

**Department of Employee Trust Funds**  
**STATE AGENCY HEALTH INSURANCE ADMINISTRATION MANUAL**

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**CHAPTER 8 — ACCUMULATED SICK LEAVE CONVERSION CREDITS**

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**801 Accumulated Sick Leave Conversion Credit Program**

In accordance with Wis. Stat. Ch. 40, eligible employees can convert accumulated sick leave hours to a dollar-based credit to pay premiums for coverage under the State Employee Group Health Insurance program (if an applicable compensation plan or collective bargaining agreement provides for sick leave conversion). Accumulated sick leave is converted to credits only for the payment of State group health insurance premiums. The sick leave credits are computed as follows:

HOURS x HIGHEST BASIC PAY RATE = SICK LEAVE CREDITS

**802 Eligibility**

The following participants are eligible:

- Terminated, Insured Employee (enrolled in State Employee Health Insurance program at time of termination) - ETF will determine if the employee is eligible for use of sick leave credits.

Sick leave credits can be used to pay health insurance premiums if one of the following eligibility requirements is met:

1. Retirement with an immediate annuity (an immediate annuity is a monthly benefit or retirement lump sum benefit that has an effective date within 30 days of termination); or
2. Terminate employment at age 55 (50 for protective category employees) and have 20 years of creditable WRS service; or

3. Qualify for a WRS 40.65 duty or 40.63 regular disability benefit or Long-Term Disability Insurance (LTDI).

**The employer must submit an *Accumulated Leave Certification (ET-4306)* to ETF.**

- Surviving Insured Spouse or Dependents - Within 90 days of the employee's death, the **surviving insured spouse and insured dependents must submit a *Health Insurance Application (ET-2301)* to ETF and the employer must submit an *Accumulated Leave Certification* to ETF.** (See Chapter 10 - Employee Death.)
- Public Official: Delayed Use of Sick Leave Credits – The following participants can retain accumulated unused sick leave for the purpose of converting the sick leave, at the time of application for retirement benefits, to credits for the payment of post-retirement health insurance premiums under the State Employee Group Health Insurance program:
  - State constitutional officers
  - Members or officers of the Legislature
  - State agency heads appointed by the Governor with Senate confirmation
  - Heads of a legislative service agencies
  - Certain State administrative officials
  - Employees with 20 years of WRS creditable service terminating before their retirement age (providing the do not elect a WRS separation benefit).

**To ensure an accurate record, the employer must submit an *Accumulated Leave Certification* to ETF at the time of termination of WRS employment in the covered position.** Indicate on the top of the certification - PUBLIC OFFICIAL DELAYED SICK LEAVE USE. The final hourly salary is the employee's basic pay rate of his or her position at the time that the employee terminated that position.

- Employee on Unpaid Leave (See Subchapter 803.)
- Employee on Permanent Layoff (See Subchapter 804.)

### 803 Unpaid Leave

Employees on unpaid leave or temporary layoff are eligible to continue coverage and the following chart outlines the provisions for continued coverage:

How Long is Coverage Available	Payment of Premiums	Employee-Required Contributions	Employer-Required Contributions
An additional 3 months of employer contribution toward premium. Thereafter, employee may continue: 1) Up to five years using converted sick leave	Paid in advance by deduction from last payroll check or by personal	After 3 additional months of employer premium upon layoff, employee is responsible for all employer and	First 3 months (in addition to any prepaid months at time of termination) after employee is laid off.

<p>to pay premiums until the sick leave credits are exhausted; 2) Followed by 36 months under COBRA continuation provisions, by paying full premium after the employer contribution ends or after sick leave credits are exhausted, or 3) For life if employee has 20 years of creditable service, with premiums paid by the employee or from sick leave conversion credits if the employee begins or is eligible for an immediate WRS annuity.</p>	<p>check; then 30 days prior to the end of the period for which premiums were previously paid. Any employee share must be paid in advance by deduction from the employee's last check or by personal check if not using sick leave credits.</p>	<p>employee contributions. During temporary layoff only, accumulated unused sick leave may be converted, by the employer, to a dollar amount to pay premiums . Premiums are deducted until: 1) the sick leave credits are exhausted, 2) the 1<sup>st</sup> of the month following the employee's acceptance of other employment offering a comparable health insurance plan or policy, or 3) five years have elapsed from the date of layoff, whichever occurs first.</p>	
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### 804 Permanent Layoff

For group health insurance purposes, a State employee whose employment is terminated due to permanent layoff is to be treated as if terminated for retirement purposes or on a leave of absence per §40.02(40) and §40.05(4)(bm), Wis. Stat., meaning that upon termination due to permanent layoff, health insurance coverage may be continued. In addition, all employees terminated due to permanent layoff are entitled to an additional 3 months of State contribution toward the health insurance premium. This is in addition to the premiums that have already been remitted in advance through normal payroll deduction.

#### A. Conversion of Accumulated Sick Leave (§40.05(4)(b), Wis. Stat.)

This provision applies to a State employee terminated due to permanent layoff (or a State employee otherwise terminated, e.g., for retirement purposes) who:

1. begins an immediate annuity; or
2. receives a lump sum annuity; or
3. has 20 years of creditable service and **is eligible** to retire on an immediate annuity, but delays application.

These state employees are eligible to convert accumulated sick leave under the provisions of the Accumulated Sick Leave Conversion Credit Program (ASLCC) and Supplemental Health Insurance Conversion Credit Program (SHICC) programs as

follows:

- Accumulated unused sick leave is converted at the employee's **highest basic rate of pay** while employed by the state (the SHICC conversion rate is dependent upon the employee's contractual status with the state, as noted above). Upon receipt of the employer's certification of the converted sick leave, ETF will convert the amount to sick leave credits for payment of health insurance premiums. Accumulated and Supplemental sick leave is converted and certified by using the *Accumulated Leave Certification* (ET-4306).
- Sick leave may be used to fund the employee's premium contribution effective the first of the month following the date the layoff begins, if there is an employee contribution due, for the three additional months of employer paid premium as provided in §40.05(4)(a)3, Wis. Stat. After the three additional months of state contribution toward premium, the full amount of the premium will be deducted by ETF from the sick leave credits until the credits are exhausted.
- Under §40.05(4)(b), Wis. Stat., the employee may elect to delay using converted sick leave credits if the employee is covered under a comparable health insurance plan. Comparable health insurance means a plan or policy that provides hospital and medical benefits substantially equivalent to those of the standard health insurance plan established under §40.52(1), Wis. Stat.

B. Conversion of Accumulated Sick Leave §40.05(4)(bc), Wis. Stat.

This provision applies to a state employee terminated due to permanent layoff (or a State employee otherwise terminated, e.g., for retirement purposes) who:

1. has attained 20 years of creditable service,
2. remains a participant (does not take a separation benefit from the WRS), and
3. **is not eligible** for an immediate annuity (i.e., is not age 55 [age 50 for protective occupations]).

Once eligible to apply for a retirement annuity or lump sum retirement annuity, these state employees are eligible to convert accumulated sick leave under the provisions of the ASLCC program and if eligible, the SHICC program, effective the date on which the department receives the employee's retirement application as follows:

- Accumulated unused sick leave is converted at the employee's highest basic rate of pay while employed by the state (the SHICC conversion rate, if applicable, is dependent upon the employee's contractual status with the state, as noted above). Upon receipt of the employee's retirement application, ETF will convert the amount to sick leave credits for payment of health insurance premiums. Accumulated and Supplemental sick leave is converted by use of the *Accumulated Leave Certification*, certified by the employer upon the employee's termination.
- At the request of the employee, the employer must convert accumulated sick leave to fund the employee's premium contribution, if any, effective the first of the month following the date the layoff begins under the provisions of §40.05(4)(a)3,

Wis. Stat. After the three additional months of state contribution toward premium, the employer will certify the remaining unused sick leave balance to ETF, unless the employee requests the employer continue converting accumulated sick leave under §40.05(4)(bm) [see below]. In this situation, the employer would then certify any remaining unused sick leave balance using the *Accumulated Leave Certification*.

- An employee covered under a comparable health plan with sick leave preserved under §40.05(4)(bc), Wis. Stat., may elect—at the time they are eligible for an annuity and submit a retirement application—to delay using the converted sick leave credits per §40.05(4)(b), Wis. Stat. (Comparable health insurance means a plan or policy that provides hospital and medical benefits that are substantially equivalent to the standard health insurance plan established under §40.52(1), Wis. Stat.)

C. Conversion of Accumulated Sick Leave §40.05(4)(bm), Wis. Stat.

**Note:** An *Accumulated Leave Certification* is **not** completed or submitted to ETF for employees only eligible for sick leave conversion under §40.05(4)(bm), Wis. Stat. (i.e., termination due to layoff). The use of sick leave conversion under §40.05(4)(bm), Wis. Stat., during layoff is the record keeping and funding responsibility of the employing agency. The employee premium is to be remitted to ETF in the same manner as other active employees participating in the group health insurance program.

This provision applies to a state employee terminated due to permanent layoff, including those who are:

1. not eligible for an immediate annuity; or
2. eligible to begin an immediate annuity with less than 20 years creditable service, but defers application.

These employees may, on request to the employer, have the employer convert their accumulated sick leave for the purpose of paying health insurance premiums, as detailed below.

**It is the employer's responsibility to notify employees subject to permanent layoff of the following provisions:**

- Upon request between the date on which the employee receives notice of layoff and the actual layoff date, accumulated unused sick leave may be converted by the employing agency at the employee's highest basic rate of pay while employed by the state, for payment of health insurance premiums.
- Sick leave may be used to fund the employee's premium contribution effective the first of the month following the date the layoff begins. After the three additional months of state contribution toward premium, the employee is responsible for the full employee and employer premium, although sick leave credits may be converted by the employer to pay the entire cost.
- An employee using sick leave credits under this provision that returns to state

employment and is eligible for reinstatement, will have any unused sick leave hours reinstated.

- The full amount of the required premium shall be deducted from the credits until the first of the following occurs:
  1. The credits are exhausted;
  2. The employee accepts other employment with a comparable health insurance policy or plan (even if the employee declines the coverage). This coverage ends the first of the month following the date of other employment; or
  3. Five years elapse from the layoff date.

Health insurance continuation coverage (in compliance with COBRA) using the *Continuation - Conversion Notice* (ET-2311) must be offered when the available sick leave premium contribution ends. (See Chapter 6.)

### 805 Permanent Layoff Sick Leave Conversion Reference Chart

This chart provides information regarding sick leave conversion at the time of an employee's permanent layoff (based upon employee status at the time of termination).

<b><i>Employee status at time of permanent layoff.</i></b>	<b><i>Statutory Reference</i></b>	<b><i>State Health Contribution</i></b>	<b><i>ASLCC Program</i></b>	<b><i>SHICC Program</i></b>	<b><i>Administrative Responsibility</i></b>
1. Begins immediate annuity or annuity lump sum. [§40.25 (1)]	§40.05(4)(a)3 §40.05(4)(b)	<ul style="list-style-type: none"> <li>• Up to 2 months prepaid plus additional 3 months.</li> </ul>	Sick leave converted and used once the employer's obligation under §40.05(4)(a) 3 has been met unless escrowed according to 40.05(4)(b).	Available after ASLCC is exhausted if the employee has 15 years adjusted continuous state service. Other OSER regulations apply.	<ul style="list-style-type: none"> <li>• Employing agency pays premiums for 3 months after layoff (not including pre-paid months) as though an active employee.</li> <li>• Employing agency submits <i>Accumulated Leave Certification</i> (ET-4306) to ETF. ETF deducts full amount of premium until sick leave credits are exhausted.</li> </ul>

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<b><i>Employee status at time of permanent layoff.</i></b>	<b><i>Statutory Reference</i></b>	<b><i>State Health Contribution</i></b>	<b><i>ASLCC Program</i></b>	<b><i>SHICC Program</i></b>	<b><i>Administrative Responsibility</i></b>
2. Eligible for immediate annuity with less than 20 years of creditable service, but defers application.	§40.05(4)(a)3  §40.05(4)(bm)	<ul style="list-style-type: none"> <li>Up to 2 months prepaid plus additional 3 months.</li> <li>If requested, employing agency converts sick leave for health insurance until the first of: credits being exhausted; 1<sup>st</sup> of month following employee's acceptance of other employment with a comparable health insurance plan or policy; or 5 years have elapsed.</li> </ul>	Ineligible – any remaining sick leave after §40.05(4)(bm) use is lost unless employee reinstates into State service within 5 years.	Ineligible	<ul style="list-style-type: none"> <li>Employing agency pays premiums for 3 months after layoff as though an active employee.</li> <li>Employing agency converts sick leave and submits health insurance premiums to ETF as though employee is active employee. Employing agency responsible for administration, funding and monitoring sick leave balance.</li> </ul>
3. Eligible for immediate annuity with 20 or more years of creditable service, but defers application.	§40.05(4)(a)3  §40.05(4)(b)	<ul style="list-style-type: none"> <li>Up to 2 months prepaid plus additional 3 months.</li> </ul>	Sick leave converted and used once the employer's obligation under §40.05(4)(a)3 has been met unless escrowed according to 40.05(4)(b)	Available after ASLCC is exhausted if the employee has 15 years adjusted continuous state service. Other OSER regulations apply.	<ul style="list-style-type: none"> <li>Employing agency pays premiums for 3 months after layoff (not including prepaid months) as though an active employee.</li> <li>Employing agency submits <i>Accumulated Leave Certification</i> to ETF. ETF deducts full amount of</li> </ul>

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<b>Employee status at time of permanent layoff.</b>	<b>Statutory Reference</b>	<b>State Health Contribution</b>	<b>ASLCC Program</b>	<b>SHICC Program</b>	<b>Administrative Responsibility</b>
					premium until sick leave credits are exhausted.
4. Not eligible for immediate annuity with less than 20 years of creditable service.	§40.05(4)(a)3  §40.05(4)(bm)	<ul style="list-style-type: none"> <li>Up to 2 months prepaid plus additional 3 months.</li> <li>If requested, employing agency converts sick leave for health insurance until the first of: credits being exhausted; 1<sup>st</sup> of month following employee's acceptance of other employment with a comparable health insurance plan or policy; or 5 years have elapsed.</li> </ul>	Ineligible – any remaining sick leave after §40.05(4)(b m) use is lost unless employee reinstates into State service within 5 years.	Ineligible	<ul style="list-style-type: none"> <li>Employing agency pays premiums for 3 months after layoff (not including prepaid months) as though an active employee.</li> <li>Employing agency converts sick leave and submits health insurance premiums to ETF as though employee is active employee. Employing agency responsible for administration, funding and monitoring sick leave balances.</li> </ul>
5. Ineligible for an immediate annuity with 20 or more years of creditable service.	§40.05(4)(a)3  §40.05(4)(bm)  §40.05(4)(bc)	<ul style="list-style-type: none"> <li>Up to 2 months prepaid plus additional 3 months.</li> <li>If requested, employing agency converts sick leave for health insurance until the first of: credits being</li> </ul>	Sick leave converted by employer to meet employer's obligation under §40.05(4)(b m). Remaining sick leave balance is certified to	Available after ASLCC is exhausted if the employee has 15 years adjusted continuous state service. Other	<ul style="list-style-type: none"> <li>Employing agency pays premiums for 3 months after layoff (not including prepaid months) and converts unused sick leave to pay any employer share of this</li> </ul>

<i>Employee status at time of permanent layoff.</i>	<i>Statutory Reference</i>	<i>State Health Contribution</i>	<i>ASLCC Program</i>	<i>SHICC Program</i>	<i>Administrative Responsibility</i>
		exhausted; 1 <sup>st</sup> of month following employee's acceptance of other employment with a comparable health insurance plan or policy; or 5 years elapsing.	ETF to be "preserved" for conversion at the time retirement application is submitted to ETF, unless it is escrowed according to 40.05(4)(b).	OSER regulations apply.	<p>premium. Employer reports employee to ETF as though an active employee, then,</p> <ul style="list-style-type: none"> <li>• Employing agency converts sick leave and submits health insurance premiums to ETF as though employee is active employee. Employing agency responsible for administration, funding and monitoring sick leave balance, and/or</li> <li>• Employing agency submits <i>Accumulated Leave Certification</i> for any remaining sick leave to be preserved by ETF for conversion upon receipt of retirement application.</li> </ul>

**806 Accumulated Sick Leave and Chapter 40 Terminations**

Effective April 1, 2006, an employee does NOT have to sever the employee/employer relationship to receive §40.63 Disability Retirement or LTDI benefits. Employers may

now elect to keep an employee on a LOA for purposes of maintaining fringe benefits not administered under Chapter 40, i.e., benefits provided by the employer but not administered by ETF. Employees terminated for Chapter 40 purposes but remaining on LOA for non-Chapter 40 benefit purposes are considered Chapter 40 terminations.

Sick leave balances with which the employee intends to pay for health insurance premiums are considered earnings not-paid. State employees must sever the employee/employer relationship if they wish to convert sick leave balances to pay for health insurance premiums. They cannot remain on a LOA as permitted with a Chapter 40 termination.

For more complete information on Chapter 40 terminations and accumulated sick leave, see *Employer Bulletin*, Vol. 23. No. 5, dated April 19, 2006.

### 807 **Completing *Accumulated Leave Certification* (ET-4306)**

An employer must submit an *Accumulated Leave Certification* (ET-4306) to ETF within 30 days after an employee's termination. Complete and submit the form for EACH employee terminating from State service:

- Who is age 55 or over (age 50 if protective occupation); or
- Who is applying for a disability benefit or LTDI; or
- Who died; or
- Who is a "PUBLIC OFFICIAL" (qualifies for delayed sick leave usage under 1991 WA 39 (Public Official)); or
- Who is terminating after 20 years of service but is not eligible for an immediate annuity (qualifies for delayed sick leave usage under 2003 WA 33).

INSTRUCTIONS - Type or print in ink. The *Accumulated Leave Certification* is available on-line at <http://etf.wi.gov/publications/employer.htm>. This form can be printed, completed manually, and mailed or faxed to DETF, or it can be completed on-line and sent as an e-mail attachment. Submit one copy to ETF and keep one copy for your records. A sample of the *Accumulated Leave Certification* appears in Subchapter 807.

- EMPLOYEE INFORMATION - Complete each item below:
  - a. Name - Enter as Last, First, Middle and Former.
  - b. Social Security Number - Enter nine-digit number.
  - c. Birthdate - Enter MM/DD/CCYY.
  - d. Address - Include street or P. O. Box No., City, State, and Zip Code.
  - e. Employment Category - Indicate non-teacher or teacher.
  - f. Gender - Indicate Male or Female.
  - g. Termination Date or Date of Death - Enter MM/DD/CCYY.
  - h. Reason for Termination - Indicate one and position title.

- i. Does employee have health insurance coverage? - Indicate "Yes" or "No".
- j. Is spouse employed by the State of Wisconsin? Indicate "Yes," "No," "Don't know," or "N/A."
- k. Is employee a dependent on spouse's State contract? - Indicate "Yes," "No," or "Don't Know." In the event the employee's spouse is employed by the State of Wisconsin, verify whether employee is a dependent on spouse's State contract.

Note: For employees without State health insurance coverage (neither their own coverage nor a dependent on the spouse's State contract), complete the Spouse Information and the Employer Information only and send form to ETF.

- Health Plan Information - Complete each item below:

Note: In the event the employee is a dependent on the spouse's State contract, provide the spouse's health carrier information.

- a. Health Plan - Enter the Name.
- b. Health Plan Code - Enter the two-digit suffix. Example: 01
- c. Coverage Type - Indicate Single or Family coverage.
- d. Group No. - Enter the five-digit number. Example: 83000

- Spouse/Dependent Information - Complete each item below:

Note: In the event the employee has family coverage, provide requested data for the covered spouse. For unmarried employees, provide data for the youngest dependent and indicate "dependent" on the form.

- a. Name - Enter as Last, First, Middle and Former of spouse/dependent.
- b. Social Security Number - Enter nine-digit number of spouse/dependent.
- c. Birthdate - Enter MM/DD/CCYY for spouse/dependent.

- Certification of Accumulated Sick Leave Complete each item below:

- a. Enter employee's unused sick leave hours; enter Ø if none. Convert minutes to a two-digit decimal.
- b. Enter other creditable leave hours.
- c. Enter total hours (a + b). Convert minutes to a two-digit decimal.
- d. Enter the employee's Highest Basic Pay Rate as a State Employee.
- e. Calculate and enter the "Amount Certified" (c x d).

- For Employer Use Only – Refer to OSER's *Wisconsin Human Resources Handbook*, Chapter 758 - "Administration of the Supplemental Health Insurance Conversion Credit (SHICC) Program" for regulations and examples regarding this program.
  - Enter the employee's seniority date.
  - Enter the employee's bargaining unit.
  - Years of service equal to or less than 24 - In the first box, enter the number of years of service equal to or less than 24. In the second box, enter the sum of that number multiplied by 52 hours (multiply the number by 78 for protective

category).

Example: Employee has 28 years of service. In the first box, enter 24. In the second, enter 1,248 (24 x 52).

- Years of service greater than 24 - In the first box, enter the number of years of service greater than 24. In the second box, enter the sum of that number multiplied by 104.

Example: Employee has 28 years of service. In the first box, enter 4. In the second, enter 416 (4 x 104.)

- f. Enter Supplemental Sick Leave hours (to include extra 500 hours if applicable). This is the total of the sums arrived at in “Employer Use Only” above plus 500 hours if applicable. See also OSER’s *Wisconsin Human Resources Handbook*, Chapter 758 - “Administration of the Supplemental Health Insurance Conversion Credit (SHICC) Program” for regulations and examples regarding this program.

Example: For the employee used above, enter 1,248 + 416. Also, add 500 hours to that number if applicable.

Note: The amount entered here may not exceed the actual number of sick leave credit hours an employee has accumulated at the time of the retirement, layoff, or death (Line a.) except where the addition of 500 hours (if applicable) causes the excess.

- g. Enter Highest Basic Pay Rate as State Employee. (See **NOTE** on form.)
  - h. Calculate and enter the Amount certified (f x g).
  - i. Enter a “Y” if the extra 500 hours are included.
  - j. Total Amount Certified – Enter e + h.
  - k. Enter the month and year through which premiums have been paid. This date should agree with the date being reported on the *Monthly Deletions Report* (ET-2612).
- Employer Information - Complete each item below:
    - a. Group No – Enter the employer group number.
    - b. Date – Enter the date (MM/DD/CCYY) the form is signed.
    - c. Signature of Agent.
    - d. Contact Name and Phone – Enter the name and phone number of person completing the form.
    - e. Employer Name.

**808 Sample Accumulated Leave Certification (ET-4306)**

Department of Employee Trust Funds  
P.O. Box 7931  
Madison, WI 53707-7931

**ACCUMULATED LEAVE CERTIFICATION**

Wis. Stat. § 40.05 (4) (b) and Wis. Stat. § 40.02 (25) (b) and (bc)

Complete this form for each terminating employee who:

1. Is age 55 or over (age 50 if protective occupation); OR
2. Is applying for a disability benefit; OR
3. Died; OR
4. Qualifies for delayed sick leave usage under 1991 WA 39 (Public Official); OR
5. Qualifies for delayed sick leave usage under 2003 WA 33 (Employee terminating after 20 years service but not eligible for immediate annuity)

*THIS FORM MUST BE SUBMITTED WITHIN 30 DAYS AFTER TERMINATION. DO NOT SUBMIT BEFORE TERMINATION. TYPE OR PRINT IN INK.*

**EMPLOYEE INFORMATION**

Name (Last, First, Middle, Former)		Social Security Number	Birthdate (MM/DD/YY)
Address (Street or P.O. Box No., City, State, Zip Code)			Employment Category <input type="checkbox"/> Non-Teacher <input type="checkbox"/> Teacher
Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Termination Date or Date of Death (MM/DD/YY) / /	Reason for Termination (see above) 1 <input type="checkbox"/> Retirement - Eligible    3 <input type="checkbox"/> Death    5 <input type="checkbox"/> WA 33 2 <input type="checkbox"/> Retirement-Disabled    4 <input type="checkbox"/> WA 39	
Does employee have state health insurance coverage? <input type="checkbox"/> Yes <input type="checkbox"/> No	Is spouse employed by State of Wisconsin? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know <input type="checkbox"/> N/A	Is employee a dependent on spouse's STATE contract? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	

**HEALTH PLAN INFORMATION** (Complete Spouse's health plan information if employee is a dependent on spouse's state contract)

Health Plan	Health Plan Code	Coverage Type <input type="checkbox"/> Single <input type="checkbox"/> Family	Group No.
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**SPOUSE/DEPENDENT INFORMATION**

Name (Last, First, Middle, Former)	Social Security Number	Birthdate (MM/DD/YY)
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**CERTIFICATION OF ACCUMULATED LEAVE**

a) Enter unused sick leave hours (enter Ø if none)	
b) Add other creditable leave hours (see instructions in Health Insurance Manual)	
c) Total Hours (a + b)	
d) Highest Basic Pay Rate as State Employee	\$
e) Amount Certified (c x d)	\$
<b>FOR EMPLOYER USE ONLY</b>	
Seniority Date:	Bargaining Unit:
Years of service equal to or less than 24	
Years of service greater than 24	
f) Enter Supplemental Sick Leave hours (include extra 500 hours if applicable)	
g) Highest Basic Pay Rate as State Employee*	\$
h) Amount certified (f x g)	\$
Enter a Y in the box if the extra 500 hours are included	
<b>TOTAL AMOUNT CERTIFIED (e + h)</b>	<b>\$</b>
Premiums have been paid for coverage through (MM/YY)	/ /

\* NOTE: In most cases the highest basic pay will be used, however there are some exceptions. Please refer to current bargaining agreements for represented employees. For some employees line g) will be calculated using the ending base pay rate, or, at the employee's request, the average of the employee's base pay rates during the three highest years. Contact the Office of State Employment Relations for clarification.

<b>EMPLOYER INFORMATION</b>			Group No.
Date (MM/DD/YY) / /	Signature of Agent	Contact Name and Phone	Employer Name

<b>FOR EMPLOYEE TRUST FUNDS USE ONLY</b>		
Effec. Date (MM/YY) /	Coverage Type	Premium Amount

Submit to ETF at above address.  
Keep a copy for your records.

### **809 Escrow of Sick Leave Credits**

Eligible state employees or their surviving dependents insured under the State Employee Group Health Insurance Program at the time of termination may elect to escrow the sick leave accumulated credits (i.e., delay initiation of sick leave conversion credits). The employee can elect to escrow the sick leave for an indefinite period if continuously covered by comparable, other non-state coverage. Comparable non-state health insurance coverage means a plan with hospital and medical benefits substantially equivalent to the state's Standard Plan.

If the employee is a dependent on a spouse's State group health insurance contract, the sick leave credits will automatically be placed in an inactive account until the spouse retires and depletes his or her own sick leave credits. Both spouses must meet the sick leave eligibility requirements.

The decision to escrow should be made upon termination of employment and may be renewed annually. The *Sick Leave Escrow Application* (ET-4305) form must be filed with ETF before the sick leave is converted and the deductions from the credits begin to pay health insurance premiums. State employees insured under the State Health Insurance Program can call ETF to request a *Sick Leave Escrow Application*. You can direct employees with questions on accumulated sick leave conversion credits and escrowing sick leave credits to the ETF Call Center toll-free number at (877) 533-5020 or (608) 266-3285 (local Madison)

### **810 Payment**

Payment for the use of Sick Leave Conversion Credits is secured from the Sick Leave Conversion Credit fund to which each participating employer contributes through the Wisconsin Retirement System monthly contribution report.

### **811 Annual Statement of Account**

Each January, ETF mails annuitants, survivors and dependents an annual statement giving the beginning balance and the current balance of his or her accumulated sick leave account.