

EMPLOYEE TRUST FUNDS

Group Insurance Board

Motion:

Move to adopt the provisions of LRB-2429/1, which provides that the six members of the Group Insurance Board (GIB) who are appointed by the Governor to two-year terms under current law, would now be appointed to the Board only with the advice and consent of the Senate. Provide that the terms of office of the current gubernatorial appointees to GIB would terminate on the effective date of the budget bill. Specify that the incumbent gubernatorial appointees to GIB could continue as Board members and exercise their powers and duties until a successor was appointed and qualified to assume the Board position. Further, expand the membership of GIB from 11 to 15 members and provide that the following be added as members of the Board: (a) one Representative appointed by the Speaker of the Assembly; (b) one Representative appointed by the Minority Leader of the Assembly; (c) one Senator appointed by the Majority Leader of the Senate; and (d) one Senator appointed by the Minority Leader of the Senate.

Note:

The eleven-member Group Insurance Board (GIB) in the Department of Employee Trust Funds oversees the administration and the establishment of policies for four major insurance plans for state employees, group health insurance, group income continuation insurance, group life insurance, and long-term care insurance. Other than long-term care insurance, these programs are also offered to employees of those local governments that choose to offer the benefit.

Five members of GIB serve ex officio as a result of the positions they hold. These ex officio members are the Governor, the Attorney General, the Commissioner of Insurance, the Secretary of the Department of Administration, and the Director of the Office of State Employment Relations (OSER). Any of these ex officio members may appoint a designee to serve on the Board in his or her stead. The remaining six members of the Board are appointed by the Governor to two-year terms (currently without Senate confirmation). The statutes require that at least five of the six appointees represent specific constituencies in order to ensure a diversity of views on the Board. At least one gubernatorial appointee must be an insured teacher who is a Wisconsin Retirement System (WRS) participant, a second must be an insured nonteacher WRS participant, a third must be an

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insured local employee, a fourth must be an insured retired WRS participant, and a fifth must be the chief executive or a member of the governing body of a local unit of government that is a participating employer in the WRS. There is no specific requirement for the sixth gubernatorial appointee to the Board.

Under the motion, the Governor's appointees to GIB would now be subject to Senate confirmation and the Board would be expanded from 11 to 15 members. The four additional members would be: (a) one Representative appointed by the Speaker of the Assembly; (b) one Representative appointed by the Minority Leader of the Assembly; (c) one Senator appointed by the Majority Leader of the Senate; and (d) one Senator appointed by the Minority Leader of the Senate. If OSER is transferred to the Department of Administration (DOA) under the budget bill, instead of the Director of OSER, the administrator of the newly created Division of Personnel Management in DOA, or his or her designee, would serve on the Board.