



Employer *Bulletin*

Employer Communication Center (608) 264-7900 Toll free: 1-888-681-3952 <http://etf.wi.gov>

ICI	Completion Date	Effective Date	Report Date
Annual Premium Update	January	February 1	February report due March 21, 2011
Deferred Enrollment with <i>ICI Application</i> (ET-2307)	Application received by January 31*	April 1	April report due May 20, 2011
Annual Supplemental ICI Enrollment period - Use <i>ICI Application</i> (ET-2307)	Application received by January 31*	April 1	April report due May 20, 2011

Annual ICI Premium Review and Update

Be sure to complete the annual Income Continuation Insurance (ICI) premium updates in January (effective February 1, 2011). New premium rates are based on employees' 2010 average monthly WRS earnings (total earnings rounded to the next higher thousand and divided by 12) and accumulated sick leave (elimination period for UW Faculty).

Premium categories are based on the employee's accumulated sick leave hours as of the prior year's last complete payroll period. For 2010, this is pay period 26B (December 5, 2010 through December 18, 2010).

Estimated premiums should continue for newly-hired employees or for employees whose percentage of appointment changed, until a full calendar year of WRS earnings is available.

Example:

- Employee starts WRS employment in July 2010: in this case, use estimated salary.
- January 2011 Annual Adjustment: continue to use estimated salary.
- January 2012 Annual Adjustment: use previous calendar year (2011) WRS earnings

Similarly, if an employee had an authorized leave during the prior calendar year, gross premiums remain at the rate in effect prior to the leave until a full calendar year of WRS earnings is available.

Deduct premiums during the 4A payroll period (January 30 - February 12). Remittance reports are due to Employee Trust Funds (ETF) by March 21, 2011.

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Enrollment Period Ends January 31, 2011

Note: Because January 30 falls on a Sunday in 2011, the enrollment period is extended to Monday, January 31.

Deferred:

Deferred enrollment gives employees an opportunity to enroll in ICI based on accumulated sick leave. The employee does not have to provide proof of insurability. The following conditions apply:

- It is the first time an employee becomes eligible for an increase in State contribution toward premium under premium category 4 or 5. An employee is eligible at the end of any year they are in category 6.
- The employee qualifies for premium category 3. Category 3 is available to part-time employees on a prorated basis.

Supplemental:

Supplemental ICI provides optional coverage for annual earnings between \$64,000 and \$120,000. ICI covers annual earnings up to \$64,000. Supplemental ICI covers annual earnings up to \$120,000. The employee pays the entire supplemental premium. There is no partial supplemental coverage.

An employee on a leave of absence during open enrollment has 30 days to apply after returning to work. Employees currently receiving ICI benefits may enroll when they return to work and are no longer receiving ICI benefits.

Deferred and Supplemental:

Determine premiums using the same criteria as the annual process (above). Coverage is effective April 1, 2011. Deduct premiums during the 8A payroll period (March 27 - April 9). Remittance reports are due at ETF by May 20, 2011.

2011 ICI Premium Rates Unchanged

ICI premium rates for 2011 will remain at current levels.

For questions regarding this *Employer Bulletin*, please contact the Employer Communication Center at (608) 264-7900, toll free at (888) 681-3952.

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This ***Employer Bulletin*** is published by the Wisconsin Department of Employee Trust Funds. Questions should be directed to contact persons listed in the Bulletin, or to the Division of Retirement Services (DRS). Call Jean Gilding, DRS Administrator, at (608) 266-1210. Employer agents may copy this Bulletin for further distribution to other payroll offices, subunits or individuals who may need the information. Copies of the most recent Employer Bulletins are available on our Internet site at the following URL: <http://etf.wi.gov/employers.htm>

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