

EMPLOYEE TRUST FUNDS—GROUP INSURANCE BUREAU 44a

Chapter Grp 25

STATE INCOME CONTINUATION INSURANCE

Grp 25.01	Coverage	Grp 25.12	Qualifying period
Grp 25.02	Election of coverage on or before July 15, 1972	Grp 25.13	Maximum use of sick leave days
Grp 25.03	Election of coverage on or after effective date	Grp 25.14	"Totally disabled" defined
Grp 25.04	Deferred coverage	Grp 25.15	Integrated benefits
Grp 25.05	Initial premiums	Grp 25.16	Benefit payments
Grp 25.06	Coverage during authorized leave	Grp 25.165	Earnings defined
Grp 25.07	Termination of coverage	Grp 25.17	Duration of benefits
Grp 25.08	Coverage of employees who have reached normal retirement date	Grp 25.18	Rehabilitative training
Grp 25.09	Gross monthly premiums	Grp 25.19	Worldwide coverage
Grp 25.10	State contributions	Grp 25.20	Limitations
Grp 25.11	Employee contributions	Grp 25.21	Cancellation of coverage
		Grp 25.22	Claims procedure
		Grp 25.23	Assignment of benefits

History: Emergency rules covering general subject matter were adopted effective July 1, 1972.

Grp 25.01 Coverage. The income continuation insurance plan authorized by section 40.146¹ Wis. Stats. shall be an integrated plan of short and long term coverage. Participation shall be voluntary with each employee but each employee who elects to participate shall be covered under both the short and long term coverage.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.02 Election of coverage on or before July 15, 1972. (1) Each employee, as defined by section 40.11 (2)¹ Wis. Stats., other than an annuitant, who is eligible to be covered by income continuation insurance on July 1, 1972 shall be covered without evidence of insurability if the application form provided by the group insurance bureau is received by the employing department on or before July 15, 1972. Coverage shall be effective on July 1, 1972, unless such employee is not available for scheduled work on that date because of injury or illness.

(2) For an employee who is not available for scheduled work on that date because of injury or illness, coverage shall begin on the first day after the employee has returned to the material duties of his occupation for at least one full work day. For an employee returning to work prior to the 15th day of any month, a full month's premium shall be paid; for an employee returning to work on or after the 15th day of any month, no premiums shall be paid for that month.

(3) The director may extend the July 15 deadline where the employing department was unable to locate the employee or otherwise communicate with him in time to meet the deadline. For such employee, coverage shall be effective on the first day of the month beginning on or after the date the application form is received by the employing department.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.03 Election of coverage on or after effective date. (1) Each employee of the state who becomes eligible to be covered by income

continuation insurance after July 1, 1972 shall be covered if he completes the application form provided by the group insurance bureau and such form is received by the employing department within 31 days after the date he becomes eligible.

(2) Such coverage shall be effective on the first day of the month which begins on or after the date the application form is received by the department.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.04 Deferred coverage. (1) Any employee, other than an annuitant, who does not elect to be covered during the enrollment periods provided under section Grp 25.02 or Grp 25.03 may be insured if he completes the application form provided by the group insurance bureau and it is received by the employing department within 31 days after he becomes eligible for state contribution toward premium or eligible for an increase in the percentage of state contribution toward premium.

(2) Any employee, other than an annuitant, who does not elect to be covered during the enrollment periods provided under sections Grp 25.02, 25.03 or 25.04 (1) may be insured only if he submits evidence of insurability acceptable under health underwriting standards approved for the program by the group insurance board. If the application is approved, coverage shall be effective on the first day of the month which begins after the date that the application is approved.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.05 Initial premiums. When coverage begins a double deduction of premiums may be required, unless proper payment is otherwise made.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.06 Coverage during authorized leave. (1) Any insured employee may continue to be insured during any period of leave authorized by the employing department not to exceed 3 months for which employee contributions would not otherwise be made while such person continues to be a state employee but earns no salary from the state.

(2) An employee may continue his insurance coverage during such period of interruption of earnings specified in subsection (1) if he has authorized a payroll deduction in an amount sufficient to pay his contribution for the entire period, or has otherwise made payment therefor.

(3) Coverage beyond the 3 months specified in subsection (1) but not to exceed 24 months may be provided for any employee if not later than 31 days following the interruption of earnings such employee has paid, either through payroll deduction or otherwise, the full premium, including the state portion thereof, for all months beyond the 3 months specified in subsection (1).

(4) Notwithstanding subsection (1), (2) and (3), an employee who is totally disabled as defined under section Grp 25.14 shall pay no premiums for the coverage period beginning on the first day of the month following the month for which initial payment of income continuation benefits are made. Such waiver of premiums shall continue through the last day of the month in which income continuation benefits are terminated.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

EMPLOYEE TRUST FUNDS—GROUP INSURANCE BUREAU 44c

Grp 25.07 Termination of coverage. When a covered employee ceases to be eligible for coverage because of termination of employment, income continuation insurance coverage shall end at the expiration of the period for which premiums had been deducted at the time of cessation of eligibility. Such terminated employee may apply within 31 days after termination of coverage, for any non-group conversion policy that the group insurance board is able to provide through contract with a private insurance organization. Such coverage, if any, shall be provided in accordance with the contract negotiated by the board and in effect on the date that the employee terminates employment. If the board is unable to negotiate a non-group conversion policy, coverage shall terminate as stated in this section.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.08 Coverage of employees who have reached normal retirement date. Income continuation insurance coverage and premiums shall cease for any employee at the end of the premium period in which he reaches his normal retirement date as defined under section 41.02 (23) Wis. Stats., except that an employee who is totally disabled as defined under Wis. Adm. Codes section Grp 25.14 when he reaches his normal retirement date, shall continue to receive income continuation benefits as provided by section Grp 25.17 (1).

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.09 Gross monthly premiums. Effective July 1, 1972, the gross monthly premiums for income continuation insurance shall be based upon earnings level and accumulated sick leave as shown in Table I—Gross Monthly Premiums For Integrated Short And Long Term Income Continuation Insurance.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.10 State contributions. State contributions toward premium for income continuation insurance shall be made in accordance with rates established in Table II—State Contributions, Expressed As A Percentage Of Employee Contributions. The percent of state contribution toward income continuation insurance shall be determined as follows:

(1) The state shall contribute 100% toward the premium for short term coverage for each employee who has accumulated at least 10 days of unused sick leave during the previous calendar year. For such coverage effective July 1, 1972, the determination of state contribution toward premium shall be based on unused sick leave days accumulated during the 1971 calendar year. Thereafter, determination of state contribution toward premium shall be made in February of each year, based on unused sick leave accumulated during the previous calendar year. Changes in state contribution toward premium shall be effective for coverage beginning March 1 of each year.

(2) The state shall contribute 100% toward the premium for short term coverage for each employee who has accumulated at least 65 days of unused sick leave.

(3) The state shall contribute 50% toward the premium for long term coverage for each employee who has accumulated at least 65 days of unused sick leave; 75% for each employee who has accumulated at least 91 days and 100% for each employee who has accumulated at least 130 days.

(4) For coverage provided under subsections (2) and (3) effective July 1, 1972, the determination of state contribution toward premium shall be based on total accumulated days of unused sick leave as of December 31, 1971. Thereafter, determination of state contribution toward premium shall be made in February of each year, based on total accumulated days of unused sick leave as of December 31 of the previous year. Changes in state contribution toward premium shall be effective for coverage beginning March 1 of each year.

(5) The employee's largest total accumulation of unused sick leave days certified on December 31, 1971 or on such date in any subsequent year shall be used to determine state contribution toward premium under subsections (2), (3) and (4) of this section. A permanent record of each employee's accumulated sick leave shall be maintained so that the proper state contribution toward premium may be determined in subsequent years, even though an employee's total accumulated sick leave may be less because of increased utilization.

(6) When an employee returns to full time employment after a period of disability during which accumulated sick leave days were diminished or exhausted, the state contribution toward premium shall be reinstated at a rate based on total accumulated sick leave prior to the date that the disability began. However, the gross premium shall be established pursuant to Table I—Gross Monthly Premiums For Income Continuation Insurance.

(7) Pursuant to section 40.146 Wis. Stats., the following 6 categories of sick leave accumulations are established in Tables I, II and III:

CATEGORIES

1. Less than 10 in previous calendar year and less than 23 days total accumulation.

2. Less than 10 in previous calendar year and 23 to 65 days total accumulation.

3. At least 10 in previous calendar year but less than 65 days total accumulation.

4. 65 but less than 91 days total accumulation.

5. 91 through 130 days total accumulation.

6. More than 130 days total accumulation.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.11 Employee contributions. (1) For all employees except unclassified teachers, contributions toward premium for income continuation insurance shall be made in accordance with rates established in Table III—Employee Contributions For All Employees Except Unclassified Teachers.

(2) For unclassified teachers, employee contributions shall be determined in accordance with Table IV—Monthly Premiums For Unclassified Teachers.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.12 Qualifying period. A covered employee qualifies for income continuation benefits on the date after he has been totally disabled for 22 workdays but benefit payments shall not be made while earnings are received for accumulated sick leave days.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

EMPLOYEE TRUST FUNDS—GROUP INSURANCE BUREAU 44e

25.13 Maximum use of sick leave days. The maximum number of sick leave days that an employee shall be required to use before benefit payments begin is 180 days.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.14 "Totally disabled" defined. (1) During the first 12 months of disability, "totally disabled" means the employee's inability by reason of any medically determinable physical or mental impairment, to perform each and all of the material duties pertaining to his occupation or like occupation for which he is reasonably qualified, with due regard for his education, training and experience.

(2) After the first 12 months, "totally disabled" means the employee's complete inability by reason of any medically determinable physical or mental impairment, to engage in any substantial gainful activity for which he is reasonably qualified, with due regard for his education, training, experience, and prior economic status.

(3) An employee who qualifies for benefits under the disability provisions of applicable state or federal programs shall be required to furnish no further proof that initially he meets the definition of "totally disabled" under subsection (1) or (2) but thereafter at reasonable intervals, proof of continued disability may be required pursuant to subsection (5).

(4) House confinement shall not be required as a condition of disability but the disabled employee must be under the direct care of a licensed physician (other than himself) during the period of disability.

(5) The group insurance board or its authorized representative may initially and at reasonable intervals require the employee to submit proof of total disability and may require independent medical examinations by licensed physicians of its choice.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.15 Integrated benefits. (1) Benefit payments from income continuation insurance shall be reduced by disability benefits paid or payable from the following sources:

(a) Workmen's compensation. Benefit payments may be reduced retroactively by the group insurance board when special awards or settlements are made from this source and where such settlements or awards are distinguishable as income replacement benefits.

(b) Disability provisions of applicable state or federal programs.

(c) Social security (OASDHI). Payments shall be reduced only by primary social security disability benefits.

(d) Other group disability income plans in which the state, as employer, participates in administration.

(2) Where benefit payments from sources listed under subsection (1) are delayed, income continuation benefit payments may be made notwithstanding such delays and adjustments made later when benefits from other sources are actually paid.

(3) For the purpose of determining benefits payable from income continuation insurance, social security (OASDHI) disability benefits and state and federal retirement disability benefits shall be permanently offset at the level established when the disability begins. But changes in the retirement disability payments caused by integration

with social security (OASDHI) disability benefits or any changes to correct errors in computation shall not change such offset.

(4) Any employee applying for income continuation benefits must submit evidence acceptable to the board that he has taken all necessary action to obtain any benefits available from sources listed in subsection (1).

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.16 Benefit payments. Benefit payments shall be based upon an employee's earnings on the date his disability begins. Total benefit payments from income continuation combined with payments from the sources listed in section Grp 25.15 (1) (a), (b), (c) and (d) shall be determined in accordance with Table V—Integrated Disability Benefit.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.165 Earnings defined. Earnings means the basic salary, excluding overtime, payable to the employee by the state during the last complete payroll period prior to the date disability begins.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.17 Duration of benefits. (1) Short term disability benefits shall be payable during the 2 year period subsequent to the date that the disability begins. (a) Successive periods of disability due to the same or related medically determinable physical or mental impairment shall be considered one disability unless the periods of disability are separated by at least 10 successive work days during which the employee returns to full time employment. (b) Successive periods of disability due to unrelated medically determinable physical or mental impairments shall be considered one disability unless the periods of disability are separated by at least one work day during which the employee returns to full time employment.

(2) Long term disability benefits shall begin after the 2-year period specified in subsection (1) and shall be payable until the employee reaches normal retirement date or the disability terminates, whichever occurs first. (a) Successive periods of disability due to the same or related medically determinable physical or mental impairment shall be considered one disability unless the periods of disability are separated by at least 6 successive months during which the employee is able to return to full time employment. (b) Successive periods of disability due to unrelated medically determinable physical or mental impairments shall be considered one disability unless the periods of disability are separated by at least 10 successive work days during which the employee is able to return to full time employment.

(3) Rehabilitative employment, as provided under section Grp 25.18, shall not be considered a return to full time employment under subsections (1) or (2).

(4) If an employee returns to full time employment for the periods specified in subsections (1) and (2) and is subsequently disabled again, it shall be considered a new disability and the qualification period established under section Grp 25.12 shall apply.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

EMPLOYEE TRUST FUNDS—GROUP INSURANCE BUREAU 44g

Grp 25.18 Rehabilitative training. (1) Rehabilitative plans approved by the board shall be available for disabled employees after they have qualified for income continuation benefits.

(2) Rehabilitative plans shall include:

(a) Educational programs which have as their purpose the training or retraining of a disabled employee so that he may engage in gainful activity. Such programs shall not be limited to formal vocational rehabilitative training. (b) Full or part time on the job training or retraining. (c) Part time return to prior position.

(3) Income continuation payments shall not be reduced because the employee is participating in an educational program provided under subsection (2) (a), if he receives no earnings from such program. Payments may be increased by an amount equal to any reduction in the employee's income from sources listed under section Grp 25.15, if such reduction is caused by the employee's participation in the educational program. Supplemental benefits shall be available to pay all or a part of the reasonable cost of educational programs, including tuition, books and other necessary materials not available from other sources.

(4) Income continuation payments shall be reduced by an amount equal to 75% of the gross earnings that a disabled employee receives from rehabilitative training provided under section (2) (b) or (c).

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.19 Worldwide coverage. (1) An insured employee shall not be denied coverage solely because of travel or residency in any location.

(2) Disability benefit payments may be suspended or terminated if information necessary to determine disability status cannot be obtained through reasonable means.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.20 Limitations. Benefits shall not be payable for disability which is the direct or indirect result of:

(1) War, declared or undeclared. The fact of war shall be determined by the board.

(2) Intentionally self-inflicted injury.

(3) Participation in, not protecting against, a riot or civil disorder; or the commission or attempted commission of a felony.

(4) Pregnancy, except for complications thereof.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.21 Cancellation of coverage. (1) An employee may cancel income continuation insurance by giving written notice of cancellation to the employing department. Cancellation shall be effective at the end of the coverage period for which normal payroll deduction of premiums have been made.

(2) A terminating employee's coverage shall continue until the end of the coverage period for which normal payroll deduction of premiums have been made. Refunds of premiums for terminating employees shall be made only if a written request for refund is received by the group insurance bureau no later than the 20th day of the month. Where such request is made, a refund of premium

for all subsequent months of coverage shall be available and coverage shall terminate at the end of the coverage period for which premiums have been paid.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.22 Claims procedure. (1) Claim forms shall be available to the employee from his employing department or from the group insurance bureau.

(2) Completed claims for disability benefits on forms provided by the bureau, must be submitted to the employing department by the employee no later than 22 days after the commencement of disability or as soon thereafter as is reasonably possible.

(3) The employing department shall retain one copy of the claim and submit 2 copies to the group insurance bureau immediately.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

Grp 25.23 Assignment of benefits. Benefits payable under this section are non-assignable.

TABLE 1
GROSS MONTHLY PREMIUMS FOR INTEGRATED
SHORT AND LONG TERM INCOME CONTINUATION INSURANCE

Monthly Salary	Categories			
	1.	2. & 3.	4.	5. & 6.
Up to 501	4.45	3.35	2.45	2.00
501 — 600	5.45	4.10	3.00	2.45
601 — 700	6.45	4.85	3.55	2.90
701 — 800	7.45	5.60	4.10	3.35
801 — 900	8.45	6.35	4.65	3.80
901 — 1000	9.45	7.10	5.20	4.25
1001 — 1100	10.45	7.85	5.75	4.70
1101 — 1200	11.45	8.60	6.30	5.15
1201 — 1300	12.45	9.35	6.85	5.60
1301 — 1400	13.45	10.10	7.40	6.05
1401 — 1500	14.45	10.85	7.95	6.50
1501 — 1600	15.45	11.60	8.50	6.95
1601 — 1700	16.45	12.35	9.05	7.40
1701 — 1800	17.45	13.10	9.60	7.85
1801 — 1900	18.45	13.85	10.15	8.30
1901 — 2000	19.45	14.60	10.70	8.75
2001 — 2100	20.45	15.35	11.25	9.20
2101 — 2200	21.45	16.10	11.80	9.65
2201 — 2300	22.45	16.85	12.35	10.10
2301 — 2400	23.45	17.60	12.90	10.65
2401 — 2500	24.45	18.35	13.45	11.00
2501 — 2600	25.45	19.10	14.00	11.45
2601 — 2700	26.45	19.85	14.55	11.90
2701 — 2800	27.45	20.60	15.10	12.35
2801 — 2900	28.45	21.35	15.65	12.80
2901 — 3000	29.45	22.10	16.20	13.25
3001 — up	30.45	22.85	16.75	13.70

TABLE II
STATE CONTRIBUTIONS, EXPRESSED AS A
PERCENTAGE OF EMPLOYEE CONTRIBUTIONS

Categories					
1.	2.	3.	4.	5.	6.
0%	0%	200%	340%	430%	
Employee	Employee	X	X	X	State
Pays	Pays	Employee	Employee	Employee	Pays
Entire	Entire	Contri-	Contri-	Contri-	Entire
Premium	Premium	bution	bution	bution	Premium
		From	From	From	
		Table III	Table III	Table III	
0%	0%				0%

EMPLOYEE TRUST FUNDS—GROUP INSURANCE BUREAU 441

TABLE III
EMPLOYEE CONTRIBUTIONS FOR ALL EMPLOYEES
EXCEPT UNCLASSIFIED TEACHERS*

Monthly Salary	Categories					
	1.	2.	3.	4.	5.	6.
Up to 501	4.51	3.32	1.13	.54	.25	0
501—600	5.51	4.12	1.33	.74	.35	
601—700	6.51	4.82	1.63	.84	.45	
701—800	7.51	5.62	1.83	.94	.55	State
801—900	8.51	6.32	2.13	1.04	.65	Pays
901—1000	9.51	7.12	2.33	1.24	.75	
1001—1100	10.51	7.82	2.63	1.34	.85	Entire
1101—1200	11.51	8.62	2.83	1.44	.95	Premium
1201—1300	12.51	9.32	3.13	1.54	1.05	
1301—1400	13.51	10.12	3.33	1.74	1.15	
1401—1500	14.51	10.82	3.63	1.84	1.25	
1501—1600	15.51	11.62	3.83	1.94	1.35	
1601—1700	16.51	12.32	4.13	2.04	1.45	
1701—1800	17.51	13.12	4.33	2.24	1.55	
1801—1900	18.51	13.82	4.63	2.34	1.65	
1901—2000	19.51	14.62	4.83	2.44	1.75	
2001—2100	20.51	15.32	5.13	2.54	1.85	
2101—2200	21.51	16.12	5.33	2.74	1.95	
2201—2300	22.51	16.82	5.63	2.84	2.05	
2301—2400	23.51	17.62	5.83	2.94	2.15	
2401—2500	24.51	18.32	6.13	3.04	2.25	
2501—2600	25.51	19.12	6.33	3.24	2.35	
2601—2700	26.51	19.82	6.63	3.34	2.45	
2701—2800	27.51	20.62	6.83	3.44	2.55	
2801—2900	28.51	21.32	7.13	3.54	2.65	
2901—3000	29.51	22.12	7.33	3.74	2.75	
3001—up	30.51	22.82	7.63	3.84	2.85	0

*For payroll purposes, premiums have been rounded so that terminal digits in each category are the same.

TABLE IV
MONTHLY PREMIUMS FOR UNCLASSIFIED TEACHERS*

Monthly Salary	Elimination Period Working Days			
	22 Days	65 Days	90 Days	130 Days
Up to 501	4.46	2.87	2.68	1.99
501—600	5.46	3.57	3.28	2.49
601—700	6.46	4.17	3.88	2.89
701—800	7.46	4.87	4.48	3.39
801—900	8.46	5.47	5.08	3.79
901—1000	9.46	6.17	5.68	4.29
1001—1100	10.46	6.77	6.28	4.69
1101—1200	11.46	7.47	6.88	5.19
1201—1300	12.46	8.07	7.48	5.59
1301—1400	13.46	8.77	8.08	6.09
1401—1500	14.46	9.37	8.68	6.49
1501—1600	15.46	10.07	9.28	6.99
1601—1700	16.46	10.67	9.88	7.39
1701—1800	17.46	11.37	10.48	7.89
1801—1900	18.46	11.97	11.08	8.29
1901—2000	19.46	12.67	11.68	8.79
2001—2100	20.46	13.27	12.28	9.19
2101—2200	21.46	13.97	12.88	9.69
2201—2300	22.46	14.57	13.48	10.09
2301—2400	23.46	15.27	14.08	10.59
2401—2500	24.46	15.87	14.68	10.99
2501—2600	25.46	16.57	15.28	11.49
2601—2700	26.46	17.17	15.88	11.89
2701—2800	27.46	17.87	16.48	12.39
2801—2900	28.46	18.47	17.08	12.79
2901—3000	29.46	19.17	17.68	13.29
3001—up	30.46	19.77	18.28	13.69

*For payroll purposes, premiums have been rounded so that terminal digits in each category are the same.

TABLE V
INTEGRATED DISABILITY BENEFIT

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

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72.

cc cup 26
Reg. Ref. 212
Aug. 72