

Local Income Continuation Insurance (ICI) 101

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Employer Services Section



Local ICI 101 Learning Objectives

Define ICI

Identify
benefit
amounts

Determine
eligibility
criteria

Explain
enrollment
options

Detail how
coverage
terminates

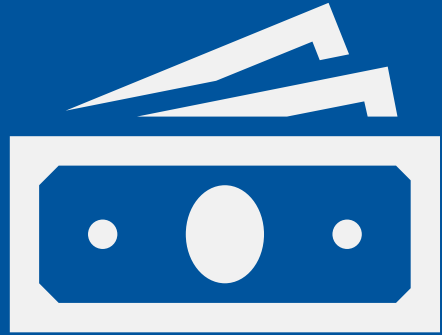
Explain
Elimination
Periods

Determine
premiums

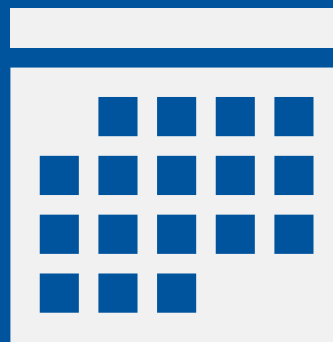
Describe filing
claims and
return to work

Resolve
employer
errors

Define ICI



Income replacement
program



Short-term &
Long-term (± 12 mo.)



Administered by The
Hartford

Identify Benefit Amounts



Pays 75% of monthly earnings

- Example:
If normal = \$4,000
→ ICI = \$3,000



Standard Coverage

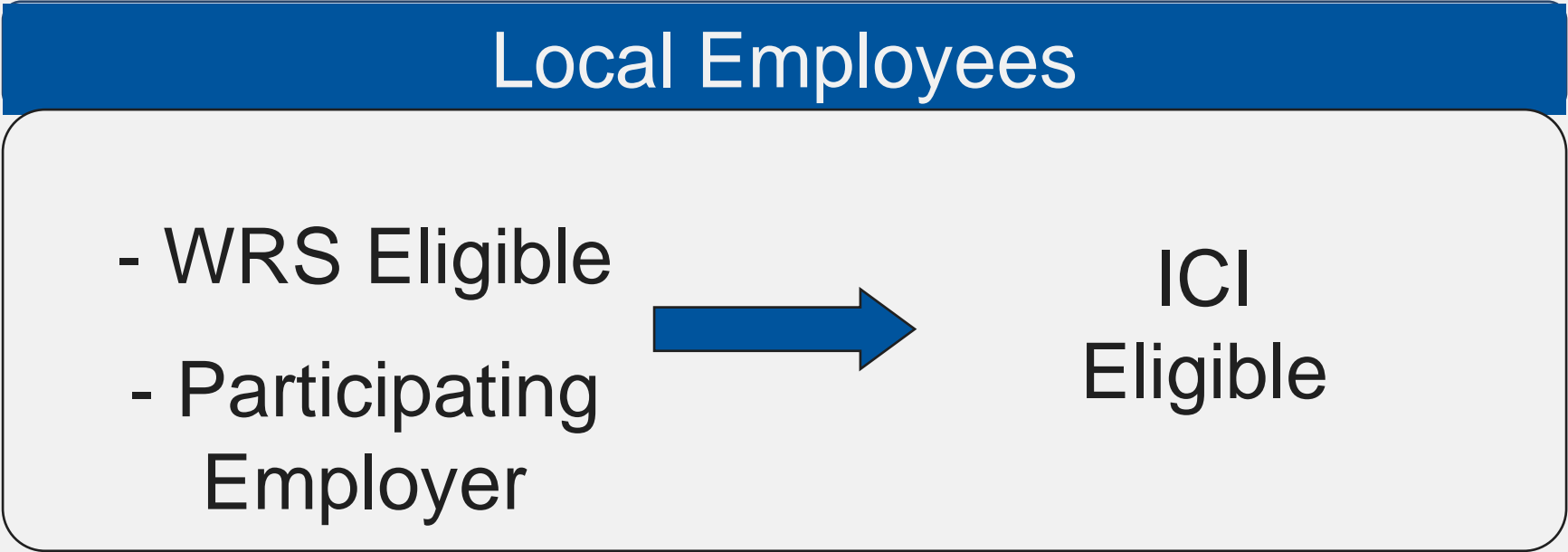
- Annual salaries up to \$120,000
- No Supplemental Coverage



Offset by other income

- Other WRS programs
- Social Security
- Worker's comp.
- Unemployment
- Part-time earnings

Determine Eligibility Criteria



Explain Enrollment

Option 1: Initial Enrollment



New hires



1st of month on/after
hire date

Option 2: Evidence of Insurability



For employees
enrolling at other times



Includes medical
questionnaire

Determine How Coverage Terminates

Employment Termination

Cancellation

Explain Elimination Periods

Definition

Time
between
work stop
and
benefit

Employee
chooses length

30, 60, 90,
120, or
180 days

No Leave
requirements

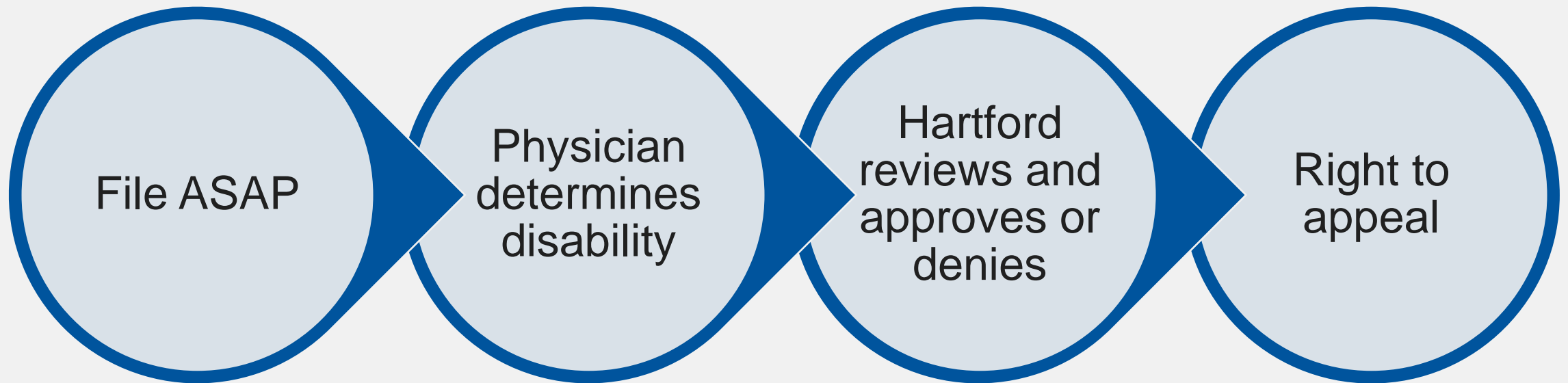
Vacation,
Sick
Leave,
etc.

WRS Disability Situation



Filing for
WRS
Disability:
Contact ETF

Filing Claims



Return to Work

Requires physician release

- Specifies number work hours

Full-time

- ICI benefit terminates

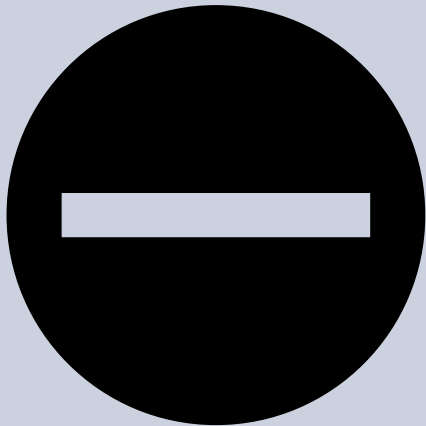
Part-time

- Earnings offset 75%
- Ex.: \$1,000 part-time earnings = \$750 reduction to ICI benefit

Refusal to return

- Benefit offset amount cleared to work

Employer Error



Employer
errors... happen

Employer Error Eligibility

Eligible Employer Error

Ineligible Employer Error

Employee notified of

Employer error within 60 days of

discovery of the error



Employer Error Letter

What is the exact nature of the error?

What evidence shows the *employer* was responsible for the error?

What caused 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?

Consult ICI manual for more guidance

Steps to Take: Employer Error

Begin premium deductions...

- When application is filed
- Filed under Employer Error provision

If coverage is denied...

- Employer refunds premium deductions

If coverage is approved...

- Effective 1st of month following receipt

If employee paid premiums within 60 days of eligibility...

- Coverage backdated to 1st of month for first premium



Questions?

Thank you



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