

No. 163, S.]

[Published September 19, 1961.

**CHAPTER 461**

AN ACT to amend 66.919 (4) (a) 2, as amended by chapter 275, laws of 1961 (Bill No. 489, A.), (5) (a), (6) (c), (8) (c) and (cc), (9) (b), as amended by chapter 191, laws of 1961 (Bill No. 111, A.), (11) (a) and (b), (12) and (15) (b) and (c); and to create 66.919 (3) (a) 8, (4) (a) 4, (12a) and (25) of the statutes, pertaining to group insurance for public employes.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 66.919 (3) (a) 8 of the statutes is created to read:

66.919 (3) (a) 8. The time that coverage shall be effective.

SECTION 2. 66.919 (4) (a) 2 of the statutes, as amended by chapter 275, laws of 1961 (Bill No. 489, A.), is amended to read:

66.919 (4) (a) 2. The definition of employe shall not exclude any individual who, while insured for the group life or health insurance, is retired on an immediate annuity, or is retired on a disability annuity. In the case of group life insurance, however, except in case of disability annuity, such retired employe shall have been a state employe for at least \* \* \* 20 years or have attained age 65, or have attained age 60 and been mandatorily retired pursuant to s. 66.906 (1) (c). For the purposes of this section the term retired employe shall include the surviving spouse of an employe who is currently covered by health insurance at the time of death of the employe, and the spouse shall have the same right of health insurance coverage as the deceased employe but without state contribution, under rules adopted by the board, but such inclusion and right as to a widow shall terminate upon her remarriage.

SECTION 3. 66.919 (4) (a) 4 of the statutes is created to read:

66.919 (4) (a) 4. Subsequent to the effective date of participation by the state or any municipality no person shall be included who is initially eligible under this section after attaining age 65.

SECTION 4. 66.919 (5) (a) of the statutes is amended to read:

66.919 (5) (a) Each employe shall be insured in accordance with this section, unless such employe executes and files with his employing office a written waiver of any such coverage, within the time limit fixed by rule, which shall be transmitted forthwith to the director, or the board may provide a different method of enrollment \* \* \* .

SECTION 5. 66.919 (6) (c) of the statutes is amended to read:

66.919 (6) (c) The amount of life insurance of an employe who *prior to age 65* retires on immediate annuity who has been a state employe for not less than \* \* \* 20 years or who has attained age 65 or has attained age 60 and been mandatorily retired pursuant to s. 66.906 (1) (c) shall be the same as if he had not retired and his earnings had continued as at the time of his retirement.

SECTION 6. 66.919 (8) (c) and (cc) of the statutes are amended to read:

66.919 (8) (c) Beginning with the month in which an insured employe *has attained age 65 and either* is retired on an immediate annuity \* \* \* , *or has 10 years service pursuant to sub. (12a), or an insured employe* is retired on a disability annuity, no further withholdings from his earnings or retirement benefits shall be made under this subsection and the cost of life insurance for such employe pursuant to sub. (6) shall be paid by the state, *but the state shall not pay for any month prior to attaining age 65 for which a disability annuity is suspended or terminated. The disability annuitant shall make contributions for any month for which earnings are paid by the state.*

(cc) Except as provided under par. (c) any insured employe who is retired on an immediate annuity and who has been a state employe for not less than \* \* \* 20 years or who is age 60 and is mandatorily retired pursuant to s. 66.906 (1) (c) shall continue to be covered only if he directs the deductions authorized by s. 23.14 (12), 42.52 or 66.918 (1) (a) (if the annuity is sufficient) or makes direct payments to the insurer to continue insurance coverage.

SECTION 7. 66.919 (9) (b) of the statutes, as amended by chapter 191, laws of 1961 (Bill No. 111, A.), is amended to read:

66.919 (9) (b) The state shall contribute toward the payment of premiums for health insurance under this subsection an amount equal to 50 per cent of the gross premium for any insured employe, who is not an annuitant *or who is not a retired employe qualifying for continued insurance coverage under the provisions of s. 66.919 (12a)*, and his dependents for the standard health insurance coverage determined by the board, but not in excess of \$6 per month. State contributions shall be made in accordance with s. 20.550 (32).

SECTION 8. 66.919 (11) (a) and (b) of the statutes are amended to read:

66.919 (11) (a) An insured employe may at any time cancel his life or health insurance by filing a waiver of such coverage with his employing office; similarly an insured retired employe may at any time cancel his life or health insurance by filing a waiver of such coverage with the office of his retirement system. Such waiver shall be transmitted forthwith to

the director. Such waiver shall be effective and such insurance shall cease at the end of the \* \* \* *calendar month* which begins after the waiver is received by such office.

(b) The life and health insurance shall terminate as provided in the contract or contracts therefor, which contract or contracts shall also provide an option for an employe to convert insurance coverage upon termination of employment *if covered by such insurance during the entire 6 months preceding termination.*

SECTION 9. 66.919 (12) of the statutes is amended to read:

66.919 (12) To be eligible for continuance of insurance as a retired employe, an insured employe must (a) be entitled to a disability annuity or (b) be entitled to an immediate annuity \* \* \* and must meet all requirements for annuity including filing of application where necessary whether or not final administrative action has been taken. In the case of group life insurance, however, except in case of disability annuity, such retired employe shall have been a state employe for at least \* \* \* 20 years, or have attained age 65, or have attained age 60 and been mandatorily retired pursuant to s. 66.906 (1) (c).

SECTION 10. 66.919 (12a) of the statutes is created to read:

66.919 (12a) WAIVER OF IMMEDIATE ANNUITY. The requirement for an immediate annuity shall be waived for any person attaining age 65 who has an aggregate of 10 years service as specified in sub. (4) (a) 1.b.

SECTION 11. 66.919 (15) (b) and (c) of the statutes are amended to read:

66.919 (15) (b) All provisions of this section pertaining to the state and to state employes with respect to group life insurance shall be applicable to such municipalities as act to be included hereunder and to the employes thereof. Service for the state and for each municipality shall be treated independently, including the \* \* \* 20-year \* \* \* requirements in sub. (12), except that an aggregate of \* \* \* such service under the state teachers' retirement system shall meet the \* \* \* requirement *and except that service for a predecessor municipality shall be treated as service for the participating municipality.*

(c) The governing body of any municipality may elect to provide group life insurance pursuant to this section for the employes thereof by the adoption of a resolution in the form prescribed by the board. A certified copy of such resolution shall be filed with the director and if received on or before November \* \* \* 15 in any year shall be effective as of the beginning of the ensuing calendar year.

SECTION 12. 66.919 (25) of the statutes is created to read:

66.919 (25) CERTIFICATION OF AMOUNT. (a) Whenever any municipality fails to remit within the period fixed by rules promulgated by the board any sum payable pursuant to this section or any interest or minimum fee due under the rules the director shall certify such amount or the estimated amount thereof to the director of finance and such shall be included in the next apportionment of state special charges to local units of government and such shall be credited to the board. When the exact amount due is determined and the board has received from any municipality a sum in excess of such amount, the board shall pay such excess amount to the municipality.

(b) If any municipality fails to transmit any report required by this section or by rule established pursuant thereto within 30 days after the date prescribed therefor, the director shall cause such report to be prepared and furnished. Thereupon the director shall submit to said muni-

pality a statement of the expenses incurred in securing such report, including the value of the personal services rendered in the preparation of the same, and shall file a certified copy of such statement in the office of the director of finance. Within 60 days after the receipt of the above statement by the municipality such statement shall be audited as other claims against the municipality are audited and shall be paid into the state treasury and credited to the appropriation made by s. 20.408 (1). In default of payment by the municipality, the amount specified in the aforesaid statement shall become a special charge against the municipality and shall be included in the next apportionment of state special charges and shall be collected, with interest at the rate of 10 per cent per annum from the date such statement was submitted to the municipality, as other charges are certified and collected, and when so collected such amount and said interest shall be credited to the appropriation made by s. 20.408 (1).

SECTION 12a. Any person who formerly was a state employe as defined in section 66.919 (4) (a) 1 of the statutes who is not an annuitant under a state retirement system and who is receiving earnings from the state on the effective date of this act (1961) in a position that does not qualify under section 66.919 (4) (a) 1 of the statutes shall be considered a retired employe within the meaning of section 66.919 (12) and (12a) of the statutes and may become eligible for life and health insurance coverage pursuant to rules adopted by the group insurance board notwithstanding the provisions of section 66.919 (4) (a) 4 of the statutes, provided such person has attained age 65 and has had not less than 20 years of state service.

SECTION 13. This act shall take effect at the end of the second full calendar month following publication.

Approved September 15, 1961.

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