



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

Wisconsin Department  
 of Employee Trust Funds  
 PO Box 7931  
 Madison WI 53707-7931  
 1-877-533-5020 (toll free)  
 Fax 608-267-4549  
 etf.wi.gov

**CORRESPONDENCE MEMORANDUM**

**DATE:** January 25, 2019

**TO:** Group Insurance Board

**FROM:** Kathy Wienkes, Trust Funds Deputy Director  
 Employer and Contact Services Bureau

**SUBJECT:** Participation in the Wisconsin Public Employers Group Health Insurance Program and Income Continuation Insurance Plan

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

Annually, staff provides the Group Insurance Board (GIB) with an update of local government employers that have either joined or withdrawn participation in the Wisconsin Public Employers Group Health Insurance Program (WPEG) and the Income Continuation Insurance Plan (ICI) during the prior calendar year.

This past year there was a sizable increase in the number of local government employers participating in the WPEG. The chart below outlines the changes in employer participation.

1/2015	361 employers	0
1/2016	358 employers	-.83%
1/2017	356 employers	-.56%
1/2018	357 employers	+.28%
1/2019	370 employers	+3.64%

Activity for the WPEG program in 2018 included:

- 41 employers inquired about participating in the WPEG.
- 14 employers completed the underwriting process in 2018. \*
  - 4 large employers, with two declining to participate.
  - 10 small employers, with four declining to participate.
- 19 employers joined the WPEG program effective during 2018 or January 1, 2019.
- 6 employers passed resolutions to withdraw from the WPEG effective December 31, 2018.

Reviewed and approved by Matt Stohr, Administrator, Division of Retirement Services

*Matt Stohr*

Electronically Signed 1/29/19

Board	Mtg Date	Item #
GIB	2.20.19	9B

Participation in the WPE Group Health Insurance Program and ICI Plan

January 25, 2019

Page 2

\*The difference between the underwriting and joining numbers are a result of the *Wisconsin Public Employer Underwriting and Surcharge Policy* effective July 1, 2018. See the May 16, 2018 board memo for details.

There are four plan design structures available in the WPEG. Each plan design structure contains a dental and non-dental option. Table 1 provides a summary of the number of new and participating employers as of January 1, 2019, under each of the health insurance program options in the WPEG Program. Table 2 provides the employer participation totals from 2015 – 2019.

**TABLE 1**  
**PARTICIPATION IN WPEG PROGRAM OPTIONS AS OF 1/1/2019**

Description	Local Traditional Plan		Local Deductible Plan		Local Co-Insurance Plan		Local High Deductible Health Plan		Total
	Dental (P02)	Non-Dental (P12)	Dental (P04)	Non-Dental (P14)	Dental (P06)	Non-Dental (P16)	Dental (P07)	Non-Dental (P17)	
Employers enrolled in this option as of 1/1/2018	87	145	44	64	6	5	5	4	360*
Employers that joined WPEG and selected this option during 2018	9	2	0	3	0	0	1	4	19
Employers in WPEG that switched to this option as of 1/1/2019	8	1	3	1	0	0	1	0	14
Employers withdrawing from WPEG or switching from this option as of 12/31/2018	-2	-8	-1	-5	-1	-1	-1	-1	-20
Total Employers Enrolled in this option as of 1/1/2019	102	140	46	63	5	4	6	7	373*

\* - Three employers are enrolled in multiple program options (0055-000, 0095-000, 1402-000)

**TABLE 2**  
**PARTICIPATION IN WPEG PROGRAM OPTIONS**

As of Year	Local Traditional Plan (P02)	Local Deductible Plan (P04)	Local Co-Insurance Plan (P06)	Local High Deductible Health Plan (P07)
1/2015	253	104	9	0
1/2016	236 <sup>‡</sup>	110 <sup>‡</sup>	11 <sup>‡</sup>	3 <sup>‡</sup>
1/2017	236 <sup>‡</sup>	111 <sup>‡</sup>	9 <sup>‡</sup>	4 <sup>‡</sup>
1/2018	232 <sup>‡</sup>	108 <sup>‡</sup>	11 <sup>‡</sup>	9 <sup>‡</sup>
1/2019	242 <sup>‡</sup>	109 <sup>‡</sup>	9 <sup>‡</sup>	13 <sup>‡</sup>

<sup>‡</sup> - Combined total for dental and non-dental plans.

Beginning in 2012, employers were provided the opportunity to continue participating in the WPEG under a single program option or enrolling in multiple program options (two program options up to all three available program options). Employers could offer these program options to different workgroups, based on bargaining agreements. There are three employers enrolled in two program options as of January 1, 2019. There are no employers electing to participate in all three program options.

The local Income Continuation Insurance (ICI) program continues to see growth. In 2018, 17 new employers joined. As with the WPEG, the ICI program tends to attract smaller employers. There were no employers that filed a resolution to withdraw from the ICI program in 2018.

**TABLE 3**  
**PARTICIPATION IN THE WPEG & LOCAL ICI PLANS AS OF 01/01/2019**

Category	WPEG Plan	ICI Plan*
New Employers in CY2019	19	17
Employers Terminating in CY2018	6	0
Participating Cities	51	55
Participating Villages	117	61
Participating School Districts	5	0
Participating Special Districts	106	91
Participating Towns	83	34
Participating Counties	8	12
Total Employers	370	253

\* - While ETF does not record the number of local employees with active ICI coverage, we estimate the total active contracts to be 11,118. The ICI Plan contract counts are potential subscribers, as determined by the number of employees enrolled in the WRS at participating employers.

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