

Your Benefit Handbook



ET-2119 (4/24/2025)



Table of Contents

Your Benefit Handbook	1
Retirement	
Who Participates in the Wisconsin Retirement System	2
When Do You Become Vested	3
Required Contributions to the WRS	4
Core and Variable Trust Funds	5
Additional Contributions	6
Wisconsin Deferred Compensation Program	7
Military Service Credit	8
Buying Creditable Service	9
How Divorce Affects Your WRS Benefits	10
Part-Time WRS Employment	11
Applying For and Calculating Your Retirement Benefits	12
Annuity Options	13
Leaving WRS Employment: Separation Benefits	14
Information for Retirees	15
Working After Retirement	17
Tax Liability	18
Death Benefits	19
Disability	
Disability Retirement	21
Duty Disability	22
Health Insurance and Supplemental Benefits	23
Income Continuation Insurance	24
Life Insurance	25
Additional Benefits for State Employees	
Sick Leave Credit Conversion Program for State Employees	26
Employee Assistance Programs for State Employees	27

ETF has made every effort to ensure that this brochure is current and accurate. However, changes in the law or processes since the last revision to this brochure may mean that some details are not current. Visit etf.wi.gov to view the most current version of this document. Please contact ETF if you have any questions about a particular topic in this brochure.

ETF complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, sex, sexual orientation, or gender identity in the provision of programs, services, or employment. For more information please see ETF's *Nondiscrimination and Language Access (ET-8108)* available at etf.wi.gov. To request this information in another format, call 1-877-533-5020. We will try to find another way to get the information to you in a usable form.

Your Benefit Handbook

The Department of Employee Trust Funds oversees and manages retirement, insurance, and other benefit programs for state and local government employees and retirees. This includes a strong public pension system to help provide retirement security to over 663,000 current and former state and local government employees.

The Wisconsin Retirement System trust funds were created to:

- Protect public employees and their beneficiaries against the potential financial hardships of aging and disability.
- Attract and retain a qualified public workforce.
- Establish modest and portable benefits to move with employees throughout their careers into retirement.
- Achieve administrative expense savings.

This benefit handbook provides general information about the benefit plans administered by ETF and does not contain comprehensive information for all benefits. Use this handbook as an overview of what may be available to you and then contact your employer's benefits office for specific information applicable to your position. See the additional resources for more detailed information as indicated throughout this brochure.

Visit ETF online at etf.wi.gov for detailed WRS benefits information, forms and publications, benefit calculators, educational videos, and other resources. Sign up for ETF E-mail Updates to receive email notifications about important WRS benefit-related news. Registration is free, quick and easy—all you need is an email address. To sign up, look for the red envelope on the ETF website. In addition to the "Where to Find More Information" resources mentioned throughout this brochure, ETF offers a variety of live and recorded webinars, videos, and eLearnings for members on a variety of benefit topics. Visit the Member Education section of the ETF website to view or register.

The legal provisions governing the ETF-administered benefit plans outlined in this handbook can be found in Chapter 40 of the Wisconsin Statutes, the Internal Revenue Code, master contracts, and the Wisconsin Administrative Code.

Five governing boards oversee ETF. These boards set policy and review the overall administration of the benefit programs provided for state and local government employees. Currently, the five boards are:

- Employee Trust Funds Board
- Wisconsin Retirement Board
- Group Insurance Board
- Deferred Compensation Board
- Teachers Retirement Board

Who Participates in the Wisconsin Retirement System

The Wisconsin Retirement System is a qualified retirement system under Section 401(a) of the Internal Revenue Code. Participation in the WRS is optional for some public employers. Other employers must participate, including school districts for all eligible teachers.

The WRS is a pension plan that is intended to provide you with a lifetime retirement payment (annuity) once you are vested and have reached minimum retirement age. WRS benefits are calculated using two methods, the formula method and the money purchase method. ETF calculates your benefit using both methods and automatically pays you the higher amount.

Since March 1, 2016, non-participating employers have had the option to participate in the WRS and offer WRS participation only to new employees. Upon joining, new WRS-participating employers may also offer current employees the choice of whether or not to become WRS members at that time.

Who is Eligible

Anyone who receives earnings for employment at a WRS-participating employer must be evaluated for WRS eligibility. However, certain types of employees are not eligible for WRS coverage, for example student hourly employees. To qualify for participation in the WRS, you are expected to meet both the WRS eligibility criteria of work hours and duration of employment.

If you become a WRS employee on or after July 1, 2011 (with no service prior to July 1, 2011), you will become a participating employee if:

- You are expected to work at least two-thirds of full-time employment (1,200 hours for non-teaching employees and 880 hours for teachers and school district educational support personnel), and
- You are expected to be employed for at least one year.

If you became a WRS employee before July 1, 2011, you will become a participating employee if:

- You are expected to work at least one-third of what is considered full-time employment (600 hours for non-teaching employees and 440 hours for teachers and school district educational support personnel), and
- You are expected to be employed for at least one year.

If you previously worked in a WRS-covered position and took a WRS lump-sum benefit, you lose your earlier rights under the WRS and are subject to the two-thirds of full-time WRS eligibility criteria.

If you previously worked in a WRS-covered position (before July 1, 2011) and did *not* take a WRS lump-sum benefit, you retain your earlier rights under the WRS and your employer is required to evaluate you under the one-third of full-time WRS eligibility criteria.

If you are not expected to meet both of the applicable WRS eligibility criteria when hired, you will not be enrolled in the WRS at that time. However, if expectations change where you will meet WRS eligibility criteria or you subsequently work at least 12 months, and in any 12-month period you meet the hours requirements, you are prospectively enrolled in the WRS. In these situations, your WRS coverage is not retroactive.

Where to Find More Information

For more information about the WRS, see the ETF website and [*Wisconsin Retirement System Fact Sheet \(ET-8901\)*](#), available online at etf.wi.gov or from ETF.

When Do You Become Vested

Vesting is the minimum number of years of employment you need to qualify for a retirement benefit. WRS members must be vested (and at minimum retirement age) to be eligible for a retirement benefit that includes employer contributions and the associated interest. You may have to meet one of two vesting laws depending on when your WRS employment first began:

- If you first began WRS employment after 1989 and terminated employment before April 24, 1998, then you must have some WRS-creditable service in five calendar years.
- If you first began WRS employment on or after July 1, 2011, then you must have five years of WRS-creditable service.

If neither vesting law applies, you were vested when you first began WRS employment.

If You Joined the WRS After July 1, 2011

If you first became WRS eligible on or after July 1, 2011, you need five years of creditable service to be eligible for a retirement annuity or lump-sum retirement benefit.

- The full-time equivalent of one year of creditable service for a teacher is 1,320 hours.
- The full-time equivalent of one year of creditable service for all other employment categories is 1,904 hours.

If you are not vested when you terminate all WRS employment, you are only eligible for a separation benefit, which includes your employee contributions, additional contributions (if applicable), and interest. You will lose your employer contributions and associated interest (*approximately half your WRS account value*).

If You Are Vested and Have Reached Minimum Retirement Age

If you are vested and terminate all WRS employment, you may apply for a retirement benefit once you reach *minimum* retirement age for your employment category. This is age 55 for most employees and age 50 for employees with protective category service.

Normal retirement age is when a member may apply for a full retirement benefit that is not subject to an age reduction factor. The normal retirement age by employment category is:

- General employees – age 65 (or 57 with 30 years of service)
- Protective occupation employees – age 54 (or 53 with 25 years of service)
- Executive and elected officials (who began WRS employment before January 1, 2017) – age 62
- Executive and elected officials (who began WRS employment on or after January 1, 2017) – age 65

Where to Find More Information

For more information about vesting, visit the ETF website at etf.wi.gov for retirement benefits information.

Required Contributions to the WRS

As a WRS member, you and your employer are required to contribute to the WRS. Contribution rates are a percentage of earnings divided between employees and employers, and are adjusted annually.

What is This

The required WRS contributions made by you and your employer, plus investment earnings, are intended to be sufficient to fund your WRS retirement benefits.

Who is Eligible

If your employment is covered under the WRS, you must make employee-required contributions. Your employer also makes contributions based on your earnings reported to ETF.

How Does This Work

Employee-Required Contributions

- Contributions are credited to your individual WRS account and are vested immediately.
- Your contributions are calculated as a percentage of your WRS earnings. Check your pay stub or talk to your employer if you have questions.

Employer Contributions

- The contributions your employer makes are calculated as a percentage of your earnings. Check your pay stub or talk to your employer if you have questions.
- You must be vested and at minimum retirement age to be eligible for a benefit that includes employer contributions.
- See the “When Do You Become Vested” section of this brochure for information on vesting requirements.

Things to Consider

Wisconsin law does not allow members to take a loan from their WRS account(s). Borrowing money from your WRS account is not an option under any circumstances. You must terminate participating employment with all WRS employers prior to taking a benefit from your WRS account(s).

Where to Find More Information

For more information about contribution rates, see the WRS contribution rates history information available on the ETF website.

Every April, you will receive an annual *Statement of Benefits* (ET-7365) showing the service and contribution balances in your account(s).

Core and Variable Trust Funds

The Core Trust Fund and Variable Trust Fund are the two funds in which the assets of the WRS are placed and managed by the State of Wisconsin Investment Board (SWIB).

The Core Fund is the larger of the two trust funds that make up the WRS and is a fully diversified, balanced fund. It includes a mixture of holdings such as stocks, bonds, and real estate. It is diversified to stabilize the effects of market changes. Investment returns are smoothed over five years to give a more stable rate of return each year. The basic objective of the Core Fund is to earn an optimum long-term return while taking acceptable risk. All members have at least half, if not all, of their retirement contributions in the Core Fund.

The Variable Fund is primarily a stock fund, which results in a greater degree of risk due to the volatility of the stock market. The Core Fund is also partially invested in the stock market and the particular stocks held by the Core and Variable funds are the same. The investment objective for the Variable Fund is to achieve returns equal to or above that of similar stock portfolios over a market cycle. Participants in the Variable Fund are exposed to a higher degree of risk because of possible losses from unfavorable stock market performance in exchange for the possibility of greater long-run returns. The Variable Fund is not smoothed; the full rate of return, either positive or negative, is recognized each year.

What is This

Core Trust Fund Participation: As a WRS member, your Core Fund participation begins the same day your WRS coverage begins.

Variable Trust Fund Participation: You can elect to deposit 50% of your WRS employee-required contributions, the employer contributions, as well as voluntary additional contributions into the Variable Fund. To elect Variable participation, submit a completed [Election To Participate in the Variable Trust Fund \(ET-2356\)](#) form to ETF. ETF forms are available at etf.wi.gov or you may contact ETF to request a form. If you submit this form within 30 days of becoming WRS eligible, the Variable election will become effective on the date of eligibility; all other elections will take effect on the January 1 after you submit the form. Your Variable election applies to all future contributions only; you cannot transfer existing Core Fund balances into the Variable Fund.

Planning for Retirement: As of December 31 each year, ETF reviews the investment results of the Core and Variable Trust Funds. The following spring, the monthly annuity payments to retirees may increase or decrease based on this performance. Positive adjustments can be taken away by market losses in a future year. If you participate solely in the Core Trust Fund when you retire, your annuity payment will never drop below your final calculation. However, there is no limit to the amount the Variable portion of your annuity can be reduced due to poor market performance.

How Does This Work

All members participate in the Core Trust Fund for the duration of their WRS employment.

If you elect to participate in the Variable Trust Fund, you will remain in the program unless you cancel your participation by filing a [Canceling Variable Participation \(ET-2313\)](#) form with ETF. The cancellation will be effective on the following January 1 after it is received by ETF. Once Variable Fund participation is canceled, you cannot rejoin unless you completely close your WRS account (by applying for a lump-sum benefit) and later return to work for a WRS-participating employer. By becoming a new participating employee, you have a new Variable election option.

Where to Find More Information

For more information, see the ETF website or the [Variable Trust Fund \(ET-4930\)](#) brochure, available online at etf.wi.gov or from ETF.

Additional Contributions

As a WRS participating employee, you may make voluntary additional contributions to your WRS account to supplement your retirement income. Additional contributions earn the same rate of interest as the required contributions. Amounts are subject to the maximum contribution levels established by federal tax law.

How to Contribute

Employee Additional Contributions

- You may make after-tax additional contributions either by sending a check or money order directly to ETF or by arranging for a payroll deduction with your employer. The contributions are not tax-deductible, but the interest they earn is not taxed until you receive the benefit.
- The maximum employee-paid additional contribution is restricted by your gross compensation or the IRS limitation, whichever is less. Any amount remitted that exceeds that limit will be refunded to you. See the *Maximum Additional Contributions Worksheet (ET-2566)* to determine the maximum amount of voluntary contributions that you can make to the WRS.

Employer-Paid Additional Contributions

- Employers may make additional contributions for you as a WRS member as well. The contribution and the interest are not taxed until a benefit is received. Lump-sum withdrawals of employer additional contributions are generally not permitted.

Tax-Deferred Additional Contributions

- As of January 1, 2009, the WRS no longer accepts tax-deferred additional contributions due to changes in the Internal Revenue Code.

If you participate in the Variable Trust Fund, your additional contributions will be split evenly between the Core and Variable funds.

Where to Find More Information

For more information, see the ETF website or the *Additional Contributions (ET-2123)* brochure, available online at etf.wi.gov or from ETF.

Wisconsin Deferred Compensation Program

The Wisconsin Deferred Compensation Program (WDC) is a voluntary supplemental retirement savings plan. It is regulated by the Internal Revenue Code § 457, Chapter 40 of the Wisconsin State Statutes, and Chapter ETF 70 of the Wisconsin Administrative Code. If eligible, you may invest a portion of your earnings (up to the maximum allowed by IRC 457) through payroll deductions in any of the investment options offered by the WDC. Participant fees provide the primary source of funding for the WDC. No state tax dollars are used for administration of the WDC. Under a contract with the Deferred Compensation Board, Empower Retirement Services currently provides record keeping, marketing, and customer service.

Who is Eligible

WDC is available to all state employees, as well as to local government employees whose employers choose to participate.

How Does This Benefit Work

There are two options for making contributions:

1. Pre-tax Contributions

You may use pre-tax dollars to contribute to your WDC account. Under this option, you do not pay taxes on your contributions when you make them. You will pay taxes when you take a distribution from your account.

2. After-tax (Roth) Contributions

You may also make after-tax contributions to your WDC account. When you choose the after-tax (Roth) option, you pay taxes on the money prior to contributing to the account. As long as you meet certain federal requirements, distributions from the Roth portion of your WDC account are tax-free.

The Deferred Compensation Board selects and monitors the investment options offered by the WDC. Currently there are several fixed interest rate options and over 20 other options with varying investment objectives, including target retirement date funds, a mutual fund window for experienced investors, and an optional managed account service. Participants may select one or more of the available investment options for their deferrals and may transfer their account balance between investment options with few restrictions and no additional fees.

Participants may roll approved balances from other qualified employer-sponsored retirement savings plan accounts or traditional IRAs into the WDC to take advantage of the WDC benefits. These benefits include:

- A diverse selection of investment options.
- Low cost, professional fund management.
- Online enrollment and access to your account 24 hours a day, seven days a week.
- A local office of dedicated representatives in Wisconsin offering free individual retirement readiness reviews, in person at your location or online (virtually).

You may access the funds in your WDC account when you terminate employment (regardless of your age), upon retirement, death, or in case of extreme financial emergency as defined by IRC 457. The only time you must take money out is when you reach the age for taking required minimum distributions, which is currently age 72. Distribution options vary greatly and include periodic payments and partial or full lump-sum amounts. Unlike other qualified retirement savings plans offered under §§ 401 (k) and 403 (b) of the Internal Revenue Code, distributions from the WDC prior to age 59 ½ are not assessed an early withdrawal tax penalty.

Where to Find More Information

Visit the WDC website at wdc457.org or call 1-877-457-9327.

Military Service Credit

You may be eligible for WRS-creditable service for periods of active military service if you meet certain eligibility requirements. A maximum of four years of military service can be credited under Chapter 40 of the Wisconsin Statutes, unless your period of military service was involuntarily extended for a longer time.

There are three ways to receive military service credit under the WRS: pre-1974 military service credit, credit under the Uniformed Services Employment and Reemployment Rights Act (USERRA), or continuous military service credit.

A WRS member may qualify for any or all of these types of credit. WRS members may also have the option to buy WRS credit for service in active military, the National Guard, or the Reserves.

Who is Eligible

Pre-1974 Military Service Credit is based on Wisconsin state law. It applies to military service in the U.S. Armed Forces prior to January 1, 1974, and provides you with WRS service credit for your military service, up to a maximum of four years. It has the following requirements:

- If you terminated WRS-covered employment on or after March 9, 1984:
 - You can receive one year of military service credit for each five-year period (5, 10, 15, or 20 years) of WRS creditable service, up to a maximum of four years; and
 - Your military discharge must have been something other than dishonorable.

The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) is a federal law providing certain pension rights to employees returning from uniformed service. USERRA provides service credit. It allows an eligible employee to make up all, some, or no WRS contributions related to an active duty military leave of absence. To be eligible, you must return to work for the same WRS employer you left in order to go on an active military leave of absence within a reasonable amount of time. For more information about USERRA reporting requirements, see the United States Department of Labor website at www.dol.gov.

Continuous Military Service Credit is based on Wisconsin state law. It applies to military service in the U.S. Armed Forces on or after January 1, 1974, and provides you with WRS service credit for your military service, up to a maximum of four years. It requires that:

- You left the employment of a WRS employer to enter the U.S. Armed Forces;
- You return to your pre-service WRS employer within 180 days of release or discharge from the military, or within 180 days of release from hospitalization because of injury or sickness resulting from that service in the armed forces; and
- Your military service discharge must have been something other than dishonorable.

Things to Consider

It is your responsibility to provide ETF and/or your WRS employer with a photocopy of your military records (i.e., DD-214) showing your date of entry into active duty and your discharge date (other than dishonorable) from active duty.

Where to Find More Information

For more information, see the ETF website or refer to the following publications, available online at etf.wi.gov or from ETF:

- [*USERRA Certification \(ET-4560\)*](#) form
- [*How Divorce Can Affect Your WRS Benefits \(ET-4925\)*](#) brochure

If you served in the military or uniformed service and are in the process of a divorce, see the military service, divorce and qualified domestic relations orders (QDRO) information on the ETF website.

Buying Creditable Service

Under Wisconsin statutes, you may be eligible to purchase certain types of creditable service to increase your retirement benefit (or disability retirement, if eligible).

Who is Eligible

- You left WRS employment, took a separation benefit, and returned to WRS employment – you may be eligible to buy *forfeited service*.
- You have worked for a non-WRS public employer at the federal, state, or local level – you may be eligible to buy *other governmental service*.

You must currently be actively employed in a position covered under the WRS to purchase eligible service.

Things to Consider

Purchasing service can:

- Increase your creditable service, which has the potential to increase your benefit payment or make you eligible to continue the ETF-administered group health insurance if you terminate employment.
- Increase your WRS account balance, which can increase your potential benefit payment or your beneficiary's benefit.

The cost to purchase each type of service differs. For details and calculation examples, see the [Buying Creditable Service \(ET-4121\)](#) brochure, available online at etf.wi.gov or from ETF.

ETF must receive your application and payment to purchase service before you terminate your WRS-covered employment. Purchased service does not count toward the service requirements for WRS vesting.

Where to Find More Information

For more information, refer to the following brochures, available online at etf.wi.gov or from ETF:

- [Buying Other Governmental Service \(ET-2207\)](#)
- [Buying Creditable Service \(ET-4121\)](#)
- [Calculating Your Retirement Benefits \(ET-4107\)](#)

How Divorce Affects Your WRS Benefits

ETF is governed by Chapter 40 of the Wisconsin Statutes. Chapter 40 does not require the division of WRS benefits at the time of a divorce, annulment, legal separation, or the termination of a domestic partnership. However, in some situations, parties to one of these proceedings may choose to divide a WRS member's account.

Court Order May Divide a WRS Account

For WRS purposes, a domestic relations order (DRO) is a court order that awards a percentage of your WRS account (or annuity) to your former spouse or domestic partner when your marriage terminates through divorce, annulment, or a legal separation, or your domestic partnership terminates.

ETF cannot accept a DRO for a marriage that terminated more than 20 years ago. A DRO is considered a *qualified* domestic relations order (QDRO) once ETF has verified that the DRO meets all applicable statutory requirements.

A QDRO divides your entire WRS account (account balances and creditable service) or annuity by awarding a percentage to your former spouse or domestic partner. This percentage cannot exceed 50% of the total value of the account as of the decree date.

Once your account or annuity is divided based on the terms of the QDRO, a separate account is created for your former spouse or domestic partner. Each of you will receive a *Statement of Account After Division* (ET-4924) showing the respective account balances and total creditable service.

After the WRS account is divided, and until a benefit is taken, each of you will receive an annual *Statement of Benefits* (ET-7365) showing the service and contribution balances in your respective accounts.

Where to Find More Information

For more information, see the ETF website or the [How Divorce Can Affect Your WRS Benefits \(ET-4925\)](#) brochure, available online at etf.wi.gov or from ETF.

Part-Time WRS Employment

As an eligible public employee, you have retirement benefits available under the WRS and may have insurance-related benefits available through your participating employer. Reducing your employment from a full-time position to a part-time position will likely impact these benefits.

How Does This Work

WRS benefits are calculated using two methods: the money purchase method and the formula method. ETF calculates your benefit using both methods and automatically pays you the higher amount.

Changing from full-time to part-time employment will typically reduce your earnings and the amount of creditable service earned each year. A decrease in either of these factors will reduce your retirement benefits.

There are other factors that should also be considered before changing from full-time to part-time employment, such as potential changes to:

- A reduction to your final average monthly earnings calculation.
- Your age reduction factor.
- Military service credits based on your years of active service that occurred before 1974.
- Life insurance benefits.
- Health benefits and premiums.
- Income continuation insurance benefits and premiums.

Where to Find More Information

For more information, see the [*How Part-Time Employment Affects Your WRS Benefits \(ET-2121\)*](#) brochure, available online at etf.wi.gov or from ETF.

Applying For and Calculating Your Retirement Benefits

As an eligible public employee, you have retirement benefits available under the WRS.

How Does This Work

To be eligible for a WRS retirement benefit, five general conditions must be met:

1. You must be vested and at least age 55 (or age 50 for participants with some protective category service).
2. You must terminate all WRS-covered employment.
3. You must not be on a leave of absence or in layoff status.
4. You must submit a completed and valid retirement application to ETF.
5. ETF must receive your completed application prior to your death. Applications received after death are invalid.

If you intend to terminate WRS employment due to a disability, contact ETF about your eligibility for disability benefits *before* applying for a retirement benefit. Taking a retirement benefit may affect eligibility for disability benefits.

WRS benefits are calculated using two methods: the money purchase method and the formula method. ETF calculates your benefit using both methods and automatically pays you the higher amount. You will select a payment option (annuity) when you apply for retirement benefits.

A Retirement Benefit Estimates and Application (ET-4301) is sent upon your request and contains estimated payments for each of the annuity options available to you. The annuity options differ in what happens after you pass away. When choosing an annuity option, carefully consider all of your assets such as life insurance, home equity, investments, savings, etc. to help you decide what type of survivor protection you may need.

If you retire and then return to work for a WRS employer, there are several requirements that may affect your retirement benefit. See the “Working After Retirement” section of this brochure for more information.

Where to Find More Information

Everyone has different financial circumstances and goals. It is important that you fully understand all the annuity options available to you before completing your retirement application. For more information, see the following brochures, available online at etf.wi.gov or from ETF:

- [*WRS Guide to Retirement* \(ET-4133\)](#)
- [*Choosing an Annuity Option* \(ET-4117\)](#)
- [*Calculating Your Retirement Benefits* \(ET-4107\)](#)

A WRS Retirement Benefits Calculator is available at etf.wi.gov/calculator.htm. You may also view videos and live webinars about [getting ready for retirement](#), available in the Member Education section of the ETF website.

Annuity Options

An annuity is a WRS benefit that is paid monthly. There are a variety of annuities available, which are referred to as annuity options. A person who receives a monthly benefit payment is called an annuitant. If your WRS account is not large enough to meet the minimum amount required for an annuity, you may only be eligible for a lump-sum benefit.

You will select an annuity option when you apply for retirement benefits. A *Retirement Benefit Estimates and Application* (ET-4301) is sent upon your request and contains estimates of your monthly annuity payments under each available option.

Annuity Options

All annuities are paid for your lifetime. However, the options differ in what happens after you pass away. You can select:

- **For Annuitant's Life Only option**
This option provides no benefits upon your death unless you also select a temporary accelerated payment option at the time of retirement. If you die before reaching age 62, the temporary portion of the annuity (i.e. the accelerated payment) will be paid as a death benefit through the month you would have reached age 62.
- **Guaranteed Payments options**
These annuity options guarantee that 60 or 180 payments will be made from the date the annuity first begins. If you die before all guaranteed payments have been made, the remaining payments will be paid as a death benefit to your beneficiaries.
- **Joint and Survivor options**
These annuity options provide death benefits for the one person you designate as your named survivor. Your named survivor will receive a lifetime annuity if they survive you.

Where to Find More Information

For more information, refer to the *Choosing an Annuity Option* (ET-4117) brochure, available online at etf.wi.gov or from ETF.

You may also view the *WRS Annuity Payment Options - Receiving Your Retirement Benefit* video, available in the Member Education section of the ETF website.

Leaving WRS Employment: Separation Benefits

The benefits that you are eligible for as a WRS employee are determined by several factors, including your employment category, age, vesting status, creditable service, and WRS-reportable earnings.

What is This Benefit

A separation benefit is a one-time, lump-sum payment of employee-required contributions, voluntary additional contributions (if applicable), and accumulated earned interest. Separation benefits do *not* include your employer contributions.

Who is Eligible

To be eligible for a separation benefit:

1. You must be terminated from all WRS-covered employment with all participating employers (i.e., your employer has reported a termination date to ETF). You cannot return to any work with the same employer for 75 calendar days and must remain terminated from all other WRS-eligible employment for at least 75 calendar days.
2. You must be under minimum retirement age, which is age 55 for most members (age 50 for members with protective category service). Or you are older than minimum retirement age and not vested.

How Does This Benefit Work

The decision to take a separation benefit instead of waiting to take a retirement benefit has significant financial, insurance, and tax consequences. If you take a separation benefit, your WRS account will be closed and:

- You will lose all employer contributions and the interest earned on these contributions (approximately half of your WRS account value).
- You will lose your creditable service earned prior to the separation benefit and the benefit rights associated with that period of service.
- You will lose eligibility for future health insurance coverage.
- Tax penalties may significantly reduce the amount of your payment.

If you decide to apply for a separation benefit, you must request an application from ETF.

- If you are vested, ETF must receive your separation benefit application before you turn age 55 (age 50 for protective category service). After you turn age 55 and are vested (or age 50 for protective category service), you are only eligible for a retirement benefit.
- If you are not vested, you will only be eligible for a separation benefit, regardless of your age.

Where to Find More Information

For more information, visit the ETF website or see the [*Separation Benefits \(ET-3101\)*](#) brochure, available online at etf.wi.gov or from ETF.

Information for Retirees

There is important information for you to be aware of once you have terminated all WRS-covered employment and begin taking your retirement benefits. ETF sends important materials such as benefit change notices, tax statements, and the *WRS News* to your home address. Always notify ETF if your home address, email address, or telephone number changes, especially if you are terminating WRS-covered employment but do not immediately apply for benefits.

Monthly Annuity Payments

Direct deposit is the most secure, reliable, and convenient method of receiving payments and is generally the only payment method used by ETF. Annuity payments can be deposited into your checking, savings, or money market account at the financial institution of your choice. If you receive more than one monthly benefit from ETF, each will be a separate direct deposit transaction.

Whenever a change is made to your monthly benefit, ETF will send you an *Annuity Payment Statement* (ET-7211). Possible adjustments to an annuity payment may include:

- Final annuity calculations.
- Annual Core and Variable adjustments (either an increase or decrease) based on the actual investment performance. These adjustments are reflected annually on the May 1 payment.
- Wisconsin and federal tax withholding changes.
- Changes made to group health or life insurance premiums.

Health Insurance

Continuation of Coverage: If you were an insured *state* government employee when you retired and took an immediate annuity (regular or disability retirement), you are entitled to continue your health insurance for life. Your insurance will automatically continue, and you will be liable for the premiums until ETF receives a signed request from you to cancel. The cancellation request will be effective the first of the month following receipt of the notification (unless a future date is specified). You can re-enroll in the State of Wisconsin Group Health Insurance Program during any annual health benefits open enrollment period for coverage beginning the first of the new year.

If you were an insured *local* government employee when you retired and took an immediate annuity (regular or disability retirement), you may continue coverage as long as your former employer participates in the program. If you cancel your insurance, you may re-enroll during any annual health benefits open enrollment period for coverage beginning the first of the new year, as long as your previous WRS employer still participates in the Wisconsin Public Employer's Group Health Insurance Program. This also applies to your eligible surviving dependents. If your former employer no longer participates in the group health insurance program, you may be eligible to enroll in the Local Annuitant Health Program.

Premium Rates: Premium rates are available online at etf.wi.gov/insurance.

Payment of Premiums:

- State employees only: After you retire, if you are eligible, your employer will send a certification of your remaining sick leave credits to ETF. Refer to the [*Sick Leave Credit Conversion Program*](#) (ET-4132) brochure for more information. Your health insurance premiums will be paid in the following order: sick leave credits, deductions from your annuity, direct billing from the insurance provider.
- Local employees only: Your insurance premiums will be paid in the following order: through your employer (if your employer offers post-retirement health insurance payments), deductions from your annuity, direct billing from the insurance provider.

Changes to your coverage: The annual health benefits open enrollment period allows you to make a variety of benefit changes, including changing your health plan. Changes made during open enrollment are effective the following January 1. See the insurance materials online for more information.

Note: If you are a state employee with escrowed sick leave, you may have another opportunity to enroll in health insurance. See the [Sick Leave Credit Conversion Program \(ET-4132\)](#) brochure for more information.

Life Insurance

If you were insured under the group life insurance program and continue your coverage after retirement:

- Premiums will be paid by deduction from your monthly benefit payment.
- Premiums are deducted one month in advance and premiums are payable through the end of the month prior to the month in which you reach age 65.
- No further premiums are required after you reach age 65. The insurance coverage continues for your lifetime in reduced amounts according to the policy terms.

Tax Information

Taxation of Monthly Annuities: Federal and Wisconsin state income tax withholding is voluntary. However, if you do not specify how you want *federal* taxes withheld, ETF is required to withhold according to the tax tables as if you are single with no adjustments. If you do not specify how you want Wisconsin state taxes withheld, ETF will not withhold Wisconsin state income tax. You may change your tax withholding elections at any time.

Taxation of Lump-Sum Benefits: If you do not roll over your lump-sum payment to another qualified plan, in most cases ETF must withhold 20% of the taxable portion of your payment for federal income tax. ETF does not withhold Wisconsin state taxes from lump-sum payments unless you voluntarily elect withholding.

Annual Tax Statements:

- 1099-R Statement: If you are a U.S. citizen or a resident alien, ETF will send you a 1099-R statement annually by January 31, providing information necessary to complete your tax return. You do not need to request this information.
- 1042-S Statement: If you are not a U.S. citizen and you do not reside in the United States, ETF will send you a 1042-S statement annually by March 15, in place of a 1099-R.

Required Minimum Distribution: Once you stop working for a WRS employer, federal law requires you to begin receiving your benefit payment(s) by a certain date, depending on your age. This is called a required minimum distribution (RMD). Visit etf.wi.gov for detailed information about current RMD requirements, and the potential impact a RMD may have on your WRS benefits and tax liability. You may also want to consult with your tax advisor.

It is important for you to contact ETF before a forced distribution is required. Once a forced distribution begins, your ability to choose a different payment option, if available, will be very limited. Your WRS account will be closed and you will not be able to return your payment(s).

Where to Find More Information

For more information, see the following brochures, available online at etf.wi.gov or from ETF:

- [Information for Retirees \(ET-4116\)](#)
- [Tax Liability on WRS Benefits \(ET-4125\)](#)
- [Information for Rehired Annuitants \(ET-4105\)](#)

You may also view videos and live webinars about your [benefits in retirement](#), available in the Member Education section of the ETF website.

Working After Retirement

The WRS is a qualified governmental plan under Internal Revenue Code (IRC) §§ 401 (a) and 414 (d). As such, WRS employers are required to comply with IRC provisions related to the rehiring of WRS annuitants.

Break-in-Service Requirement

Retirees must have a valid termination of employment and be separated from WRS employment for at least 75 calendar days before they can return to WRS-covered employment. Whether you need to satisfy this break-in-service depends on whether you are returning to the same employer:

- If the WRS employer is the same employer from which you retired, the break-in-service requirement applies, even if the new job does not meet current WRS-participation standards.
- If the WRS employer is not the same employer from which you retired and your new job does not meet current WRS-participation standards, you do not have to satisfy a break-in-service requirement.

Once retired, you can work for a non-WRS employer at any time.

Effect on Your Annuity

Once you return to work for a WRS employer, there are several requirements that may affect your retirement benefit.

If you last terminated WRS employment *prior* to July 2, 2013, you may elect to:

- Remain an annuitant regardless of whether the position is WRS eligible.
- Suspend your retirement annuity and re-enroll in the WRS if the position is WRS eligible.

If you last terminated WRS employment *on or after* July 2, 2013, the following conditions apply:

- If the position meets current WRS eligibility standards, your retirement annuity will be suspended until you re-retire.
- If the position does not meet current WRS eligibility standards, you may or may not have the option to re-enroll in the WRS and suspend your retirement annuity. Your options are based on when you first began WRS employment.
- If you are not initially eligible, you will still be evaluated for eligibility on a regular basis. If you meet current WRS eligibility standards at a later date, your retirement annuity will be suspended until you re-retire.

Where to Find More Information

For more information, see the following brochures, available online at etf.wi.gov or from ETF:

- [Information for Rehired Annuitants \(ET-4105\)](#)
- [Information for Retirees \(ET-4116\)](#)

Tax Liability

Most benefit payments from the WRS are taxable. The tax treatment of WRS benefits is similar for both federal and Wisconsin income tax purposes. In general, any contributions made to your account on a pre-tax basis are subject to taxes once you take a WRS benefit; any contributions made to your account after taxes have been paid will not be taxed again.

Your WRS benefit is not subject to Social Security or Medicare taxes. Additionally, if you are not a resident of Wisconsin, you are not required to pay Wisconsin income tax. However, you should check with the tax department in your state of residence for information about your tax liability.

If you receive a disability annuity, contact your tax advisor, the Internal Revenue Service (IRS), or the Wisconsin Department of Revenue for information about possible special tax treatment of your disability annuity.

There are many topics that are considered a tax issue, including:

- Tax liability on WRS benefit payments.
- Tax liability on WRS death benefits.
- Exemptions.
- Required minimum distributions.
- Rollovers.
- Income tax penalties.
- Annual tax statements.
- Changing your withholding amounts.

Where to Find More Information

For more information, see the following publications, available online at etf.wi.gov or from ETF:

- [Tax Liability on WRS Benefits \(ET-4125\)](#) brochure
- [Federal Withholding Requirements and Rollover Options \(ET-7289\)](#) reference sheet
- [Wisconsin Tax Withholding Election for WRS Annuity Payments \(ET-4337\)](#)
- [Withholding Certificate for Periodic Pension or Annuity Payments](#) (IRS Form W-4P)

You may also contact your:

- Personal tax advisor.
- Wisconsin Department of Revenue (if you live in Wisconsin) or the tax department in your state of residence.
- Internal Revenue Service.

Death Benefits

ETF administers three programs that may provide death benefits to your survivors:

- Wisconsin Retirement System.
- Group life insurance.
- Group health insurance.

What is This Benefit

Death benefits from the WRS and group life insurance program are always paid according to the most recent, valid beneficiary designation on file with ETF prior to your death. If a beneficiary designation is not on file, death benefits will be paid according to statutory standard sequence. It is important that you periodically review your designation because *your beneficiary information does not automatically change when a significant life event occurs, such as a marriage, divorce, or birth.*

In the event of your death, your survivors should contact ETF immediately because they may be eligible for benefits from one or more of these programs.

WRS Benefits

The amount of WRS benefits payable to your beneficiaries depends on whether you die before or after you begin a retirement benefit.

- Before retirement: Provided you did not close your WRS account by taking a separation benefit, your beneficiaries are entitled to a benefit whether or not you were working for a WRS employer at the time of your death.
- After retirement: If your death occurs after you began receiving a WRS annuity, death benefits are determined by the annuity option you selected upon retirement.

Group Life Insurance

Current employees: The death benefits payable to the beneficiaries of current employees under the Wisconsin Public Employers Group Life Insurance Program depends on your age and coverage options in place at the time of death.

If you are under age 70:

- The minimum death benefit (“basic” insurance) is equal to your highest year of WRS earnings rounded to the next higher \$1,000.
- Depending on the insurance options offered by your employer and the coverage levels you selected, your insurance benefit may total as much as five times the basic insurance coverage.
- For accidental deaths, the death benefit is doubled.

If you are age 70 or older:

- If you are a state government employee, the minimum death benefit is equal to 50% of your basic insurance.
- If you are a local government employee, the minimum death benefit is equal to 25% of your basic insurance. However, some local employers elect to increase the minimum death benefit to 50% of the basic insurance coverage.
- There is no accidental death benefit for insured employees who are age 70 and older.

Former or retired employees: The death benefits payable to the beneficiaries of former employees or retirees also depends on your age at the time of death. When you reach age 65, any optional coverage selections that you had, and all associated premiums, cease. Only basic insurance coverage continues at a reduced amount, as follows:

- At age 65, the value of your benefit is reduced to 75% of the basic insurance coverage. This reduction applies to both state and local employees.
- At age 66, the value of your benefit is reduced to 50% of the basic insurance coverage. This reduction applies to both state and local employees. For state employees, no further reduction occurs after age 66.
- For local government employees whose employer filed a resolution to provide a final reduced benefit, the basic insurance coverage may reduce to 25% at age 67. No further reduction occurs for local employees after age 67.
- There is no accidental death and dismemberment benefit on post-retirement coverage for either state or local government employees.

Group Health Insurance

If you die as an active or retired employee with family coverage, your surviving insured dependents have the right to continue coverage for life, or until they are no longer eligible dependents. Health insurance coverage will automatically continue for covered surviving dependents, unless these dependents terminate health insurance coverage by providing written notice to ETF.

Your dependent children may continue coverage until eligibility ceases, if they:

- were enrolled at the time of death,
- were previously insured and regain eligibility, or
- are your children who were born after your death.

Information for state employees and state retirees: If you have family coverage in effect upon your death, your unused sick leave credits may be used to pay group health insurance premiums for eligible survivors. If you have escrowed sick leave credits, your surviving insured dependents may continue to escrow the credits or apply to convert the credits to pay health insurance premiums.

Graduate assistants: If you have family coverage in effect at the time of your death, your covered surviving dependents are eligible for COBRA continuation.

Local Wisconsin Public Employer members: If your surviving dependent(s) terminates coverage for any reason, they may not be able to re-enroll later.

Where to Find More Information

For more information, see the following brochures, available online at etf.wi.gov or from ETF:

- [*Death Benefits \(ET-6101\)*](#)
- [*Choosing an Annuity Option \(ET-4117\)*](#)
- [*The Wisconsin Public Employers Group Life Insurance Program \(ET-2101\)*](#)
- [*Living Benefits \(ET-2327\)*](#)

See the health benefits materials available on the ETF website. You may also view the [*WRS Annuity Payment Options - Receiving Your Retirement Benefit*](#) video, available in the Member Education section of the ETF website.

Disability Retirement

A disability retirement benefit is a lifetime annuity paid to eligible WRS employees who become disabled and are unable to work until normal retirement age.

Who is Eligible

WRS employees who are unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or to be of long continued and indefinite duration.

You must meet the following conditions to be eligible:

- You must be a WRS member who has not yet taken a benefit from your WRS retirement account.
- You must be under normal retirement age for your employment category:
 - o General employees – age 65
 - o Protective occupation employees – age 53 or 54
 - o Executive and Elected Officials (who began WRS employment before January 1, 2017) – age 62
 - o Executive or Elected Officials (who began WRS employment on or after January 1, 2017) – age 65
- *Exception:* Protective occupation employees that become disabled between ages 50-55, have at least 15 years of WRS service, and can no longer perform the duties of their protective occupation position may apply for a special disability retirement benefit until age 55.
- You must have a minimum amount of WRS-creditable service to apply, unless your disability is work related.

How Does This Benefit Work

Once your disability retirement application is approved, you become a WRS retiree and begin receiving a monthly annuity. The benefit is based on your final average earnings and your years of actual creditable service but adds assumed service as though you worked until your normal retirement age. This benefit is paid from your WRS retirement account.

Things to Consider

- Your disability must have caused you to stop working, but you may remain on leave of absence (with or without pay) during the application process.
- If you terminate your WRS employment before you apply and begin working in a non-WRS job, you may no longer be eligible.
- ETF cannot approve your application without two qualifying medical reports and an employer certification.
- If you return to work, notify ETF immediately.
- You may be eligible to continue group life insurance without further premium payments.

Your employer will be asked to provide employment information after you file a claim, including that you stopped working due to your disability. While receiving disability retirement benefits, you will be required to provide earnings information on an annual basis until your normal retirement age. You may also be required to provide ongoing medical documentation to support your claim.

Where to Find More Information

For more information, see the [*Disability Retirement Benefits \(ET-5107\)*](#) brochure, available online at etf.wi.gov or from ETF.

Duty Disability

Duty disability is an income replacement program for protective occupation employees injured while performing their protective occupation duties or contracted a disease due their occupation.

Who is Eligible

Duty disability benefits are available to protective occupation employees permanently disabled from performing their duties due to a work-related injury or illness. There are no WRS service requirements, but you must have been working in a WRS protective occupation when the injury occurred or the illness was contracted.

Protective occupation employees include police officers and fire fighters. Additional protective occupations are listed in § 40.02 (48)(c), Wis. Stats.

How Does This Benefit Work

Contact ETF to request a duty disability application packet and return the completed application to ETF as soon as possible after you have a permanent work-related disability. ETF will contact your employer to certify your disability. Your disability must also be certified by two physicians who are licensed and practicing in Wisconsin.

Things to Consider

- The disability must be work related and cause:
 - o a permanent reduction in your pay or position,
 - o a permanent assignment to light duty,
 - o retirement, or
 - o an adverse effect on your promotional opportunities if your employer's rules, ordinances, policies, or written agreements specifically prohibit promotion because of the disability.
- Duty disability benefit payments will be reduced by earnings (including self-employment) and any other benefits you receive or are eligible to receive for the same time period, such as other WRS, Social Security, or Workers' Compensation benefits. You will be required to repay duplicate benefits back to the Duty Disability Program.

While receiving duty disability benefits, you will be required to provide earnings information on an annual basis. Your duty disability benefit will be suspended and potentially terminated if you do not submit timely information as requested by ETF. If terminated, you may not apply for duty disability benefits for the same disability again.

Where to Find More Information

For more information, see the [*Duty Disability and Survivor Benefits \(ET-5103\)*](#) brochure, available online at etf.wi.gov or from ETF.

Health Insurance and Supplemental Benefits

You may be able to enroll or make a change into one of a variety of health insurance plan designs and various health insurance companies during the annual health benefits open enrollment period, when you start a new job, or when you experience a life change event.

What is This Benefit

The Group Health Insurance Program includes health insurance, prescription drug coverage, and wellness services through the Well Wisconsin Program. There are additional benefits available, for example dental or vision insurance, life insurance, and for state employees, pre-tax saving accounts. See other sections of this handbook as well as the ETF website at etf.wi.gov/benefits-by-employer to learn more about the choices available to you.

Wellness

Well Wisconsin, administered by WebMD, is available to eligible employees and their spouses enrolled in the Group Health Insurance Program. It provides wellness services and resources, and provides an incentive to most members for completing a health assessment, health check, and well-being activity.

Your benefits include coverage for mental health care. Visit etf.wi.gov/mental-health-resources for mental health resources.

Who is Eligible

Health insurance benefits are offered to eligible employees and eligible retirees of the State of Wisconsin, and participating local Wisconsin public employers. Contact your benefits office to see which benefits you are eligible for and what your costs will be. In general, the group health insurance program is available to employees, retirees, COBRA continuants, and Universities of Wisconsin graduate assistants.

- New employees must enroll within 30 days of your date of hire (in an eligible position), or first eligible appointment. Coverage will be effective on the first of the month on or following your hire date, or on the date you are eligible for an employer contribution, whichever you choose.
- State employees may obtain coverage within one month of starting work, but the state contribution toward the premium is not effective until the first of the month after two months of state employment under the WRS.
- Local employees should check with your payroll or benefits office to find out when your employer contribution begins. If you choose to start your coverage before you receive employer contributions, you will pay the full premium.

Note: UWs graduate assistants and WRS employees: If this is not your first eligible appointment, you may still be eligible for the initial 30-day enrollment period if you have a 30-day employment break between appointments.

How Does This Benefit Work

Health insurance helps protect you from high health care costs. It helps you pay for doctor visits, hospital stays, prescription drugs, and important preventive care. Consider your needs (available doctors, cost, in- and out-of-network benefits, etc.) when choosing from different plan designs, health plans, and supplemental benefits such as dental and vision.

Where to Find More Information

See etf.wi.gov/insurance for more information, as well as videos and live webinars. You may request a printed health benefits decision guide from your employer or view online.

Income Continuation Insurance

Income continuation insurance (ICI) is an income replacement benefit payable to you for short- and long-term disabilities, providing up to 75% of your average monthly earnings.

Who is Eligible

The Income Continuation Insurance Program is available to:

- All state of Wisconsin employees who participate in the WRS.
- Local Wisconsin public employer (WPE) employees whose employer elects to participate. Check with your employer if you are not sure.

How Does This Benefit Work

To be eligible to receive an ICI benefit in the future, you must enroll in the program within 30 days of hire (or within 30 days of becoming a WRS-participating employee). Contact your payroll or benefits office. If you do not enroll when first eligible, you will have limited opportunities to enroll later on.

Once you file a claim to receive ICI benefits, you must serve an elimination period before ICI benefit payments begin. An elimination period is the number of calendar days in which you must be completely off work.

Things to Consider

- If approved, you will usually receive ICI payments until you are no longer disabled or you reach age 65, whichever is sooner.
- Monthly premium rates are based on your salary, and either your sick leave balance (state employees) or your selected elimination period (local employees and UWs faculty and academic staff employees). For more information, see the state or local ICI brochures listed below.
- ICI benefit payments will be reduced by any other benefits you receive or are eligible to receive for the same time period, such as other WRS, Social Security, or Workers' Compensation benefits. You will be required to repay duplicate benefits back to the ICI Program.

While receiving ICI benefit payments, you will be required to provide earnings information on an annual basis. You may also be required to provide ongoing medical documentation to support your claim.

Where to Find More Information

For more information, see the following brochures, available online at etf.wi.gov or from ETF:

- [State Income Continuation Insurance \(ET-2106\)](#) for state employees, including UWs faculty and academic staff, or
- [Wisconsin Local Government Income Continuation Insurance \(ET-2129\)](#) for local employees.

Life Insurance

The Wisconsin Public Employers Group Life Insurance Program offers you coverage of up to five times your annual earnings, depending on when and how you enroll.

What is This Benefit

The program offers term life insurance for State of Wisconsin employees and retirees (state plan) and local government employees and retirees (local plan) whose employer elects to participate in the plan. Employees may also insure their spouses and dependent children.

Who is Eligible

Note: Local government employees, contact your employer to confirm the amount and type of coverage your employer offers. There are three enrollment opportunities for the group life insurance program:

1. Open enrollment for new hires: This open enrollment opportunity is limited to 30 days within your date of hire if you meet the eligibility requirements.
2. Enrollment due to family status change event: This enrollment opportunity occurs when you have a life change event, such as marriage, birth, or adoption. You may enroll for one level of employee coverage *or* increase your employee coverage by one level. You may also enroll for up to two levels of spouse and dependent coverage due to a family status change event. You must submit your application for increased coverage within 30 days of the family status change event.
3. Enrollment under evidence of insurability: This enrollment opportunity allows you to enroll in life insurance coverage outside of the above listed enrollment opportunities. If you provide Securian Financial Group with satisfactory evidence of insurability and meet the eligibility requirements, you can enroll for the amount of coverage you choose.

How Does This Benefit Work

For the basic, supplemental, and additional plans, one unit of coverage is equal to your highest prior calendar year's earnings, rounded up to the next thousand. For new employees, the amount of insurance is an estimate, determined by your employer. The estimate is based on the employer's projection of your earnings for the next twelve months rounded to the next higher \$1,000.

- Basic plan coverage will continue in a reduced amount for your lifetime, without cost, for eligible retirees older than age 65 and for active employees older than age 70.
- Supplemental plan coverage may continue up to age 65, if retired, or age 70 for active employees. You must be enrolled in the basic plan to have supplemental coverage.
- Additional plan provides up to three units of coverage, which may continue until you terminate employment or cancel coverage.
- Spouse and dependent plan provides up to two units of coverage for your spouse and all qualifying dependent(s). Each unit of coverage provides \$10,000 in spouse coverage and \$5,000 coverage for each qualifying dependent.

Things to Consider

- In most circumstances, there is no cash benefit to you while living. For more information, review the [Living Benefits \(ET-2327\)](#) brochure.
- You may be eligible to convert life insurance to pay for health or long-term care insurance at age 70 if you still work for a WRS employer. See the [Converting Your Group Life Insurance to Pay Health or Long-term Care Insurance Premiums \(ET-2325\)](#) brochure for more information.

Where to Find More Information

For more information, see the [The Wisconsin Public Employers Group Life Insurance Program \(ET-2101\)](#) brochure, available online at etf.wi.gov or from ETF.

Sick Leave Credit Conversion Program for State Employees

Sick leave is an important fringe benefit available to State of Wisconsin and UW employees. Most employees earn and, depending on usage, will accumulate hours of unused sick leave while they are employed. If eligible, upon retirement (regular or disability), layoff, or death, you can use your unused sick leave credits to pay for post-termination state group health insurance premiums for you, your surviving insured spouse, and dependents.

There are two sick leave credit programs for state of Wisconsin employees:

- **The Accumulated Sick Leave Conversion Credit (ASLCC) Program**
This program allows an eligible employee to convert the hours of sick leave to an account that can be used to pay state group health insurance premiums.
- **The Supplemental Health Insurance Conversion Credit (SHICC) Program**
This program allows an eligible employee with at least 15 years of continuous state service to have their accumulated sick leave hours matched based on their years of continuous state service.

If you are eligible, your employer reports your sick leave credits to ETF when you terminate employment. You must have at least 15 full years of adjusted continuous service (determined by your employer) with the state to be eligible for SHICC. SHICC benefits are additional hours of sick leave that increase your sick leave account balance. ETF deducts your health insurance premiums from your sick leave credit balance and pays the premiums to your health insurance plan.

Who is Eligible

To be eligible to use sick leave credits, you (or your insured surviving spouse and/or dependents) must meet the applicable eligibility requirements. You must be covered under the State of Wisconsin Group Health Insurance Program when you terminate state employment to be eligible to use your sick leave credits to pay post-termination health insurance premiums. There are some exceptions to this requirement, which are covered in detail in the *Sick Leave Credit Conversion Program (ET-4132)* brochure.

If you retire from state employment and have comparable health insurance coverage, you may escrow your sick leave credits and use them later. To *escrow* means to preserve or bank your sick leave credits for use at a later date. In order to escrow your sick leave credits, you must have comparable coverage the entire time your sick leave credits are escrowed. Refer to the *Sick Leave Credit Conversion Program (ET-4132)* brochure for criteria ETF uses to determine comparable coverage.

How Does This Benefit Work

Your unused sick leave credits cannot be “cashed out” when you leave state employment, and they cannot be used to pay premiums for any health insurance plans other than the State of Wisconsin Group Health Insurance Program plans.

Your ASLCC and SHICC balances do not accrue any interest. Your balances cannot be divided in a divorce by a qualified domestic relations order (QDRO). The only change to your balance occurs when health insurance premiums are deducted.

Where to Find More Information

See the Accumulated Sick Leave Credit Program web page at etf.wi.gov/sick-leave-program for more information and eLearning video.

Employee Assistance Programs for State Employees

Additional programs are available to help state employees, as well as your immediate family members. These programs are free and confidential, and available as needed—you do not need to enroll. If you are a local employee, check with your benefits office to see if additional services are available to you.

Who is Eligible

These services are available to all state of Wisconsin employees.

How Does This Benefit Work

State of Wisconsin Employee Assistance Program: You, or a member of your household, may call 1-833-539-7285, 24 hours a day, every day of the year, to receive services through Acentra Health (formerly Kepro). An Acentra representative is available at all times to help with a wide range of issues, including emotional stress, interpersonal relationships, substance abuse, child care, and more. Additional access is available through their website. Visit the EAP web portal at <https://sowi.mylifeexpert.com> and use code SOWI.

State of Wisconsin LifeSuite Services benefits are only available to employees and immediate family members who are enrolled in the life insurance or accident program. You, or a member of your immediate family, can receive:

- Legacy Planning Resources - Provides resources to help deal with the loss of a loved one or to plan for their own passing. These resources are available at LegacyPlanningResources.com.
- Legal, Financial, and Grief Resources - Provides access to a national network of professionals. For more information, call 1-877-849-6034 or visit Telus Health (formerly, Ceridian LifeWorks) at www.lifeworks.com. (user name: lfg and password: resources).
- Beneficiary Financial Counseling - Provides beneficiaries receiving \$25,000 or more with access to professional guidance to help them make sound decisions regarding policy proceeds. Beneficiaries will be invited to take advantage of this program when the life insurance claim is paid.
- Travel Assistance - Provides 24-hour emergency travel assistance services when traveling for business or pleasure 100 miles or more from home. For more information, visit LifeBenefits.com/travel or call 1-855-516-5433.

Where to Find More Information

For more information, contact your benefits office or refer to the resources above.

Contact ETF



etf.wi.gov

Find ETF-administered benefits information, forms, brochures, benefit calculators, educational offerings and other online resources. Stay connected with:

✉ ETF E-Mail Updates

X @wi_etf



1-877-533-5020

7:00 a.m. to 5:00 p.m. (CST), Monday-Friday

Benefit specialists are available to answer questions.

Wisconsin Relay: 711



PO Box 7931

Madison, WI 53707-7931

Write ETF or return forms.

