

From: [REDACTED]
To: [Carr, Kevin A - DOC](#); [Rep.Spiros - LEGIS](#); [ETF SMB Board Feedback](#)
Subject: Denied sick leave credits
Date: Friday, December 8, 2023 8:29:08 PM

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My name is Thomas Brandt. I retired in 2013 after 22 years of service at Lincoln Hills School. I was a youth counselor in maximum security for 10 years and a Supervising Youth Counselor the last 12 years.

We were urged not to use sick leave because of overtime costs. I accumulated \$56,000 in sick leave credits and was told we could use them anytime during retirement.

My wife was still teaching in public school so we went on her health insurance until she retired 2 years ago. It was a high deductible plan slightly higher than what the state offered.

Due to high cost of insurance we went to the health marketplace to get an affordable insurance plan.

We decided to try and use my sick leave credits for 2024. I submitted all of the paperwork but received a letter denying use of the credits because our current plan wasn't comparable coverage to the state access plan. We were approved for a state insurance plan that would cost me \$2450 of my \$3000 monthly pension. The plan I was approved for didn't even match the access plan guidelines. On top of that it said I will be forfeiting my credits for not maintaining comparable coverage.

I had until December 31 to appeal the decision and/or cancel the plan. The letter did not mention the first premium would come out of my December check while waiting to appeal. I did call ETF to cancel the policy but it was too late so my check for December, and Christmas, was \$700. I have since canceled the plan and went on the health marketplace.

In conclusion, I feel this policy of comparable coverage is unfair and needs to be changed. I would have used the \$56000 of sick leave while employed and forced overtime pay if I had known I would lose it. I have since heard I am not the only one that this is happening to.

Thank you for your time and I would appreciate it if you could look into this matter. My contact information is [REDACTED] or [REDACTED]

Sincerely,
Thomas Brandt



STATE OF WISCONSIN
Department of Employee Trust Funds
A. John Voelker
SECRETARY

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December 18, 2023

Thomas Brandt
[REDACTED]

Dear Thomas Brandt,

Thank you for your December 8, 2023, email to the Group Insurance Board (Board) and the Department of Employee Trust Funds (ETF) regarding your concerns about the loss of your accumulated sick leave conversion credits (sick leave). We regret that you feel miscommunication has led to your forfeiting your sick leave. ETF works hard to communicate to members about sick leave. Information about sick leave is shared with retirees and employees through a number of documents.

One of the requirements to maintain escrowed sick leave is that retirees stay enrolled in comparable coverage. Comparable coverage is described in the Sick Leave Escrow Application (ET-4305) as "...a plan with hospital and medical benefits substantially equivalent to the state's Standard (now Access) Plan." According to ETF's records, you signed and submitted this form when you retired in 2013.

The comparable coverage policy is intended to ensure the health of the insurance program. Without maintaining comparable coverage, the Board's actuaries have advised that members are likely to leave the State's group health insurance program for policies with much lower coverage and premiums, delay or avoid needed medical care, and return to the program when they are sicker than they would have been with regular care.

When ETF received your application for coverage for 2024, we reviewed the description of the Marketplace plan you submitted and found that the coverage offered by that plan was not comparable to the Access Plan. Therefore, according to the policy described above, ETF was no longer able to maintain your escrowed sick leave account and credits were forfeited.

You mentioned that you were not aware that ETF would withdraw premiums during the month of December even though you had until December 31 to appeal or cancel the policy. ETF's sick leave denial letter (ET-48430) describes how premiums will be paid, for example, from an annuity if the annuity is large enough. You signed the last page of this letter on October 19, 2023 and returned that page to ETF.

ETF received your cancellation notice on November 27, 2023. ETF acknowledged receipt in a letter to you dated November 29, 2023, and began the process to dis-enroll you. ETF is refunding the deduction that was taken from your annuity for January coverage. You will see the refund on your January 2, 2024, annuity check.

You asked that ETF change their administration of the sick leave program. The program is set forth in [§40.05\(4\) \(b\)](#) of the statutes. The statute requires that members have coverage comparable to the Access Plan while their sick leave credits are escrowed. If the coverage is

not comparable, there is no provision to permit the member to use the credits, and they are forfeited.

I hope this information is helpful. If you have additional questions or concerns, please feel free to reach out using the contact information provided below. A copy of your letter and ETF's response will be included in the materials for the February 21, 2024, Board meeting.

Sincerely,

Arlene Larson, Manager of Federal Program and Policy
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Department of Employee Trust Funds
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