

Wisconsin Association of Health Plans

TO: Members of the State Legislature
FROM: Wisconsin Association of Health Plans
SUBJECT: Support Legislative Oversight of Group Health Program
DATE: October 13, 2015

The Wisconsin Association of Health Plans urges you to **co-sponsor AB 394/SB 312**. The bill gives the Joint Committee on Finance legislative oversight of the State Group Health Program and ensures that significant decisions about the State Group Health Plan are made in consultation with the Legislature.

Collectively, the offerings under the Group Health Program make up 14% of the entire commercial health insurance market. Wisconsin's competitive market is the envy of the nation and ensures access, consumer choice, accountability, and affordable health care coverage in all parts of the state. Decisions affecting 14% of Wisconsin's competitive health insurance market and the greater Wisconsin economy merit legislative review.

The State Group Health Program is an employer sponsored program offering health insurance benefits to employees (and their dependents) of state agencies, UW System, UW Hospital & Clinic Authority, and participating local government employers.

The Group Insurance Board, part of the Department of Employee Trust Funds, is an unelected board made up of five ex-officio members and six gubernatorial appointees. The Board meets quarterly and is empowered to make certain administrative changes to the Group Health Plan. Historically, the Board has not made major policy decisions without legislative approval—for example, it took legislative action in 2013 to create a new high-deductible health plan offering for state employees. However, nothing in statute ensures the Legislature's involvement in the increasingly important health care decisions for the state. The impact of health care decisions today, as well as the spirit of the law and historical tradition, would seem to dictate that the Board should work with the Legislature. This bill makes the legislature's oversight role absolutely clear going forward.

The Legislature should have oversight of the **\$1.5 billion** State Group Health Program. Wisconsin's health insurance industry is part of an economic engine that contributes more than \$13 billion to Wisconsin's gross state product. Major changes to the State Group Health Plan can have a **significant budget impact** and large implications for Wisconsin's health systems, payers, and patients. With all that is at stake in decisions about the State Group Health Program, the Wisconsin Association of Health Plans urges you to join authors Rep. John Nygren and Sen. Alberta Darling and co-sponsor AB 394/SB 312.