



State of Wisconsin
Department of Employee Trust Funds
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SECRETARY

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Correspondence Memorandum

Date: November 14, 2016
To: Employee Trust Funds Board
From: Deb Roemer, Director
Benefit Services Bureau
Division of Retirement Services
Subject: Disability Program Redesign-UPDATE

This memo is for informational purposes only. No Board action is required.

At its September 29, 2016 meeting, the Employee Trust Funds (ETF) Board approved a proposal to close the Long Term Disability Insurance (LTDI) program to new claims and reopen the 40.63 Disability Annuity program. These changes are slated to occur on January 1, 2018. Our initial activities focused on making necessary changes to the 40.63 and LTDI administrative rules and making changes to ETF's Benefit Payment System (BPS) in order to facilitate the runout of existing LTDI claim payments.

Administrative Rule Changes. A Statement of Scope of proposed rules, which indicates ETF's intention to make the amendments necessary to both the LTDI and 40.63 administrative rules, was sent to the Governor's Office of Regulatory Compliance for approval on November 3. We are awaiting the Governor's action.

BPS System Changes. Staff from the Disability Programs Section (DPS), the Division of Retirement Services, and the Applications Development Section have been reviewing data requirements and system processes that will be necessary to bring the LTDI runout process in-house. Once these requirements are finalized, real claims data will be forwarded to ETF by the current LTDI administrator (Aetna) and intensive testing will begin.

We will also develop a comprehensive communications plan for internal staff, employers, LTDI claimants and participants.

Please contact Deb Roemer at (608) 266-5387 or deb.roemer@etf.wi.gov if you have comments or questions.

Staff will be at the Board meeting to answer any questions.

Reviewed and approved by Matt Stohr, Administrator,
Division of Retirement Services

Electronically Signed 11/28/16

Board	Mtg Date	Item #
ETF	12.15.16	4B