



School Administrators Alliance

Representing the Interests of Wisconsin School Children

My name is John Forester. I'm the Executive Director of the School Administrators Alliance. I'm here today to request that you remove the so-called "Act 10 compliance" provision from the budget.

The SAA strongly supports the Governor's proposed increases in per pupil categorical aid in each year of the biennium.

We do oppose however, the provision which make's a district's receipt of this new aid contingent upon certifying that district employees pay at least 12% of "all costs and payments" associated with their health care. Ever since the budget was introduced we have had 2 questions about this provision:

1. What does it really mean?
2. How is it to be calculated?

More than two months later, we still do not have definitive answers to those questions. This leaves many administrators concerned and wondering if their district will qualify to receive this new aid to benefit the students they serve.

You have heard testimony during these hearings from administrators across the state of how they used the flexibility afforded under Act 10 to reduce costs and meet the unique needs of their staff, students and taxpayers.

In addition to requiring a premium cost-share, districts have implemented wellness provisions, on-site clinics and instituted plan design changes utilizing HSAs, HRAs, high deductibles, co-payments, and out-of-pocket maximums.

If the prospect of 422 school districts using Act 10 flexibility creatively to meet their own unique needs in the already complicated world of health care seems a bit complex, it's because it is...too complex for imprecise one-size-fits-all budget language to adequately address.

Two Final Points:

1. By implementing many of the cost saving measures I highlighted earlier, districts have been able to save far more money than if they would have only required a 12% premium cost share.
2. Don't stifle the creativity and innovation that Act 10 was designed to generate.

Please remove this language from the budget. Thank you.