



STATE OF WISCONSIN
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SECRETARY

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Correspondence Memorandum

Date: July 31, 2018
To: Group Insurance Board
From: Cindy Klimke-Armatoski, CPA, Chief Trust Financial Officer
Department of Trust Finance
Subject: Financial Review of Alternate Health Providers

ETF requests the Group Insurance Board approve the recommendation that the health plans have met the financial requirements for participation in 2019.

I have reviewed the audited financial statements of the various Health Maintenance Organizations (HMOs) that have requested to participate in the state's group health insurance program in 2019. The purpose of my review was to help assure that each plan has the financial stability necessary to adequately serve our members participating in the program.

In evaluating these plans, I considered the following factors:

- Liquidity
- Earnings Experience
- Reserve Accumulations
- Office of the Commissioner of Insurance (OCI) Surplus Requirements

I have attached a schedule showing Total Revenues, Net Income or Loss, and Net Worth for each of the participating plans as of the end of 2017 and 2016.

Health Maintenance Organizations

The following HMOs have requested to participate in our program. My review did not identify significant concerns. From a financial standpoint, the plans qualify for participation in our program.

- Dean Health Plan
- Group Health Cooperative - Eau Claire
- Group Health Cooperative - South Central Wisconsin
- HealthPartners Insurance Company

Reviewed and approved by Robert J. Conlin, Secretary

Electronically Signed 8/6/18

Board	Mtg Date	Item #
GIB	8.22.18	6C1

Financial Review of Alternate Health Providers

July 31, 2018

Page 2

- Medical Associates Health Plan
- MercyCare HMO
- Network Health
- Unity Health Plans Insurance Corporation (Quartz)
- Security Health Plan
- WEA Insurance Corporation

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

Attachment: Alternate Health Plan Financial Reports (Confidential)