



# The Wisconsin Public Employers Group Life Insurance Program

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Presentation will begin shortly

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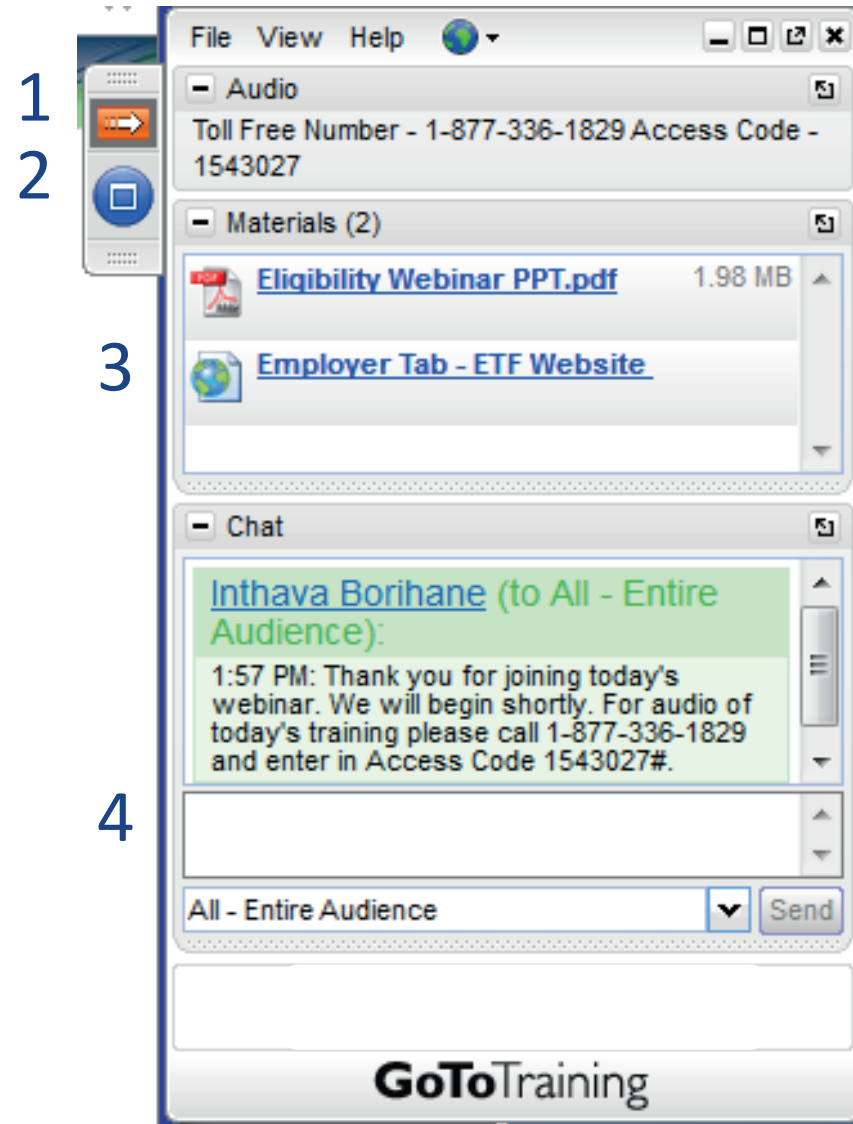
## 1. Panel Slider

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## 2. Full Screen

## 3. Materials

## 4. Chat Box



# Asking Questions



## Chat Box

- Always follow up if not answered



## Employer Communication Center

- Toll-Free: (877) 533-5020 opt 2
- ETF Agent

# Topics

- **What is Group Life Insurance?** \_\_\_\_\_ Slide 5
- **Eligibility** \_\_\_\_\_ Slide 10
- **Enrollment** \_\_\_\_\_ Slide 11
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# What is Group Life Insurance?

Group Life Insurance is offered to state of Wisconsin employees and participating local government employers

- Each **local government** employer is a separate employer.
- The **state of Wisconsin**, including all agencies, is considered one employer for life insurance purposes.

# What does Group Life Insurance Offer?

- + Basic coverage based on prior year earnings
- + Optional Supplemental coverage equal to prior year earnings
- + Optional Additional coverage equal to 1, 2, or 3 times prior year earnings
- + Waiver of Premiums during periods of disability
- + Optional coverage for spouse and dependents
- + Accidental Death, Dismemberment, and Loss of Use coverage
- + Living Benefits in cases of terminal illness
- + Insurance without further premiums for eligible retired employees
- + Optional conversion of post-retirement coverage to pay premiums for ETF sponsored health insurance or long term care insurance
- + LifeSuite Services Legal, Financial, And Grief Services, Travel Assistance, Legacy Planning, Beneficiary Financial Counseling

# Accidental Death, Dismemberment And Loss of Use Insurance

- Payment of benefits is in addition to the employee's basic coverage. If the employee suffers any of the losses listed in the ET-2101 because of **any one accident**, payment will be made only for the **largest payable loss**.
- Coverage continues while insurance is in force and the person is **employed and under age 70** or **retired and under age 65**.

*Please see the ET-2101 for a full description of loss and coverages.*

# Living Benefits

- If the insured person is diagnosed with a terminal illness or injury and has a **life expectancy of 12 months or less**, the insured, spouse, or dependent may apply to receive some or all of the life insurance coverage.
- Any **remaining amount** of the employee's living benefit will be paid to beneficiaries in the event of the employee's death.



# Third Party Administrator

**Securian Financial Group** is the third-party administrator for the life insurance benefit for all State of Wisconsin employer agencies and local government agencies who participate. Minnesota Life Insurance is the underwriter of all policies.

# Eligibility



Employees may enroll within 30 days of hire if the employer participates in WRS

Employees may enroll if they are included in any private retirement system with a participating local employer

Employees may enroll if they reach age 70 before becoming eligible, but may only be insured under the Additional Plan (subject to evidence of insurability, and only if the employer offers the coverage)

Rehired annuitants with continued coverage who return to WRS-covered employment have the choice of retaining their current coverage or enrolling for active coverage

# Enrollment

The employee must:

- ✓ be under age 70
- ✓ complete and submit the Group Life Insurance application (ET-2304) within 30 days of:
  - + the employee's hire date
  - or
  - + the employee's return to employment after a leave without earnings

The effective date for life insurance for **a new employee** will be the first day of the month following 30 days from the date of hire.

The effective date for life insurance **enrollment due to a qualifying event** is first day of the month following 30 days from the event.

For **Spouse and Dependent coverage**, the employee must submit the application within 30 days of the eligibility date or event date.

If the employee **doesn't initially have anyone to insure**, they must submit the application within 30 days of having a spouse, or dependent child.

# Coverage for Active Employees

## Basic Plan

Earnings paid by employer rounded to the next higher \$1,000. No premiums at age 70 (amount of coverage reduces at age 70).

## Supplemental Plan

Basic coverage required. Equal to employee's previous year earnings. Supplemental coverage stops at age 70.

## Additional Plan

Basic coverage required. Option to select 1 to 3 times employee's previous year earnings. Coverage ends at termination of employment.

# Spouse and Dependent Coverage

## Requirements

- + Must have Basic Plan
- + Employer must offer this coverage
- + Employee must be under age 70

## Enrollment Opportunities

- + Initial enrollment for employee within 30 days of hire.
- + Within 30 days of a qualifying event (marriage, birth, adoption, etc.)
- + If enrollment opportunities are missed, Spouse would be required to submit Evidence of Insurability.

Employees may apply for 1 or 2 units of coverage.

The coverage is a set dollar amount. See ET-2164 for coverage rates.

# Spouse and Dependent Coverage Termination

## Termination Events

- + The date the employee turns 70 years of age
- + The end of the month the employee terminates employment or retires
- + 90 days after the date of the employee's death

## Termination Dates

### For Spouse

- + The date of divorce

### For Children

- + The end of the year the children no longer meet the definition of a dependent child
- + The end of the month in which the dependent is married

# Conversion to an Individual Policy

## *Spouse and Dependent*

When coverage for a spouse or dependent terminates, they have the option to convert to an individual policy.

### Requirements

- + Coverage must have been in effect for at least six months prior to termination
- + The application for conversion and the first premium must be received by Securian/Minnesota Life within 31 days after the insured is no longer eligible for coverage under the previous group policy.

# Coverage During Disability

Employees can continue their life insurance if they become totally disabled and are under age 70, provided they are still employed or on an approved leave of absence.

To receive coverage during a disability, the person needs to:



File the Disability Premium Waiver (ET-5306)



Submit the claim within 36 months after the last day for which earnings are paid



# Cost to Employer

	State Employers	Local Employers
<b>Basic Plan</b>	Additional 65.25% of employee rate	Providing post retirement coverage (50% Basic Level): Additional 40% of employee rate
		All other employers: Additional 20%
<b>Supplemental Plan</b>	Additional 37.25% of employee rate	No employer contribution required
Additional and Spouse and Dependent Coverage	No employer contribution is required, employees pay the full cost of coverage	

# Cost to Employees

## State Employees

Premiums  
Begin  
**April 1**

## Local Employees

Premiums  
Begin  
**July 1**

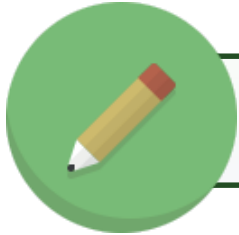
Premium amounts can be found in ET-2164 on the ETF website.

Premiums are no longer required for retirees who turn 65.

# ETF/Employer Services Section (ESS) Responsibilities



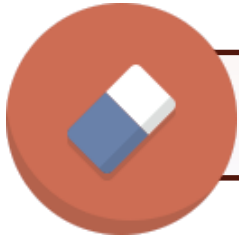
Respond to employer inquiries concerning enrollment, coverage, and premiums



Educate employers



Process new employers



Assist employers in correcting errors

# Employer Error

Send ETF the application marked with “Employer Error” and a detailed letter explaining the error.

The letter should answer the following questions:

- What is the exact nature of the error?
- What evidence exists to show that the employer, rather than employee, was responsible for the error?
- What was the cause of the error?
- How and when was the error discovered?
- What was done once the error was discovered?
- What corrective action has the employer put in place to ensure that this type of error does not reoccur?





# Employer Error

If premiums are not already being deducted, begin premium deductions immediately when the application is filed under the employer error provision.

If coverage is denied, the employer must refund any premium deductions.

ETF notifies employers and employees if Life Insurance coverage is approved/denied

If coverage is approved, it will be effective on the first of the month following the date the employer received the application.

If the employee had begun paying premiums within 60 days after becoming eligible, coverage will be backdated to the first month for which the employee paid a premium

# Cancellation

- Employees **may cancel coverage at anytime** by submitting the Life Insurance Application/Cancellation/Refusal form (ET-2304).
- Employees **can cancel levels of coverage**, but they must keep their Basic coverage in order to have life insurance.

# Termination of Coverage

Employee Insurance will terminate on the earliest of the following:

- X The end of the month the termination took place
- X 30 days after the date of expiration of a Leave of Absence
- X The date premiums are due if they are not paid within 30 days while the employee is on unpaid leave or while coverage has continued
- X Employee's 70th birthday (Supplemental Insurance and Spouse and Dependent)
- X Effective date of group policy termination by employer
- X The date to which premiums are paid for continuing coverage after the employee has again become employed by a participating employer and enrolls for coverage as an eligible employee

**Lapse of Coverage:** Insurance shall be considered lapsed if the employee fails to make premium payments during a 60 day period which begins on the last day for which premiums were paid.

# Coverage Continuation After Termination of Employment

Group Life Insurance can continue after employment if the WRS coverage began before 1/1/1990 or the group life insurance plan has been effective for five calendar years beginning 1/1/1990 and:

- the person is receiving (or meeting the requirements of) an immediate annuity  
or
- the sum of the years of creditable service in the WRS on 1/1/1990 plus the years of group life insurance coverage after 1989 equals 20 years  
or
- the person has 20 years of service on payroll with their last employer.



# Coverage Continuation After Termination of Employment

- If the employee terminates **before age 65** the Basic coverage will be the same as prior to termination. Premiums will be deducted from the employee's monthly annuity if retired or the employee will be billed directly.
- The Basic coverage will continue without a cost after age 65, but all other coverages (supplemental, spouse and dependent, additional, and AD&D) **will terminate at 65**.

# Coverage Continuation After Termination of Employment

- If an employee terminates employment at **age 65 or later** their Basic coverage will continue in a reduced amount for life **without a cost** if they retire.
- Spouse and dependent coverage, as well as supplemental, AD&D, and Loss of Use coverages, will terminate at the end of the month in which the person **retires or attains age 70**. The additional units will terminate when they terminate employment.

# Continuing Coverage Table

Age	Percent of Basic Coverage Continuing
Before age 65	100%
While age 65	75%
While age 66	50%
While age 67 and after	25%*

*\* Applies only to employees of local government employers. Local government employers may, however, elect a continuation of 50 percent of the Basic coverage if they agree to make the increased employer contributions. State employee coverage continues at the 50 percent rate from age 66 and after.*

# Conversion to Individual Policy (*Employee*)

If the employee's insurance is terminated and they can't continue group coverage, they may apply for an individual policy with Securian if:

- ✓ they are insured for 6 months prior to coverage termination
- ✓ they have not terminated employment at age 65 or later

Evidence of Insurability is **not** required if:

- ✓ the amount of individual coverage is less than or equal to the amount of group insurance coverage the person had, and
- ✓ the employee applies for an individual policy (on a form provided by Securian) and pays the first premium within 31 days after their group insurance coverage terminates

# Converting Life Insurance to Pay Health or Long Term Care Insurance Premiums

- If the employee has health or Long Term Care Insurance through ETF and the life insurance has been reduced to its final amount, the employee may elect to use the present value of their life insurance to **pay premiums for health or long term care insurance**. Contact ETF for the ET-2324 brochure for conversion instructions.
- State employees must **exhaust their sick leave** before converting their life insurance to pay for life insurance or long term care premiums.
- The unused amount of the converted life insurance will be paid out to beneficiaries as a death benefit.

# Death Benefits

## Death of spouse

Employees contact employer  
to report death



Employers help employees fill  
out forms submitted to ETF  
for payment

## Death of employee

ETF is notified and certifies  
the coverage amount and  
valid beneficiaries

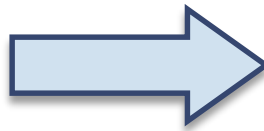


Information is forwarded to  
Securian, who then request  
the death certificate and  
send the forms

Death benefits are not taxable in the state of Wisconsin (for federal tax implications please consult a tax preparer). Employees should consult a tax professional for tax implications.

# Beneficiary Designation

ETF Beneficiary  
Designation Forms



ET-2320 (standard form)  
ET-2321 (alternate form)

One form will assign beneficiaries to **both WRS and Life Insurance**. The employee can file two forms to assign separate beneficiaries.

If **no beneficiary is designated**, there's a standard sequence listed on these forms that would apply.

# Resources

- [The Wisconsin Public Employers Group Life Insurance Program](#) ET-2101
- [Group Life Insurance Application/Cancellation/Refusal](#) ET-2304
- [Wisconsin Public Employers Group Life Insurance Conversion to Secure Protector Whole Life](#) ET-2306
- [Beneficiary Designation](#) ET-2320
- [Converting Group Life Insurance to Pay Health or Long Term Care Insurance Premiums](#) ET-2325
- [Group Life Insurance After You Terminate Employment](#) ET-4104
- [Living Benefits Brochure](#) ET-2327