

From: [REDACTED]
To: [ETF SMB Board Feedback](#)
Subject: Premium increase 2025
Date: Wednesday, September 25, 2024 9:07:49 AM

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Not happy!

From: [REDACTED]
To: [ETF SMB Board Feedback](#)
Subject: Another 20% premium increase to retired fixed income
Date: Wednesday, September 25, 2024 12:51:17 PM

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Why?

"For seven years until 2023, the Board used reserve funds to reduce premium rates. In 2024, reserve funds dropped too low to continue reducing premiums."

Why wait 7 years to dump this ignored increase on fixed income retirees? This is not fair, the retirees just retiring are carrying the load for those who've been retired for those 7 years, the distribution is not equitable.

Don Smith
[REDACTED]



STATE OF WISCONSIN
Department of Employee Trust Funds
A. John Voelker
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

September 30, 2024

Donald Smith
[REDACTED]

Dear Donald Smith:

Thank you for your September 25, 2024, email to the Group Insurance Board (Board) and the Department of Employee Trust Funds (ETF) regarding your concern about the increase in health insurance premium rates in the State of Wisconsin Group Health Insurance Program (GHIP).

Specifically, you asked about the Board's actions using the reserves. I want to clarify that the Board had been artificially reducing premium rates for employers, employees and retirees for seven years by taking dollars out of reserve funds. The reserves may be used this way, and they are also used to protect the GHIP against possible adverse claims experience and negative stock market trends. Starting in 2024, the reserve funds were below the target range set by the Board, and so the Board was no longer able to use them to decrease premiums. This means the full cost of health plan premiums was passed to retirees and also to employers and employees. Beginning in 2025, the Board again was not able to use reserves to buy down the premiums and further, they needed to take action to rebuild the reserves. They did so by adding 0.8% to premiums.

The Board's reserve policy affects all insured subscribers equally. It does not change based upon the amount of time an employee or retiree has been insured in the program.

I hope you have found this response helpful. If you have additional questions or concerns, please feel free to reach out using the contact information provided below. A copy of your letter and ETF's response will be included in the materials for the November 13, 2024, Board meeting.

Sincerely,

Arlene Larson, Federal Program and Policy Manager
Office of Strategic Health Policy
Department of Employee Trust Funds

Donald Smith
September 30, 2024
Page 2

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608-264-6624