

Grp 1, 2, 5, 6, 10,
20 to 22, 50

Filed May 6 - 1960
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THE STATE OF WISCONSIN

Group Insurance Board
Room 411 North
State Capitol
Madison 2, Wisconsin

STATE OF WISCONSIN)
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GROUP INSURANCE BOARD)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, John W. Reynolds, Secretary
of the Group Insurance Board, do hereby certify that the
annexed rules relating to group insurance were duly
approved and adopted by this board on May 2, 1960
following hearings conducted pursuant to law on
February 1, 1960 and April 11, 1960.

I further certify that said copy has been compared by
me with the original on file in this board 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 the Capitol, in the city
of Madison, this 5th day of May
A.D. 1960.

John W. Reynolds

THE STATE OF WISCONSIN

Group Insurance Board
Room 411 North
State Capitol
Madison 2, Wisconsin

ORDER OF THE GROUP INSURANCE BOARD
ADOPTING, AMENDING AND REPEALING RULES

Pursuant to authority vested in the Group Insurance Board by section 66.919 (3) (a) Wis. Stats., and in conformity with Chapter 227 Wis. Stats., the board hereby adopts, amends and repeals rules as follows:

1. Grp 1.01 (1) is amended by striking therefrom the word "life."
2. Grp 1.06 is created to read:

Grp 1.06 Chapters 20 to 29 inclusive shall be applicable to group health insurance provided for state personnel pursuant to section 66.919 of the Wisconsin Statutes.

3. Grp 2.23 is renumbered to be Grp 2.23 (1).
4. Grp 2.23 (2) is adopted to read:

Grp 2.23 (2) Cessation of premiums during such disability shall be in effect under the following conditions:

- (a) Such cessation shall not begin while any earnings are being received, except that when a disability annuity applies the cessation of premiums shall become effective as of the first day of the month in which the disability annuity begins to accrue.
- (b) The department may certify to such cessation while earnings are being received, to be effective when the earnings cease.
- (c) If the person had not ceased to be an insured employe at the time earnings stopped the cessation of premiums may apply 90 days retroactively from the date the certification of cessation of premiums is received, if there is good cause for such delay.
- (d) The certification of cessation can be accepted from the department within 31 days after the termination of employment provided that this disability was the

Amended - Chapter 20 to 29 inclusive shall be applicable to group health insurance provided for state personnel pursuant to section 66.919 of the Wisconsin Statutes.

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cause of the termination and no other employment has intervened. Failure to give the certification within 31 days will not invalidate a certification if it is established that such was given as soon as reasonably possible, and the certification is made within 90 days.

5. Grp 2.24 is amended to read:

Grp 2.24 Service included. The 25 year period specified in section 66.919 (4) (a) 2., (6) (c), (8) (cc) and (12), of the statutes, shall comprise only service for which compensation is paid by the state, except as provided by section 16.276 (1) (a), Wis. Stats., 1959, together with service specified in section 66.902 (3) (f), Wis. Stats., 1955.

6. Grp 5.01 (1) is amended to read:

Grp 5.01 Designation of a beneficiary. (1) Any person covered by insurance may designate a beneficiary or beneficiaries on a form to be provided by the director. Such designation properly completed pursuant to the instructions contained therein shall be filed with the employing department which shall forthwith file the designation with the director.

7. Grp 6.03 is repealed.

8. Grp 10.23 is renumbered to be Grp 10.23 (1).

9. Grp 10.23 (2) is adopted to read:

Grp 10.23 (2) Cessation of premiums during such disability shall be in effect under the following conditions:

- (a) Such cessation shall not begin while any earnings are being received, except that when a disability annuity applies the cessation of premiums shall become effective as of the first day of the month in which the disability annuity begins to accrue.
- (b) The municipal representative may certify to such cessation while earnings are being received, to be effective when the earnings cease.
- (c) If the person had not ceased to be an insured employe at the time earnings stopped the cessation of premiums may apply 90 days retroactively from the date the certification of cessation of premiums is received, if there is good cause for such delay.
- (d) The certification of cessation can be accepted from the municipality within 31 days after the termination of employment provided that this disability was the cause of the termination and no other employment

has intervened. Failure to give the certification within 31 days will not invalidate a certification if it is established that such was given as soon as reasonably possible, and the certification is made within 90 days.

10. Grp 20.01 to Grp 22.10 are adopted to read:

Grp 20.01 Effective date. The group health insurance program provided by Chapter 211, Laws of 1959, shall be effective April 1, 1960.

Grp 20.02 Coverage. The standard health insurance plan shall be the basic hospital expense and the surgical and medical expense coverages. The major medical or catastrophic coverage shall be optional with each eligible employe who has selected the standard plan, and at his expense.

Grp 20.04 Election of coverage before effective date. (1) Each employe and officer of the state who is eligible to be covered by health insurance on April 1, 1960 shall be insured as of such date if an application form provided by the director is received by the employing department on or before March 7, 1960. The director may extend the March 7 deadline where the employing department was unable to locate the employe or otherwise communicate with him in time to meet the deadline.

(2) Persons becoming employes between March 1, 1960 and April 2, 1960, excluding both of such dates, shall be insured as of April 1, 1960 if such form is received by the department not later than March 10, 1960, and as of May 1, 1960 if received by the department from March 11 to April 10, 1960.

Grp 20.05 Selection of coverage on or after effective date.

(1) Each employe and officer of the state who becomes eligible to be covered by health insurance after April 1, 1960 shall be covered if he completes the application form provided by the director and such form is received by the department within 31 days after becoming eligible.

(2) Such coverage shall be effective at the beginning of the calendar month which occurs on or after the date of eligibility if the application form is received by the department on or before the 10th of the preceding month. If the application form is received thereafter by the department but prior to the 10th of the month in which coverage could have begun pursuant to the preceding sentence, coverage shall be effective at the beginning of the ensuing month. If the application form is received by the department thereafter but within the 31 day period coverage shall be effective at the beginning of the second month next succeeding the receipt of the enrollment form by the department.

Grp 20.07 Initial Premiums. When coverage begins a double deduction of premiums may be required initially, unless proper payment is made otherwise.

Grp 20.08 Deferred Coverage. Any employe, other than an annuitant, who does not elect to be covered during the enrollment periods provided under Grp 20.04 or 20.05 may only be insured if at least 90 days has elapsed from the earliest date at which he could have been covered to the date on which his application is received by the Group Insurance Board. Coverage for such person is subject to the provisions of the contract with respect to evidence of insurability and waiting periods, and the effective date shall be determined as follows:

- (a) At the beginning of the following month if approved by the insurance company and received by the group insurance board prior to the 15th of any month.
- (b) At the beginning of the second month if approved by the insurance company and received by the group insurance board after the 14th of any month.

Grp 20.09 Termination of coverage. When a covered employe ceases to be eligible for coverage because of termination of employment or otherwise, the health insurance coverage shall end at the expiration of the period for which premiums had been deducted at the time of the cessation of eligibility.

Grp 20.10 Coverage of Spouses. If both spouses are eligible for coverage each may select individual coverage, but if one spouse ceases to be eligible for coverage the spouse continuing to be eligible may change to family coverage without requirement of evidence of insurability and without losing waiver of pre-existing conditions, provided that children alive at the time of change to family coverage shall be covered only if satisfactory evidence of insurability is submitted for all persons other than the insured employe or spouse. If one spouse selects family coverage the other spouse may not select any coverage, but the coverage may be changed from one spouse to the other without requirement of evidence of insurability or losing waiver of pre-existing conditions.

Grp 20.11 Coverage of Children. (1) An employe's unmarried child under 23 years of age shall be deemed to be a dependent if a full time student in any school.

(2) This shall include any usual vacation period if the child was a student at the end of the previous term. Full time means the usual schedule of courses or classes for a person whose principal activity is the procurement of an education.

Grp 20.21 Coverage during employment gaps. (1) Any insured employe may continue to be insured during any period of not to

exceed 3 months for which deductions would not otherwise be made while such person continues to be a state employe but earns no salary from the state.

(2) An employe may continue his insurance coverage during such period of interruption of earnings specified in Grp 20.21 (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 (1) but not to exceed 12 months may be provided for any employe if not later than 30 days following the interruption of earnings such employe 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 (1). If the employment gap subsequently is extended beyond the period for which payment has been made, but not beyond the total of twelve months, such coverage may likewise be extended for any employe entirely at his expense if payment therefor has been made in full not later than 30 days prior to the end of the period for which payment had previously been made.

(4) Employes who are not entitled to earnings on the effective date specified in rule Grp 20.01 shall be entitled to become insured upon return to active service in accordance with Grp 20.05.

Grp 20.30 Coverage of annuitants. (1) Any state employe who in 1959 was occupying a state position under a retirement system specified in s. 66.919 (4) (a) 1, b, and who retires upon an annuity during the calendar year 1959 or subsequently shall be eligible for health insurance. In the case of persons retiring after April 1, 1960 such person must have been insured under the state health insurance program during all state employment subsequent to April 1, 1960, or for the entire period of eligibility during the 5 years prior to retirement, whichever is lesser.

(2) For persons whose retirement application was received before April 1, 1960 the form specified under (4) (a) must be received by the group insurance board or retirement system not later than April 15, 1960. If the application for health insurance is received by the retirement system on or before March 15, 1960, the insurance coverage shall be effective April 1, 1960. Otherwise the coverage will be effective May 1, 1960. For those employes who retire during March, 1960, the director is empowered to extend the April 15 deadline as circumstances may warrant such extension.

(3) A person otherwise eligible who subsequent to April 1, 1960 is entitled to and applies for an immediate annuity may within 30 days after applying for such annuity act to be

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covered by health insurance pursuant to this section even if during any period preceding retirement health insurance has not been in effect while no earnings were received, and such health insurance shall be effective at the earliest practical date.

(3c) Whenever a retirement system shall fail to promptly notify the group insurance board that a person is eligible as an annuitant for group health insurance, or if a person is erroneously omitted from a retirement system and such omission is corrected retroactively, including the payment of all required contributions for such retroactive period, the director is empowered to fix deadlines for prospective group health insurance coverage if such person would have been eligible had such error not occurred.

(4) (a) Except as provided in (2) any person entitled to an immediate annuity and eligible to be insured shall continue to be insured only if within 60 days after the filing of the application for such annuity the retirement system receives from such person a completed form, as prescribed by the director of the group insurance board, authorizing the retirement system to deduct premiums for group health insurance. Such form shall be filed pursuant to instructions received from the director. The employing department shall file with the retirement system and the director immediately following the termination of employment of any such person a form, as prescribed by the director, certifying the data pertaining to insurance coverage.

(b) Annuitants filing the application for health insurance not later than the 15th day of the month following retirement will have the insurance continued without interruption. Annuitants filing the application thereafter will have the insurance as an annuitant effective as of the earliest possible date but such application must be filed not later than 90 days following retirement.

(5) If required to make contributions current, annuitants will pay a premium for two months initially.

(6) The director may authorize premium payments to be made in cash or directly to the insurer where circumstances require such.

Grp 20.35 Annuitant coverage limited. An annuitant who does not elect coverage, or fails to comply with the applicable provisions of Grp 20.30, or discontinues his coverage shall be permanently barred from participation in the group health insurance plan.

Grp 21.01 Employee contributions. (1) The employee contributions for health insurance shall be made pursuant to section 66.919 (9) of the statutes, and the contracts currently in force.

(2) The state shall not contribute toward the payment of more than 3 calendar monthly premiums for any employe as the result of any absence from the payroll pursuant to Grp 20.21 (1).

Grp 21.02 Adjustments. Whenever the proper employe contribution is not made by an insured employe in any month, any deficiency shall be deducted by the department upon the ensuing payroll after discovery thereof. If an excess deduction of employe contributions has been made for any employe such shall be adjusted by reducing subsequent contributions for that employe, or if there be no later payroll payment then a refund check shall be issued to the person making the overpayment.

Grp 22.01 Transmission of premiums. Each state department shall not later than the twenty-third day of each calendar month transmit, pursuant to instructions received from the director, all premiums required for the following month's coverage pursuant to section 66.919 Wis. Stats., accompanied by any report required by the director.

Grp 22.10 Remittance of annuitant's premiums. Each retirement system shall remit the premiums for annuitants together with all other required data and forms, within the time limit and in the manner provided by instructions received from the director.

11. Rules Grp 6.01 and 6.02 are re-numbered to be Rules Grp 50.01 and 50.02 and are amended to read:

Grp 50.01 Administration. The director shall prepare and issue instructions to state departments, together with all forms needed for the operation of the group insurance plan. He shall arrange to procure such information from any insured or beneficiary, or from any state department, as shall be necessary for the proper administration of the plan.

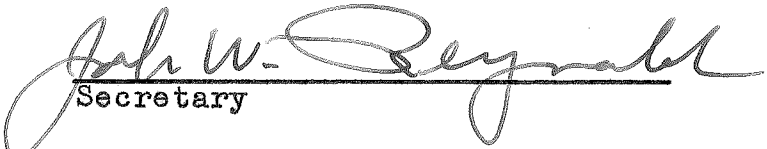
Grp 50.02 Department representative. The person designated pursuant to section 66.901 (16), Wis. Stats., and Wis. Adm. Code SSF 1.02 (3) to be responsible in matters pertaining to the Wisconsin retirement fund and the public employes social security fund for each state department shall be the individual through whom all transactions with the group insurance board shall channel without any further designation or certification.

12. Rule Grp 6.11 is re-numbered to be Rule Grp 50.11.

The rules adopted and amended contained herein shall take effect pursuant to authority granted by section 227.026 (1) Wis. Stats.

GROUP INSURANCE BOARD

May 5, 1960


Secretary