

Grp 25

CERTIFICATE

STATE OF WISCONSIN )  
 ) SS  
DEPARTMENT OF EMPLOYE TRUST FUNDS )

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Gary I. Gates, Secretary of the Department of Employee Trust Funds, and custodian of the official records of said department do hereby certify that the annexed rules relating to the level of benefits and the calculation of premiums for the Income Continuation Insurance program were duly approved and adopted by the Wisconsin Retirement Board on March 25, 1982, the Employee Trust Funds Board on March 26, 1982, and the Teachers Retirement Board on March 27, 1982.

I further certify that this copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have  
hereunto set my hand at  
201 East Washington Avenue  
in the City of Madison,  
this 15 day of April,  
19 82.

Gary I. Gates  
Gary I. Gates, Secretary  
Department of Employee Trust Funds

**RECEIVED**

APR 16 1982  
9:35 am.  
Revisor of Statutes  
Bureau

6-1-82

ORDER OF THE DEPARTMENT OF EMPLOYE TRUST FUNDS  
AMENDING, REPEALING AND RECREATING RULES

To amend Grp 25, Tables V and VI; and to repeal and recreate Grp 25, Tables I, II, 3 and IV relating to the level of benefits and the calculation of premiums for the Income Continuation Insurance program.

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Analysis Prepared by the Department of Employee Trust Funds

These rules, amendments and repeals increase the maximum Income Continuation Insurance benefit and reduce premiums by 20%.

The maximum benefit is increased in recognition of changes in salary levels and the effects of inflation since the inception of the Income Continuation Insurance program.

The revised rate tables incorporate a 20% across-the-board premium reduction. This is authorized in response to an actuarial analysis of the sufficiency of premium income versus benefit payments.

These amendments interpret s. 40.05 (5), Stats., as created by Chapter 96, Laws of 1981.

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Pursuant to authority vested in the Department of Employee Trust Funds by s. 40.03

(2) (i), Stats., as created by Chapter 96, Laws of 1981, the Department of Employee Trust Funds amends and repeals and recreates rules interpreting s. 40.05 (5), Stats., as created by Chapter 96, Laws of 1981, as follows:

SECTION 1. Chapter Grp 25, Tables I, II, 3, and IV are repealed and recreated to read:

TABLE I

Gross Monthly Premiums for Integrated Short-Term and Long-Term  
Income Continuation Insurance

All Employees Except Unclassified Faculty

<u>Monthly Salary</u>	<u>Premium Categories</u>			
	<u>1</u>	<u>2 &amp; 3</u>	<u>4</u>	<u>5 &amp; 6</u>
Up to 500.99	5.41	4.06	2.98	2.43
501 - 600.99	6.61	4.96	3.64	2.97
601 - 700.99	7.81	5.86	4.30	3.51
701 - 800.99	9.01	6.76	4.96	4.05
801 - 900.99	10.21	7.66	5.62	4.59
901 - 1,000.99	11.41	8.56	6.28	5.13
1,001 - 1,100.99	12.51	9.38	6.88	5.63
1,101 - 1,200.99	13.71	10.28	7.54	6.17
1,201 - 1,300.99	14.91	11.18	8.20	6.71
1,301 - 1,400.99	16.11	12.08	8.86	7.25
1,401 - 1,500.99	17.31	12.98	9.52	7.79
1,501 - 1,600.99	18.51	13.88	10.18	8.33
1,601 - 1,700.99	19.71	14.78	10.84	8.87
1,701 - 1,800.99	20.91	15.68	11.50	9.41
1,801 - 1,900.99	22.11	16.58	12.16	9.95
1,901 - 2,000.99	23.31	17.48	12.82	10.49
2,001 - 2,100.99	24.51	18.38	13.48	11.03
2,101 - 2,200.99	25.61	19.21	14.09	11.52
2,201 - 2,300.99	26.81	20.11	14.75	12.06
2,301 - 2,400.99	28.01	21.01	15.41	12.60
2,401 - 2,500.99	29.21	21.91	16.07	13.14
2,501 - 2,600.99	30.41	22.81	16.73	13.68
2,601 - 2,700.99	31.61	23.71	17.39	14.22
2,701 - 2,800.99	32.81	24.61	18.05	14.76
2,801 - 2,900.99	34.01	25.51	18.71	15.30
2,901 - 3,000.99	35.11	26.33	19.31	15.80
3,001 - 3,100.99	36.31	27.23	19.97	16.34
3,101 - 3,200.99	37.51	28.13	20.63	16.88
3,201 - 3,300.99	38.71	29.03	21.29	17.42
3,301 - 3,400.99	39.91	29.93	21.95	17.96
3,401 - 3,500.99	41.01	30.76	22.56	18.45
3,501 - 3,600.99	42.21	31.66	23.22	18.99
3,601 - 3,700.99	43.41	32.56	23.88	19.53
3,701 - 3,800.99	44.61	33.46	24.54	20.07
3,801 - 3,900.99	45.81	34.36	25.20	20.61
3,901 - 4,000.99	47.01	35.26	25.86	21.15
4,001 and over	48.21	36.16	26.52	21.69

TABLE II

Gross Monthly Premiums for Integrated Short-Term and Long-Term  
Income Continuation Insurance

Unclassified Faculty Only With Less than One Year of Service

<u>Monthly Salary</u>	<u>Elimination Period Working Days</u>			
	<u>22 Days</u>	<u>65 Days</u>	<u>90 Days</u>	<u>130 Days</u>
Up to 500.99	5.46	3.57	3.28	2.49
501 - 600.99	6.66	4.37	3.98	2.99
601 - 700.99	7.86	5.07	4.68	3.59
701 - 800.99	9.06	5.87	5.48	4.09
801 - 900.99	10.26	6.67	6.18	4.59
901 - 1,000.99	11.46	7.47	6.88	5.19
1,001 - 1,100.99	12.56	8.17	7.58	5.69
1,101 - 1,200.99	13.76	8.97	8.28	6.19
1,201 - 1,300.99	14.96	9.77	8.98	6.69
1,301 - 1,400.99	16.16	10.47	9.68	7.29
1,401 - 1,500.99	17.36	11.27	10.38	7.79
1,501 - 1,600.99	18.56	12.07	11.18	8.39
1,601 - 1,700.99	19.76	12.87	11.88	8.89
1,701 - 1,800.99	20.96	13.67	12.58	9.39
1,801 - 1,900.99	22.16	14.37	13.28	9.99
1,901 - 2,000.99	23.36	15.17	13.98	10.49
2,001 - 2,100.99	24.56	15.97	14.78	11.09
2,101 - 2,200.99	25.66	16.67	15.38	11.59
2,201 - 2,300.99	26.86	17.47	16.08	12.09
2,301 - 2,400.99	28.06	18.27	16.88	12.59
2,401 - 2,500.99	29.26	19.07	17.58	13.19
2,501 - 2,600.99	30.46	19.77	18.28	13.69
2,601 - 2,700.99	31.66	20.57	18.98	14.29
2,701 - 2,800.99	32.86	21.37	19.68	14.79
2,801 - 2,900.99	34.06	22.17	20.48	15.29
2,901 - 3,000.99	35.16	22.87	21.08	15.79
3,001 - 3,100.99	36.36	23.67	21.78	16.39
3,101 - 3,200.99	37.56	24.37	22.58	16.89
3,201 - 3,300.99	38.76	25.17	23.28	17.49
3,301 - 3,400.99	39.96	25.97	23.98	17.99
3,401 - 3,500.99	41.06	26.67	24.68	18.49
3,501 - 3,600.99	42.26	27.47	25.38	18.99
3,601 - 3,700.99	43.46	28.27	26.08	19.59
3,701 - 3,800.99	44.66	29.07	26.78	20.09
3,801 - 3,900.99	45.86	29.77	27.48	20.69
3,901 - 4,000.99	47.06	30.57	28.28	21.19
4,001 and over	48.26	31.37	28.98	21.69

TABLE III

## Employee Contributions for All Employees Except Unclassified Faculty\*

<u>Monthly Salary</u>	<u>Premium Categories</u>					
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
Up to 500.99	5.41	4.02	1.33	.64	.35	0
501 - 600.99	6.61	4.92	1.63	.84	.45	0
601 - 700.99	7.81	5.82	1.93	.94	.55	0
701 - 800.99	9.01	6.72	2.23	1.14	.65	0
801 - 900.99	10.21	7.62	2.53	1.24	.65	0
901 - 1,000.99	11.41	8.52	2.83	1.44	.75	0
1,001 - 1,100.99	12.51	9.42	3.13	1.54	.85	0
1,101 - 1,200.99	13.71	10.32	3.43	1.74	.95	0
1,201 - 1,300.99	14.91	11.22	3.73	1.84	1.05	0
1,301 - 1,400.99	16.11	12.12	4.03	2.04	1.05	0
1,401 - 1,500.99	17.31	13.02	4.33	2.14	1.15	0
1,501 - 1,600.99	18.51	13.92	4.63	2.34	1.25	0
1,601 - 1,700.99	19.71	14.82	4.93	2.44	1.35	0
1,701 - 1,800.99	20.91	15.72	5.23	2.64	1.45	0
1,801 - 1,900.99	22.11	16.62	5.53	2.74	1.45	0
1,901 - 2,000.99	23.31	17.52	5.83	2.94	1.55	0
2,001 - 2,100.99	24.51	18.42	6.13	3.04	1.65	0
2,101 - 2,200.99	25.61	19.22	6.43	3.24	1.75	0
2,201 - 2,300.99	26.81	20.12	6.73	3.34	1.85	0
2,301 - 2,400.99	28.01	21.02	7.03	3.54	1.85	0
2,401 - 2,500.99	29.21	21.92	7.33	3.64	1.95	0
2,501 - 2,600.99	30.41	22.82	7.63	3.84	2.05	0
2,601 - 2,700.99	31.61	23.72	7.93	3.94	2.15	0
2,701 - 2,800.99	32.81	24.62	8.23	4.14	2.25	0
2,801 - 2,900.99	34.01	25.52	8.53	4.24	2.25	0
2,901 - 3,000.99	35.11	26.32	8.83	4.44	2.35	0
3,001 - 3,100.99	36.31	27.22	9.13	4.54	2.45	0
3,101 - 3,200.99	37.51	28.12	9.43	4.74	2.55	0
3,201 - 3,300.99	38.71	29.02	9.73	4.84	2.65	0
3,301 - 3,400.99	39.91	29.92	10.03	5.04	2.65	0
3,401 - 3,500.99	41.01	30.72	10.23	5.14	2.75	0
3,501 - 3,600.99	42.21	31.62	10.53	5.24	2.85	0
3,601 - 3,700.99	43.41	32.52	10.83	5.44	2.95	0
3,701 - 3,800.99	44.61	33.42	11.13	5.54	3.05	0
3,801 - 3,900.99	45.81	34.32	11.43	5.74	3.05	0
3,901 - 4,000.99	47.01	35.22	11.73	5.84	3.15	0
4,001 and over	48.21	36.12	12.03	6.04	3.25	0

\* Premiums in each category have been rounded so that the last digit in the premium amount matches the premium category.

TABLE IV

Employe Contributions for Unclassified Faculty  
Who Have One Year of Service or More

<u>Monthly Salary</u>	<u>Elimination Period Working Days</u>				<u>State Share</u>
	<u>22 Days</u>	<u>65 Days</u>	<u>90 Days</u>	<u>130 Days</u>	
Up to 500.99	2.97	1.08	.79	0	2.49
501 - 600.99	3.67	1.38	.99	0	2.99
601 - 700.99	4.27	1.48	1.09	0	3.59
701 - 800.99	4.97	1.78	1.39	0	4.09
801 - 900.99	5.67	2.08	1.59	0	4.59
901 - 1,000.99	6.27	2.28	1.69	0	5.19
1,001 - 1,100.99	6.87	2.48	1.89	0	5.69
1,101 - 1,200.99	7.57	2.78	2.09	0	6.19
1,201 - 1,300.99	8.27	3.08	2.29	0	6.69
1,301 - 1,400.99	8.87	3.18	2.39	0	7.29
1,401 - 1,500.99	9.57	3.48	2.59	0	7.79
1,501 - 1,600.99	10.17	3.68	2.79	0	8.39
1,601 - 1,700.99	10.87	3.98	2.99	0	8.89
1,701 - 1,800.99	11.57	4.28	3.19	0	9.39
1,801 - 1,900.99	12.17	4.38	3.29	0	9.99
1,901 - 2,000.99	12.87	4.68	3.49	0	10.49
2,001 - 2,100.99	13.47	4.88	3.69	0	11.09
2,101 - 2,200.99	14.07	5.08	3.79	0	11.59
2,201 - 2,300.99	14.77	5.38	3.99	0	12.09
2,301 - 2,400.99	15.47	5.68	4.29	0	12.59
2,401 - 2,500.99	16.07	5.88	4.39	0	13.19
2,501 - 2,600.99	16.77	6.08	4.59	0	13.69
2,601 - 2,700.99	17.37	6.28	4.69	0	14.29
2,701 - 2,800.99	18.07	6.58	4.89	0	14.79
2,801 - 2,900.99	18.77	6.88	5.19	0	15.29
2,901 - 3,000.99	19.37	7.08	5.29	0	15.79
3,001 - 3,100.99	19.97	7.28	5.39	0	16.39
3,101 - 3,200.99	20.67	7.48	5.69	0	16.89
3,201 - 3,300.99	21.27	7.68	5.79	0	17.49
3,301 - 3,400.99	21.97	7.98	5.99	0	17.99
3,401 - 3,500.99	22.57	8.18	6.19	0	18.49
3,501 - 3,600.99	23.27	8.48	6.39	0	18.99
3,601 - 3,700.99	23.87	8.68	6.49	0	19.59
3,701 - 3,800.99	24.57	8.98	6.69	0	20.09
3,801 - 3,900.99	25.17	9.08	6.79	0	20.69
3,901 - 4,000.99	25.87	9.38	7.09	0	21.19
4,001 and over	26.57	9.68	7.29	0	21.69

SECTION 2. Section Grp 25, Tables V and VI are amended to read:

TABLE V

State Contributions Expressed as a Percentage of Employee Contributions

Premium Categories					
<u>1</u> 0%	<u>2</u> 0%	<u>3</u> 200%	<u>4</u> 340%	<u>5</u> 570%	<u>6</u> State Pays Entire Premium
		X	X	X	
		Employee Contri- bution from TABLE 3 <u>III</u>	Employee Contri- bution from TABLE 3 <u>III</u>	Employee Contri- bution from TABLE 3 <u>III</u>	

TABLE VI

INTEGRATED DISABILITY BENEFIT

- A. 75% of gross earnings, if salary is less than \$460 biweekly or \$1,000 monthly.
- B. 70% of gross earnings, if salary is at least \$460 biweekly or \$1,000 monthly but less than \$690 biweekly or \$1,500 monthly. Minimum benefits payable at this level are \$345 biweekly or \$750 monthly.
- C. 65% of gross earnings, if salary is ~~more than~~ at least \$690 biweekly or \$1,500 monthly. Minimum benefits payable at this level are \$483 biweekly or \$1,050 monthly; maximum benefits are ~~\$920~~ \$1,195 biweekly or ~~\$2,000~~ \$2,600 monthly.

The rules contained in this order shall take effect as provided in s. 227.026

(1) (intro.), Stats.

April 15, 1982  
Date

Gary I. Gates  
Gary I. Gates, Secretary  
Department of Employee Trust Funds

~~XXXXXX~~  
Adm. Rule No.  
Grp. 25  
Amendment No. if Applicable

- ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

Subject

Income Continuation Insurance premium rates and benefit levels.

Fiscal Effect

State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation  
or affects a sum sufficient appropriation.

- Increase Existing Appropriation       Increase Existing Revenues  
 Decrease Existing Appropriation       Decrease Existing Revenues  
 Create New Appropriation

- Increase Costs — May Be Possible to Absorb  
Within Agency's Budget       Yes       No  
 Decrease Costs

Local:  No local government costs

1.  Increase Costs  
 Permissive       Mandatory  
2.  Decrease Costs  
 Permissive       Mandatory

3.  Increase Revenues  
 Permissive       Mandatory  
4.  Decrease Revenues  
 Permissive       Mandatory

5. Types of Local Governmental Units Affected:  
 Towns       Villages       Cities  
 Counties       Others \_\_\_\_\_

Fund Sources Affected

- GPR       FED       PRO       PRS       SEG       SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

The amendment to the rule provides a 20% across-the-board premium reduction for Income Continuation Insurance. State paid premiums for the Income Continuation Insurance program for fiscal year 1980-81 totaled \$3,133,723. Based on the 1980-81 state premium, the decrease in state costs will be \$626,745 per fiscal year.

Long-Range Fiscal Implications

The 20% decrease in state costs for Income Continuation Insurance premiums will remain constant until the time that new premium rates may be authorized.

Agency

Department of Employee Trust Funds

Authorized Signature/Telephone No.



266-5804

Date

1-7-82



FISCAL ESTIMATE WORKSHEET

1981 Session

Detailed Estimate of Annual Fiscal Effect  
AD-MBA-22 (Rev. 11/80)

ORIGINAL  UPDATED  
 CORRECTED  SUPPLEMENTAL

~~XXXXXXXXXX~~/Adm. Rule No.  
Grp. 25

Amendment No.

Subject

Income Continuation Insurance premium rates and benefit levels.

I. One-time Costs or Revenue Fluctuations for State and/or Local Government (do not include in annualized fiscal effect):

NONE

II. Annualized Costs: Note: Treat fiscal costs like a "checkbook": increased costs reduce available funds (-); decreased costs increase available funds (+). Annualized fiscal impact on State funds from:

A. State Costs by Category	Increased Costs	Decreased Costs
	Salaries and Fringes	\$ -
Staff Support Costs	-	+
Other State Costs	-	+
Local Assistance	-	+
Aids to Individuals or Organizations	-	+
<b>TOTAL State Costs by Category</b>	<b>\$ - 0</b>	<b>\$ + 626,745</b>
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
	GPR	\$ -
FED	-	+ 73,956
PRO/PRS	-	+ 147,285
SEG/SEG-S	-	+ 175,489
C. FTE Position Changes	Increased Pos.	Decreased Pos.
	+ ( 0 )	- ( 0 )
III. State Revenues-Complete this only when proposal will increase or decrease state revenues, such as taxes, license fees, etc.	Decreased Rev.	Increased Rev.
	GPR Taxes	\$ -
GPR Earned	-	+
FED	-	+
PRO/PRS	-	+
SEG/SEG-S	-	+
<b>TOTAL State Revenues</b>	<b>\$ -</b>	<b>\$ +</b>

Net Annualized Fiscal Impact on State & Local Funds

State	Annual Increases	Annual Decreases	Local	Annual Increases	Annual Decreases
Total Costs	\$ -	\$ + 626,745	Total Costs	\$ -	\$ +
Total Revenues	+	-	Total Revenues	+	-
<b>NET Impact on State Funds</b>	<b>\$ (+) 626,745</b>	<b>or (-)</b>	<b>NET Impact on Local Funds</b>	<b>\$ (+) NONE</b>	<b>or (-)</b>

Agency

Department of Employee Trust Funds

Authorized Signature/Telephone No.

*[Signature]* 266-5804

Date

1-7-82



State of Wisconsin \ DEPARTMENT OF EMPLOYEE TRUST FUNDS

Gary I. Gates  
Secretary

April 15, 1982

201 EAST WASHINGTON AVENUE  
MADISON, WISCONSIN 53702  
TELEPHONE 266-3285  
AREA CODE 608

Orlan Prestegard  
Revisor of Statutes  
411 West, State Capitol  
Madison, WI 53702

IN REPLY REFER TO:

**RECEIVED**

**APR 16 1982**

Revisor of Statutes  
Bureau

Dear Mr. Prestegard

Re Clearinghouse Rule 82-11

Enclosed is a Certificate and two copies of an Order Adopting Rules.  
A certified copy of this order has also been forwarded to the  
Secretary of State.

Sincerely

Diane M. Bass  
Board Coordinator  
(608) 266-5804

DMB/sb 4/03