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Correspondence Memorandum

Date: January 23, 2023

To: Group Insurance Board

From: Alene Kleczek, Director
 Employer Services Bureau

Subject: Participation in the Local Wisconsin Public Employers Group Health Insurance Program and Income Continuation Insurance Plan

This memo is for information purposes only. No Board action is required.

Annually, the Department of Employee Trust Funds (ETF) provides the Group Insurance Board (Board) with an update of local government employers that have either joined or withdrawn participation in the Wisconsin Public Employers Group Health Insurance Program (WPE GHIP) and the Income Continuation Insurance (ICI) Program during the prior calendar year.

The information provided in this report reflects local employers' participation in the health and ICI programs. There are 1,525 local employers who are eligible to participate in our insurance programs.

We will be able to provide more robust reporting once the Insurance Administration System (IAS) has been implemented. IAS provides comprehensive reporting on employer participation in all of ETF's insurance programs in one report.

The information provided in the charts below gives an opportunity to review the popularity of the health program options, evaluate the effectiveness of the four local program options, and understand the growth opportunities based on employer categories, such as school districts and counties.

Table 1. PARTICIPATION IN THE WPE GHIP & LOCAL ICI PLANS AS OF 01/01/23

Category	WPEG Plan	ICI Plan
New Employers 01/02/22-01/01/23	22	21
Employers Terminating in CY2022	3	0
Participating Cities	63	63
Participating Villages	130	82

Matt Stohr

Reviewed and approved by Matt Stohr, Administrator, Division of Retirement Services
 Electronically Signed 02/03/2023

Board	Mtg Date	Item #
GIB	02.22.23	14i

Category	WPEG Plan	ICI Plan
Participating School Districts	8	0
Participating Special Districts	121	102
Participating Towns	93	46
Participating Counties	13	16
Total Employers	428	309

Table 2 below outlines the changes in employer participation in the health insurance program.

Table 2. CHANGES IN EMPLOYER PARTICIPATION

As of Year	Employer Participation	Percent Change
01/2019	369 employers	-
01/2020	378 employers	+2.44%
01/2021	394 employers	+4.23%
01/2022	409 employers	+3.81%
01/2023	428 employers	+4.65%

Activity for the WPE GHIP program in 2022 through January 1, 2023* included:

- 66 employers inquired about participating in the WPE GHIP. Underwriting is required for employers with 50 or more employees.
 - 23 employers were required to complete the underwriting process in 2022.
 - 14 employers, with 50 or more employees, completed underwriting and 6 joined the WPE GHIP
 - 43 employers, with 49 or fewer employees, were not required to complete the underwriting process.
 - 16 employers, with 49 or fewer employees joined the WPE GHIP
- Overall, of the 66 employer inquiries, 22 employers joined the WPE GHIP, and 44 employers chose not to participate.
- 3 employers withdrew from the WPE GHIP effective December 31, 2022.

There are four plan designs, or program options, available to the WPE GHIP. Each plan design contains a dental and non-dental version. Table 3 provides a summary of the number of new employers and employers who changed benefits or withdrew between January 2, 2022 and January 1, 2023.

Table 4 provides the employer participation totals from 2019–2023.

* Underwriting requirements are a result of the Wisconsin Public Employer Underwriting and Surcharge Policy effective July 1, 2018 ([Ref. GIB | 05.16.18 | 9B](#)).

Table 3. PARTICIPATION IN WPE GHIP OPTIONS AS OF 01/01/2023

Description	Local Traditional Plan: Dental (P02)	Local Traditional Plan: Non-Dental (P12)	Local Deductible Plan: Dental (P04)	Local Deductible Plan: Non-Dental (P14)	Local Co-Insurance Plan: Dental (P06)	Local Co-Insurance Plan: Non-Dental (P16)	Local High Deductible Health Plan: Dental (P07)	Local High Deductible Health Plan: Non-Dental (P17)	Total
Employers enrolled in this option as of 01/01/2022	124	114	63	68	11	5	18	9	412 [†]
Employers that joined WPEG and selected this option during 2022	3	1	6	2	0	0	3	6	22
Employers in WPEG that switched to this option as of 01/01/2023	8	1	0	0	0	0	0	1	10
Employers withdrawing from WPEG or switching from this option as of 12/31/2022	-2	-8	-2	0	0	0	-1	0	-13
Total Employers Enrolled in this option as of 01/01/2023	133	108	68	70	11	5	20	16	431 [†]

Table 4. PARTICIPATION IN WPEG PROGRAM OPTIONS (COMBINED DENTAL AND NO-DENTAL)

As of Year	Local Traditional Plan (P02/P12)	Local Deductible Plan (P04/P14)	Local Co-Insurance Plan (P06/P16)	Local High Deductible Health Plan (P07/P17)
01/2019	242	109	9	13
01/2020	234	115	13	19
01/2021	236	121	15	25
01/2022	238	131	16	27
01/2023	241	138	16	36

As reflected in the first chart, the local ICI program continues to see growth. In 2023, 21 new employers joined. As with the WPE GHIP, the ICI programs tends to attract smaller employers. No employers filed a resolution to withdraw from the ICI program in 2022.

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

[†] Beginning in 2012, employers were provided the opportunity to continue participating in the WPE GHIP under either a single program option or enrolling in multiple 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, 2023.