

Group Life Insurance Program Audit and Annual Reports



Item 6 - Group Insurance Board

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Office of Strategic Health Policy

Susan Munson-Regala, Vice President and Actuary
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Securian Financial



Action Item

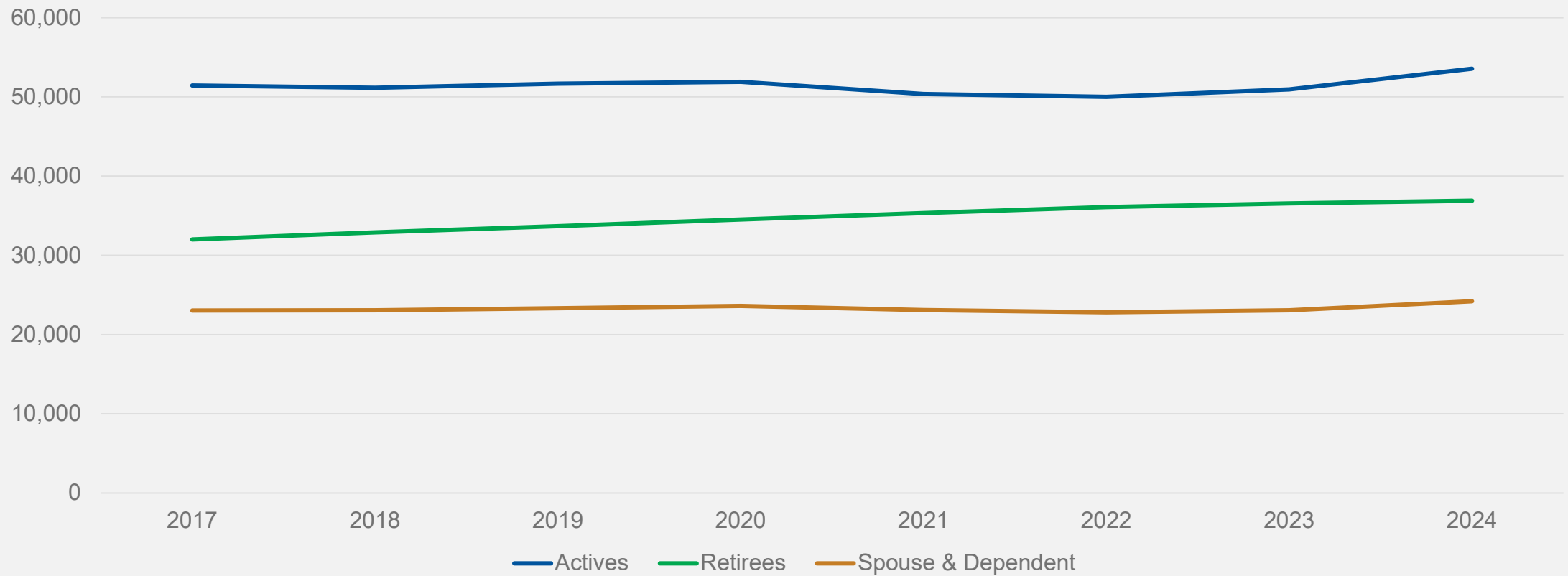
ETF requests the Board accept the annual Wisconsin Public Employers Group Life Insurance 2024 Policy Year Report by Securian Financial Group and approve a \$0.35 increase to the Local Plan - Spouse and Dependent Premium.

Enrollment and Valuation Trends



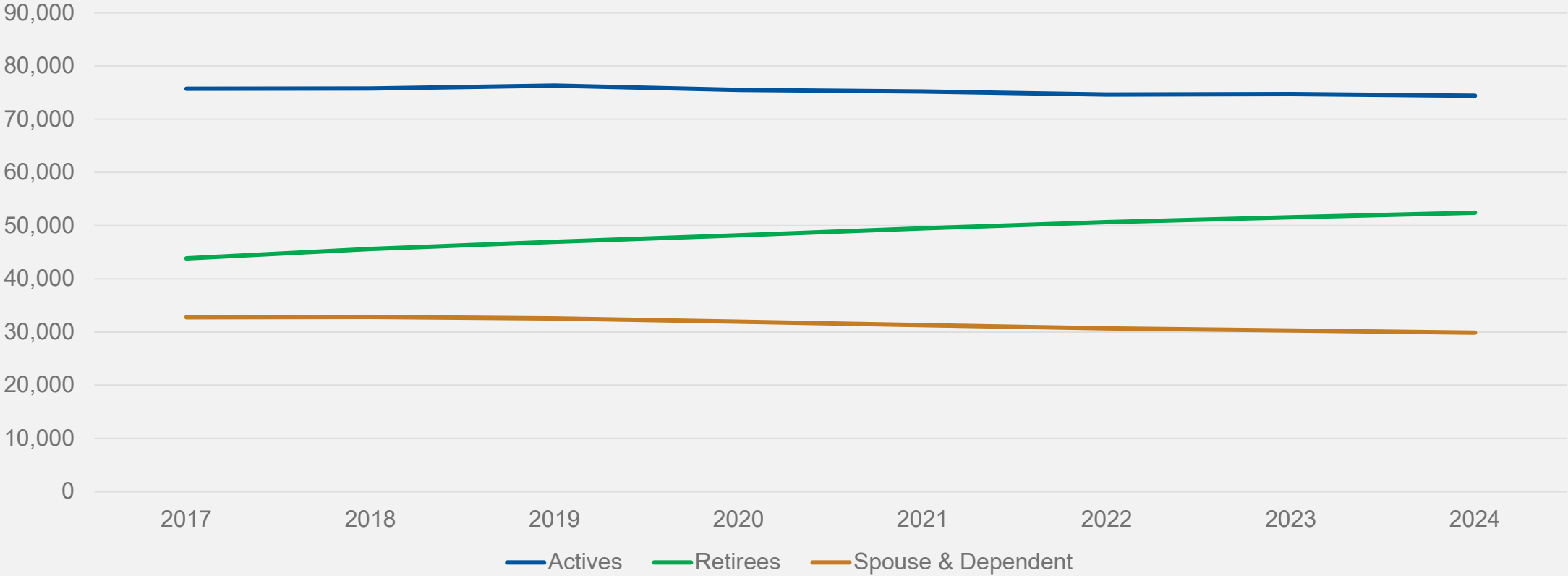
State Plan

Life Insurance Enrollment Plan Years 2017-2024



Local Plan

Life Insurance Enrollment Plan Years 2017-2024

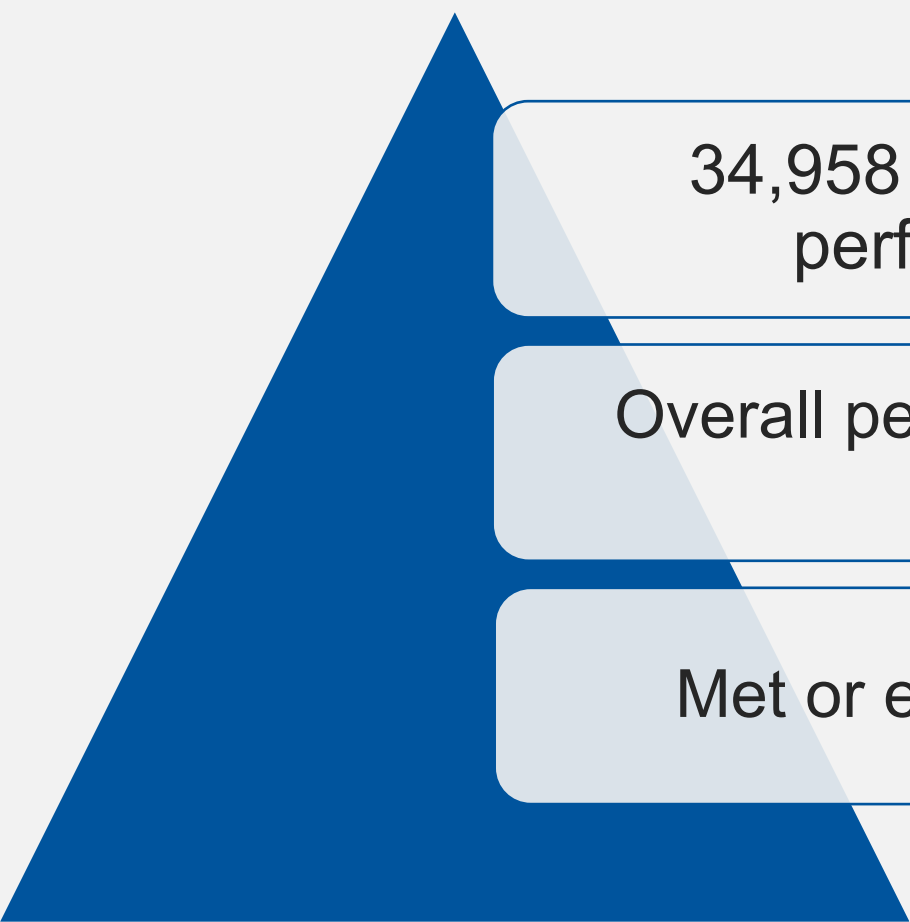


Group Life Insurance Valuation

ASSETS AS A PERCENTAGE OF NET LIABILITIES

Date	State Plan	Local
12/31/2024	94.7	105.7
12/31/2023	88.2	110.6
12/31/2022	88.5	105.8
12/31/2021	85.4	117.5
12/31/2020	96.5	108.0
12/31/2019	99.1	106.1
12/31/2018	74.3	115.7


2024 Performance Standards



34,958 transactions subject to
performance standards

Overall performance success rate of
99.89%

Met or exceeded all 9 standards

The background of the slide is a photograph of the Wisconsin State Capitol building. The building is a large, light-colored stone structure with a prominent central dome topped by a golden statue. The facade features numerous arched windows and classical columns. The sky is a clear, bright blue. The text is overlaid on the left side of the image.

Report to the Group Insurance Board of the State of Wisconsin

Securian Financial

Susan Munson-Regala

Vice President and Actuary

Hans Larsen

Actuary

August 13th, 2025

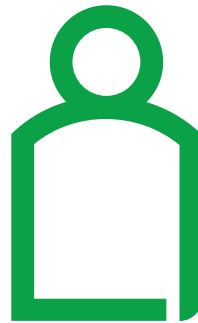


Group Life Insurance Program

State Plan and Local Government Plan Components



**Active
Employees**



Retirees



**Spouse &
Dependents**



2024 Policy Year Report Highlights

State Plan

Employees

- 2024 Claims lower than expected
- Recent three years' mortality experience at the expected level

Spouse & Dependent

- 2024 Claims in line with expectation
- Recent three years' experience in line with expectation as well
- Current reserve is higher than target; premium rates are set to draw down the reserve

Aviation AD Benefit

- Work-related accidental deaths
- No claims in 2024



2024 Policy Year Report Highlights

State Plan

Plan Growth

- Insurance in force increased 9.2% to \$15.1 billion
- More than 90,000 active and retired insured lives

Other Benefits

- Conversion of post retirement life insurance
- Pay health insurance or long-term care premiums
- 306 retirees utilized

Reserve Funds

- Funding of future benefits is at 94.7%
- Earned 3.23%
- Incorporates schedule of future premium rate increases approved in 2019

❁ Report to the Group Insurance Board

State Plan



Employee Life Insurance

Recommendation:

- No change to previously approved premium increase schedule
- Premium rates will increase according to schedule approved in 2019
 - Premium increases were implemented in order to maintain post-retirement benefit funding

Report to the Group Insurance Board

State Plan

Spouse and Dependents



Recommendation:

- No change to premium rate
- Current premium rate allows for gradual draw down of the stabilization reserve



2024 Policy Year Report Highlights

Local Government Plan

Employees

- 2024 Claims lower than expected
- Recent three years' experience better than expected as well

Spouse & Dependents

- 2024 Claims in line with expectation
- Recent three years' experience in line with expectation as well
- Plan is priced to draw down the reserve to the target level; the target has now been reached



2024 Policy Year Report Highlights

Local Government Plan

Plan Growth

- 764 local governments participate
- Insurance in force increased by 3.8% to \$14.4 Billion
- More than 126,000 active and retired insured lives

Other Benefits

- Conversion of post retirement life insurance
- Pay health insurance premiums
- 1 participant utilized

Reserve Funds

- Funding of future benefits is at 105.7%
- Earned 3.19%

Report to the Group Insurance Board

Local Government Plan

Employee Life Insurance

Recommendation:

- No change to premium rates in 2026
- Prudent to hold premium rates at current levels, consistent with valuation assumption



Report to the Group Insurance Board

Local Government Plan



Spouse and Dependents

Recommendation:

- Plan is currently priced to draw down reserve to the target level
 - The target has now been reached
- Increase premium rate from \$1.60 to \$1.95
- Sets the premium rate at the true cost of insurance

Rate Changes for 2026



State Plan

- Continue the employee premium rate increase schedule approved in 2019
- No premium rate changes for the Spouse & Dependent premium rate for 2026

Local Plan

- Spouse and dependent premium rate increase from \$1.60 per unit to \$1.95





Milliman Financial Audit Results

Pooling Charges

- Pooling is a risk mitigation tool for the life insurance plan
- Pooling margin has increased in recent years
- Driven by increase in pooled coverage and general mortality improvement
- As a result of Securian's review, 10% reduction to pooling charge rates for all coverages effective 1/1/2025

Disclosure Document

- Contains detailed disclosures related to the post-retirement funding, per the Actuarial Standards of Practice (ASOPs)
- Additional documentation that does not impact the valuation or the financial results
- Provided as a separate document to ETF



Questions?

Action Item

ETF requests the Board accept the annual Wisconsin Public Employers Group Life Insurance 2024 Policy Year Report by Securian Financial Group and approve a \$0.35 increase to the Local Plan - Spouse and Dependent Premium.

The background of the slide is a dark blue gradient with a bokeh effect. It features numerous out-of-focus circles in shades of blue and purple, scattered across the frame, creating a soft, abstract pattern.

Questions?

Thank you



wi_etf



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ETF E-mail Updates



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