



# WISCONSIN LEGISLATURE

P.O. Box 7882 • Madison, WI 53707-7882

December 12, 2016

Michael Farrell  
Chair, Group Insurance Board  
C/o Board Liaison  
Department of Employee Trust Funds  
PO Box 7931  
Madison, WI 53707

Dear Chair Farrell and Members of the Group Insurance Board:

Thank you for holding a meeting to discuss the possible implications should Wisconsin move to a self-funded program, deliberate over different vendor options, and consider regionalization. While we believe that the information released in the Department of Employee Trust Funds (ETF) December 8<sup>th</sup> memo is helpful, we would like to take this opportunity to highlight a few concerns.

As Co-Chairs of the budget-writing Joint Finance Committee (JFC), we have a vested interest in the decision making process regarding a potential move to self-funding. As fiscal conservatives, we strive to prioritize the taxpayers of our state and continually advocate for cost saving measures. That said, we are concerned about the possibility of regionalization as it pertains to our health care system.

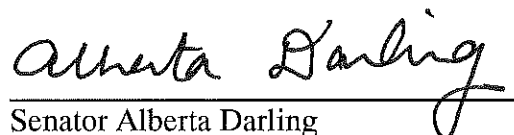
A move to regionalization would create artificial government boundaries and essentially draw a map of coverage where Wisconsin already has viable, functioning marketplaces. Moreover, we are concerned that the regionalization options being considered aren't based on financial merit, as the options considered may not save our state money.

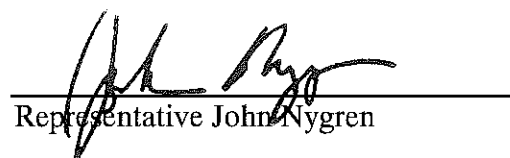
Since discussions of self-funding began, the legislature has requested to have a role in the decision making process. As we move into the 2017-19 state budget, we would appreciate continued dialogue. It is for this reason that we hope the GIB will take a deliberate approach, including more time if necessary, to consider the full effects of a regionalization model. Moving forward, we are requesting to meet with the GIB chairs to discuss this issue further.

We have only scratched the surface on improvements to the current fully insured state health insurance program that can be made without causing significant disruption in Wisconsin's insurance marketplace. We remain open and eager to work with the GIB on benefit design changes in the future.

Thank you for your attention to these important matters. We appreciate the opportunity to voice our concerns as we move forward in this process. If you have any questions, please don't hesitate to contact either of our offices.

Regards,

  
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Senator Alberta Darling

  
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Representative John Nygren