



RESPONSE TO GOVERNOR WALKER'S STATEMENTS

Governor Walker has made statements recently to state and national media regarding the WEA Trust. We want to take this opportunity to clarify some inaccuracies.

Governor Walker has stated that school districts are "forced" to buy from the WEA Trust.

- **Buying insurance is a local decision. School boards and administration work with their employees to choose benefits and insurance carriers.** The Trust only provides health insurance benefits to approximately 35% of public school employees in Wisconsin. Some of the largest school districts in Wisconsin such as Milwaukee, Madison, and Green Bay are self-insured or purchase from companies other than the Trust. Our contracts are with the school districts—not with the unions.
- **Wisconsin's health insurance industry is highly competitive and districts already solicit bids.** The Trust gains and loses business all the time. A recent example of this is the Kenosha Unified School District, which left the Trust and has returned, much due to our competitive pricing.
- **School districts currently have the option to join the state health plan.** Only five school districts have chosen to enroll in the state plan. Some school districts will save money by joining the state plan. However, there are districts for whom joining the state plan will cost more.

The WEA Trust was chosen by the state in 2010 to be in the State Group Health Insurance Program in 24 counties. The Trust was selected as a Tier One option in the state plan, the lowest cost tier. **In order to be placed in Tier One in the state plan, the Trust must be extremely competitive with commercial carriers.** Pricing for the state plan is not an artificial price but comparable to what the Trust charges school districts.

Governor Walker also stated that union leadership benefits from members participating in the WEA Trust plan, calling the Trust the "union-run health insurance plan."

- WEA Trust is an **independent, not-for-profit insurance company** that is regulated and overseen by the State of Wisconsin Office of the Commissioner of Insurance (OCI). WEA Trust is paid by school districts for services just like electric, gas, construction, or repair companies that work with Wisconsin public schools. Not only would it be unethical for the WEA Trust to transfer any funds to union leadership for political purposes, it would be illegal.

The WEA Trust is a Wisconsin-created and Wisconsin-located company employing 500 Wisconsin residents who, like the WEA Trust, contribute to the tax base and build our communities.

To learn more about our group health insurance plans or for a premium quotation, please call your WEA Trust Field Representative at (800) 279-4000.

Defining Excellence. Delivering Value. THE TRUST DIFFERENCE.

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