



**WISCONSIN
TECHNICAL COLLEGE
EMPLOYEE BENEFIT
CONSORTIUM UPDATE**



MISSION STATEMENT

The mission of the WTCEBC is to provide long term value, provide high quality benefits through strategic collaboration and implement cost control initiatives for member colleges and their employees.

MISSION STATEMENT IS UNDER DEVELOPMENT.

WTCEBC MEMBER COLLEGES

Fox Valley Technical College

Lakeshore Technical College

Moraine Park Technical College

Southwest Technical College

Waukesha Technical College

Western Technical College



2012 RFP INTRODUCTORY STATEMENT

OUR GOALS ARE SIMPLE:

We want to maintain a culture of attracting and retaining the best and brightest employees to fulfill the WTCS mission of providing the state with critical, essential occupations the State's economy relies upon.

We want to use the power of numbers to reduce health care costs, maintain health insurance plan autonomy within each college and reduce overall and individual college expenditures on health insurance.

WTCEBC STRUCTURE

Intergovernmental Cooperation Agreement

Participating Member Colleges

WTCEBC Board

One Member from Each College

Health Benefits

Consultant

Accountant

Bank

Auditor

Investment Advisor

Third Party Administrator

Reinsurer

Pharmacy Benefit Manager

FIRST YEAR ACCOMPLISHMENTS

Active participation by HR and CFO representatives at WTCEBC quarterly meetings

First year projected savings: \$2,505,691 before plan design changes; additional projected savings from plan design changes: \$1,103,647

- Actual savings will be finalized in 2016 third quarter

Completed a three year strategic planning session on June 22, 2016

First year rate increases ranged from 0% to 7%

- Average increase was 4%
- Trend is 7.8%

CURRENT STATE

Identified during the WTCEBC Strategic Planning Session on June 22, 2016

- State statute changed to allow consortium formation
- Support of College Presidents
- Active participation by each of the six colleges
- Each college maintained unique identity
- Policies, procedures and governance documents in place
- Shared risk
- Consolidated prescription drug benefits and stop loss insurance which could not be done on a standalone basis
- ACA education
- Good camaraderie; networking
- All on same page; like mindedness; striving for same goal
- First \$500,000 invested

EXCITEMENT ON THE HORIZON

- Actuarial services
- Developing performance metrics
 - Comparing data internally within the WTCEBC and externally
- Opportunity for additional collaboration on other benefits
 - Dental, wellness, life insurance, disability insurance
- Executive Director
- Continued development of cost saving strategies
- Employee education; example: How to be a great consumer
- Adding new members
- More positive results
- Serves as a model for other public sector entities

SWOT

Strengths

- Shared risk (increased buying power, leverage, funds available to invest, positive financial stability)
- Leader (Collaboration, good relationships, internal communication, common goals, like mindedness)
- Experience (Knowledge, commitment, desire to grow)
- Presidential support and college board support
- Maintained individuality
- Five of six colleges have same TPA

Weaknesses

- Current benefit consultant performance (renewal process, consultant services/lack of leadership/dependent on consultant for financial analysis)
- Limited financial capacity (funding for new initiatives, rich plans – high utilization, not yet fully capitalized, young as a consortium)
- Lack of marketing plan (internally and externally)
- Various plan designs (no standardization)
- More employee/consumer education needed
- Time constraints/human capital

SWOT CONTINUED

Opportunities

- Staffing/Consultant/General Operations (Actuary, Executive Director, meeting format, general operations consortium oversight)
- Additional cost savings
- Additional members
- Additional lines of coverage
- Data and reporting
- Become leader/model to others
- Improved reporting/metrics
- Shared best practices

Threats

- Annual provider increases (ACA regulations, high cost of large claims, medical inflation, medical costs for aging population)
- Political environment (dynamic changes, state budget aids/cuts, state mandates)
- Ability to fund reserves
- Consultant (different goals – lack of time to dedicate to WTCEBC)
- Competition/mergers (including drug companies)
- Different contract end dates
- Human capital restraints

STRATEGIC THEMES

- Advance general consortium operational functions including dedicated staff, improved data/reporting and streamlined communications/meetings
- Strengthen financial capacity by expanding buying power, shared risk and leverage optimally to manage costs
- Engage external support (i.e. consultants) to facilitate the expansion of lines of coverage, develop a marketing plan, compliance advising and grow consortium to capacity to serve college needs



QUESTIONS?