



STATE OF WISCONSIN
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CORRESPONDENCE MEMORANDUM

DATE: November 6, 2009
TO: Group Insurance Board
FROM: Bill Kox, Director, Health Benefits and Insurance Plans
 Joan Steele, Manager, Alternate Health Plans
SUBJECT: Guidelines and Uniform Benefits for the 2010 Benefit Year – Amendment

Staff recommends the Group Insurance Board (Board) adopt the Guidelines and Uniform Benefits amendment discussed below.

After the October 19, 2009, memo was prepared outlining additional amendments to the contract, the Office of the Commissioner of Insurance (OCI) passed an emergency administrative rule clarifying administrative provisions for determining eligibility of adult children up to 27 years of age. In response to participant questions, staff recommends further amending the contract language.

The recommended language change in the October 19, 2009, memo does not allow for subscribers to delete the adult child from their family coverage during the year when the adult child becomes eligible for group health insurance due to finding employment or getting increased hours. Subscribers would then be required to continue to insure their adult child for the remainder of the year when the adult child has other insurance, which may result in unnecessary imputed taxable income to the subscriber. Staff recommends that subscribers be permitted to delete the adult child from their family coverage when the adult child enrolls in group health insurance during an initial enrollment opportunity.

The recommended language change is shown below. New language is shaded and underlined. The recommended amendment does not have a cost impact.

Section	Recommended Language Change
State & Local Contract Article 3.3 (11)	Coverage for the DEPENDENT eligible under this section remains in effect until the DEPENDENT is no longer eligible, the family coverage is terminated, <u>the DEPENDENT elects health insurance coverage through an employer during an initial enrollment opportunity,</u> or the SUBSCRIBER requests to terminate the coverage for the DEPENDENT effective the following January 1, whichever occurs first.

Staff will be available at the Board meeting to respond to any questions or concerns.

Reviewed and approved by Tom Korpady, Division of Insurance Services.	
Signature _____	Date _____

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