

## Letter 6 with Response

**From:** [CHARLES A BRUHN](#)  
**To:** [ETF SMB Board Feedback](#)  
**Subject:** Health Care Premiums  
**Date:** Friday, January 1, 2021 7:54:10 PM

---

I am a retiree, that health care is payed by my sick time.I made an hourly wage that was alot less than many other state workers.So to have to pay \$1834 a month seems outrageous and have payment go up \$80 a month more in one year,The payment is one that makes is come to \$10 an hour if you have a job.This is hard to take.Seems this is a problem for system but nothing a person that is retired can do.

Thank's Chuck

Dear Mr. Bruhn,

Thank you for reaching out to the Department of Employee Trust Funds (ETF) Group Insurance Board (Board). We appreciate hearing from you and for the opportunity to respond. You expressed concerns over health insurance premium costs for retirees in the State of Wisconsin Group Health Insurance Program. I've provided some information below. If after your review, you find you have additional questions or concerns, please feel free to contact me.

We share your concerns about the rising cost of health insurance. Premium increases year after year can be a serious problem. ETF works very hard to limit premium increases and has been quite successful in controlling them for the group as a whole, especially given that the program continues to offer consistently high benefits.

Rates are determined in competitive circumstances with the participating health plans every year. Health plans who have been accepted into the program formulate an offer of renewal rates based upon financial assessments of their administrative costs, provider contracts, the utilization of health care services and the demographics of their enrollees. Our actuaries review the bids and other data supplied by the health plans. We make every attempt to have plans only submit rates that are justified by their claims experience. We believe that our system has resulted in lower premium increases compared to other employer groups.

For Medicare-eligible retirees and their dependents who are looking for more affordable premium options, we also offer a Medicare Advantage plan and a Medicare Plus plan. Both of these plans have lower premiums than other available plans. Medicare Advantage offers the same benefits that the other health plans offer and has a nationwide network. Medicare Plus generally covers only what Medicare allows, but also offers a nationwide network as well as worldwide coverage. These plans may be worth your consideration in the future. For additional information on these plans, please refer to <https://etf.wi.gov/its-your-choice/2021/local-traditional-health-plan-po2/health-insurance-retirees-medicare/medicare-health-plan-premium-rates/medicare-single-and-medicare-all-health-plan-premium-rates>, where there is a side by side comparison of rates for both plans. Medicare Advantage FAQs can also be found at <https://etf.wi.gov/its-your-choice/2021/health-benefits/medicare-advantage-faqs>. SSM/Dean providers will submit claims and accept payment from the vendors who offer the Medicare Advantage and Medicare Plus plans.

Thank you, again, for reaching out to ETF and the Board regarding your concerns. I hope that I have been able to answer your questions. However, if you have additional questions or concerns, please reach out to me at [Brian.Stamm@etf.wi.gov](mailto:Brian.Stamm@etf.wi.gov) or via phone at (608) 267-4554. Please note, your letter and ETF's response will be shared with the Board.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brian Stamm', with a long horizontal flourish extending to the right.

Brian Stamm, Deputy Director, Office of Strategic Health Policy  
Department of Employee Trust Funds

CC: Group Insurance Board members