



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-1113/P2

MIM:skw

DOA:.....Sherwin, BB0181 - Employee Health Insurance Waiting Period

FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

RETIREMENT AND GROUP INSURANCE

HEALTH INSURANCE COVERAGE

Waiting period for state employees

Under current law, most state employees, other than limited-term employees, become covered under the state group health insurance plan on the first day of the first month after becoming employed with the state by filing an election within 30 days of being hired. However, most state employees are ineligible for employer contribution toward the premiums for the health insurance for the first three months of employment. The bill changes the date to the first day of the second month for most state employees, other than limited-term employees, hired after the effective date of this bill.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 40.05 (4) (a) 2. of the statutes is amended to read:

40.05 (4) (a) 2. For an insured employee who is an eligible employee under s. 40.02 (25) (a) 2. or (b) 1m. or 2c., the employer shall pay required employer contributions toward the health insurance premium of the insured employee beginning on the date on which the employee becomes insured. For an insured state employee who is currently employed, but who is not a limited term appointment under s. 230.26 or an eligible employee under s. 40.02 (25) (a) 2. or (b) 1m. or 2c., the

BILL**SECTION 1**

employer shall pay required employer contributions toward the health insurance premium of the insured employee beginning on the first day of the ~~3rd~~ 2nd month beginning after the date on which the employee begins employment with the state, not including any leave of absence. For an insured employee who has a limited term appointment under s. 230.26, the employer shall pay required employer contributions toward the health insurance premium of the insured employee beginning on the first day of the 7th month beginning after the date on which the employee first becomes a participating employee.

SECTION 9313. Initial applicability; Employee Trust Funds.

(1) EMPLOYER CONTRIBUTION FOR HEALTH INSURANCE PREMIUMS. The treatment of s. 40.05 (4) (a) 2. first applies to state employees hired after the effective date of this subsection.

(END)