



Employer *Bulletin*

Employer Communication Center (608) 264-7900 Toll free: 1-888-681-3952 <http://etf.wi.gov>

Wisconsin Public Employer Group Life Insurance Program

As a result of life insurance policy changes that were announced in a Department of Employee Trust Funds (ETF) January 22, 2010, *Employer Bulletin*, the following forms have been updated:

- *Wisconsin Public Employers Group Life Insurance* plan booklet (ET-2101)
- *Life Insurance Application/Cancellation/Refusal* form (ET-2304)
- *Life Insurance Evidence of Insurability* form (ET-2305)

The newly-revised forms are available online at ETF's Internet site. We encourage you to direct employees to the online forms, or print forms as needed, from the ETF site. You may also order paper copies of the booklet and forms. See attached order form.

The following is a summary of the revisions:

***Wisconsin Public Employer Group Life Insurance Plan* booklet (ET-2101)**

This booklet reflects policy changes that were outlined in the January 22, 2010 *Employer Bulletin*. Please advise your employees who have life insurance that the revised booklet is available online. You may also distribute a paper copy of the new booklet to insured employees who have life insurance. See the instructions at the end of this bulletin to order a supply. **Please discard any old life insurance booklets.**

See the sample notice at the end of this *Bulletin* for help in notifying insured employees about the revised booklet.

***Life Insurance Application/Cancellation/Refusal* form (ET-2304)**

The *Life Insurance Application/Cancellation/Refusal* form has been revised to delete the Age 70 and Over Additional election option and add domestic partners under the Spouse & Dependent coverage option. Per the life insurance changes announced in the January 22, 2010 *Employer Bulletin*, active employees who reach age 70 and have Additional coverage no longer need to submit an enrollment form to continue Additional coverage beyond age 70. The format of the application form has also changed; the Instruction page of the form has been revised to reflect those changes. **Please discard any old *Application/Cancellation/Refusal* forms.**

***Evidence of Insurability* form (ET-2305)**

The *Evidence of Insurability* form has been revised to delete the Age 70 and Over Additional election option and add domestic partners under the Spouse & Dependent coverage option. **Please discard any old *Evidence of Insurability* forms.**

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Life Insurance Enrollment and Premium Payment Reminders

In order to assure proper administration of the Group Life Insurance Program, please remember:

- Submit only one copy of the completed *Application/Cancellation/Refusal* (ET-2304) form to the Department of Employee Trust Funds (ETF). ETF will forward a copy of the form to Minnesota Life Insurance Company (MLIC).
- When providing estimated earnings for a new employee, be sure to provide the estimated earnings for a full year, projected on an annual basis. Refer to subsection 801 of the *Group Life Insurance Employer Administration Manual* (ET-1117) for further details about estimated earnings.
- The effective date for new coverage is the later of:
 - a. the first of the month on or after the date the completed application is received by the employer, OR
 - b. the first of the month following completion of the 6 month qualifying period for new employees.
- If coverage is terminating, premium is due for the month of termination and the following month. However, if the termination occurs prior to the coverage effective date, no coverage is in effect, and no premium is due.
- To voluntarily cancel life insurance coverage, or any portion of coverage, employees must complete the *Life Insurance Application/Cancellation/Refusal* (ET-2304) form. Voluntary cancellations can not be accomplished through notations on the monthly billing or premium reconciliation process. Premiums for cancelled coverage are due for the month that the employer receives the cancellation form and the following month.
- When an employee retires and meets the eligibility criteria to continue life insurance coverage, the employer is responsible for collecting premium payments until the annuity deductions begin, or until direct payment to MLIC is established.
 - If the employee is under age 65 and:
 - a. The retirement date is the 1st through the 10th of the month, premiums for employee coverage and Spouse & Dependent coverage are due for the month of retirement and the following month. OR
 - b. The retirement date is the 11th of the month or later, premiums for employee coverage are due for the month of retirement and the two following months. Spouse & Dependent premiums are due for the month of retirement and the following month.
 - If the employee is age 65 or over, premiums for employee coverage (Basic, Supplemental and Additional) are due for the month of retirement. Spouse & Dependent premiums are due for the month of retirement and the following month.

Note: When coverage for retiring employees continues through annuity deduction, NO *Application/Cancellation/Refusal* form (ET-2304) to cancel active coverage should be filed.

Please refer to Chapter 16 of the *Group Life Insurance Employer Administration Manual* (ET-1117) for further details about termination of coverage and coordination of premium collection.

- When an employee no longer has a spouse/domestic partner or dependent eligible for Spouse & Dependent coverage, the employee must complete the *Life Insurance Application/Cancellation/Refusal* form to cancel coverage. MLIC does not track the eligibility status of an employee's spouse/domestic partner and/or dependent(s). Therefore, MLIC does not know when an employee's last dependent loses eligibility. Please refer to Chapter 6 of the *Group Life Insurance Employer Administration Manual* for further details about cancellation of Spouse & Dependent coverage.

Contact Information

Contact the Employer Communication Center toll free at (888) 681-3952 or locally at (608) 264-7900 if you have questions regarding the contents of this bulletin.

SAMPLE NOTICE

IMPORTANT INFORMATION ABOUT YOUR WISCONSIN PUBLIC EMPLOYERS GROUP LIFE INSURANCE

A newly revised *Wisconsin Public Employers Group Life Insurance* booklet (ET-2101) is now available. An electronic copy is available on ETF's website at <http://etf.wi.gov/publications/et2101.pdf>. If you wish to review or obtain a paper copy of the booklet for your records, please contact your benefits office.

Recent policy changes include the following:

- The amount of coverage for an employee who has been employed less than a full calendar year on January 1 will be based on the higher of the prior year's estimated earnings or prior year's actual earnings. If the estimated earnings are higher than the actual prior year earnings, and the employee has been employed for less than one full calendar year, the employee's coverage will be based on an estimate until they have been employed for a full calendar year. After one full calendar year of employment, the insurance amount will always be based on the highest prior year's actual earnings. (Section 4)
- Employees who have Additional coverage when they turn age 70 will continue that coverage until they cancel the coverage, stop paying premium, or terminate employment, whichever is earliest. An enrollment application is no longer necessary to continue Additional coverage at age 70. (Section 4)
- The life insurance premium rates may change annually due to increased prior year earnings, premium changes approved by the Group Insurance Board (GIB) and/or changing to a higher age bracket. The annual premium rate adjustment for State employees has changed from the March coverage month to the April coverage month. The annual premium rate change for local government employees is effective with the July benefit month. (Section 5)
- In accordance with 2009 Wisconsin Act 28, the life insurance policy now extends life insurance benefits to domestic partners. Domestic partners have the same rights to Spouse & Dependent coverage as a married spouse and the definition of dependent now includes the dependent children of domestic partners. (Section 7)
- The Living Benefit provisions have been changed to require that partial payment of living benefits be limited to whole levels of coverage. Example: if an employee has \$35,000 of Basic coverage and \$35,000 of Supplemental coverage, the minimum that can be paid is one level of coverage. In this example, the minimum amount is \$35,000 of Supplemental coverage. (Section 8)

Ordering Forms

You can request paper copies of the revised life insurance forms by;

- Using the online order form through the ETF Internet site at <http://etf.wi.gov>. Please be sure to enter all requested information, especially your Employer Identification Number (EIN).
- Complete the attached form and mail or fax to:

ETF SUPPLY AND MAIL SERVICES
PO BOX 7931
MADISON WI 53707-7931
Fax: (608) 267-4549

ORDER FORM

Employer Name _____

EIN 69-036-_____

Employer Shipping Address _____

Employer Phone # _____

Quantity

Wisconsin Public Employers Group Life Insurance brochure (ET-2101)
[including the 2010-2011 Premium Rate Sheet (ET-2164)] _____

Group Life Insurance Application/Cancellation/Refusal (ET-2304) _____

Group Life Insurance Evidence of Insurability (ET-2305) _____

Mail or Fax to:

WI DEPARTMENT OF EMPLOYEE TRUST FUNDS
ETF SUPPLY AND MAIL SERVICES
PO BOX 7931
MADISON WI 53707-7931
Fax: (608) 267-4549

Allow 7 to 10 business days for delivery
