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## NEWS FOR IMMEDIATE RELEASE

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## AG Schimel Issues Formal Opinion on the Group Insurance Board

MADISON, Wis. – Attorney General Brad Schimel issued a formal opinion today to Governor Scott Walker regarding the State of Wisconsin Group Insurance Board's authority to offer self-insured group insurance plans to municipal employers. The opinion concerns whether the board has statutory authority to make self-insured plans available to municipal employers. It also addresses whether that authority would violate article VIII, section 3 of the Wisconsin Constitution, which provides that "the credit of the state shall never be given, or loaned, in aid of any individual, association or corporation."

Attorney General Schimel concluded that the statutes authorize the board to provide the plans. By statute, the board may offer "any group insurance health plan on a selfinsured basis." In turn, the board is expressly authorized to make available to municipal employers "a health care coverage plan through a program offered by the group insurance board." Attorney General Schimel further concluded that article VIII, section 3 of the Wisconsin Constitution would pose no bar. As interpreted by the Wisconsin Supreme Court, that section relates to the State extending its credit to guarantee a corporation's debt, not to the provision of services or the administering of programs.

A copy of the formal opinion is attached.

Formal and informal opinions issued by Attorney General Schimel are available at: <u>https://www.doj.state.wi.us/opinions/ag-opinions</u>

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