

Department of Employee Trust Funds
STATE AGENCY HEALTH INSURANCE ADMINISTRATION MANUAL

**CHAPTER 3 — ELIGIBILITY, INITIAL ENROLLMENT AND
COVERAGE INFORMATION**

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301 Coverage Eligibility

For group health insurance purposes (per Wis. Stats. § 40.02 (25)(b)), eligible employees include:

- Any State employee covered under the Wisconsin Retirement System (WRS).
- Any teacher employed by the University of Wisconsin for an expected duration of not less than six months with at least a one-third full-time appointment.
- Any person employed as a graduate assistant and other employees-in-training designated by the Board of Regents of the University of Wisconsin System, who are employed on at least one-third full-time basis.
- The surviving spouse and dependents of an active or retired State employee who was a participant in the Group Health Insurance program at the time of their death.
- Any insured employee who is retired on an immediate or disability annuity, or who receives a lump sum payment under WRS which would have been an immediate annuity if paid as an annuity.
- Any participating State employee who terminates after attaining 20 years of

creditable service and remains a participant in WRS (that is, does not take a separation benefit, or who is eligible for an immediate annuity but defers application).

- Any employee on layoff whose health insurance premiums are being paid from accumulated unused sick leave (Wis. Stats. § 40.05 (4)(bm)).
- Any other State employee for whom coverage is authorized under a collective bargaining agreement.
- Any blind employee of WISCRAFT authorized under Wis. Stats. § 47.03 (1)(b) or § 47.03 (1m), who has completed 1,000 hours of service.
- Any rehired annuitant electing to return to active WRS participation is immediately eligible to apply for health insurance coverage through the active employer (any State Agency or local employer that participates in the Wisconsin Public Employers Group Health Insurance program).

302 State Premium Contribution Eligibility

To be eligible to receive the State contribution toward the premium payment (the State share), the employee must meet one of the following requirements:

- Be a covered employee under the WRS, having been employed by the State of Wisconsin (local government service does not apply) for a minimum of six months. (See subchapter 303 to determine prior service.) A leave of absence may extend the effective date of the State share payment.
- Be a new employee with at least six months prior service as a State or University of Wisconsin employee. (Except University Faculty; see below.)
 - a. The new employee must submit an application for health coverage within 30 calendar days of the first day of employment.
 - b. In the event the application is submitted beyond the 30-day period, the new employee is restricted to the Standard Plan with a waiting period for pre-existing conditions.
- Be a graduate assistant or employee-in-training at the University of Wisconsin.
- Be a teacher who is a participating employee and who is employed by the University of Wisconsin for an expected duration of not less than 6 months with at least a one-third full time appointment (UW Faculty). UW Faculty members are eligible for the State premium contribution beginning on the date coverage begins.
- Be a member of the Legislature or elected State official, an employee of the Legislature, a state constitutional officer, a Justice of the Supreme Court, a Court of Appeals judge, a Circuit Court judge, the chief clerk or sergeant at arms of the Senate or Assembly, or a district attorney who did not elect under § 978.12 (6) to continue insurance coverage with a county (or who did elect such coverage but

terminated that election and elected State covered within 3 months of the terminated election). These employees are eligible for the State premium contribution beginning on the date coverage begins.

- Be a blind employee of Workshop for the Blind (WISCRAFT) with at least 1,000 hours of service.

A. Premium Share for Full and Part-time Employees

Prior to the passage and signing of the 2003-2005 biennial budget during July of 2003, state statutes required the State to pay health plan premiums of up to 105% of the lowest-cost health plan in a particular county. The 2003-2005 biennial budget enacted the 3-Tier model with employee premium shares based on the three separate tiers. (The 3-Tier model is explained in Chapter 2.) Wis. Stats. § 40.05 (4)(ag, ar) provide guidance regarding the state premium contribution. Compensation plans and bargaining agreements, approved by the State legislature, determine the exact employee and employer share during each biennium. The employer share for part-time eligible employees is also subject to compensation plans.

Note: As stated in Wis. Stats § 40.05 (4)(ag), the State premium share for employees working fewer than 1,566 hours per year is limited to half the State premium share provided for employees working 1,566 or more hours per year. However, the current (in effect at publication) compensation plans and bargaining agreements provide full State premium shares for employees with appointments of 1,044 hours or more.

B. Premium Share for Limited Term Employees (LTEs)

Once LTEs begin participation under the WRS, they are immediately eligible to enroll in the Health Insurance program by paying the entire premium, or they may defer enrollment until the State contributes toward premium on the first day of the seventh month after WRS participation begins.

LTEs appointed to work fewer than 1,044 hours per year pay half the total premium cost with the State paying the remaining half. Employees hired to work concurrent WRS eligible LTE appointments totaling more 1,044 hours or more per year, either with the same state agency or different state agency, are treated as full-time employees for the determination of the employer share.

Note: LTEs who decline to enroll in the Wisconsin State Employee Group Health Insurance program when they first begin participation in WRS will not receive a second opportunity to enroll in health insurance without restrictions when appointed to a permanent position, unless there has been a 30-day break in employment between the LTE and the permanent position. Employees without the 30-day break in employment are only eligible to enroll in the Standard Plan with a 180-day waiting period for pre-existing medical conditions.

C. Premium Share for Graduate Assistants

Under Wis. Stats. § 40.52 (3), separate health insurance coverage is made available to University of Wisconsin Graduate Assistants, employees in training, short term academic staff, fellows and scholars. Refer to the *It's Your Choice* booklet (ET-2127) for eligibility and enrollment requirements.

The University of Wisconsin contribution is the total premium less the above employee share.

D. Premium Share for Other Represented and Non-Represented Employees

Some represented employees may have different State share contributions. Consult the applicable collective bargaining contracts. Some non-represented employees may also have different State share contributions. Consult applicable Office of State Employment Relations publications.

E. Premium Share for Covered Employees on Military Leave

The State premium share for employees on military leave continues beyond the three months normally allowed under leave of absence provisions. Employees on military leave who have not yet fulfilled the six month employment provision are eligible for the State premium share on the date they would have been eligible had the military leave not occurred.

303 Determining Effective Dates of State Premium Contribution

For employees without a break in service during the first six months of employment **and** no previous WRS service as a State or University of Wisconsin employee, whose employment begins:

- On the first of a month - Add six months to determine the month in which the employee is eligible to receive the State share contribution.
- On the 2nd through the 31st of a month - Add seven months.

EXAMPLE: Hire date of March 2; health insurance application received September 30.

Solution: The employee is eligible for participation in the health insurance program with State share effective October 1. The health insurance application must be received on or before October 1.

These dates are determined by adding seven to the hire date because the employee was hired between the second and thirty-first of the month without a break in service and no previous WRS service.

Whenever an employee has a break in service and no previous State WRS service, any period worked in a month is counted as a month towards WRS service.

EXAMPLE: Hire date of August 26; employee terminates or goes on a LOA

beginning on December 5; employee returns to work on January 15; no prior service before August 26.

Solution: Because there is a break in service, any period worked in a month means that month is counted as a full month towards WRS service. So, the months of August, September, October, November, December and January are counted as there were hours worked in each, totaling the needed six months. The employee is eligible for State share February 1 if a health insurance application was received on or before that date.

NOTE: In this instance, the employee has until February 14 to submit a completed health insurance application (30 days from the date of return to work) for a plan of their choice without a waiting period for pre-existing conditions. For an application received on or before February 1, coverage is effective February 1. The coverage effective date is March 1 for an application received between February 2 and February 14.

Employees with six months WRS prior service as a State or University of Wisconsin employee are eligible to apply within 30 calendar days of hire with coverage effective the first of the month following the employer's receipt of the application and are immediately eligible for the appropriate State premium share.

304 WRS Previous Service Check

A WRS previous service check must be performed for each employee applying for health insurance to determine the appropriate State contribution share and effective date of State contribution.

ETF provides three methods for employers to use in determining whether an employee has previous State and/or University of Wisconsin service:

- Access to the Previous Service Benefit Inquiry Screen on ETF's Extranet site at <http://etfextranet.it.state.wi.us/>.

Note: This is a password-protected site. To obtain access, refer to Chapter 24 of the *Wisconsin Retirement System Administration Manual*.

- Complete a *WRS Previous Service Checks* form (ET-1715) found in subchapter 305 and fax it to ETF at (608) 266-5801.
- Call the Employer Communication Center at (608) 264-7900 or toll-free at (888) 681-3952 and request a previous service check.

305 WRS Previous Service Checks Form (ET-1715)

Department of Employee Trust Funds
 Division of Trust Finance & Employer Services
 PO Box 7931 - Madison WI 53707-7931
 Fax: (608) 266-5801

WRS PREVIOUS SERVICE CHECKS

To verify previous Wisconsin Retirement System (WRS) service, complete the following information: your name/agency, phone number, fax, EIN, re: employee's name, Social Security Number, birthdate and date sent. Do not write in the ETF Review area, additional comments or completion date.

From: Name/Agency	Phone Number:	Fax:	EIN: 69-036-
Employee:	SSN:	Birthdate:	Date Sent:
ETF Review			
<input type="checkbox"/> No previous service. <input type="checkbox"/> Qualifying state service. ____ months. <input type="checkbox"/> Qualifying local service. ____ months. <input type="checkbox"/> Took a separation benefit on _____. <input type="checkbox"/> Is an annuitant: <input type="checkbox"/> WRS Termination date is _____. <input type="checkbox"/> Retirement Annuity application received by ETF on _____. <input type="checkbox"/> Retirement Annuity effective date is _____.			
Additional Comments:			Completion Date:

Employee:	SSN:	Birthdate:	Date Sent:
ETF Review			
<input type="checkbox"/> No previous service. <input type="checkbox"/> Qualifying state service. ____ months. <input type="checkbox"/> Qualifying local service. ____ months. <input type="checkbox"/> Took a separation benefit on _____. <input type="checkbox"/> Is an annuitant: <input type="checkbox"/> WRS Termination date is _____. <input type="checkbox"/> Retirement Annuity application received by ETF on _____. <input type="checkbox"/> Retirement Annuity effective date is _____.			
Additional Comments:			Completion Date:

Employee:	SSN:	Birthdate:	Date Sent:
ETF Review			
<input type="checkbox"/> No previous service. <input type="checkbox"/> Qualifying state service. ____ months. <input type="checkbox"/> Qualifying local service. ____ months. <input type="checkbox"/> Took a separation benefit on _____. <input type="checkbox"/> Is an annuitant: <input type="checkbox"/> WRS Termination date is _____. <input type="checkbox"/> Retirement Annuity application received by ETF on _____. <input type="checkbox"/> Retirement Annuity effective date is _____.			
Additional Comments:			Completion Date:

306 Initial Enrollment and Effective Dates

Employers should immediately upon hire provide newly eligible employees with the *It's Your Choice* booklet (ET-2107; Graduate Assistants, ET-2127) and the *Group Health Insurance Application* (ET-2301; Graduate Assistants, ET-2302). All eligible employees must submit a completed application, even those who do not wish to enroll (Refer to subchapter 307).

Employees can avoid limitations of plan selection and the pre-existing conditions waiting period by enrolling:

- Within 30 days of their date of hire. Coverage is effective the first day of the month that occurs on or after the date the application is received by the State agency.

or

- Prior to the date the employee becomes eligible for the State contribution toward premium. Coverage is effective the first day of the month on or following the date the employee becomes eligible for the employer contribution.

NOTE: Employees failing to enroll during a specified enrollment period are limited to the Standard Plan and subject to a 180-day waiting period for all pre-existing conditions. (Refer to subchapter 308 for other enrollment opportunities.)

Employees may elect to enroll in the Group Health Insurance program before the State contribution towards health insurance premiums begins. These employees have the option to change health plans and/or coverage levels effective on the first of the month that the State contribution begins. Employees canceling coverage prior to the date that the State contribution begins may re-enroll with the coverage becoming effective on the first of the month that the employer contribution begins.

When both spouses are employed by the State and/or the University of Wisconsin (or one is an annuitant) both may retain or select single coverage with their current plan or one may retain or select family coverage under one of their current plans that will cover the other spouse and any eligible dependents. However, family coverage and single coverage cannot be held simultaneously.

If the husband and wife are each enrolled for single coverage, one of the single contracts may be changed to a family contract at any time without restriction and the other single contract cancelled. Family coverage is effective on the first of the month following receipt by the employer of a *Group Health Insurance Application* (ET-2301; Graduate Assistants, ET-2302).

Similarly, one family policy may be split into two single plans with the same health plan effective the first of the month following receipt by the employer of a *Group Health Insurance Application* (ET-2301 or ET-2302) from both spouses. However, in the event a husband and wife each have single coverage, no dependents are covered and should one spouse die, that individual's sick leave credits will not be available for use by the

surviving spouse.

307 Declining Coverage

An employee declining to enroll in the Group Health Insurance program when initially eligible must complete (mark the appropriate box waiving coverage, sign, and date) a *Group Health Insurance Application* (ET-2301; Graduate Assistants, ET-2302) indicating that coverage is being declined. Employees should be reminded that once coverage is declined, coverage elected at a later date is limited to the Standard Plan with a 180-day waiting period for ALL pre-existing conditions. The only exception is the onset of qualifying events creating special enrollment opportunities as described in subchapter 308.

308 Enrollment Opportunities for Employees who Previously Declined/Cancelled Coverage

Employees electing not to enroll during a designated enrollment period can elect coverage at any time in the future, but that enrollment is limited to the Standard Plan with a 180-day waiting period for ALL pre-existing conditions. The effective date of coverage is the first of the month following the employer's receipt of a *Group Health Insurance Application* (ET-2301; Graduate Assistants, ET-2302). The employee may participate in the next Dual-Choice enrollment period following the effective date of coverage.

Under Federal law and by contract, the following events create an opportunity for employees who previously declined or cancelled coverage to enroll in any health plan without the limitation of a 180-day waiting period for pre-existing conditions:

- A. Loss of Other Coverage: Employees who declined coverage under the Group Health Insurance program due to the following circumstances:
- Coverage under another health insurance plan;
 - Coverage under medical assistance (Medicaid);
 - Coverage as a member of the US Armed Forces;
 - Coverage as a citizen of a country with national health care coverage comparable to the Standard Plan options.

and who lose eligibility for the other coverage (does not include voluntary cancellation of the other coverage) or the employer's premium contribution for the other coverage ceases, may take advantage of a special 30-day enrollment period (beginning on the date the other health insurance coverage terminates) without waiting periods for pre-existing conditions. A *Group Health Insurance Application* (ET-2301 or ET-2302) and other information documenting the loss of coverage or employer premium contribution must be received by the employer within 30 days of the date the other coverage or the employer premium contribution ended. Copies of all documentation must be submitted with the ETF advance copy of the *Group Health Insurance Application* (ET-2301 or ET-2302). Coverage is effective on the day

following the last day of the other coverage.

NOTE: The special enrollment period is not available if the employee and/or their dependents remain eligible for coverage under a health insurance plan that replaces the other plan without an interruption of coverage.

- B. Change in Coverage Level: Employees enrolled in single coverage, though eligible for family coverage, may change to family coverage if any eligible dependents covered under another health insurance plan lose eligibility for that coverage or the employer's contribution towards the other coverage ceases.

The special 30-day enrollment period begins on the date the other health insurance coverage terminates. Employees must submit a *Group Health Insurance Application* (ET-2301 or ET-2302) to their employer during the special 30-day enrollment period along with documentation of the loss of other coverage, or the employer contribution ending. Copies of all documentation must be submitted with the ETF advance copy of the *Group Health Insurance Application*. Coverage is effective on the day following the last day of the other coverage or the day following the date on which the employer premium contribution ends.

NOTE: The special enrollment period is not available if the employee and/or their dependents remain eligible for coverage under a health insurance plan that replaces the other plan without an interruption of coverage.

- C. Birth/Adoption/Marriage: Employees who declined coverage under the Group Health Insurance program have a special opportunity to enroll in family coverage if they have a new dependent as a result of marriage, birth, adoption, or placement for adoption. Coverage is effective on the date of marriage if an application is submitted within 30 days of that date. Coverage is effective on the date of birth, adoption, or placement for adoption if an application is submitted within 60 days of the birth, adoption, or placement for adoption.
- D. Increase in Hours for LTEs and less than half-time employees: LTEs and less than half-time employees who initially decline health insurance coverage and whose hours increase to half-time or more, have a new enrollment opportunity. These employees may enroll in any plan without restriction and have 30 days from the date of the employer contribution increase to file a *Group Health Insurance Application* with the employer. Coverage is effective the first of the month following the employer's receipt of the application.

Example: An employee in a WRS-covered position appointed to work fewer than 1,044 hours is eligible for less than half-time employer premium contributions and elects not to participate in health insurance coverage. The employee later receives an appointment, effective October 1, 2006, for 1,044 hours or 50% time. (See Note regarding number of hours in Subchapter 302 [A]). The employee now has an additional enrollment opportunity due to this increase in hours. The employee can file an application on October 1 for coverage effective October 1, or the employee can file the application with the employer on or before October 30, 2006 (30 days from being hired into the new appointment) for coverage effective November 1, 2006.

Employees who fail to enroll during this additional enrollment opportunity will only be eligible to elect insurance coverage under the Standard Plan with a six-month (180--day) waiting period for pre-existing conditions.

A full month's premium is due for the month if coverage or change in coverage level is effective before the 16th of the month. Otherwise, the new premium rate goes into effect the following month.

309 **Completing the *Group Health Insurance Application* (ET-2301; Graduate Assistant, ET-2302)**

Verify the employee's eligibility for group health insurance coverage (Refer to subchapter 301). Provide the employee with the *It's Your Choice* booklet (ET-2107; Graduate Assistants, ET-2127) and *Group Health Insurance Application* (ET-2301; Graduate Assistants, ET-2302). Inform the employee of the deadline for submitting the application to ensure the selection of any health plan without limitation and to receive the identification cards prior to the coverage effective date.

Each eligible employee must submit the application to the employer even if declining coverage. It is important there is written documentation indicating the employee declined coverage. The employee should complete the application, following the instructions on the application cover sheet. The employer must verify that the information is complete, accurate and legible. Complete the employer information section as described below, indicating the date the application was received.

In the employer section at the bottom of the application, the employer must enter:
(Refer to Chapter 11 for applicable codes.)

- a. Employer Number (EIN) - The employer identification number (EIN) given to employers, beginning with 69-036. Enter the last seven digits of the number (e.g., 69-036-**0001-101**). (Graduate Assistant application [ET-2302] is hard-coded 69-036-0001-131.)
- b. Name of Employer (Graduate Assistant application is hard-coded UW.)
- c. Program Option Code – LOCAL GOVERNMENT EMPLOYERS ONLY (Graduate Assistant application [ET-2302] is hard-coded P01.)
- d. Surcharge Code – LOCAL GOVERNMENT EMPLOYERS ONLY (Graduate Assistant application [ET-2302] is hard-coded S01.)
- e. Five-digit Group # - The five digit number assigned to State agencies (e.g., **84535**). (Graduate Assistant application [ET-2302] is hard-coded 83445.)
- f. Enrollment Type code - Identifies the reason for submitting an application. (Refer to Subchapter 1104.)
- g. Employee Type - Enter the appropriate code. (Refer to Subchapter 1103.)
- h. Coverage Type Code - Coverage code identifying single or family coverage. (Refer to Subchapter 1102.)
- i. Carrier Suffix - Two-digit code identifying the carrier (health plan). It is sometimes referred to as the carrier code or plan suffix code. (Refer to the *Monthly Coverage Report* for the plan suffix codes.)
- j. Standard Plan Waiting Period – Code ("01" Dependents [Spouse and Children only] or "02" All Family Members [Employee and Dependents]) identifies the person(s) for

- whom the waiting period applies.
- k. Participant County Code – Code identifying the county of the subscriber's place of residence. (Refer to subchapter 1101.)
 - l. Physician County Code – Code identifying the county in which the subscriber's selected physician or clinic is located. This field does not appear on the ET-2302 for Graduate Assistants. (Refer to subchapter 1101.)
 - m. Previous Service - Complete Information - Check the appropriate response for each question. (This field does not appear on the ET-2302 for Graduate Assistants.)
 - n. Date Application Received by Employer - The date the employer received the completed application. It is important this date be accurate in order to determine if the application was received on a timely basis.
 - o. Date Employment Began - The month, day and year the employee began WRS employment with the employer. For rehired employees, enter the rehire date.
 - p. Monthly Employee Share - The amount the employee contributes toward the monthly premium for the health plan selected. (Refer to subchapter 302.)
 - q. Monthly Employer Share - The amount the employer contributes toward the monthly premium for the health plan selected. (Refer to subchapter 302.)
 - r. Event Date - ONLY complete this field indicating the date of the event IF the reason for submitting an application is one of the following:
 - marriage
 - return from a leave of absence or layoff and coverage had lapsed
 - change from a single to family contract due to the addition of an eligible dependent
 - change from family to single coverage due to the deletion of last eligible dependent
 - divorce which resulted in a change of coverage from family to singleOtherwise, leave this field blank.
 - s. Prospective Date of Coverage - The month, day and year the coverage should be effective. (Refer to subchapters 303 and 306.)
 - t. Payroll Representative Signature - Acknowledging the date the employer received the application and that an audit of the application has been completed.
 - u. Telephone number - of the employer representative who signed the application.

Distribute the application copies as follows:

1. ETF Advance Copy - send immediately to ETF with copies of any required documentation. Refer to subchapter 108 for the mailing address.
2. Carrier Advance Copy - send immediately to the corresponding health plan.
3. Employer Copy - retain for your records.
4. ETF Coverage Report Copy - Submit to ETF with the appropriate month's *Monthly Additions Report* (ET-2610). (Refer to subchapter 502).
5. Employee Copy - return to the employee.

310 Group Health Insurance Application (ET-2301)

ETF Use Only	State of Wisconsin Department of Employee Trust Funds HEALTH INSURANCE APPLICATION				Employer Notes						
Applicant's Social Security Number		Spouse's/Ex-Spouse's/Dependent of/Survivor of: Name & Social Security Number									
Applicant—Last Name		First	Middle	Maiden Name	NEW HEALTH PLAN SELECTED						
Address—Street and No.			City	State	CURRENT HEALTH PLAN						
Postal Code	County		Country (if not USA)								
ELIGIBILITY STATUS (check one) <input type="checkbox"/> Employee <input type="checkbox"/> Survivor <input type="checkbox"/> Continuant (COBRA) <input type="checkbox"/> Annuitant <input type="checkbox"/> Other				I WANT MY COVERAGE TO BE EFFECTIVE: <input type="checkbox"/> As soon as possible <input type="checkbox"/> When employer contributes premium							
MARITAL STATUS: <input type="checkbox"/> Single <input type="checkbox"/> Widowed (date) _____ <input type="checkbox"/> Divorced (date) _____ <input type="checkbox"/> Married (date) _____											
A. REASON FOR SUBMITTING APPLICATION											
<input type="checkbox"/> Initial Enrollment – 02		<input type="checkbox"/> Dual-Choice - 40		<input type="checkbox"/> LTE/half-time employee elig. for new enrollment period – 02							
<input type="checkbox"/> Cancellation – 09		<input type="checkbox"/> Moved from Service Area – 41 Date: _____		<input type="checkbox"/> Transfer from One State Agency to Another - 04							
<input type="checkbox"/> Change to Family Coverage – 43		<input type="checkbox"/> Spouse to Spouse Transfer – 31		<input type="checkbox"/> COBRA (or continuation) – 63							
<input type="checkbox"/> Change to Single Coverage – 44 or 45*		Name of State Agency: _____		<input type="checkbox"/> Other: _____							
* The deletion of a dependent due to loss of eligibility provides an opportunity for continuation coverage (COBRA) up to 36 months. See your Payroll Representative for information.											
B. COVERAGE DESIRED <input type="checkbox"/> Single (Applicant Only) <input type="checkbox"/> Family (Applicant, Eligible Spouse, Eligible Children)											
Last Name		First	Middle	Maiden	Birthdate	Gender	Social Security Number	Rel. Code	Student Status	SELECTED PHYSICIAN OR CLINIC. Indicate "NONE" if electing Standard Plan.	
Applicant					MO DAY YR	M/F				Name (Last, First) County	
Spouse											
Dependent Children											
Children include: your natural children who are dependent upon you or the other parent for at least 50% of their support and are your natural children, legal wards who became your ward prior to age 19, adopted children, stepchildren, or children of your dependent child until your child reaches age 18.											
C. OTHER COVERAGE — If you or any family member listed above is covered under other group health insurance, including MEDICARE, list.											
Medicare? <input type="checkbox"/> No <input type="checkbox"/> Yes - Covered under Medicare name(s): _____											
HIC# _____ Eff. Date: _____											
Other Coverage? <input type="checkbox"/> No <input type="checkbox"/> Yes Through the State of WI, including University of WI? <input type="checkbox"/> No <input type="checkbox"/> Yes Insurance Company _____											
Name(s) of Insured(s) _____											
Group No. _____ Subscriber (Policy) No. _____ Name of Employer _____											
<input type="checkbox"/> I apply for the insurance under the indicated health insurance contract made available to me through the State of Wisconsin and under the TERMS AND CONDITIONS on the reverse side. A copy of this application is to be considered as valid as the original.											
<input type="checkbox"/> I do not wish to enroll at this time, or I wish to cancel my current coverage.											
SIGN HERE & Return to Employer		Applicant Signature				Date Signed (MM/DD/CCYY)		Home Telephone Number ()			
								Daytime Telephone ()			
EMPLOYER COMPLETES AREA BELOW Coding Instructions are in the Employer Health Insurance Manual											
Employer Number 69-036-		Name of Employer				Program Option Code		Surcharge Code			
Group Number		Enrollment Type	Employee Type	Coverage Type Code	Carrier Suffix	Standard Plan Waiting Period	Participant County Code	Physician County Code			
Previous Service – Complete Information						Date Application Received by Employer (MM/DD/CCYY)		Date Employment Began (MM/DD/CCYY)			
1. Did employee participate under WRS prior to being hired by you? <input type="checkbox"/> Yes <input type="checkbox"/> No											
2. Previous service check completed? <input type="checkbox"/> Yes <input type="checkbox"/> No											
3. Source of previous service check: <input type="checkbox"/> Extranet <input type="checkbox"/> ETF											
Monthly Employee Share \$		Monthly Employer Share \$		Event Date (MM/DD/CCYY)		Prospective Date of Coverage (MM/DD/CCYY)					
Payroll Representative Signature							Telephone ()				

311 Identification (ID) Cards

Subscribers will receive an ID card from the health plan for use when obtaining medical services and a separate ID card from the Pharmacy Benefit Manager (PBM) to be used when filling prescriptions. (Refer to subchapter 205 for further information about the PBM.) Member identification numbers are different on each card. Submit application forms at least one month prior to the effective date whenever possible to allow sufficient time for the health plan and PBM to issue the ID cards to the subscriber prior to the effective date.

Subscribers can contact the health plan and PBM directly to request additional ID cards. Phone numbers for the health plans and PBM are listed in the *It's Your Choice* booklet (ET-2107; Graduate Assistants, ET-2127).

312 Coverage During Leave of Absence (Non-military)

Insured employees on a leave of absence (LOA) choose whether to continue health insurance coverage during the leave. A LOA is any period in which an employee is not working for, or receiving earnings from, the employer **and** has not terminated the employer-employee relationship as defined in Wis. Stat. §40.02(40). An employee on LOA is subject to the same eligibility and enrollment provisions as an active employee. A LOA is considered terminated when an employee returns to work for 30 consecutive calendar days for an accumulation of hours of at least 50% of their normal work time.

A. Employee on LOA Continues Coverage:

The following apply to employees continuing health insurance coverage during an approved LOA:

- The maximum length of time coverage can be continued for an employee on LOA is **36 months**. After 36 months or upon termination (whichever occurs first), coverage may be continued under continuation coverage regulations. (Refer to Chapter 7 for information about continuation coverage.)
- Premiums must be paid in advance, either by deduction from the last payroll check or by direct payment to the employer. Employers must receive premium payments in advance of the coverage month.
- The State share contribution toward premium payment continues for the first three months of the LOA for which premiums have not already been deducted as of the date the LOA begins. This will result in a total of up to five months (after the LOA begins) of employer-shared premiums. For the remaining months of the LOA, the employee must pay the entire premium; there is no State contribution after the first three months.
- Employees on LOA are reported along with active employees on the employer's monthly reports to ETF. Any payments received from employees on LOA should

be made payable to the employer and included in the employer's monthly remittance to ETF.

- Employers must provide Dual-Choice information to employees on LOA prior to the beginning of the designated Dual-Choice Enrollment period.
- An employee on a union-service leave may continue coverage beyond 36 months until termination of the leave or the date that service with the labor organization ceases, whichever occurs first.
- Employees continuing coverage while on LOA are not required to complete a *Group Health Insurance Application* (ET-2301 or ET-2302) upon return to work.

B. Employee on LOA Allows Coverage to Lapse - The following apply to employees on approved LOA who allow health insurance coverage to lapse and choose to reinstate coverage upon return to work:

- The employee must submit a *Group Health Insurance Application* and is limited to the same health plan and level of coverage as before the LOA. The application must be received within 30 days of the employee's return to work. Coverage is effective the first of the month following the employer's receipt of the completed *Group Health Insurance Application*. After 30 days, enrollment is limited to the Standard Plan with a 180-day waiting period for pre-existing conditions.

Note: The employee may change level of coverage if a special enrollment opportunity (e.g., marriage, birth, etc.) occurred during the LOA. (Refer to subchapter 305 for information about other enrollment opportunities.) Employees may change health plans if the change results from a move to a different county during the LOA.

- An employee who returns from a LOA that encompassed the entire previous Dual-Choice enrollment period will be allowed a Dual-Choice enrollment opportunity provided an application is filed with the employer within 30 days of the employee's return to work.
- The coverage effective date for employees returning from military leave or Family Medical Leave of Absence (FMLA) is the date the employee returns to work provided an application is filed with the employer within 30 days of the employee's return to work. A full month's premium is due for that month if coverage is effective before the 16th of that month. Otherwise, the entire premium for that month is waived.

The following are examples of situations of FMLA that may be encountered:

- FMLA spans the end of one calendar year and continues into the next year (twelve weeks of one year ending December 31st and twelve weeks beginning January 1st of the next year) - The effective date is the date the employee returns to work, as long as it is not beyond the allowable twelve weeks for the current calendar year.

NOTE: FMLA is based on a calendar year and cannot exceed a twelve-week period in any given calendar year.

- An employee on FMLA exceeds the twelve-week calendar year limit and elects to continue the leave using leave without pay - The effective date of the employee's reinstatement in the Health Insurance Program is the first of the month following the employer's receipt of the employee's health insurance application after completing 30 consecutive calendar days for an accumulation of hours of at least 50% of their appointed employment.

313 Coverage During Military Leave of Absence

Wisconsin Act 162 (enacted March 17, 2004) provides a framework for insuring that certain employees serving in the uniformed services are treated, for purposes of pay and benefits, as though no interruption of service occurred. Under this act, employees may continue health insurance coverage while on military leave, if they so desire, **including employer paid premiums and employee paid premium payroll deductions.**

(Employees not remaining on payroll while on military leave must make employee-paid premium share contributions directly to the employer.) Wisconsin Statute 230.315, created by Act 162, lists three criteria to be met by a state employee activated to serve on military duty in order to receive pay differential, accrue sick leave and paid annual leave, and receive other employee benefits as though no interruption of service occurred:

1. Be activated to serve on military duty or in the U.S. Public Health Service, other than for training purposes, on or after January, 1, 2003; and
2. Serve as a member of the Wis. National Guard, a reserve component of U. S. armed forces, or recalled to active military duty from inactive reserve status; and
3. Receive a military leave of absence under s. 230.32 (3) (a) or 230.35 (3), under a collective bargaining agreement, under rules promulgated by the Office of Employment Relations, or is eligible for reemployment under the provisions of s. 45.50.

Employees who prefer to rely solely on military provided health care and family health insurance, may elect to cancel state coverage. Upon release from active duty, return to employment *and* within 30 days of the loss of the military coverage—loss of coverage is defined as an “event”—the employee may reinstate their state health insurance coverage (same health plan and same coverage level) without prejudice by filing a Group Health Insurance Application. The coverage effective date is the day following the last day of the military coverage.

Employees who are not eligible for the employer premium share when called to active duty, but who become eligible while on military leave, have 30 days from the date of their return to employment to file a health insurance application.

314 Coverage During Layoff

Coverage may be continued during layoff with the following conditions (Also see Subchapters 803, 804):

- The State contribution is available for the first three months of layoff for which premiums have not already been deducted. After that the employee is responsible for the entire premium.
- Employee may continue coverage for up to five years using converted sick leave to pay premiums until the sick leave credits are exhausted followed by 36 months under continuation provisions. In the event that sick leave conversion credits are used, the full amount of the required employee premiums is deducted from the credits until the credits are exhausted, the employee is re-employed, or five years elapse from the date of the layoff. The use of sick leave during layoff is the record-keeping responsibility of the employer. The employee is reported to ETF the same as any other employee on layoff who is continuing their coverage. (For more information on sick leave, see Chapter 8 - Accumulated Sick Leave Conversion Credits.)
- Premiums must be paid in advance, either by deduction from the last paycheck or by direct payment to the employer. Payments must be received by the employer prior to the period of coverage.
- Employees on layoff are reported along with your active employees and employees on LOA. Any payments received from employees on layoff should be made payable to the employer and included in your monthly remittance to ETF.
- If an employee is on layoff during an entire Dual-Choice Enrollment period, the employee must be given a Dual-Choice opportunity. Dual-Choice information should be sent to those employees who are on layoff prior to the beginning of the designated Dual-Choice Enrollment period.

The following apply to employees on layoff status who allow health insurance coverage to lapse and choose to reinstate coverage upon return to work:

- The employee must submit a *Group Health Insurance Application* (ET-2301 or ET-2302) and is limited to the same health plan and level of coverage as before the layoff. The application must be received within 30 days of the employee's return to work. Coverage is effective the first of the month following the employer's receipt of the completed *Group Health Insurance Application*. After 30 days, enrollment is limited to the Standard Plan with a 180-day waiting period for pre-existing conditions.
- The employee may change level of coverage only if a special enrollment opportunity (e.g., marriage, birth, etc.) occurs during the layoff. (Refer to subchapter 305 for information about special enrollment opportunities.)
- Employees moving to a different county during a layoff may change health plans.
- An employee who returns from a layoff that encompassed the entire previous Dual-

Choice enrollment period will be allowed a Dual-Choice enrollment opportunity provided an application is filed with the employer within 30 days of the employee's return to work.

315 Coverage During Appeal of Discharge

An insured employee appealing an employment discharge may continue to be insured from the date of the contested discharge until a final decision is made. The following apply:

- The employer must receive the first premium payment within 30 days of discharge.
- Future premium payments must be made through the employer agency and must be received in advance of the coverage month.
- The employee must pay both the employee and state share of premium due each month until the appeal is resolved.

In the event the appeal is decided in favor of the employee and the employee is made whole (as if the discharge did not occur), the employer must reimburse the employee for all State premium shares paid by the employee during the course of the appeal process. The employer is not required to return the State share in cases where the employee is not made whole but returns to work under the terms of the final agreement.

In the event an appeal reinstates an employee who allowed coverage to lapse during the appeal, the employee may reinstate coverage provided the employee re-applies for coverage within 30 days of the return to work.

If the final decision is adverse to the employee, the date of termination shall, for purposes of health care coverage, be the end of the month in which the decision becomes final.

If the discharge is for reasons other than gross misconduct, the employee is eligible to continue health insurance for the balance of 36 months from the original termination date (the balance of the continuation period). If the discharge is for gross misconduct, the employee is eligible for conversion coverage and should contact the health plan for information on benefits, rates and policy provisions. (Refer to Chapter 6 for information about continuation and conversion.) A *Continuation - Conversion Notice* (ET-2311) must be provided to the employee using the original discharge date.