



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0459/5
RAC:kjf&cjs:ph

DOA:.....Waterman, BB0211 – State Employee Health Insurance Premiums
FOR 2013-2015 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

RETIREMENT AND GROUP INSURANCE

Currently, the director of the Office of State Employment Relations establishes the amount that employees must pay for health insurance premiums, subject to a general provision that the state may not pay more than 88 percent of the average premium costs of the lowest cost health insurance plans. Under current law, health insurance plans are assigned to three different tiers, depending on cost.

This bill provides that the state may not pay more than 88 percent of the average premium costs of the health insurance plans in each tier.

In addition, the bill provides that if a given tier contains no health insurance plans, but that tier is used to establish the premium amounts for employees who work and reside outside of the state, the amount these employees must pay is based on the premium contribution amount for that tier in the prior year, adjusted by the average percentage change of the premium contribution amount of the other tiers from the prior year.

Finally, the bill provides that craft employees must pay all of their health insurance premiums, unless otherwise determined by the director. A craft employee is a state employee who is a skilled journeyman craftsman, including the skilled journeyman craftsman's apprentices and helpers, but does not include employees not in direct line of progression in the craft. A craft employee may be either nonrepresented or in a collective bargaining unit.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 40.02 (13m) of the statutes is created to read:

40.02 (13m) "Craft employee" means a state employee who is a skilled journeyman craftsman, including the skilled journeyman craftsman's apprentices and helpers, but does not include employees who are not in direct line of progression in the craft. Craft employees may be either nonrepresented or in a collective bargaining unit for which a representative is recognized or certified under ch. 111.

SECTION 2. 40.05 (4) (ag) 2. of the statutes is amended to read:

40.05 (4) (ag) 2. For eligible employees not specified in subd. 1. and s. 40.02 (25) (b) 2., an amount not more than 88 percent of the average premium cost of plans offered in the each tier with the lowest employee premium cost under s. 40.51 (6), as determined annually by the director of the office of state employment relations under par. (ah).

SECTION 3. 40.05 (4) (ah) of the statutes is renumbered 40.05 (4) (ah) 1.

SECTION 4. 40.05 (4) (ah) 2. of the statutes is created to read:

40.05 (4) (ah) 2. For purposes of establishing the amount that employees are required to pay for health insurance premiums, if a tier under s. 40.51 (6) contains no health insurance plans, but that tier is used to establish the premium amounts for employees who work and reside outside of the state, the amount these employees are required to pay shall be based on the premium contribution amount for that tier in the prior year, adjusted by the average percentage change of the premium contribution amount of the other tiers from the prior year.

SECTION 5. 40.05 (4) (ah) 3. of the statutes is created to read:

40.05 (4) (ah) 3. A craft employee shall pay 100 percent of health insurance premiums, unless otherwise determined by the director.

(END)