

## JEMS/Benefits Updates

- At the Tuesday Hot-topic session, as part of System Changes, it was announced that on 1/14/13 the Benefits Intention Field will be removed.
- This field will not be removed from JEMS HIRE until later in January (1/28 at the latest).
- Along with this change, we will move the edit that when hiring academic staff with "Rehired Annuitant" waiver or using the Professor Emeritus title (D21NN, D22NN, D23NN & D24NN) the "Rehired Annuitant" field will default to "REH no WRS".
- This default will not work if they hire a retired person with open recruitment or hire using title that does not require PVL number.

# Retirement Resources

- Sick Leave Credit Estimator updated with 2013 health insurance premiums:  
<http://www.uwsa.edu/hr/benefits/sickleaveEst/>
- Employees can now request retirement estimate online:  
<http://etf.wi.gov/news/ht-retirement-estimate.htm>
- ETF calculators: <http://etf.wi.gov/calculator.htm>
  - WRS Retirement Benefits Calculator
  - Income Tax Withholding Calculator (for monthly annuity)
  - Accelerated Payment Cost Calculator
  - WRS Forfeited Service Calculator
  - Variable Excess/Deficiency Calculator

**This form is mandatory  
for any rehired  
employee receiving an  
annuity from the WRS.**

Department of Employee Trust Funds  
Wisconsin Retirement System  
P.O. Box 7931  
Madison, WI 53707-7931  
**REHIRED ANNUITANT FORM**  
Wis. Stat. § 40.26 (1)



**PLEASE TYPE OR PRINT IN BLACK**

Please refer to Chapter 15 of the WRS Employer Manual for instructions on completing this form.

Employee Name (Last, First, Middle)		Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Social Security Number or Member ID
Address (Street, City, State, Zip)			
Employer Name (If State of Wisconsin, include department)		Statement of Benefits Distrib. Code	
ETF Employer ID No. 69-036-0001-131	Hire/Rehire Date (MM/DD/CCYY)	<input type="checkbox"/> Employee not WRS eligible	<b>FOR ETF ONLY</b> Date WRS Participating Employment Begins (Mo/Day/Yr)
Report Date (To be completed by ETF)		WRS Term Date:	
		Benefit Efec. Date:	
		Benefit App. Rec'd.:	

**EMPLOYMENT CATEGORY**

<input type="checkbox"/> 30 General Employee	<input type="checkbox"/> 42 Educational Support Personnel
<input type="checkbox"/> 31 Court Reporter	<input type="checkbox"/> 45 Supreme Court Justice
<input type="checkbox"/> 32 State Exec. Retirement Plan (Wis. Stat. § 20.923 (4), (8) or (9))	<input type="checkbox"/> 46 Legislator or State Constitutional Officer
<input type="checkbox"/> 33 Protective Occupation Under Social Security	<input type="checkbox"/> 47 Court of Appeals Judge
<input type="checkbox"/> 34 Protective Occupation Not Under Social Security	<input type="checkbox"/> 48 Circuit Judge
<input type="checkbox"/> 40 Teacher	<input type="checkbox"/> 49 Elected Official or Appointed to Fill an Elected Office
<input type="checkbox"/> 41 Executive Teacher	

**Employee Election**

I understand that at this point, I am not eligible to participate in the WRS. If I were to become eligible, I understand that I would need to fill out a new Rehired Annuitant Form indicating my intent to participate in the WRS, or my intent not to actively participate in the WRS.

I elect to participate in the WRS as an active employee pursuant to Wis. Stat. § 40.26 (1). I certify I had a valid termination and have remained terminated from all WRS participating employment between my date of termination and the latest of the following dates:

- the day after my annuity effective date, or
- the 31<sup>st</sup> day after my termination date, or
- the 31<sup>st</sup> day after ETF received my benefit application.

I understand my WRS annuity will be terminated and WRS coverage will begin effective the first of the month following ETF's receipt of this election. I understand this election can be revoked only if ETF receives my written request to withdraw this election prior to the day WRS coverage would resume. I will be eligible to reapply for a retirement annuity only when I again terminate all WRS covered employment. Note: This option is available even if you have been retired for an extended period and you now want to participate as an active employee.

I do not elect to actively participate in WRS pursuant to Wis. Stat. § 40.26 (1). I certify I had a valid termination and have remained terminated from all WRS participating employment between my date of termination and the latest of the following dates:

- the day after my annuity effective date, or
- the 31<sup>st</sup> day after my termination date, or
- the 31<sup>st</sup> day after ETF received my benefit application.

I understand I may elect to actively participate in the WRS at any time in the future, provided I meet the WRS eligibility criteria for participation, by filing an updated form.

<b>EMPLOYEE MUST SIGN HERE</b>	Signature of Employee (in ink)	Date
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<b>AGENT MUST SIGN HERE AND SUBMIT TO ETF</b>	I hereby certify the named is an employee of this participating employer, and that the indication above reflecting that the employee is or is not currently eligible to participate in the WRS as defined in Wis. Stat. § 40.22 is accurate. I further understand that if a determination has been made that the employee is not WRS eligible, if the employee were to later become WRS eligible under Wis. Stat. § 40.22, I would need to provide the employee the option of electing to participate in the WRS and to fill out a new Rehired Annuitant Form. I understand that Wis. Stat. § 943.395 provides criminal penalties for knowingly making false or fraudulent claims on this form and hereby certify that, to the best of my knowledge and belief, the above information is true and correct. I certify that I am responsible for reporting coverage information to the Wisconsin Retirement System.
	Signature and Title of Agent

**Make one copy for your records and one copy for your employee. Submit the original to ETF.**

**Subject:** Changes to your paycheck deductions in 2013

**From:** Staci Francis <sfrancis@education.wisc.edu>

**Date:** 1/2/2013 12:45 PM

**To:** soe-administrators@lists.wisc.edu

Please remind your employees of several changes they may see to their paychecks starting this month.

1. Below is an update on 2013 Social Security and Medicare Tax Information. This information has also been posted as a news article on the MY UW and UW System portals.

### 2013 Social Security and Medicare Tax Information

The Social Security wage base (the amount of an employee's taxable earnings that can be taxed for Social Security purposes) has risen from \$110,100 in 2012 to \$113,700 in 2013. This means that the first \$113,700 of an employee's taxable earnings is taxable for Social Security purposes.

In 2011 and 2012, federal legislation temporarily lowered the Social Security tax rate for an employee from 6.2% to 4.2%, but the employer continued to pay 6.2% of earnings. **This lower employee Social Security tax rate is due to expire on December 31, 2012.** The employee Social Security tax rate for 2013 is 6.2% of covered earnings, up to \$113,700. This article will be updated if new legislation extends the tax cut.

The employee Medicare tax rate employers are required to withhold for 2013 is 1.45% of an employee's earnings up to \$200,000 and 2.35% (a .9% increase from the 2012 1.45% tax rate) of earnings in excess of \$200,000. The employer will continue to contribute 1.45% of total covered earnings to Medicare. Employees whose combined household earnings for tax reporting purposes is between \$200,000 and \$250,000 may receive a credit of the .9% increase upon filing their 2013 tax return.

2. The Wisconsin Retirement System (WRS) employee contribution rate for 2013 will increase from 5.9% to 6.65% for all employees except those covered by the Executive WRS category. This change will also occur on the first check payable in 2013.

3. Also, health insurance rates went up starting Jan 1, 2013 from \$201.00 to \$211.00 for family and from \$81 to \$85 for single. (Grad rates are now \$42.50 single and \$105.50 family from \$40.50 and \$100.50.)

Staci

# Summary Chart of 2013 Changes (for reference)

	2012	2013
WRS Employee Contribution Rate	5.9% (all except executive) 7.05% (executive)	6.65% (all except executive) 7% (executive)
WRS Employer Contribution Rate	5.9% (general, teacher) 9% + 5.4% duty disability (protective) 7.05% (executive)	6.65% (general, teacher) 9.75 + 5.4% duty disability (protective) 7% (executive)
WRS Contribution Wage Base	\$250,000	\$255,000
Sick Leave Credit Employer Contribution	1.2%	1.3%
Social Security Employee Contribution Rate	4.2%	6.2%
Social Security Employer Contribution Rate	6.2%	6.2%
Social Security Wage Base	\$110,100	\$113,700
Medicare Employee Contribution Rate	1.45% (no earnings limit)	1.45% on first \$200,000 & 2.35% on \$200,000+
Medicare Employer Contribution Rate	1.45% (no earnings limit)	1.45% (no earnings limit)
TSA Fee	\$15	\$12
TSA/WDC Contribution Limits (does not include service catch-up provisions)	\$17,000 (under 50) \$22,500 (age 50 and over)	\$17,500 (under 50) \$23,000 (age 50 and over)

## Chapter 16 Leaves of Absence and Leave Benefits

### 16.01 LEAVES OF ABSENCE AND TEMPORARY ASSIGNMENTS WITHOUT PAY

#### FACULTY AND LIMITED APPOINTEES WITH FACULTY BACKUP APPOINTMENTS

##### Definitions

**TENURED**—For purposes of this policy, a *leave of absence* is a temporary separation of a faculty member from the University during which the faculty member is not paid from funds administered by the University except for such fringe benefits as may be permitted by State regulations.

**PROBATIONARY-TEMPORARY ASSIGNMENT**—For purposes of this policy, a *temporary assignment without pay* is a temporary separation of a probationary faculty member from the University that DOES NOT interrupt the probationary period. (For the duration of the temporary assignment without pay, the probationary faculty member is not paid from funds administered by the University except for such fringe benefits as may be permitted by State regulations.)

**PROBATIONARY-LEAVE OF ABSENCE WITHOUT PAY**—For purposes of this policy, a *leave of absence without pay* is a temporary separation of a probationary faculty member from the University that DOES interrupt the probationary period. A probation extension requires University Committee and Provost approval (Only Provost's approval is necessary for an extension of the probationary period for up to one year if the leave is due to birth or adoption); it is approved only for an activity that substantially interrupts the ability of the probationary faculty member to establish, within the normal probationary period, a record that would warrant the granting of tenure. The only difference between a temporary assignment and a leave of absence is that a leave of absence may be the basis for an extension of the normal probationary period.

The policy for stopping the tenure clock is available on the Provost's website at <http://www.provost.wisc.edu/memos/stoptenure.html>

#### Request for Temporary Assignment or LOA of One Year or Less

A request for a temporary assignment or leave of absence of one year or less is initiated in writing (form may be used—see Appendix 16-A) to the dean and department chair and requires the affirmative recommendation of the departmental executive committee and the approval of the dean. The decision whether to approve the leave typically is based on the needs and funding of the unit, except in the case of federal and Wisconsin Family and Medical leave entitlements, and under UW Madison Family-Related (Parental) Leave Policy (UPPP 16.03).



**NOTE:** Leaves of absence of up to one year do not need to be forwarded to the Academic Personnel Office; however, APO should be consulted prior to denial of an unpaid medical leave of absence request.

### **Extension of a Leave of Absence Beyond One Year**

Ordinarily, a leave of absence is granted for a maximum of one year, or a maximum of three semesters in three years even if no single absence exceeds one year, but under appropriate circumstances upon recommendation of the executive committee and the dean, and with the approval of the University Committee and the vice chancellor for academic affairs and provost, it may be renewed. The decision whether to approve the leave typically is based on the needs and funding of the unit, however, APO should be consulted prior to denial of an unpaid medical leave of absence request. If a leave extension is submitted, indicate the dates of the initial leave on the Leave of Absence form. The request for an extension should be submitted to APO and is then forwarded to the University Committee and the Provost/Vice Chancellor for Academic Affairs for final approval.

Under the Regent Policy 20-6-Policy on Non-Medical Leaves of Absence for Unclassified Staff, the Chancellor, after considering specific institutional needs, may grant an unclassified staff member a full or part-time leave of absence without pay for non-medical reasons for a period of up to five years. A leave of absence granted under this Regent policy may be granted for reasons including, but not limited to the following:

1. Allowing an unclassified staff member to engage in entrepreneurial activities such as forming companies or businesses related to or arising in connection with the unclassified staff member's institutional research or area of academic specialization;
2. Allowing the unclassified staff member to perform services for another UW System institution or UW System Administration;
3. Allowing the unclassified staff member to engage in public service as an elected or appointed official of local, state, or federal government;
4. Allowing the unclassified staff member to serve as a fellow of a research entity affiliated or engaged in research with a UW System institution.
5. Allowing the unclassified staff member to engage in activities similar or related to those enumerated on this section. Leave extensions up to the five year maximum must be reviewed and approved by the University Committee and the Provost prior to the commencement or continuation of the new leave period.

The UW System President may grant an unclassified staff member an extension of a leave of absence beyond five years for the reasons enumerated above.

**\*NOTE**—Once a leave of absence is approved, it is important for the employee to consult with the Office of Human Resources Benefits Services concerning the potential effects on his/her health insurance and other benefits.

### **Effective With Notification Regarding Failure to Return**

If an extension beyond one year is approved by the University Committee and the Provost/Vice Chancellor for Academic Affairs, it becomes effective when a letter is issued from the Provost to the faculty member indicating that failure to return to UW-Madison at the conclusion of the approved leave period constitutes a resignation as provided in [Regent Resolution #5364](#).

## **ACADEMIC STAFF AND LIMITED APPOINTEES WITH ACADEMIC STAFF BACKUP APPOINTMENTS**

# State Group Health Premiums upon LOA

- **The employer contribution to health insurance premiums** continues for the first three months of a leave of absence (s. 40.05(4)(a)3., Wis. Stats.).
  - Employee eligible for the Employer Contribution towards premiums for the first 3 payroll months of the unpaid LOA.
    - **EXAMPLE:** If Unpaid LOA begins May 24<sup>th</sup>, coverage is paid through June via payroll deduction. Employee is eligible for the Employer Contribution for the **PAYROLL** months of June, July and August (**COVERAGE** months of July, August and September).
  - For the purpose of counting the first 3 months of an unpaid LOA to determine eligibility for the ER contribution towards SGH, the LOA starts on the 1<sup>st</sup> of the month on or following the last day paid. The employee is eligible for the employer contribution towards health during the month the unpaid LOA starts (regardless of the pay period in which the LOA begins) plus an additional 3 months.



## SGH/LOA (CON'T)

- Upon return to work, the employer contribution towards health insurance resumes for the coverage month that begins on the 1st of the month on or after the employee returns to work.
  - **Example 1:** If an employee returns to Work on August 15, the Employer Contribution begins with September 1<sup>st</sup> Coverage.
  - **Example 2:** If an employee returns to Work on August 2, the Employer Contribution begins with September 1<sup>st</sup> Coverage.
  - **Example 3:** If an employee returns to Work on September 1, the Employer Contribution begins with September 1<sup>st</sup> Coverage.

## SGH/LOA (CON'T)

- The pay period in which the employee returns (A vs B or C pay period) to work does not impact eligibility for employer contribution – eligibility begins on the coverage month that begins on the 1<sup>st</sup> of the month on or following RTW.
- The employee must return for at least 50% of **their FTE** for **30 days** before a LOA is considered to have ended. However, the employee does not need to have completed the 30 days before the employer premium contribution resumes. If the employee fails to complete the 30 days of ACTIVE work, the employer may require that the employee repay the employer contribution (typically the UW does not recoup the ER contribution).

- (s. 40.02(40), Wis. Stats.)

- State Group Health Administration Manual (Chapter 3, Section 312)

## SGH/LOA (CON'T)

- If an employee does not pay premiums during an unpaid LOA, coverage terminates at the end of the premium paid-through date.
- If coverage lapses, the employee must submit applications for any lapsed benefit plans within 30 days of returning to work.
- Coverage will resume prospectively, on the first of the month on or following the receipt of a timely re-enrollment application.
  - **OPEN ENROLLMENT:** If there was an open enrollment during the leave, an employee can make health insurance changes (change health plans, add/remove dependents, enroll in health) and also enroll in any plan that had an open enrollment during the unpaid LOA within 30 days of returning to work.

# LOA SGH Premium Payments

- **Prepay info:** <https://kb.wisc.edu/hrs/page.php?id=16911>
- Prepay deductions should be taken for consecutive pay periods immediately prior to leave.
- Job Data should be updated with the following prior to LOA and prior to RTW:
  - Effective Date
  - Action – Leave of Absence
- **Benefit Billing Enrollment info:** <https://kb.wisc.edu/hrs/page.php?id=15270>
- Job Data and benefit billing must be notified on or prior to the first day RTW for the employee.
- The employee is responsible for making on-time benefit premium payments while on leave and clearing all outstanding balances incurred while on benefits billing through personal check or money order.
- Job Data and benefit billing must be notified on or prior to the first day RTW for the employee.

***The UW Service Center recommends taking pre-pay deductions prior to leave so the employee may retain pre-tax benefit associated with benefit premiums.***