

## Chapter Grp 10

## COVERAGE

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**Grp 10.01 Effective date.** The group life insurance program provided by section 66.919 (15), Wis. Stats., shall be effective as of the ensuing January 1 if the resolution is filed with the director pursuant to section 66.919 (15) (c), Wis. Stats., prior to November 15. If filed between November 16 and December 31, it shall not be effective during the ensuing calendar year but shall be effective on January 1 of the following year.

**History:** Cr. Register, November, 1959, No. 47, eff. 12-1-59; am. Register, April, 1962, No. 76, eff. 5-1-62.

**Grp 10.015 Successor school districts.** (1) (a) Whenever any successor school district qualifies pursuant to section 66.919 (15) (cc), Wis. Stats., such school district shall be included as of the date the school district comes into existence.

(b) Any person covered pursuant to section 66.919 (15), Wis. Stats., on the day preceding the date of creation of the successor school district shall continue to be covered upon the same basis.

(c) If any person as an employe or official of a covered predecessor school district, including cities under the city school plan, shall have filed a waiver, such waiver shall continue to be in effect, subject to the provisions of section 66.919 (5) (b), Wis. Stats.

(d) Any person who is an employe or official of such a successor school district who is immediately eligible for coverage and who has not previously had an opportunity to waive shall be insured in accordance with this paragraph unless such waiver is received by the board as follows:

1. Within 30 days after the creation of the school district if such creation occurs more than 30 days prior to the end of the school term.

2. Within 30 days after the resumption of active employment or service in the next succeeding school term if the creation of the school district occurs between the end of one school term and the beginning of the next school term, or if the creation of the school district occurs less than 30 days prior to the end of the school term.

Coverage shall be effective as of the beginning of the next calendar month commencing after such waiver deadline. The amount of such coverage shall be based upon the aggregate compensation paid by the predecessor school district in the previous calendar year if such employment or service was continued during all of such year without a gap of more than three months, except for normal summer vacation periods.

(e) In determining the coverage for the calendar year subsequent to that in which such successor school district comes into existence, the amount of insurance shall be based upon the aggregate compensation paid by both the predecessor and successor school district in the previous calendar year if such employment or service was continued during all of such year without a gap of more than three months, except for normal summer vacation periods.

**History:** Cr. Register, August, 1961, No. 68, eff. 9-1-61.

**Grp 10.02 Waiver of coverage.** (1) Each employe and officer of the municipality who is eligible to be covered by insurance shall be insured unless a waiver on the form provided by the director is received by the municipal representative specified in rule Grp 14.02:

(a) On or before December 10 preceding the January 1 specified in rule Grp 10.01.

(b) At least 30 days before qualifying as an employe pursuant to section 66.919 (4) (a), Wis. Stats., for the first time for insurance that would otherwise be effective on the date of such qualification.

(c) Within 5 days after return to active employment following a leave or layoff without earnings for persons immediately eligible by reason of previous qualifying employment.

(d) Within 5 days after resumption of employment for insurance that is effective upon reemployment after a previous termination of employment, or after initial employment where the person is immediately eligible for insurance by reason of previous qualifying employment.

(e) Prior to the end of the ensuing calendar month following the effective date of enactment, repeal, amendment or interpretation of any statute or rule, making any employe initially eligible for group life insurance. Coverage in such instances shall be effective as of the beginning of the next calendar month commencing after such waiver deadline.

(2) Any waiver may be withdrawn before becoming effective.

(3) If an employe who is rehired or resumes active employment had a waiver of insurance in effect when his previous employment by that municipality terminated, or when he became inactive, such waiver shall apply to the new period of employment. Such persons may obtain coverage pursuant to section 66.919 (5) (b), Wis. Stats.

**History:** Cr. Register, November, 1959, No. 47, eff. 12-1-59.

**Grp 10.03 Coverage requirement.** The clerk of the municipality shall certify to the director the total number of persons eligible for group life insurance coverage in that municipality on the effective date together with the number of waivers filed pursuant to Grp 10.02 (1) (a). Such certification must be received by the director not later than December 15 preceding the effective date specified in rule Grp 10.01.

**History:** Cr. Register, November, 1959, No. 47, eff. 12-1-59.

**Grp 10.09 Group life insurance coverage for employes under private pension plan.** (1) Any municipality included under the provisions of section 66.919 (15) Wis. Stats. may by resolution of the governing body act to extend coverage to municipal employes who are participants in a pension or retirement plan established by such municipality but underwritten by a private insurance company. Such resolution shall list the eligible individuals.

Register, April, 1962, No. 76

(2) Such coverage shall be effective at the beginning of the calendar month which begins not less than 30 days after the receipt by the board of a certified copy of such resolution for all persons listed in such resolution who are still municipal employes on the effective date, unless at least 15 days prior thereto a waiver has been filed by any such person with the municipal representative.

(3) Any such person becoming an annuitant under the municipal pension or retirement plan underwritten by the private insurance company who retires before attaining age 65 but with 20 years of service for such municipality may continue to be insured only if within 60 days after final separation from the municipal payroll the person files with the municipal representative in duplicate a completed form prescribed by the director applying for the continuation of such insurance and agreeing to the remittance of the required premiums until the attainment of age 65. The municipal representative shall certify as to the 20 years service and shall forthwith file one of the applications with the director.

**History:** Cr. Register, April, 1962, No. 76, eff. 5-1-62.

**Grp 10.20 Amount of insurance.** (1) Except as provided under (2) the total salary or wages paid to an employe by that municipality during the previous calendar year pursuant to section 66.919 (4) (e), Wis. Stats., shall be the total amount reported by that municipality for federal income tax purposes.

(2) For persons covered initially who have not been municipal employes for the full previous calendar year the earnings shall be a projection on an annual basis of the compensation at the time of coverage, which shall continue until there is coverage for a full calendar year. Whenever an eligible employe previously covered in that municipality who did not receive compensation for all of the entire preceding calendar year resumes service in that municipality or returns to active service after an interruption without pay extending 3 consecutive months or more, then the municipal representative designated by rule shall estimate the compensation to be received during the ensuing 12 months and such shall be the annual basis of compensation for purposes of coverage until coverage has continued for a full calendar year, provided that for regular seasonal employes the projection shall not continue after such status has continued for a full calendar year.

(3) Changes in amount of insurance, except as provided by section 66.919 (6) (b), (c) and (d), Wis. Stats., shall be made on January 1 in each calendar year if the amount is increased, or on March 1 if the amount is decreased.

**History:** Cr. Register, November, 1959, No. 47, eff. 12-1-59.

**Grp 10.21 Coverage during employment gaps.** (1) Any insured employe may continue to be insured during any period of not to exceed 2 years while such employe receives no earnings from that municipality, including layoffs not due to the misconduct of the employe.

(2) An employe may continue his insurance coverage during such period of interruption of earnings specified in Grp 10.21 (1) if he has authorized a payroll deduction in an amount sufficient to pay his contribution for the lesser of (a) 6 months, or (b) the entire period of interruption of earnings. Such employe may also continue his insurance coverage if he remits to his municipality within 30 days after

the beginning of such period of interruption of earnings an amount sufficient to pay his contribution for the lesser of (a) 6 months, or (b) the entire period of interruption of earnings.

(3) Seasonal employes who are not entitled to earnings on the date specified under Grp 10.01, but who are otherwise eligible to be insured, shall be insured as of that date if within 30 days thereafter the municipality receives a remittance in full payment for the employe contribution for the entire period of absence from the payroll after that date.

(4) Employes who are not entitled to earnings on the effective date specified in rule Grp 10.01 shall be entitled to become insured upon return to active service in accordance with Grp 11.01.

(5) If any absence from the payroll is extended beyond the original period contemplated, or if payment has not been made for the full period, the employe's contribution for such additional period shall be paid within 30 days after the end of the period for which the previous contribution had been paid.

(6) Coverage may not be continued for more than 60 days during leave to serve in the military forces of any nation at war, declared or undeclared. The fact of war shall be determined by the board. The right to convert the insurance to insurance under an individual policy shall exist during the 31 days following the end of the 60 day leave.

(7) The amount of insurance and of employe contributions during a period of interruption of earnings shall be the same as in effect immediately preceding the interruption.

(8) For the purposes of insurance coverage under section 66.919, Wis. Stats., a person who is an insured employe of a school system at the end of a school year is deemed to have employe status during summer vacation and shall continue to be insured during such vacation. The employe and employer contributions for each month, any part of which falls within such vacation, shall be transmitted either in advance or on the monthly basis provided by section Grp. 12.01. "School system" as used herein includes a school district, school board, board of education, special school board, county superintendent's office and any other similar public school agency. "Summer vacation" as used herein means the time in the summer months between the end of the regular school term of the school system in which the employe was last employed and the beginning of the next regular school term of such system. Such employe status during a summer vacation shall be deemed to terminate upon the date an application by such employe for retirement benefits is received by the applicable retirement system. The provisions of this section relating to continuance of insurance and remitting contributions are not mandatory with respect to teachers who have not renewed a contract in accordance with section 40.41, Wis. Stats., but may be exercised at the discretion of the employer.

**History:** Cr. Register, November, 1959, No. 47, eff. 12-1-59; cr. (8), Register, February, 1961, No. 62, eff. 3-1-61.

**Grp 10.22 Suspension of insurance.** If an employe discontinues contributions for insurance while receiving no municipal earnings, the insurance shall terminate on the date to which the contributions are paid. The insurance shall automatically be effective again on the date the employe resumes active employment with that municipality. If

insurance is terminated as provided herein and the employe does not resume active municipal employment he may not convert the insurance to an individual policy without evidence of insurability.

**History:** Cr. Register, November, 1959, No. 47, eff. 12-1-59.

**Grp 10.23 Coverage during disability.** (1) If an insured employe is totally disabled before age 65 as a result of bodily injury or disease so as to be wholly prevented from performing any work or engaging in any occupation for remuneration or profit, and it appears to the municipal representative that such employe is likely to remain so disabled for an indefinite period of time, the employe and municipal contributions for the insurance may be discontinued for 9 months, or until any earlier time that the employe is able to return to work. The insurance shall remain in force while such contributions are discontinued. After contributions have been discontinued for 9 months, upon request of the company proof of disability shall be submitted to the insurance company. If the proof is approved, the insurance will remain in force as long as the disability continues, subject to new proof of disability being submitted each year if required by the insurance company. The amount of insurance will reduce at attainment of age 65 according to the schedule in section 66.919 (6) (b), Wis. Stats.

(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 received.

(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.

**History:** Cr. Register, November, 1959, No. 47, eff. 12-1-59; renum. to be (1); cr. (2), Register, May, 1960, No. 53, eff. 6-1-60; am. (2) (a), Register, April, 1962, No. 76, eff. 5-1-62.

**Grp 10.30 Coverage of annuitants.** Any annuitant under age 65 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 life insurance. Such form shall be filed in duplicate and one copy shall be transmitted forthwith to the director. The employing municipality 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.

**History:** Cr. Register, November, 1959, No. 47, eff. 12-1-59; am. Register, February, 1961, No. 62, eff. 3-1-61.