



STATE OF WISCONSIN
Department of Employee Trust Funds

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CORRESPONDENCE MEMORANDUM

DATE: January 23, 2004
TO: Group Insurance Board
FROM: Audrey Koehn, Director
Disability Programs Bureau
SUBJECT: Negotiated Lump Sum Buyouts

At the February 17, 1998, meeting, the Board initially approved offering negotiated lump sum payments (discounted administrative settlements) to recipients of Income Continuation Insurance (ICI) benefits whose benefits are less than \$200 per month. These payments are for cases where it would be cost effective to the plan to pay one lump sum rather than continue monthly payments. Acceptance by the recipients is completely voluntary.

Attached is a worksheet list of recommended negotiated lump sum payments with a brief summary of each claimant's current status and pertinent information relevant to the determination and calculation of the offer. All of the individuals are permanently disabled, with no improvement in prognosis or rehabilitative potential and will receive benefits through age 65. All benefits have been adjusted (offset) for WRS and Social Security Disability benefits.

Staff requests approval to offer the proposed voluntary lump sum payments to these ICI claimants.

attachment

Reviewed and approved by Tom Korpady, Division of Insurance Services.

Signature

Date

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GIB	2/17/2004	3