statewide basis. As of this writing, the Assembly is scheduled to take up the amended bill during its extraordinary session on November 16, 2015.

I will be available at the November 17 Board meeting to answer questions.