



STATE OF WISCONSIN
Department of Employee Trust Funds
David A. Stella
SECRETARY

801 W Badger Road
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax (608) 267-4549
<http://etf.wi.gov>

CORRESPONDENCE MEMORANDUM

DATE: March 16, 2009
TO: Group Insurance Board
FROM: David H. Nispel, General Counsel
SUBJECT: Clearinghouse Rule 08-079
Insurance Coverage of Insured Dependent

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

On November 11, 2008, the Board approved the final draft report of this administrative rule. The rule has now completed its legislative review process with no objections. It will be published in the Wisconsin Administrative Register in April. The effective date of the rule will be May 1, 2009.

This administrative rule provides that health insurance coverage for surviving insured dependents will automatically continue despite the death of the insured employee or annuitant who had family health insurance coverage in effect. Currently, an application must be completed and submitted to maintain coverage. This rule removes that requirement. Payment of the insurance premiums is provided for in the rule.

The rule designates who will be responsible for making decisions about the health insurance coverage following the insured employee's death. The responsible person will have control over the health insurance coverage and will make the annual Dual-Choice decisions. The duration of coverage for a surviving insured dependent other than a spouse is to be established by the terms of the group health insurance contract. A surviving spouse is entitled to coverage for life, unless the surviving spouse cancels the coverage voluntarily or coverage is cancelled for non-payment of premiums.

The primary goal of the rule is to reduce or eliminate interruptions in coverage for surviving dependents who wish to continue health coverage. Another goal is to reduce staff time spent soliciting applications, reminding surviving dependents of the application deadline, and handling telephone calls and correspondence concerning health coverage that was involuntarily terminated.

Reviewed and approved by Robert J. Conlin, Deputy Secretary.

Signature Date

Board	Mtg Date	Item #
GIB	04/14/09	8