



Human Resources Department

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Group Health Insurance Board
c/o Board Liaison
Department of Employee Trust Funds
PO Box 7931
Madison, WI 53707-7931

Dear Group Health Insurance Board Members:

The City of Madison and the International Alliance of Theatrical Stage Employees (IATSE) Local 251 would like to request an exemption from the Wisconsin Group Health Insurance Plan for City employees represented by IATSE Local 251. IATSE represents a group of stagehand employees who perform stage and theater work at the Overture Center for the Arts and the Monona Terrace Convention Center.

Members of IATSE Local 251 are employed under a very unique arrangement unlike any other City employee. Much like a traditional "hiring hall" the City of Madison contacts the IATSE Business Agent and requests a certain number of employees to perform work based on the needs of the organization and the available work. The Business Agent selects individuals to perform stagehand work for the City of Madison based on skills and work rules. An individual may be selected to come to work as a City employee performing stagehand work at the Overture Center on Monday and then be sent to perform stagehand work as a non-city employee at the Alliant Energy Center, Kohl Center, or some other venue for the rest of the week. During this week of work the individual would only be considered a City employee while working at the Overture Center.

In any given year the City of Madison employs roughly 175 individuals as stagehands represented by IATSE Local 251. The average number of hours worked is roughly 227 per stagehand and only about 17 (7.5%) of the employees exceed the 600 work hours per year required to make them eligible for the Wisconsin Group Health Insurance Plan. Further, it is unlikely that the parties would be able to come to any agreement that would require the employer to pay more than the minimum required payment under the Wisconsin Group Health Insurance Plan (25% or 50%). This would leave the limited number of employees represented by IATSE that are eligible to enroll with substantial co-payments, making the possibility of enrolling under the current system a very unrealistic possibility for any member of IATSE Local 251.

If an exemption can be obtained, the parties have agreed, through the collective bargaining process, that the City would make a payment equal to 10% of an employee's wages into the IATSE National Benefit Fund.

This payment made on behalf of every employee represented by IATSE performing work for the City of Madison could then be used to purchase health insurance through the IATSE National Benefit Fund at substantially reduced rates when compared to the options offered under the Wisconsin Group Health Insurance Plan. This action in and of itself would make purchasing a health insurance plan a realistic possibility for many of these employees. Further, we are hopeful that with time other employers will begin making contributions to the fund on behalf of these same employees making quality health insurance the norm for individuals who choose to enter this line of work.

We understand that the normal course of action would be to do an actuarial analysis of this group of employees to determine whether or not the requested exemption would have a positive or negative impact on the experience of the City of Madison. Given the substantial number of City employees enrolled in the plan, the very small number of employees represented by IATSE Local 251 that would even be eligible to enroll, along with the very realistic possibility that few to none of them would actually enroll given the substantial co-payments, we hope this step would be considered unnecessary and the exemption can be granted. That being said, we are happy to provide any additional information that you may need in order to make a determination.

It should be noted that the City of Madison on whole is very happy with the products and services provided by your organization and we are only requesting this exemption as a result of the very unique conditions under which members of IATSE Local 251 are employed.

We appreciate your consideration and look forward to your decision on this matter.

Sincerely,

Brad Wirtz
City of Madison
Human Resources Director

Chris Gauthier
Business Agent
IATSE Local 251