



## Contract By Authorized Board

**Commodity or Service:** Third-Party Administration of Wisconsin Public Employers Group Life Insurance Program Request for Bid/Proposal No: ETJ0029  
Authorized Board: Group Insurance Board

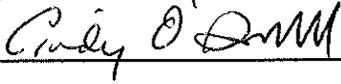
**Contract Period:** 01/01/2011 thru 12/31/2015 with option for two (2) additional one-year periods

1. This contract is entered into by and between the State of Wisconsin, Department of Employee Trust Funds (Department), the State of Wisconsin Group Insurance Board (Board) and the contractor whose name, address, and principal officer appears on page 2. The Department is the sole point of contact for Board contracting;
2. Whereby the Department of Employee Trust Funds agrees to direct the purchase and the contractor agrees to supply the contract requirements cited above in accordance with the terms and conditions of the request for bid cited above, and in accordance with the contractor's bid submitted on this request for bid which request for bid is hereby made a part of this contract;
3. In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employees or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s.51.01(5), Wis. Stats., sexual orientation as defined in s.111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the contractor further agrees to take affirmative action to ensure equal employment opportunities. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.
4. Contracts estimated to be over twenty-five thousand dollars (\$25,000) require the submission of a written affirmative action plan. Contractors with an annual work force of less than twenty-five (25) employees are exempted from this requirement.

Within fifteen (15) working days after the award of the contract, the plan shall be submitted for approval to the Department. Technical assistance regarding this clause is provided by the Purchasing Agent, Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931, (608) 266-8989, mark.blank@elf.state.wi.us.

5. For purposes of administering this contract, the Order of Precedence is:
  - Group Insurance Policy No. 2832-G issued by MLIC to the Board, including all exhibits, attachments and amendments,;
  - Wisconsin Public Employers Group Life Insurance Program Administrative Agreement, including all exhibits, attachments and amendments;
  - the technical and cost proposals for the RFP ETJ0029 submitted by Minnesota Life Insurance Company dated April 2, 2010;
  - RFP ETJ0029 dated February 22, 2010, including all appendices, attachments and amendments;
6. February 7, 2012, issued Amendment #1 to Group Life Insurance Policy No. 2832-G. The amendment modifies enrollment opportunities and is effective May 1, 2012.

**Contract Number & Service:** ETJ0029; Third-Party Administration of Wisconsin Public Employers Group Life Insurance program

State of Wisconsin Department of Employee Trust Funds
By Authorized Board (Name) Group Insurance Board
By (Name) Cindy O'Donnell
Signature 
Title Chair, Group Insurance Board
Phone 608-266-9854 (Robert J. Marchant, Deputy Secretary)
Date (MM/DD/CCYY) 02/07/2012

To be Completed by Contractor
Legal Company Name Minnesota Life Insurance Company
Trade Name
Taxpayer Identification Number 41-0417830
Company Address (City, State, Zip) 400 Robert Street North, St. Paul, MN 55101
By (Name) Paul Rudeen
Signature 
Title Vice President and Actuary
Phone 651-665-4895
Date (MM/DD/CCYY) 02/01/2012

Minnesota Life Insurance Company • 400 Robert Street North • St. Paul, Minnesota 55101-2098

Reissued Group Life Insurance Policy No. 2832-G, issued effective January 1, 2011 to the Group Insurance Board of the State of Wisconsin is hereby amended as follows:

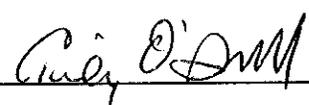
This amendment No. 1 replaces pages 2 and 3 with new pages 2, 3, and 3(a) effective May 1, 2012. This incorporates two changes to the policy:

- (1) Employees in employment classifications which previously waived participation in the policy due to having a different life plan available ("alternative program") have a one-time opportunity to enroll as a newly eligible employee, provided they were covered for life insurance in the alternative program and the alternative plan is terminated by the employer.
- (2) An employee who has a certain type of family status change may elect or increase coverage by one level without the need to provide satisfactory evidence of insurability.

Minnesota Life Insurance Company this 1<sup>ST</sup> day of February, 2012

By   
Vice President

The State of Wisconsin Group Insurance Board this 7<sup>th</sup> day of FEBRUARY, 2012

By   
Chairman

**Retired Employee:** Means the same as prescribed under Wis. Stats. §40.02(49).

**Separation:** Termination of all rights to benefits under the Wisconsin Retirement System as prescribed in Wis. Stats. §40.25(3).

**Spouse:** The lawful husband or wife of an employee. Also, all references to "spouse" shall include a domestic partner, as defined above.

**State:** The State of Wisconsin.

**State Employer:** Means state agencies as prescribed in Wis. Stats. §40.02(54) and the University of Wisconsin as prescribed under Wis. Stats. §40.02(57).

**Supplemental Plan:** The insurance provided under Wis. Stats. §40.72(10).

**Termination of Employment:** Means the same as prescribed under ETF 10.08(2) and (3).

**Union Service Leave:** Means the same as prescribed in Wis. Stats. §40.02(56).

**Wisconsin Public Employers Group Life Insurance Program:** The group term life insurance program offered by the State of Wisconsin to eligible employees of the state and participating public employers, established and administered pursuant to Wis. Stats. Chapter 40 and the Wisconsin Administrative Code, Department of Employee Trust Funds.

## **Eligibility for Insurance**

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Except as otherwise provided by statute or administrative rule, a person shall become eligible for insurance under this policy after January 1, 1958 on the date the person first qualifies as an eligible employee in accordance with Wis. Stats. §40.02(25)(a) or (c) or the date the person again becomes an eligible employee after termination of employment for a period of 30 days or more.

A new six-month period of participating employment as defined in Wis. Stats. §40.02(25)(a)(1) is required if the employee elected and received a separation benefit as provided under Wis. Stats. §40.25(2). An employee who returns as an eligible employee within 30 days after termination of employment or after a leave of absence without earnings, during which time the coverage lapsed, may re-enroll without evidence of insurability only for the plans and amounts that were in effect prior to termination or leave of absence.

An employee shall also be eligible to enroll for insurance on the effective date of any enactment, repeal, amendment or interpretation of any statute or rule which makes the employee initially eligible for group life insurance.

An eligible employee who had group term life insurance coverage offered through an alternative employer sponsored plan will be treated as a newly eligible employee if the alternative coverage is being terminated by the employer and the employee had life insurance coverage under the alternative plan up until the effective date for inclusion under this plan. The amount of insurance available will be subject to the amounts available under this policy and the employer's resolution for participation under the plan. Eligible employees must apply for coverage within 30 days of the date coverage is terminated under the alternative employer sponsored plan. Evidence of insurability is required for any amount of insurance that exceeds the amount of insurance for which the employee was insured under the prior alternative employer sponsored plan.

Except for an employee age 70 or over, the employee must have coverage in the Basic Plan to be eligible for coverage in the other plans.

Except as provided under "Employer Error" in the section entitled "Enrollment for Insurance" and "Amount of Continued Insurance" under the section entitled "Coverage During Disability – Waiver of Premium Benefit," to be eligible for any initial insurance coverage or any increase in insurance coverage, an employee must not be on unpaid leave of absence. Eligibility will be suspended until the employee returns to work from unpaid leave of absence.

## **Enrollment for Insurance**

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This section is limited to those coverages which the Employer elected to provide eligible employees under Wis. Stats. §40.03(6) or §40.70.

### **OPEN ENROLLMENT**

Pursuant to the authority granted to the Board under Wis. Stats. §40.03(6)(d) and §40.70(1)(b), an eligible

employee may enroll for insurance under this policy by filing an application provided by the Department which must be received by the employer within 30 days after the employee becomes eligible under the section entitled "Eligibility for Insurance." In no event will coverage be in effect if the employer has not received a valid application, even if premiums have been deducted.

An employee who has a change in employment class or whose appointment changes is not eligible for an open enrollment unless the change resulted from a termination of employment.

An employee who has a change in employment class that requires the employer to provide 100% employer-paid coverage under its employment contract for an entire employment class is eligible for an open enrollment only for the plans that are 100% employer paid.

#### **LIMITED ENROLLMENT FOR FAMILY STATUS CHANGE**

An eligible employee may enroll in or increase coverage by one level (100% of the employee's previous calendar year's earnings rounded to the next higher \$1,000) without the need to provide satisfactory evidence of insurability if application is made within 30 days of one of the following: (a) the date of the employee's marriage; (b) the date that the employee establishes a domestic partnership for Wis. Stat. Chapter 40 benefit purposes; or (c) the date of birth, adoption, placement for adoption, or award of legal guardianship of the employee's dependent child. Enrollment is subject to the plan maximum, and if employed by a local government, is subject to the plans that are made available by the employee's employer.

#### **LATE ENROLLMENT**

An eligible employee whose application is not received by the employer within 30 days after the employee becomes eligible may later enroll for insurance by providing evidence of insurability satisfactory to the Company on a form provided by the Department.

#### **ENROLLMENT FOR EMPLOYEES WHO TRANSFER**

An insured employee who transfers from one state employer to another without a termination of employment continues the same insurance coverage in effect at the previous state employer. An uninsured employee who transfers from one state employer to another without termination of employment is not eligible for an open enrollment at the new state employer. Premiums are due for coverage that continues upon transfer. If the new state employer does not immediately initiate payroll deduction of premiums the past due premiums are due from the date of transfer.

#### **ENROLLMENT FOR REHIRED EMPLOYEES**

A former employee who has continuing group coverage under Wis. Stats. §40.72(4) after termination of employment and who again becomes an eligible employee of a participating employer is eligible to continue the types and amounts of coverage in effect at the time of rehire. If the premium payment is being made from a monthly annuity, the employee must arrange for direct billing by the Company by filing a notice with the Department on or before the last day of the month for which premiums were paid from the annuity. Employee contributions will continue only until age 65 as if the employee were an insured retired employee, and coverage will be adjusted at that time according to the section entitled "Amounts of Life Insurance." Alternatively, the employee may file an application within 30 days after becoming an eligible employee of a participating employer and be considered as a new employee, whereby all continuing coverage as a retired employee is effectively canceled. Coverage as an active employee will become effective on the first day of the month following the later of the employer's receipt of the application or the lapse of coverage as a retired employee.

#### **ENROLLMENT UPON TERMINATION OF WAIVER OF PREMIUM**

If a waiver of premium benefit is terminated in accordance with the section entitled "Coverage During Disability – Waiver of Premium Benefit," the insured is eligible to continue the coverage if meeting the requirements of Wis. Stats. §40.72(4) or if the insured is then an eligible employee of a participating employer.

If the insured again becomes employed by his or her previous employer, only the plans and amounts in place prior to the disability leave may be enrolled for without evidence of insurability, subject to all other provisions of the section entitled "Enrollment for Insurance." The State is considered one employer. Therefore, if the insured becomes employed by a different state employer, then this would be treated as becoming employed by the previous employer.

If the insured again becomes employed but by a different employer than the previous one, application may be made as a new employee subject to the provisions of the section entitled "Enrollment for Insurance."

If the insured is not eligible to continue coverage or to enroll as a new employee, then the insured may convert coverage to an individual policy per the section entitled "Conversion Privilege" by filing an application within 31 days of the termination of the waiver of premium benefit.

#### **EMPLOYER ERROR**

Notwithstanding the above requirements of enrollment, as provided by Wis. Stats. §40.70(7m), an application shall be approved beyond the 30-day period after the employee becomes eligible without providing evidence of insurability if all of the following conditions are met:

- (1) The employer furnishes sufficient information to the Department indicating the employer did not provide an application form, submit premium payments, advise the employee of eligibility or perform other enrollment requirements;
- (2) The employee files an application provided by the Department which must be received by the employer within 30 days after the employee first becomes aware of the error; and
- (3) The Department finds that the employee was denied coverage as a result of employer error as specified in Wis. Stats. §40.70(7m).

If the application is approved, the coverage will become effective the first day of the calendar month on or after the date the application is received by the employer.