

## **Members of the Group Insurance Board**

Date: June 6, 2015

To: Members of the Group Insurance Board

From: Sally Drew, President, Association of Career Employees

ACE is a longstanding association of active and retired state employees. Over more than 35 years we have supported excellence in service to Wisconsin through a dedicated and well-trained state workforce and a strong civil service system designed to attract and retain quality employees in service to the citizens of the state. We accomplish our work without regard to political party.

As the Board finalizes the plans for the 2016 calendar year health insurance program for active and retired state employees, we ask that you hold in mind the following:

1. State health insurance plan participants have in recent years seen regular increases in the employee premium co-pay and premiums.
2. The 2016 plan initiates deductibles for uniform benefit participants.
3. The 2016 plan doubles the maximum out-of-pocket limit for uniform benefit participants.
4. The CPI and other broad measures of inflation, while low, continue to rise.
5. At this point, based on the JCOER recommendation on the Compensation Plan, it appears active employees will receive no General Wage Increase for the two-year 2015-17 biennial period.
6. As a result of the above factors taken in combination, take-home pay for state employees will decline, and with inflation, the real income of employees will decline.
7. This puts Wisconsin further on a path of reduced labor market competitiveness to attract and retain quality employees, thus negatively affecting the quality of state service to all citizens of the state.

Therefore, to respond to these issues in the broad interest of the state, we ask that the Group Insurance Board do everything possible to maintain the quality and scope of health care in the state plans, and to hold the premium co-pays and premiums flat, or reduce them if possible.

Thank you for your important work, and for your consideration of our request.