

2001 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-SB55)

Received: 06/23/2001

Received By: **champra**

Wanted: **Today**

Identical to LRB:

For: **Assembly Republican Caucus**

By/Representing: **Smith**

This file may be shown to any legislator: **NO**

Drafter: **champra**

May Contact:

Addl. Drafters:

Subject: **Employ Pub - employee benefits**
Employ Pub - retirement

Extra Copies:

Submit via email: **NO**

Requester's email:

Pre Topic:

ARC:.....Smith - AM48,

Topic:

Enrollment period for health insurance coverage for WRS annuitants

Instructions:

See Attached.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	champra 06/23/2001	wjackson 06/23/2001	kfollet 06/23/2001	_____	lrb_docadmin 06/23/2001		

FE Sent For:

<END>

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/1	champra		KJ 6/23	KJ/SJH 6/23			

FE Sent For:

<END>

Budget Amendments 2001 - 2003

Prepared by the Assembly Republican Caucus

Statement of Intent Allow state retirees to decide to use accumulated sick leave to pay for health insurance, consistent with regular enrollment periods.

Legislator	Powers	Amendment	48
Legislator 2		Pass or Fail	Pass
Legislator 3		Spending Cut	
Legislator 4		Withdrawn	
Staff contact	Vince	Package	

Agency Employee Trust Funds

Summary Current law allows a state retiree a one time only election to use accumulated sick leave to pay for health insurance.

This amendment would allow state retirees to make this decision at regular enrollment periods.

Fiscal Impact None. Administrative costs are charged back to the fund.

Drafting Inst

ARC Analyst Smith

RAC
1589/1

Request # 153

Friday, June 22, 2001



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBb1589/1

RAC:f:....

Wlj

JEON

ARC:.....Smith – AM48, Enrollment period for health insurance coverage for
WRS annuitants

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

substitute amendment

1 At the locations indicated, amend the bill as follows:

2 1. Page 534, line 23: after that line insert:

3 "SECTION ⁹1398s. 40.05 (4) (b) of the statutes is amended to read:

4 40.05 (4) (b) Except as provided under pars. (bc) and (bp), accumulated unused

5 sick leave under ss. 13.121 (4), 36.30, 230.35 (2), 233.10 and 757.02 (5) and subch.

6 I or V of ch. 111 of any eligible employee shall, at the time of death, upon qualifying

7 for an immediate annuity or for a lump sum payment under s. 40.25 (1) or upon

8 termination of creditable service and qualifying as an eligible employee under s.

9 40.02 (25) (b) 6. or 10., be converted, at the employee's current basic pay rate, to

10 credits for payment of health insurance premiums on behalf of the employee or the

1 employee's surviving insured dependents. Any supplemental compensation that is
2 paid to a state employee who is classified under the state classified civil service as
3 a teacher, teacher supervisor or education director for the employee's completion of
4 educational courses that have been approved by the employee's employer is
5 considered as part of the employee's basic pay for purposes of this paragraph. The
6 full premium for any eligible employee who is insured at the time of retirement, or
7 for the surviving insured dependents of an eligible employee who is deceased, shall
8 be deducted from the credits until the credits are exhausted and paid from the
9 account under s. 40.04 (10), and then deducted from annuity payments, if the
10 annuity is sufficient. The department shall provide for the direct payment of
11 premiums by the insured to the insurer if the premium to be withheld exceeds the
12 annuity payment. ~~Except as provided in par. (bd), upon~~ Upon conversion of an
13 employee's unused sick leave to credits under this paragraph or par. (bf), the
14 employee or, if the employee is deceased, the employee's surviving insured
15 dependents may initiate deductions from those credits or may elect to delay
16 initiation of deductions from those credits for any period of time, but only if the
17 employee or surviving insured dependents are covered by a comparable health
18 insurance plan or policy during the period beginning on the date of the conversion
19 and ending on the last day of the 2nd month after the date on which the employee
20 or surviving insured dependents later elect to initiate deductions from those credits.
21 If an employee or an employee's surviving insured dependents elect to delay
22 initiation of deductions from those credits, an employee or the employee's surviving
23 insured dependents may only later elect to initiate deductions from those credits
24 during the annual enrollment period under par. (be). A health insurance plan or
25 policy is considered comparable if it provides hospital and medical benefits that are

1 substantially equivalent to the standard health insurance plan established under s.
2 40.52 (1).

History: 1981 c. 96, 274, 278, 386; 1983 a. 9 s. 6; 1983 a. 27, 30; 1983 a. 46 ss. 2 to 4, 7; 1983 a. 140; 1983 a. 141 ss. 7 to 12, 20; 1983 a. 290, 504, 538; 1985 a. 29, 119, 135, 225; 1987 a. 27, 83, 107, 309, 356, 363; 1987 a. 403 s. 256; 1989 a. 13, 14, 31, 119, 122, 166, 182, 189, 230, 336, 355, 359; 1991 a. 32, 39, 107, 113, 141, 152, 189, 269; 1995 a. 27, 81, 88, 89, 240, 302; 1997 a. 35, 58, 149; 1999 a. 9, 11, 13, 104.

3 **SECTION 1398t.** 40.05 (4) (bd) of the statutes is repealed.

4 **SECTION 1398u.** 40.05 (4) (be) of the statutes is repealed and recreated to read:

5 40.05 (4) (be) The department shall establish an annual enrollment period
6 during which an employee or, if the employee is deceased, an employee's surviving
7 insured dependents may elect to initiate or delay continuation of deductions from the
8 employee's sick leave credits under par. (b). An employee or surviving insured
9 dependent may elect to continue or delay continuation of such deductions any
10 number of times. If an employee or surviving insured dependent has initiated the
11 deductions but later elects to delay continuation of the deductions, the employee or
12 surviving insured dependent must be covered by a comparable health insurance plan
13 or policy during the period beginning on the date on which the employee or surviving
14 insured dependent delays continuation of the deductions and ending on the date on
15 which the employee or surviving insured dependent later elects to continue the
16 deductions. A health insurance plan or policy is considered comparable if it provides
17 hospital and medical benefits that are substantially equivalent to the standard
18 health insurance plan established under s. 40.52 (1)."

History: 1981 c. 96, 274, 278, 386; 1983 a. 9 s. 6; 1983 a. 27, 30; 1983 a. 46 ss. 2 to 4, 7; 1983 a. 140; 1983 a. 141 ss. 7 to 12, 20; 1983 a. 290, 504, 538; 1985 a. 29, 119, 135, 225; 1987 a. 27, 83, 107, 309, 356, 363; 1987 a. 403 s. 256; 1989 a. 13, 14, 31, 119, 122, 166, 182, 189, 230, 336, 355, 359; 1991 a. 32, 39, 107, 113, 141, 152, 189, 269; 1995 a. 27, 81, 88, 89, 240, 302; 1997 a. 35, 58, 149; 1999 a. 9, 11, 13, 104.

19 **2.** Page 1011, line 6: after that line insert:

20 **"SECTION 3095r.** 233.10 (2) (b) of the statutes is amended to read:

21 233.10 (2) (b) The kinds of leave to which an employee of the authority is
22 entitled, including paid annual leave of absence, paid sick leave and unpaid leave of
23 absence, except that unused sick leave accumulated prior to [↑]July 1, 1997, shall be

1 carried over and made available for the employee's use for appropriate sick leave
2 purposes or for conversion as provided under s. 40.05 (4) (b), ~~(bd)~~, (be), (bm) or (bp)."

History: 1995 a. 27; 1997 a. 252.

3

(END)

↑

ARC:.....Smith – AM48, Enrollment period for health insurance coverage for
WRS annuitants

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 534, line 23: after that line insert:

3 **“SECTION 1398s.** 40.05 (4) (b) of the statutes is amended to read:

4 40.05 (4) (b) Except as provided under pars. (bc) and (bp), accumulated unused
5 sick leave under ss. 13.121 (4), 36.30, 230.35 (2), 233.10, and 757.02 (5) and subch.
6 I or V of ch. 111 of any eligible employee shall, at the time of death, upon qualifying
7 for an immediate annuity or for a lump sum payment under s. 40.25 (1) or upon
8 termination of creditable service and qualifying as an eligible employee under s.
9 40.02 (25) (b) 6. or 10., be converted, at the employee’s current basic pay rate, to
10 credits for payment of health insurance premiums on behalf of the employee or the

1 employee's surviving insured dependents. Any supplemental compensation that is
2 paid to a state employee who is classified under the state classified civil service as
3 a teacher, teacher supervisor, or education director for the employee's completion of
4 educational courses that have been approved by the employee's employer is
5 considered as part of the employee's basic pay for purposes of this paragraph. The
6 full premium for any eligible employee who is insured at the time of retirement, or
7 for the surviving insured dependents of an eligible employee who is deceased, shall
8 be deducted from the credits until the credits are exhausted and paid from the
9 account under s. 40.04 (10), and then deducted from annuity payments, if the
10 annuity is sufficient. The department shall provide for the direct payment of
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12 annuity payment. ~~Except as provided in par. (bd), upon~~ Upon conversion of an
13 employee's unused sick leave to credits under this paragraph or par. (bf), the
14 employee or, if the employee is deceased, the employee's surviving insured
15 dependents may initiate deductions from those credits or may elect to delay
16 initiation of deductions from those credits for any period of time, but only if the
17 employee or surviving insured dependents are covered by a comparable health
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19 and ending on the last day of the 2nd month after the date on which the employee
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12 surviving insured dependent must be covered by a comparable health insurance plan
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14 insured dependent delays continuation of the deductions and ending on the date on
15 which the employee or surviving insured dependent later elects to continue the
16 deductions. A health insurance plan or policy is considered comparable if it provides
17 hospital and medical benefits that are substantially equivalent to the standard
18 health insurance plan established under s. 40.52 (1)."

19 **2.** Page 1011, line 6: after that line insert:

20 "SECTION 3095r. 233.10 (2) (b) of the statutes is amended to read:

21 233.10 (2) (b) The kinds of leave to which an employee of the authority is
22 entitled, including paid annual leave of absence, paid sick leave, and unpaid leave
23 of absence, except that unused sick leave accumulated prior to July 1, 1997, shall be

1 carried over and made available for the employee's use for appropriate sick leave
2 purposes or for conversion as provided under s. 40.05 (4) (b), ~~(bd)~~, (be), (bm), or (bp).”

3 (END)