August 8, 2018

Wisconsin Group Insurance Board
P.O. Box 7931
Madison, WI 53707-7931

Members of the Group Insurance Board:

We write today to respectfully ask you to include health insurance benefits for domestic partners and transgender health insurance benefits as part of the State Group Health policy. We ask you to consider these important benefit changes as a matter of equity and to help keep University of Wisconsin institutions competitive with other prominent public universities on benefit programs.

Our institutions are now at a competitive disadvantage for recruiting and retaining faculty with many peer public institutions and other employers providing this coverage. Perhaps unlike some other state agencies, universities in the UW System must compete with peer institutions regionally and nationwide that offer coverage for domestic partners and transgender health benefits to faculty and staff and we have found this to be a significant impediment to our recruiting efforts at times.

When the law changed in January 2018 to disallow domestic-partner coverage, UW- Madison alone had 230 domestic partners and 13 dependent children participating in the program. Some may argue that the availability of marriage to same-sex couples has made coverage for domestic partners unnecessary; however, telling prospective faculty and staff that they will have to get married in order for their long-term partners to access all of the health benefits offered at our institutions could cause us to lose top recruitments. Many peer institutions do not require them to make life-altering changes in order to be employed with full benefits for themselves and their families.

Perhaps in recognition of the fact that universities operate in a different competitive market, three competing Big Ten universities have created alternative eligibility policies when faced with a loss of coverage for domestic partners in their states. They allow for health and other insurance coverage by specifying other eligible individuals (OEI) who qualify, thus giving benefits to individuals with whom they are in a long-term domestic relationship. We would like to see a similar OEI strategy adopted here in Wisconsin.

Denying coverage for necessary health care to transgender individuals also jeopardizes our ability to attract top academic and research talent and puts us at a serious disadvantage retaining our LGBTQ employees. There are many institutions across higher education that cover transgender care and some in the Midwest are already able to offer prospective faculty and staff full health-care coverage. According to a 2015 survey conducted by Purdue University, for example, four Big 10 universities offer
some type of coverage for transgender surgery or therapy. It is easy to imagine that when faced with a choice of taking jobs at an institution that offers full coverage and one that does not, prospective employees would opt for the former. Importantly, the number of people who would utilize this coverage would be much smaller than the goodwill and recruiting impact this coverage would have for a broader range of sympathetic current and prospective employees.

Numerous studies have shown transgender health insurance benefits can be offered at a low annual cost. For example, a study conducted for the state of Maryland showed that the highest annual cost was .01% of the state’s health insurance program. As major contributors to the state’s economic well-being and quality of life, our universities must also consider the potential negative impacts of losing top faculty and staff, including those whose cutting-edge research brings substantial federal and private funding to the state (more than $1 billion annually at UW-Madison alone). We are aware of at least one instance in which UW-Milwaukee lost a highly-qualified and specialized researcher after that person learned state insurance does not cover transgender health needs. We have little hard data at this time, but do feel sure we are at risk of losing many more talented staff and faculty in the future unless we reinstate this benefit.

We ask that you consider necessary policy changes to maintain equity and allow our universities to compete for and retain talented faculty and staff. Excluding any segments of our campus communities from access to necessary health care runs counter to our values.

Sincerely,

Rebecca Blank
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Chancellor, UW-Milwaukee

Joe Gow
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Andrew Leavitt
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