

**Department of Employee Trust Funds**  
**WISCONSIN RETIREMENT SYSTEM ADMINISTRATION MANUAL**

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**CHAPTER 15 — EMPLOYMENT OF ANNUITANTS**

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**1500 Rehired Annuitants**

Under Wis. Stat. § 40.23 (1) (a) 1., annuitants are required to fulfill a minimum break in service and meet all conditions of a valid termination, set forth in Wis. Admin Code ETF 10.08 (2), before returning to WRS eligible employment.

Rehired annuitants who have fulfilled these requirements **and** meet the eligibility criteria as defined in Chapter 3 for participation under the WRS, may **choose** to return to active WRS participation by completing a *Rehired Annuitant Election* (ET-2319). A *Wisconsin Retirement System Enrollment* (ET-2316) form does not need to be completed along with the *Rehired Annuitant Election*. **This is the only time an employee may choose to participate or not participate in the WRS upon meeting the WRS eligibility requirements.**

In the event a rehired annuitant elects to return to active WRS coverage, the annuity is cancelled until the employee again retires and reapplies for an annuity. The employee earns creditable service and is eligible for ETF administered insurance benefits offered by the employer. Retirement contributions are due on the employee's earnings.

Should the annuitant elect not to return to active WRS coverage, the annuity continues but no creditable service is earned, the employee is ineligible for active ETF administered insurance, and no WRS retirement contributions are due. Though initially declining WRS participation, an election to participate can be made at any time in the future. When hiring a new or former employee, employers are encouraged to perform a WRS previous service check to determine whether the employee is currently receiving an annuity from the WRS. (Refer to Chapter 23 for more information about previous service checks.)

## 1501 Required Conditions for a Rehired Annuitant

In order for an employee to receive a WRS benefit (including retirement annuities, lump sum retirement benefits, and separation benefits) and return to WRS eligible employment, **two requirements must be met**:

### 1. Required Break in Service

Employees who terminate WRS-covered employment are ineligible for any benefit (including retirement annuities, lump sum retirement benefits, and separation benefits) per Wis. Stat. § 40.23 (1) (a) 1., if they return to WRS-eligible employment before the **latest** of the following dates:

- The day after the annuity effective date.
- The 31<sup>st</sup> day after termination of participating employment.
- The 31<sup>st</sup> day after ETF receives the benefit application. The employee's annuity or lump sum benefit will be canceled if the return to WRS-eligible employment occurs before this required break in service is fulfilled.

### 2. All Required Conditions of a Valid Termination

A termination, whether voluntary or involuntary, must be made with the good-faith intent of ending the employee-employer relationship. A valid termination, for purposes of establishing eligibility to receive benefits (including retirement annuities, lump sum retirement benefits, and separation benefits) under Wis. Stat. § 40.23 (1) (a) 1., must meet the conditions set forth in Wis. Admin. Code ETF 10.08 (2). Refer to subchapter 1402 for the six conditions of a valid termination.

**NOTE:** Contracts or agreements for WRS employment entered into during the minimum break in service period bring into question whether the termination was done in “good-faith.” To ensure compliance with federal IRC § 401(a), ETF may investigate situations where a contract or agreement was entered into during the minimum break in service period. Refer to subchapter 1404.

**If the minimum break in service or any required condition of a valid termination is not met, the termination is not in “good faith” and the member is potentially ineligible for their benefits. Refer to subchapter 1404, Rehired Annuitants and Valid Terminations.**

**Table 15.1 - Rehired Annuitant Situations**

<b>Rehired Annuitant Situations</b>			
<b>Employee terminates WRS-covered employment, applies for retirement annuity and returns to work for a WRS-covered employer. One of the following situations may apply:</b>	<b>Is employee entitled to the Annuity? [Wis. Stat. § 40.23 (1) (a) 1. and § 40.26 (5)]</b>	<b>Is the new period of employment considered participating employment? [Wis. Stat. § 40.22 (3m) and § 40.26 (5)]</b>	<b>Does a WRS Enrollment (ET-2316) or Rehired Annuitant Election (ET-2319) apply? [Wis. Stat. § 40.22 and § 40.26 (1)]</b>
1. Employee returns to work for the <u>same</u> employer without fulfilling the minimum break in service and employment is <u>not</u> expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	No	Yes*	ET-2316
2. Employee returns to work for the <u>same</u> employer without fulfilling the minimum break in service and works fewer than 30 calendar days.	No	Yes*	ET-2316 (Or complete an <i>Employee Transaction Report</i> , (ET-2533), with the new term date.)
3. Employee returns to work for the <u>same</u> employer without fulfilling the minimum break in service and employment is expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	No	Yes	ET-2316
4. Employee returns to work for the <u>same</u> employer after fulfilling the minimum required break in service and employment is <u>not</u> expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	Yes	No	Neither
5. Employee returns to work for the <u>same</u> employer after fulfilling the minimum required break in service and employment is expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	Yes	1. Yes, if employee elects coverage (annuity will be discontinued). 2. No, if employee declines coverage.	1. ET-2319  2. ET-2319
6. Employee returns to work for a <u>different</u> employer without fulfilling the minimum break in service and employment is <u>not</u> expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	Yes	No	Neither
7. Employee returns to work for a <u>different</u> employer without fulfilling the minimum break in service and employment is expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	No	Yes	ET-2316

<b>Rehired Annuitant Situations</b>			
<b>Employee terminates WRS-covered employment, applies for retirement annuity and returns to work for a WRS-covered employer. One of the following situations may apply:</b>	<b>Is employee entitled to the Annuity? [Wis. Stat. § 40.23 (1) (a) 1. and § 40.26 (5)]</b>	<b>Is the new period of employment considered participating employment? [Wis. Stat. § 40.22 (3m) and § 40.26 (5)]</b>	<b>Does a WRS Enrollment (ET-2316) or Rehired Annuitant Election (ET-2319) apply? [Wis. Stat. § 40.22 and § 40.26 (1)]</b>
8. Employee returns to work for a <u>different</u> employer after fulfilling the minimum required break in service and employment is <u>not</u> expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	Yes	No	Neither
9. Employee returns to work for a <u>different</u> employer after fulfilling the minimum required break in service and employment is expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	Yes	1. Yes, if employee elects coverage (annuity is discontinued). 2. No, if employee declines coverage.	1. ET-2319  2. ET-2319
10. Employee returns to work for the <u>same</u> or a <u>different</u> employer within the minimum required break in service after receiving a minimum annuity benefit (lump sum). Employment is expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	No	Yes	ET-2316
11. Employee returns to work for the <u>same</u> or <u>different</u> employer after receiving a minimum annuity benefit (lump sum) and after fulfilling the minimum 30-day break in service. Employment is expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	Yes	Yes	ET-2316
12. Employee returns to work for the <u>same</u> or a <u>different</u> employer after receiving a minimum annuity benefit (lump sum) but without meeting the minimum 30-day break in service. Employment is expected to require at least 600 hours per year (440 hours for teachers and school district educational support staff) and to last at least one year.	No	Yes	ET-2316

- Wis. Stat. § 40.22 (3m) states, "Any employee who becomes a participating employee shall continue to be a participating employee . . . for periods of subsequent employment with that state agency or other participating employer . . . unless the employment . . . is terminated for 12 or more consecutive calendar months or unless the employee receives a benefit . . .". In this situation, the benefit is invalid so the employee continues to be eligible for WRS regardless of working less than 30 days.

**A. Advising the Annuitant of the Election Option**

The employer must advise the employee of the right to elect WRS coverage, if the employee is receiving an annuity from the WRS and the position meets WRS eligibility criteria. Each rehired annuitant should be made aware of the impact on

life and health insurance coverage, if applicable. Refer to subchapter 1502 for additional information.

**B. Reporting Rehired Annuitants Who Elect to Return to WRS Coverage**

Both employer and employee must complete the *Rehired Annuitant Election* (ET-2319) and send it to ETF, if the employee elects to participate in the WRS. The employee's annuity will be canceled and WRS participation will be effective the first of the month following ETF's receipt of the election.

Both the employer and the employee will receive an acknowledgment copy of the *Rehired Annuitant Election* indicating the effective date of WRS participation. It is important that the employer submit the election form to ETF within one week of hire or any future election. Copies of the *Rehired Annuitant Election* can be obtained by calling ETF Supply and Mail Services at (608) 266-3302. The *Rehired Annuitant Election* is also available on ETF's Internet website at <http://etf.wi.gov> under Employer/Employer Forms/WRS.

**C. Reporting Rehired Annuitants Who Choose Not to Return to WRS Coverage**

Even if the employee chooses not to return to WRS coverage, the employer and employee must complete the *Rehired Annuitant Election* and return it to ETF within one week of hire. All other information, including the employee's hire date, must be completed so ETF can verify that the minimum break in service occurred before the employee returned to work. An exception to this is when a WRS annuitant is being hired into a WRS ineligible position and is not a prior employee of the employer.

**E. Annuitant Participation After Minimum Annuity Benefit (Lump Sum)**

In the event the employee received a minimum WRS Annuity Benefit, fulfilled the 30-day break in service and their position meets the criteria for WRS coverage, the employer **must** enroll the employee in the WRS. Due to the lump sum nature of the annuity, this employee is treated as a new participating employee for all purposes.

**1502 Completing the *Rehired Annuitant Election* (ET-2319)**

Reporting Requirements - The following information must be entered on your report, when applicable. Refer to the sample in subchapter 1501 A.

**Table 15.2 - Rehired Annuitant Election Form Fields**

Field	Field Title	Instructions
1	SOCIAL SECURITY NUMBER	Obtain the employee's Social Security number directly from the employee's Social Security card. Attach a copy of the Social Security card, if available.
2	EMPLOYEE NAME	Enter the last name, first name and middle initial.
3	GENDER	Check the appropriate box.
4	BIRTHDATE	Enter the date as it appears on the birth certificate (MM/DD/CCYY).
5	ADDRESS	Enter employee's permanent home address.
6	EMPLOYER NAME	State of Wisconsin agencies - enter the name of the agency. All other employers are to enter the name exactly as printed on their WRS <i>Monthly Retirement Remittance Reports</i> (ET-1515).
7	STATEMENT OF BENEFITS DISTRIBUTION CODE	Use of this code is optional. A six digit numeric code is available to sort <i>Statement of Benefits</i> into desired units, departments, etc. Fewer than six digits may also be indicated.
8	ETF EMPLOYER ID NUMBER	Enter your seven-digit EIN (XXXX-XXX) as shown on your WRS <i>Monthly Retirement Remittance Report</i> (ET-1515).
9	HIRE/REHIRE DATE	Enter the date the employee <u>returned</u> to employment.
10	EMPLOYMENT CATEGORY	Determine the appropriate employment category from the categories listed in subchapter 401.
11	EMPLOYEE ELECTION	The employee must check the appropriate box to elect or not elect WRS participation.
12	EMPLOYEE SIGNATURE AND DATE	The employee must sign and date the form to validate the election to participate or not participate.
13	SIGNATURE AND TITLE OF AGENT AND DATE	Only the WRS agent (or alternate agent) is authorized to sign this form. By signing the form, the agent is certifying that the information regarding this employee is correct. Refer to subchapter 201.

**Sample Rehired Annuitant Election (ET-2319)**

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

**REHIRED ANNUITANT ELECTION**

Wis. Stat. § 40.26 (1)

**PLEASE TYPE OR PRINT IN BLACK**

Please refer to Chapter 15 of the WRS Employer Manual for instructions on completing this form.

Employee Name (Last, First, Middle) <span style="float: right;">2</span>		Social Security Number <span style="float: right;">1</span>	
Address (Street, City, State, Zip) <span style="float: right;">5</span>		Gender <span style="float: right;">3</span> <input type="checkbox"/> Male <input type="checkbox"/> Female	
Employer Name (if State of Wisconsin, include department) <span style="float: right;">6</span>		Birthdate (MM/DD/CCYY) <span style="float: right;">4</span>	
ETF Employer ID No. <span style="float: right;">8</span>	Hire/Rehire Date (MM/DD/CCYY) <span style="float: right;">9</span>	<b>FOR ETF ONLY</b> Date WRS Participating Employment Begins (Mo/Day/Yr)	
Report Date (To be completed by ETF)			WRS Term Date:
			Benefit Efec. Date:
		Benefit App. Rec'd.:	

**EMPLOYMENT CATEGORY**

<input type="checkbox"/> 00 General Employee <input type="checkbox"/> 01 Court Reporter <input type="checkbox"/> 02 State Exec. Retirement Plan (Wis. Stat. § 20.923 (4), (8) or (9)) <input type="checkbox"/> 03 Protective Occupation Under Social Security <input type="checkbox"/> 04 Protective Occupation Not Under Social Security <input type="checkbox"/> 05 Supreme Court Justice <input type="checkbox"/> 06 Legislator or State Constitutional Officer	<input type="checkbox"/> 07 Court of Appeals Judge <input type="checkbox"/> 08 Circuit Judge <input type="checkbox"/> 09 Elected Official or Appointed to Fill an Elected Office <input type="checkbox"/> 10 Teacher <input type="checkbox"/> 11 Executive Teacher <input type="checkbox"/> 12 Educational Support Personnel
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<b>Employee Election</b>	
<input type="checkbox"/> I elect to participate in WRS as an active employee pursuant to Wis. Stat. § 40.26 (1). I certify I have remained terminated from all WRS participating employment between my date of termination and the <u>latest</u> of the following dates: <ul style="list-style-type: none"> <li>• the day after my annuity effective date, or</li> <li>• the 31<sup>st</sup> day after my termination date, or</li> <li>• the 31<sup>st</sup> day after ETF received my benefit application.</li> </ul> I understand my WRS annuity will be terminated and WRS coverage will begin effective the first of the month following ETF's receipt of this election. I understand this election can be revoked only if ETF receives my written request to withdraw this election prior to the day WRS coverage would resume. I will be eligible to reapply for a retirement annuity only when I again terminate all WRS covered employment.	
<input type="checkbox"/> I do <u>not</u> elect to actively participate in WRS pursuant to Wis. Stat. § 40.26 (1). I certify I have remained terminated from all WRS participating employment between my date of termination and the <u>latest</u> of the following dates: <ul style="list-style-type: none"> <li>• the day after my annuity effective date, or</li> <li>• the 31<sup>st</sup> day after my termination date, or</li> <li>• the 31<sup>st</sup> day after ETF received my benefit application.</li> </ul> I understand I may elect to actively participate in the WRS at any time in the future, provided I meet the WRS eligibility criteria for participation, by filing an updated form.	
<b>EMPLOYEE MUST SIGN HERE →</b>	Signature of Employee (in ink) <span style="float: right;">12</span> Date

<b>AGENT MUST SIGN HERE</b>	I hereby certify the named is an employee of this participating employer who meets the eligibility standards for participation in the Wisconsin Retirement System as defined in Wis. Stat. § 40.22, and is an "employee" as defined in Wis. Stat. § 40.26 at this time. I understand that Wis. Stat. § 943.395 provides criminal penalties for knowingly making false or fraudulent claims on this form and hereby certify that, to the best of my knowledge and belief, the above information is true and correct. I certify that I am responsible for reporting coverage information to the Wisconsin Retirement System.
	Signature and Title of Agent <span style="float: right;">13</span> Date

Make one copy for your records and one copy for your employee. Submit the original to ETF.

## 1503 Life and Health Insurance Coverage for Rehired Annuitants

Rehired annuitants eligible for WRS participation have the option to participate in the WRS and may have questions regarding insurance coverage. The following information pertains only to those employers who offer life and/or health insurance administered by ETF.

### A. Life Insurance Coverage for Rehired Annuitants

An annuitant insured under the Wisconsin Public Employer's Life Insurance program who elects to participate in the WRS may choose to keep the life insurance coverage they had as a retiree or enroll in the coverage offered by the employer. If annuitant life insurance coverage is maintained, employees younger than age 65 must contact ETF to arrange for continuation of premium payments through direct pay before the annuitant coverage lapses due to non payment of premiums from the WRS annuity (no premiums are due after age 65). Annuitant life insurance coverage will lapse at the end of the month following the month in which the final annuity payment is received. (For example: If the final WRS annuity check is dated June 1, life insurance coverage lapses July 31.)

If the employee chooses to enroll in the life insurance plans provided by the employer, the employee is subject to the same eligibility rules as all other new employees who have previous WRS service. Applications must be completed and submitted to ETF with the election form ET-2319 no later than 30 days after beginning active WRS participation. Active life insurance coverage will begin on the day after annuitant coverage lapses or, if the employee was not covered for life insurance as an annuitant, coverage becomes effective the first of the month following receipt of the application by the employer.

### B. Health Insurance Coverage for Rehired Annuitants

A rehired annuitant electing to return to active WRS participation is **only** eligible for health insurance coverage through the active employer. An annuitant rehired by an employer that participates in WRS but does not offer health insurance to its employees will lose health insurance coverage as an annuitant by electing to participate in WRS.

Medicare is the primary payer for an employee older 65 years who retains annuitant status. If the employee elects to return to active WRS participation and the employer participates in the Group Health Insurance Program, they may cancel any Medicare coverage but must reenroll when WRS participation terminates.

Refer to the *Group Health Insurance Employer Administration Manual*, Chapter 9 (on Rehired Annuitants) for further information.

### C. Income Continuation Insurance (ICI)

A rehired annuitant electing to return to active WRS participation is eligible to participate in the ICI program. The criteria for enrollment of a rehired annuitant are the same as that for any eligible employee. Refer to the *ICI Administration Manual*, Chapter 2.

### 1504 Disability Annuitants

A participant receiving a disability annuity cannot actively participate in the WRS until the individual is no longer eligible for the disability annuity as medically certified. Once the disability annuity is terminated, if the employee meets the WRS eligibility requirements the employee is treated as an active WRS covered employee. The employee is eligible for insurance and WRS contributions must be remitted on their WRS earnings.

### 1505 Waiving WRS Participation for Service as a Part-Time Elected Official

Part-time elected service is defined as 1,044 hours or less per calendar year (Wis. Stat. §40.23 (1) (am)). Elected officials under the WRS who have attained age 55 and are covered for both part-time local elected service and other WRS covered employment may receive an annuity only after terminating the other WRS employment and waiving rights to further WRS participation for their part-time local elected service.

A WRS annuitant who returns to work as a part-time elected official during the required break in service may waive participation in the WRS to avoid cancellation of the annuity.

The waiver becomes effective the day after its receipt by ETF or the date all WRS covered employment-other than service as a part-time elected official-is terminated, whichever is later. The waiver of part-time elected service is available only for part-time elected officials who have reached the age of 55 or older, even if terminating as a protective occupation participant (Wis. Stat. §40.23 (1), (2M)). **This waiver is irrevocable.** ETF will contact you with the termination information you need to report for WRS purposes.

If a WRS annuitant returns to work as a part-time elected official at more than one WRS participating employer, a waiver must be submitted at each employer for which the annuitant wishes to waive WRS participation. The waiver effective date mentioned in the previous paragraph will be based on the first *Waiver of Part-Time Elected Service* (ET-4303) received by ETF. This form is available upon request and appears on the next page. The form is to be completed by the employer and employee. All three copies should be submitted by the employee to the address at the top of the form. The employer and employee will receive acknowledgment copies.

**1506 Waiver of Part-Time Elected Service (ET-4303)**

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

**WAIVER OF PART-TIME  
 ELECTED SERVICE**

Wis. Stat. § 40.23 (1) (am)

FOR ETF USE ONLY	
<input type="checkbox"/>	Annuitant
<input type="checkbox"/>	Active Employer

**INSTRUCTIONS FOR COMPLETION AND MAILING:**


1. Employee must complete the Employee Identifying Information section.
2. Employer must complete the Employer Certification section.
3. Employee must certify the form by signing and dating the Employee Waiver section.
4. Employee is responsible for sending the completed copy to the address above. If you are applying for a benefit from the Wisconsin Retirement System (WRS), send this form with your benefit application.
5. A separate waiver must be filed for each employer at which you wish to waive WRS participation as an elected official.

**1. Employee Identifying Information:**

Employee Name:	Employee Social Security Number:
Employee Address:	Employee Telephone Number:

**2. Employer Certification:**


As the designated agent for the named employer, I hereby certify that the above-named employee is an elected official whose position requires less than 1,044 hours per calendar year, and is not employed by the named employer in any other capacity.

SIGN HERE 	Employer Name	Employer Number
	Signature of Employer Agent <i>(in ink)</i>	Date <i>(MM/DD/CCYY)</i>

**3. Employee Waiver:**

I hereby certify that I am at least 55 years old and have terminated, or will terminate within the next 90 days, all WRS-covered employment other than service as a part-time elected official and that my elected official position requires less than 1,044 hours per calendar year. I hereby irrevocably waive further participation in the WRS for my current, and any future, service as an elected official that does not exceed 1,044 hours per year.

I understand that it is my responsibility to mail this waiver to the Department of Employee Trust Funds (ETF), that it will become effective on the day after its receipt by ETF, or, if more than one waiver is being submitted, on the first day after the first waiver is received by ETF, and that date, or the date I have terminated all WRS-covered employment other than service as a part-time elected official, whichever is later, will be my WRS termination date.

SIGN, DATE AND MAIL 	Signature of Part-Time Elected Official <i>(in ink)</i>	Date <i>(MM/DD/CCYY)</i>
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