



ORDER OF THE GROUP INSURANCE BOARD  
REPEALING AND RECREATING RULES

Pursuant to authority vested in the Group Insurance Board by sections 40.10 (2), 40.146 and in conformity with Chapter 227, Wis. Stats., the Board hereby amends and creates rules as follows:

Grp. 25.03(3), 25.05(6), 25.07, 25.075, 25.08(1),(2),(3), 25.13(2), 25.14, 25.17(5) and 25.20(5) are amended or created to read:

Grp. 25.03 (3) is created to read:

Grp. 25.03 (3) For employes obtaining coverage under (1) of this section, premium shall be based on salary and sick leave in effect at the time coverage becomes effective.

Grp. 25.05 (6) is created to read:

Grp. 25.05 (6) Any insured employe who allows coverage to lapse during a period of authorized leave by not authorizing premium payments under subsection (2) or (3) may reinstate coverage without furnishing medical evidence of insurability by submitting an application to the employing department within 31 days following the return to active employment. Such coverage shall be effective on the first day of the month which begins on or after the date the application is received by the employing department.

Grp. 25.07 is amended to read:

Grp. 25.07 Termination of coverage. The insurance of an ~~insured~~ employe shall immediately terminate on the day the employe resigns or is dismissed from state employment ~~or the employe attains normal retirement age or~~ elects early retirement, attains age 70 or an age determined by the employer to be a measure of a bonafide occupational qualification, whichever first occurs. When coverage ceases because of termination of employment or attainment of an age limitation, a full months premium is required for any month or portion of a month for which earnings are paid. An employe who has terminated employment ~~prior to attaining age 65~~ 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 the employe terminates employment. If the board is unable to negotiate a non-group conversion policy, coverage shall terminate as stated in this section.

Grp. 25.075 is created to read:

Grp. 25.075 Waiver of Coverage. Any employe in active employment for whom the employe portion of premiums have not been submitted for a period of 12 consecutive months shall be deemed to have waived coverage. Such employe may again obtain coverage only under Grp. 25.03 (1) or (2).

Grp. 25.08 (1) is amended to read:

Grp. 25.08 ~~Coverage of~~ Benefits for disabled employes who have reached normal retirement date. (1) Except as provided under (2) and (3), Income continuation insurance ~~coverage,~~ benefits and premiums shall cease for any employe at the end of the month in which the employe reaches normal retirement age as defined under section 41.02 (23), or subchapter I of chapter 42, Wis. Stats., for annuity computation purposes.

Grp. 25.08 (2) and (3) are created to read:

(2) Benefit Limitations. Except as provided under (3), the maximum duration of benefits for disabled insured employees shall be as follows:

<u>Age at Disablement</u>	<u>Maximum Duration of Benefits in Years</u>
61 or younger	To age 65
62	3.50 years
63	3.00 years
64	2.50 years
65	2.00 years
66	1.75 years
67	1.50 years
68	1.25 years
69	1.00 year

In no event are benefits payable beyond the 70th birthday.

(3) For any employee in an occupation where the employer has determined that age is a bonafide occupational qualification, coverage and benefits shall cease at the retirement age established by the employer in accordance with the law.

Grp. 25.13 (2) is amended to read:

(2) This maximum limitation will not apply in those cases where an employee is determined to be totally and permanently disabled ~~and-is-required-by-state-or-federal-disability-annuity-provisions-to-exhaust-sick-leave-before-submitting-an-application-for-disability-benefits.~~

Grp. 25.14 is amended to read:

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

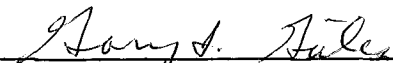
Grp. 25.17 (5) is created to read:

Grp. 25.17 (5) No benefits shall be payable for any period after the date of an insured's death.

Grp. 25.20 (5) is created to read:

(5) Total disability which commences prior to the effective date of coverage.

Employee Trust Funds

  
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Gary I. Gates, Secretary