

February 12, 2014

To: Members of the Assembly Committee on Labor
From: Senator Glenn Grothman
Re: Assembly Bill 579

Thank you for the opportunity to testify in support of Assembly Bill 579.

This is a simple bill which directs the State Superintendent of Public Instruction to annually report the health care costs of each of the 426 school districts statewide. This bill would require the report to include the total cost of the district's health care expenditures as well as the average cost per benefitted employee to provide a means of comparison between districts of varying sizes.

In the past several years, many school boards and district superintendents have found creative ways to reduce healthcare cost and realize significant savings for their districts. Many held an open-bid process for their district's insurance provider to gain significant price reductions. The Appleton School District saved \$3.1 million in 2011-12 versus the previous year by renegotiating insurance rates with their provider.

Others superintendents and district health officials adopted alternative solutions to meet health care needs. Ted Neitzke, School Superintendent of the West Bend School District, helped to establish an on-site health clinic for West Bend staff and teachers to receive convenient and cost-effective care at greatly reduced costs. The Green Bay School District estimated they could save an estimated \$750,000 by implementing a similar on-site clinic.

It is my hope that, by comparing disparities in cost between school district health plans throughout the state, we will be able to facilitate conversations on best practices and cost reduction strategies between districts. The information in this report will help policymakers to address present and future budgetary issues and find creative solutions to ensure that funds are appropriately directed to the classroom instead of unnecessary health care costs.

This report will be presented annually to the governor and to members of the legislature to enable state government officials to compare not only between school districts, but also to track a district's costs from year-to-year.

Please join me in support of this simple bill to shine a light on health care costs statewide and continue the conversations about reducing the insurance costs for school districts throughout Wisconsin.

A Sampling of Savings	
School District	2011-12 Health Insurance Savings
Appleton	\$3.1 million
Muskego-Norway	\$2.4 million
Hudson	\$1.1 million
Burlington	\$1 million
Menomonee Falls	\$920,000
Ashwaubenon	\$900,000
Elmbrook	\$878,000
Marshfield	\$850,000
Kimberly	\$821,000
Oshkosh	\$774,000
Tomahawk	\$750,000
Hartland-Lakeside	\$690,000
Baraboo	\$660,000
Boscobel	\$550,000
Edgerton	\$500,000
Merrill	\$475,000
Whitewater	\$410,000
Ashland	\$378,000
Dodgeland	\$260,000
Dodgeville	\$260,000
<i>*Based on Estimates. Source: reforms.wi.gov</i>	

12-13 Health Insurance Data

<i>School District</i>	<i>Monthly Premium</i>		<i>Board Percentage</i>		<i>Cost to District</i>	
	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>
Adams-Friendship Area	626.28	1,614.90	88	88	551.13	1,421.12
Algoma	685.05	1,526.43	88	88	602.84	1,343.26
Altoona	759.88	1,690.28	85	85	647.56	1,440.52
Amery	732.14	1,608.42	88	88	644.28	1,415.42
Antigo	617.88	1,606.51	88	88	543.73	1,413.73
Appleton Area	613.92	1,583.92	88	88	540.25	1,393.85
Arcadia	687.36	1,490.46	88	88	604.88	1,311.60
Arrowhead UHS	670.50	1,520.00	97	97	650.00	1,474.00
Augusta	782.38	1,730.60	87	87	683.80	1,512.54
Baldwin-Woodville Area	609.38	1,381.70	90	90	548.44	1,243.53
Baraboo	676.96	1,536.70	88	88	595.72	1,352.30
Barneveld	562.04	1,236.34	87	87	491.22	1,080.56
Belleville	566.69	1,473.39	90	90	510.02	1,326.05
Beloit	815.00	1,930.00	93	93	758.00	1,795.00
Beloit Turner	738.47	1,735.40	90	90	664.62	1,561.86
Berlin Area	608.51	1,377.98	92	92	559.83	1,267.74
Black River Falls	587.50	1,333.55	80	80	470.00	1,066.84
Bowler	790.60	1,795.82	90	90	711.54	1,616.24
Boyceville Community	608.44	1,401.06	87	87	531.77	1,224.52
Bristol #1	680.93	1,547.91	100	100	680.93	1,547.91
Brodhead	730.60	1,658.46	87	87	638.54	1,449.50
Cadott Community	790.22	1,786.76	87	87	690.65	1,561.63
Cameron	743.04	1,682.92	88	88	653.88	1,480.97
Chequamegon	765.28	1,733.32	90	90	688.75	1,559.99
Chilton	548.26	1,503.72	88	88	482.46	1,323.26
Chippewa Falls	597.00	1,531.00	87	87	521.78	1,338.10
Clayton	838.75	1,727.87	87	87	733.07	1,510.16
Clear Lake	467.86	1,310.01	87	87	408.91	1,144.95
Clintonville	745.32	2,134.59	87	87	651.41	1,865.63
Colby	792.40	1,743.30	90	90	713.16	1,568.97
Coleman	711.00	1,613.98	88	88	625.68	1,420.30
Columbus	622.00	1,799.00	87	87	543.63	1,572.33
Crivitz	852.10	1,980.88	95	95	808.26	1,887.04
Cuba City	563.81	1,278.72	88	88	496.16	1,125.28
Cudahy	763.00	2,302.00	92	92	701.06	2,117.84
Cumberland	490.54	1,113.53	100	100	490.54	1,113.53
D C Everest Area	595.65	1,465.30	90	90	536.08	1,318.77
De Pere	781.97	1,754.43	88	88	688.13	1,543.90
De Soto Area	593.26	1,264.94	100	100	593.26	1,264.94
DeForest Area	559.37	1,269.77	94	94	524.41	1,190.41
Delavan-Darien	685.33	1,555.66	100	100	685.33	1,555.66
Denmark	723.26	1,599.56	88	88	636.46	1,407.62
Dodgeland	619.70	1,611.22	95	95	588.72	1,530.66
Dodgeville	708.62	1,602.58	88	88	623.58	1,410.27
Durand	809.60	1,785.30	88	88	708.40	1,562.14

12-13 Health Insurance Data

<i>School District</i>	<i>Monthly Premium</i>		<i>Board Percentage</i>		<i>Cost to District</i>	
	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>
East Troy Community	737.00	1,671.00	94	94	692.78	1,570.74
Eau Claire Area	759.13	1,966.44	87	87	663.48	1,718.67
Edgar	843.71	1,915.24	85	85	717.15	1,627.96
Edgerton	523.82	1,361.93	100	94	523.82	1,280.21
Eleva-Strum	721.15	1,644.22	90	90	649.03	1,479.80
Elkhart Lake-Glenbeulah	600.32	1,359.71	100	99	600.00	1,350.00
Ellsworth Community	675.89	1,539.45	87	87	590.73	1,345.48
Flambeau	878.00	2,153.00	88	87	768.25	1,883.87
Florence	932.52	2,098.15	87	87	815.02	1,833.78
Fort Atkinson	608.27	1,672.74	87	87	531.62	1,461.96
Freedom Area	719.40	1,628.98	87	87	628.76	1,423.73
Gale-Etrick-Trempealeau	659.52	1,496.98	90	90	593.57	1,347.28
Geneva J4	740.67	1,677.75	90	90	666.58	1,509.98
Genoa City J2	740.64	1,677.74	94	94	693.66	1,570.96
Gibraltar Area	615.50	1,371.45	88	88	541.64	1,206.88
Grafton	692.54	1,568.16	87	87	605.28	1,370.57
Green Bay Area	645.93	1,679.49	88	88	568.42	1,477.95
Greenfield	517.73	1,204.05	89	89	460.20	1,070.27
Hayward Community	503.79	1,506.28	87	87	440.31	1,316.49
Herman #22	688.00	1,538.00	95	95	653.60	1,461.10
Hilbert	779.00	1,779.00	87	87	680.85	1,554.85
Hudson	587.67	1,327.52	87	87	511.00	1,160.25
Iola-Scandinavia	689.40	1,522.78	92	88	633.34	1,333.34
Johnson Creek	497.54	1,293.60	91	91	452.76	1,177.18
Kickapoo Area	580.00	1,267.00	100	100	580.00	1,267.00
Kiel Area	603.91	1,660.73	87	88	528.42	1,453.14
Kimberly Area	460.94	1,042.64	95	95	437.89	990.51
Ladysmith-Hawkins	651.41	1,651.52	88	88	573.24	1,453.34
Lake Country	726.25	1,611.76	95	95	688.98	1,531.17
Lakeland UHS	741.74	1,645.46	90	90	667.57	1,480.91
Little Chute Area	508.93	1,152.57	88	88	447.86	1,014.26
Lomira	661.64	1,462.26	95	95	628.55	1,389.14
Madison Metropolitan	592.49	1,558.25	100	100	592.49	1,558.25
Maple Dale-Indian Hill	917.08	2,079.38	90	90	825.38	1,871.45
Marshfield	714.68	1,580.40	87	87	624.63	1,381.27
Mayville	564.22	1,202.56	94	94	530.36	1,130.40
McFarland	453.78	1,225.15	88	88	399.33	1,078.81
Medford Area	793.48	1,757.88	89	89	706.20	1,564.52
Mellen	580.36	1,366.46	87	87	506.07	1,191.55
Melrose-Mindoro	648.00	1,554.00	100	100	648.00	1,554.00
Menominee Indian	769.96	1,734.72	92	92	708.36	1,595.94
Menomonie Area	682.00	1,958.00	88	88	596.75	1,713.25
Mercer	556.49	1,669.46	88	88	489.71	1,469.12
Merrill Area	692.67	1,572.36	95	95	658.04	1,493.74
Merton Community	676.41	1,532.29	88	88	592.54	1,342.29

12-13 Health Insurance Data

<i>School District</i>	<i>Monthly Premium</i>		<i>Board Percentage</i>		<i>Cost to District</i>	
	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>
Middleton-Cross Plains Area	483.40	1,208.50	88	88	425.39	1,063.48
Mishicot	583.02	1,678.78	87	87	510.14	1,468.93
Mondovi	655.13	1,487.15	100	100	655.13	1,487.15
Monona Grove	504.10	1,255.50	99	99	496.61	1,237.35
Monroe	763.63	1,725.04	87	87	667.41	1,507.68
Montello	654.10	1,629.50	88	88	576.60	1,433.96
Mosinee	777.19	1,554.38	88	88	683.93	1,367.86
Necedah Area	719.19	1,634.34	100	100	719.19	1,634.34
Neenah	415.65	1,088.64	87	87	363.28	951.47
Neillsville	902.75	2,049.02	87	87	789.00	1,791.02
Nekoosa	751.84	1,657.08	87	87	657.11	1,448.29
New London	551.69	1,247.18	90	90	496.52	1,122.46
New Richmond	559.03	1,268.89	95	95	531.08	1,205.45
North Crawford	902.61	1,940.61	74	74	669.94	1,444.26
North Lake	696.55	1,578.13	95	95	661.72	1,499.23
Northland Pines	546.93	1,181.37	88	88	481.30	1,039.61
Oconomowoc Area	615.08	1,402.25	95	95	584.33	1,332.14
Omro	606.72	1,382.98	90	90	546.05	1,244.68
Oostburg	382.93	1,072.20	95	82	363.79	879.20
Oregon	559.19	1,258.18	90	90	503.27	1,132.36
Osceola	506.51	1,150.94	88	88	445.73	1,012.83
Oshkosh Area	551.00	1,230.00	85	85	468.35	1,045.50
Osseo-Fairchild	685.04	1,537.36	87	87	598.72	1,343.66
Pardeeville Area	870.28	1,974.20	90	91	781.78	1,797.20
Parkview	624.52	1,442.64	95	95	593.36	1,370.65
Peshtigo	938.00	2,140.00	88	88	825.44	1,883.20
Pewaukee	733.00	1,658.00	94	94	689.00	1,558.00
Phillips	601.10	1,364.50	87	87	525.36	1,192.57
Pittsville	606.40	1,466.55	100	90	606.40	1,319.90
Plum City	558.18	1,562.89	90	90	502.36	1,406.61
Plymouth	502.34	1,377.89	88	88	442.06	1,212.55
Portage Community	585.25	1,346.08	88	88	515.02	1,184.55
Poynette	594.74	1,546.32	88	88	523.37	1,360.76
Princeton	720.14	1,587.64	95	95	684.14	1,508.26
Pulaski Community	482.95	1,212.58	87	88	422.58	1,061.01
Racine	674.00	1,665.00	97	98	654.25	1,625.50
Randolph	823.86	1,894.88	88	88	725.00	1,667.49
Reedsburg	706.74	1,599.84	88	88	621.93	1,407.86
Rice Lake Area	468.43	1,405.27	100	100	468.43	1,405.27
Richfield J1	847.76	1,908.32	88	88	746.03	1,679.33
Rio Community	766.23	1,992.20	87	87	669.69	1,741.18
Ripon Area	686.88	1,552.90	88	88	604.45	1,366.55
River Falls	619.51	1,410.02	87	88	542.07	1,233.77
River Ridge	874.00	1,767.00	94	94	821.56	1,660.98
River Valley	608.40	1,435.82	87	87	531.74	1,254.90

12-13 Health Insurance Data

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	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>
Rosendale-Brandon	656.48	1,463.06	87	87	573.76	1,278.70
Saint Croix Central	657.24	1,490.16	93	93	613.86	1,391.80
Salem	825.00	1,875.00	87	87	721.05	1,638.75
Seneca	731.00	1,588.00	88	88	644.00	1,397.00
Sevastopol	685.05	1,526.43	90	90	616.54	1,373.80
Seymour Community	511.36	1,406.28	94	94	480.68	1,321.90
Shawano	687.47	1,629.29	87	87	600.85	1,424.00
Sheboygan Area	595.00	1,900.40	88	88	523.60	1,672.35
Sheboygan Falls	533.44	1,509.42	87	87	466.23	1,319.23
Shiocton	548.54	1,205.12	88	88	482.72	1,060.51
Shullsburg	616.53	1,602.98	90	88	554.88	1,410.63
Solon Springs	629.57	1,400.44	87.4	87.4	0.00	0.00
South Milwaukee	755.37	1,720.48	87	87	660.19	1,503.70
Southern Door	614.10	1,368.34	88	88	540.40	1,204.14
Southwestern Wisconsin	737.17	1,960.33	100	100	737.17	1,960.33
Stanley-Boyd Area	520.58	1,181.72	90	90	468.26	1,063.55
Stoughton Area	623.26	1,413.55	90	90	560.93	1,272.20
Stratford	950.84	2,166.38	87	87	831.03	1,893.42
Sturgeon Bay	642.15	1,430.84	87	87	561.24	1,250.55
Sun Prairie Area	539.65	1,403.09	88	88	474.89	1,234.72
Superior	437.85	1,404.13	88	88	385.31	1,232.99
Three Lakes	670.73	2,012.19	100	90	670.73	1,810.97
Tomah Area	674.00	1,524.00	87	87	589.08	1,331.98
Tomahawk	597.43	1,356.18	87	87	522.17	1,185.30
Tri-County Area	467.95	1,591.03	88	88	409.61	1,392.69
Turtle Lake	701.36	1,575.82	88	88	617.20	1,386.73
Twin Lakes #4	631.00	1,642.00	87	88	552.00	1,437.00
Wabeno Area	852.08	1,935.10	87	87	744.72	1,691.28
Washington	612.42	1,364.59	88	88	538.93	1,200.83
Waterford Graded	617.00	1,416.00	77	77	474.40	1,088.60
Waterloo	638.75	1,660.75	90	90	574.88	1,494.68
Watertown	723.32	1,799.10	92	92	665.45	1,655.17
Waunakee	623.22	1,402.24	88	88	548.43	1,233.97
Waupaca	706.16	1,584.34	95	85	670.86	1,346.68
Wautoma Area	439.14	995.64	87	87	384.24	871.18
Webster	492.69	1,120.20	88	88	431.12	980.22
West Allis-West Milwaukee	692.96	1,730.06	90	90	623.66	1,557.06
West De Pere	670.14	1,519.34	100	95	670.14	1,443.38
West Salem	666.80	1,494.96	87	87	582.78	1,306.60
Whitefish Bay	816.04	1,835.58	92	92	750.76	1,688.73
Whitehall	620.00	1,410.00				
Williams Bay	600.04	1,296.36	96	95	573.04	1,238.02
Wilmot UHS	748.67	1,703.06	100	100	748.67	1,703.06
Wisconsin Heights	581.73	1,426.96	87	87	508.43	1,247.16
Wonewoc-Union Center	787.26	1,774.98	87	88	688.07	1,557.33

12-13 Health Insurance Data

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	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>	<i>Single</i>	<i>Family</i>
Highest:	950.84	2,302.00	100	100	831.03	2,117.84
Lowest:	382.93	995.64	74	74	363.28	871.18
Average:	660.26	1,562.30	90	90	595.30	1,404.68
Count:	180	180	179	179	178	178

Notes:

Only districts that reported insurance data are shown.

Blanks indicate data were not reported.

Source: WASB School District Settlement Database.

School district clinics could help trim health costs

By Andrea Anderson of the Journal Sentinel

April 5, 2013 | (2) Comments

Since the implementation of Act 10 shifted more benefit costs onto public employees, at least one Wisconsin school district has found a remedy to escalating insurance deductibles and co-payments - and another is working on something similar.

By launching an on-site health clinic for employees, the Green Bay Area Public School District has cut costs for itself - as well as for teachers and their dependents covered by district health insurance. And the West Bend School District is on the verge of taking the same step.

The purpose of district-run clinics is to provide quality, efficient health care that is affordable because of the removal of the overhead costs found at doctors' offices.

The Green Bay district's clinic offers an array of services such as lab testing, flu vaccinations and treatment of upper respiratory infections and sprains. It's run by a third-party health care provider.

Green Bay began pondering the idea of implementing what's now a QuickCare Clinic run by Prevea Health when talk of Act 10 began in 2011.

Kathryn Leidig, director of health services for the Green Bay schools, conducted an assessment of the district's health care costs in October of that year, then in spring 2012 presented the idea of an on-site health service for employees to the superintendent and school board.

Since officials gave it the green light, the space for the clinic, located in the main district office building, has been remodeled and opened in November.

Leidig found the district could save \$750,000 on doctor visits for matters that could be treated by a nurse practitioner, urgent care or walk-in clinic. "That really was the driver for me to get it started here in Green Bay," she said.

The QuickCare Clinic has a \$5 fee per visit and is staffed by a nurse practitioner and two medical assistants, requiring no appointments or referrals. The average appointment lasts 10 to 15 minutes. The clinic, and Prevea, do not dispense medications, but the nurse practitioner can write prescriptions for employees and their dependents to bring to a local pharmacy.

The West Bend School Board is scheduled to vote Monday on whether to launch its own on-site health clinic. The plan is to transform a conference room on the lower level of the district office into a waiting room and clinic. If approved, the clinic is tentatively scheduled to open in August.

Ted Neitzke, superintendent of the district, said after Act 10 the district has been able to closely look at the staff benefits package and wants to continue to be an effective self-insured district.

"One of the things our board holds as one of our core stewardships is effective management of our dollars," Neitzke said. "We want to reduce cost and increase the health of our staff."

West Bend has chosen to use Healthstat as its third-party provider. The North Carolina-based company operates in 32 states with 350 on-site clinics, with and without pharmacies. The West Bend employee clinic would be open 30 hours a week, with a physician assistant and medical assistant on staff, along with a pharmacy.

Valley Elliehausen, chief operating officer of West Bend School District, sees the clinic as nothing but a positive.

"We want to make that access as convenient as possible," Elliehausen said on the benefit of having health care on-site. "We want employees to want to go there."

Elliehausen said the clinic will help reduce and manage cost for both parties and encourage employees to take care of themselves.

"Employers that have on-site clinics see it as a win-win because you incent your population to want to take care of their health," she said. "Our clinic is going to work with employees on current health issues but also will have a strong focus on preventive measures."