

## Chapter Grp 20

## STATE HEALTH INSURANCE COVERAGE

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

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60.

**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.

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60.

**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 employees 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.

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60.

**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 on the first day of the calendar month which begins on or after the date the application form is received by the department.

(3) Any state employe called into active military service on or after October 1, 1961 who was insured under the state health insurance program at the time of entry into such military service shall be entitled to coverage upon resumption of state employment subject to the following conditions: (a) If state employment is resumed within 90 days after release from military service.

(b) If an application for health insurance and an authorization to deduct premiums from earnings are filed with the employing department within 31 days after return to state service.

(c) Those state employes who were insured individually but who were married subsequent to October 1, 1961 but prior to the date of return to state employment shall be entitled to apply for family coverage without submitting evidence of insurability, the provisions of section Grp 20.08 to the contrary notwithstanding.

(d) The waiting period for maternity benefits shall be waived for those employes qualifying under this subsection.

(e) Coverage shall be effective on the date employment was resumed. A full month's premium will be required if the date of reemployment occurs between the first and the fifteenth day of any month, but if the date of reemployment is between the sixteenth and the end of any month, the premium for that part month shall be waived.

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60; cr. (3), Register, June, 1962, No. 78, eff. 7-1-62; am. (2), Register, October, 1970, No. 178, eff. 11-1-70.

**Grp 20.055 Coverage of new employes.** Any person eligible for insurance under the provisions of 66.919(21) Wis. Stats. may be enrolled for such insurance as if he had completed his qualifying period on September 5, 1965 or on the effective date of his employment, whichever occurs later. Failure of such person to elect any part or all of such insurance coverage prior to the end of his qualifying period shall not impair the previously existing option to obtain coverage.

**History:** Cr. Register, September, 1965, No. 117, eff. 10-1-65.

**Grp 20.06 Major medical re-enrollment.** Each person insured under the basic surgical and medical expense coverage but not insured under the major medical or catastrophic coverage may, if the application is received by the board prior to March 28, 1961, elect in writing to add the major medical coverage without medical examination and without a 9 month waiting period for pre-existing conditions, such coverage to be effective May 1, 1961. The provisions of this section relating to waiver of waiting periods shall also be applicable to all persons insured under the basic surgical and medical expense coverage who subsequently acted to add major medical coverage prior to March 28, 1961. Individuals covered on a prepayment basis on March 28, 1961 but not on the payroll on March 28, 1961 and who have not elected coverage hereunder and made the required payment therefor may elect such coverage within 31 days after return to the payroll if this section is effective. The director may also approve written applications

for such coverage received within 31 days after recovery or return if individuals insured on March 28, 1961 have been incapacitated or absent from the usual place of residence.

**History:** Emergency rule, eff. 2-9-61; r. and recr. emergency rule, eff. 3-11-61; cr. Register, July, 1961, No. 67, eff. 8-1-61.

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

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60.



**Grp 20.08 Deferred coverage.** Any employe, other than an annuitant, who does not elect to be covered during the enrollment periods provided under section 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.

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60.

**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. No refund of any such premium may be made unless the board has received a written request therefor not later than the 20th day of any month preceding the month for which a premium has been collected or deducted.

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60; am. Register, June, 1962, No. 78, eff. 7-1-62.

**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.

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60.

**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.

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60.

**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 section 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 section Grp 20.01 shall be entitled to become insured upon return to active service in accordance with section Grp 20.05.

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60.

**Grp 20.30 Coverage of retired employes.** (1) Any state employe who in 1959 was occupying a state position under a retirement system specified in section 66.919 (4) (a) 1., b., Wis. Stats., and who retires upon an immediate annuity during the calendar year 1959 or subsequently or who is eligible pursuant to section 66.919 (12a), Wis. Stats., 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 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.

(3b) Any person qualifying for coverage under the 10-year service requirement and other applicable provisions of section Grp 20.30 (1) shall continue to be insured only if within 60 days after termination of employment an application for continued coverage is filed with the group insurance board and premium payments are made in accordance with rule section Grp 20.30 (6).

If such person applies for an annuity he shall authorize the retirement system to deduct premiums for group health insurance within 60 days after applying for such annuity. 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.

(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 subsection (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 or within 60 days after the effective date of the annuity, whichever is later, 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 2 months initially.

(6) The director may authorize premium payments to be made in cash or directly to the insurer where circumstances require such. Failure to make required payments by the due dates established by the insurer and approved by the director shall cause insurance coverage to be cancelled.

**History:** Emergency rules, eff. 3-7-60; emerg. rules renum. (3), (4) and (5) to be (4), (5) and (6); and cr. (3), (3a) and (3b), eff. 4-15-60; cr. Register, May, 1960, No. 53, eff. 6-1-60; am. (1), cr. (3b), am. (6), Register, December, 1961, No. 72, eff. 1-1-62; am. (4)(a), Register, April, 1963, No. 88, eff. 5-1-63.

**Grp 20.35 Retired employe coverage limited.** Any person eligible under the provisions of section Grp 20.30 who does not elect coverage, pursuant thereto, or fails to comply with the applicable provisions of Wis. Adm. Code section Grp 20.30, or discontinues his coverage shall be permanently barred from participation in the group health insurance plan.

**History:** Emergency rules, eff. 3-7-60; cr. Register, May, 1960, No. 53, eff. 6-1-60; am. Register, December, 1961, No. 72, eff. 1-1-62.

**Grp 20.40 Continued coverage of spouses.** (1) The surviving spouse of an employe or annuitant eligible for coverage pursuant to section

66.919 (4) (a) 2 Wis. Stats., who has been covered may continue such coverage (either individual or family) if within 90 days after the death of an insured employe or annuitant an application for health insurance is received by the board.

(2) Such insurance shall not take effect until after such application is received but shall be effective as of the earliest possible date thereafter.

(3) A surviving spouse who has acted pursuant to Wis. Adm. Code subsection Grp 20.40 (1) and who qualifies for an annuity under one of the retirement systems specified in section 66.919 (4) (a) 1. b., Wis. Stats., shall authorize the deduction of health insurance premiums from such annuity as provided by section 66.919 (9) (a) and (c), Wis. Stats., if the annuity is sufficient.

(4) The director may authorize premium payments to be made in cash or directly to the insurer by any person qualifying under subsection (1) where circumstances require such.

(5) This section shall be applicable in the case of deaths occurring after July 25, 1961.

**History:** Cr. Register, October, 1961, No. 70, eff. 11-1-61.

**Grp 20.45 Extended coverage.** Any person qualifying under section 12a of chapter 461, laws of 1961 shall be eligible for inclusion under the group health insurance program pursuant to section 66.919 of the statutes if application therefor is received by the board not later than 60 days after the effective date of this rule and coverage shall be effective pursuant to Wis. Adm. Code subsection Grp 20.05 (2). Premium payments shall be made in accordance with Wis. Adm. Code subsection Grp 20.30 (6), but without state contribution.

**History:** Cr. Register, December, 1961, No. 72, eff. 1-1-62.

**Grp 20.50 Coverage during appeal from removal or discharge. (1)**

(a) An insured employe or officer, whether in the classified or unclassified service, who has exercised a statutory right of appeal from removal or discharge from his position or office, or who within 30 days of such removal or discharge, or of appointment to any position or office, becomes a party to legal proceedings to obtain judicial review of the legality of his removal or discharge or appointment may continue to be insured from the date of the contested removal or discharge or appointment until a final decision has been reached, provided that within 30 days of the date of removal or discharge or appointment such employe pays to the departmental representative or the director of the Group Insurance Board the initial payment to keep the insurance in force. The initial payment shall cover the established contribution for a three month period, but may be for a greater period at the option of the employe. If no determination has been reached at the end of any period for which contributions were paid, an additional payment shall be made within 15 days after the end of such period in such amount as the director of the Group Insurance Board may require.

(b) If the final decision is adverse to the employe or officer, the date of termination of employment shall, for purposes of insurance coverage, be the end of the month in which such decision becomes final by expiration without appeal of the time within which an appeal might have been perfected, or by final affirmation on appeal.



Any contributions which have been paid for any period subsequent to the month in which a final decision is reached shall be refunded.

(c) The payments or contributions referred to in this section shall be the gross amount paid to the insurance company for the particular coverage, and the employe or officer shall be required to pay any amounts normally considered the state contribution. If the right of the employe or officer to such position or office is sustained, an adjustment shall be made for any amounts paid in excess of the normal employe contribution.

**History:** Emergency rule, eff. 11-1-63; cr. Register, February, 1964, No. 98, eff. 3-1-64.

**Grp 20.55 Coverage of employes, annuitants, and dependents eligible for Medicare.** (1) Each covered employe, annuitant or dependent who becomes eligible for benefits under federal plans for hospital and health care for the aged, may continue to be covered through the state group health insurance program only under the plan established pursuant to section 66.919 (7a), Wis. Stats.

(2) Such state coverage shall be effective on the date benefits become available under the federal program.

(3) State coverage for any such person who does not enroll for all portions of the federal program available to him, shall cease on the date such federal benefits would have been available.

**History:** Cr. Register, July, 1966, No. 127, eff. 8-1-66.