



**STATE OF WISCONSIN**  
**Department of Employee Trust Funds**  
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 SECRETARY

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## **Correspondence Memorandum**

**Date:** July 25, 2023

**To:** Group Insurance Board

**From:** Douglas Wendt, Supplemental Plans Program Manager  
 Office of Strategic Health Policy

**Subject:** Accident Plan Premium Reduction

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

**Background**

The Accident Plan was implemented for plan year 2020 to replace the previous Accidental Death and Dismemberment (AD&D) insurance. Securian Financial Group (Securian) has been the insurer since the beginning of the plan. The Wisconsin Department of Employee Trust Funds (ETF) is midway through the first year of a three-year contract for plan years 2023 through 2025. Premiums for supplemental insurance plans are typically locked in for the entire contract period with limits on increases. Current enrollment is just under 25,000 subscribers.

**Premium Reduction**

Securian will be providing a 15% premium reduction for the 2024 and 2025 plan years. The supplemental plan insurers have a contractual requirement to maintain a minimum medical loss ratio (MLR) of 75%. Due to lower-than-expected claims volume, the MLR for 2023 through the end of June was only 68%. The premium reduction will help ensure that Securian meets its contractual obligations. Updated rates are shown in Table 1. Employees pay 100% of the premiums on a post-tax basis. There is no employer contribution.

**Table 1**

Monthly	Current Rates	New Rates Effective 1/1/2024
Employee only	\$4.38	\$3.72
Employee + Spouse	\$6.26	\$5.32
Employee + Child	\$8.44	\$7.17
Employee + Family	\$12.32	\$10.47

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

Reviewed and approved by Eileen Mallow, Director, Office of Strategic Health Policy  
 Electronically Signed 07/27/2023

Board	Mtg Date	Item #
GIB	08.16.23	9H