

1987 Assembly Bill 225

Date of enactment: **November 25, 1987**  
Date of publication: **December 7, 1987**

## 1987 Wisconsin Act 107

AN ACT to amend 20.515 (1) (s), 40.02 (25) (b) 7 to 9 and 40.51 (2); and to create 40.02 (25) (b) 10, 40.05 (4) (ad), 40.51 (10) and 40.52 (4) of the statutes, relating to allowing retired public employes to purchase group health insurance and making an appropriation.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 20.515 (1) (s) of the statutes is amended to read:

20.515 (1) (s) (title) *Benefit and coverage payments; employers other than the state; retired employes.* All moneys received for health care coverage by the public employe trust fund from eligible employes, as defined in s. 40.02 (25) (b) 10, and from employers, as defined in s. 40.02 (28), other than the state, and their employes electing to be included in a health care coverage plan plans through a program offered by the group insurance board for payment of benefits and the costs of administering benefits under s. 40.51 (7) and (10). Estimated disbursements under this para-

graph shall not be included in the schedule under s. 20.005.

SECTION 2. 40.02 (25) (b) 7 to 9 of the statutes are amended to read:

40.02 (25) (b) 7. Any employe whose health insurance premiums are being paid under s. 40.05 (4) (bm); ~~or~~

8. Any other employe of the state for whom coverage is authorized under a collective bargaining agreement under subch. V of ch. 111 or under s. 230.12;

9. Except as provided under s. 40.51 (7), any other employe of any employer, other than the state, which has acted under s. 40.51 to make such coverage available to its employes; or

SECTION 3. 40.02 (25) (b) 10 of the statutes is created to read:

40.02 (25) (b) 10. Beginning on the date specified by the department, but not earlier than the effective date of this subsection .... [revisor inserts date], or later than July 1, 1988, any retired public employe, other than a retired employe of the state, who is receiving an annuity under the Wisconsin retirement system, or any beneficiary of such an employe who is receiving a continuation of the employe's annuity, and, if eligible, is receiving medicare coverage under both part A and part B of Title XVIII of the federal social security act, 42 USC 1395 to 1395zz, and who has acted under s. 40.51 (10) to elect group health insurance coverage.

SECTION 4. 40.05 (4) (ad) of the statutes is created to read:

40.05 (4) (ad) For health insurance, each insured retired employe who elects coverage under s. 40.51 (10) shall pay the entire amount of the required premiums.

SECTION 5. 40.51 (2) of the statutes is amended to read:

40.51 (2) Any Except as provided under sub. (10), any eligible employe may become covered by group health insurance by electing coverage within 30 days of being hired, to be effective as of the first day of the month which begins on or after the date the application is received by the employer, or by electing coverage prior to becoming eligible for employer contribution towards the premium cost to be effective upon becoming eligible for employer contributions. Any employe who does not so elect at one of these times, or who subsequently cancels the insurance, shall not thereafter become insured unless the employe furnishes evidence of insurability satisfactory to the insurer, at the employe's own expense or obtains coverage subject to contractual waiting periods. The method to be used shall be specified in the health insurance contract.

SECTION 6. 40.51 (10) of the statutes is created to read:

40.51 (10) Beginning on the date specified by the department, but not earlier than the effective date of this subsection .... [revisor inserts date], or later than July 1, 1988, any eligible employe, as defined in s. 40.02 (25) (b) 10, may become covered by group health insurance by electing coverage within 30 days after his or her date of retirement, and by paying the cost of the required premiums, as provided in s. 40.05 (4) (ad). Any eligible employe who retires at least 30 days before the date specified by the department, but not earlier than the effective date of this subsection .... [revisor inserts date], or later than July 1, 1988, and any eligible employe who does not so elect at the time specified, or who later cancels the insurance, shall not thereafter become insured unless the employe furnishes evidence of insurability satisfactory to the insurer, at the employe's expense or obtains coverage subject to contractual waiting periods, and pays the cost of the required premiums, as provided in s. 40.05 (4) (ad). The method of payment shall be specified in the health insurance contract.

SECTION 7. 40.52 (4) of the statutes is created to read:

40.52 (4) The group insurance board shall establish the terms of health insurance plans for eligible employes, as defined under s. 40.02 (25) (b) 9 and 10, who elect coverage under s. 40.51 (7) or (10).

SECTION 8. **Nonstatutory provisions; Employee trust funds.** (1) POSITION AUTHORIZATIONS. The authorized FTE positions for the department of employee trust funds are increased by 1.5 SEG positions beginning on the first day of the 2nd month after the effective date of this subsection, to be funded from the appropriation under section 20.515 (1) (s) of the statutes, for the purposes of making informational mailings to all current annuitants and of performing administrative responsibilities.