

The information in italics is from the Governor's office, and the information in regular font is from the Legislative Fiscal Bureau of Wisconsin

Pension contributions: Currently, state, school district and municipal employees that are members of the Wisconsin Retirement System (WRS) generally pay little or nothing toward their pensions. The bill would require that employees of WRS employers, and the City and County of Milwaukee contribute 50 percent of the annual pension payment. The payment amount for WRS employees is estimated to be 5.8 percent of salary in 2011.

Health insurance contributions: Currently, state employees on average pay approximately 6 percent of annual health insurance premiums. This bill will require that state employees pay at least 12.6 percent of the average cost of annual premiums. In addition, the bill would require changes to the plan design necessary to reduce current premiums by 5 percent. Local employers participating in the Public Employers Group Health insurance would be prohibited from paying more than 88 percent of the lowest cost plan. The bill would also authorize the Department of Employee Trust Funds to use \$28 million of excess balances in reserve accounts for health insurance and pharmacy benefits to reduce health insurance premium costs.

- An amount not more than 88 percent of the average premium cost of plans offered in the tier with the lowest employee premium cost (tier-1 plan), as established annually by the director of the Office of State Employment Relations (OSER)

- If you want above tier one, you pay more, but the employer only pays 88% of tier one

Health insurance cost containment strategies: The bill directs the Department of Employee Trust Funds and the Group Insurance Board to implement health risk assessments and similar programs aimed at participant wellness, collect certain data related to assessing health care provider quality and effectiveness, and verify the status of dependents participating in the state health insurance program. In addition, it modifies the membership of the Group Insurance Board to require that the representative of the Attorney General be an attorney to ensure the board has access to legal advice among its membership.

Modifications to Wisconsin Retirement System and state health insurance plans: The bill directs the Department of Administration, Office of State Employment Relations and Department of Employee Trust Funds to study and report on possible changes to the Wisconsin Retirement System, including defined contribution plans and longer vesting periods. The three agencies must also study and report on changes to the current state health insurance plans, including health insurance purchasing exchanges, larger purchasing pools, and high-deductible insurance options.

Collective bargaining – The bill would make various changes to limit collective bargaining for most public employees to wages. Total wage increases could not exceed a cap based on the consumer price index (CPI) unless approved by referendum. Contracts would be limited to one year and wages would be frozen until the new contract is settled. Collective bargaining units are required to take annual votes to maintain certification as a union. Employers would be prohibited from collecting union dues and members of collective bargaining units would not be required to pay dues. These changes take effect upon the expiration of existing contracts. Local law enforcement and fire employees, and state troopers and inspectors would be exempt from these changes.

Limited term employees (LTE) – The bill would prohibit LTE's from being eligible for health insurance or participation in the Wisconsin Retirement System.

State employee absences and other work actions – If the Governor has declared a state of emergency, the bill authorizes appointing authorities to terminate any employees that are absent for three days without approval of the employer or any employees that participate in an organized action to stop or slow work.

- The wording of the bill includes “concerted activities to interrupt the operations or services of state government” as a reason for termination

Quality Health Care Authority – The bill repeals the authority of home health care workers under the Medicaid program to collectively bargain.

Child care labor relations – The bill repeals the authority of family child care workers to collectively bargain with the State.

University of Wisconsin Hospitals and Clinics (UWHC) Board and Authority – The bill repeals collective bargaining for UWHC employees. State positions currently employed by the UWHC Board are eliminated and the incumbents are transferred to the UWHC Authority.

University of Wisconsin faculty and academic staff - The bill repeals the authority of UW faculty and academic staff to collectively bargain

Sale of State Heating Plants – The bill authorizes the Department of Administration to sell state heating plants. The proceeds from any sale, net of remaining debt service, would be deposited in the budget stabilization fund.

- The wording of the bill includes “with or without solicitation of bids,” and the Fiscal Bureau points out that it does not “specify profit margins in the event of a sale”