Recommendation of the Economic Benefits Committee that President Shaw pursue legislation that would require a UW-System employee to be a member of the State of Wisconsin, Group Insurance Board.

RATIONALE: The Group Insurance Board is responsible for providing a program of group life insurance, group health insurance, an income continuation plan, and has the authority to initiate any other group insurance plan it finds necessary or desirable for state employees. The Board also has the authority to request contracts from vendors of the various health plans and to establish rates for these plans. The Board is made up of ten members including the governor, attorney general, secretary of administration, secretary of employment relations, commissioner of insurance or their designees and five persons appointed for two year terms including an insured participant in the Wisconsin Retirement System who is not a teacher, one who is a teacher, one a retired employee, one an employee of a local unit of government and one an appointee of the Governor.

The Policies of the Group Insurance Board have taken on increasing level of importance for University employees, particularly with the rising costs and changes in coverages in health insurance over the past several years. Members of the UW-System Fringe Benefits Committee are concerned that the Board does not recognize the needs of the university community. For example, in a diminishing labor market for recruitment of faculty, the Board has failed to recognize the reaction that candidates have to the policy that new employees must pay the first six months of their health insurance.

University employees constitute about one-half of the total state employees covered by contracts authorized by the Group Insurance Board. University participation on the Group Insurance Board would enhance the Board's policy decision making process by providing better communication with the large number of insurance participants who are university employees.