

Bond Case Briefs

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PENSIONS - WISCONSIN

Schwegel v. Milwaukee County

Supreme Court of Wisconsin - February 12, 2015 - N.W.2d - 2015 WI 12

County employees' union brought action against county, claiming a vested benefit contract required county to reimburse employees' Medicare Part B premiums when they retired, even though they were not yet retired when the county eliminated that benefit. The Circuit Court granted summary judgment in favor of union. County appealed. The Court of Appeals reversed and remanded. Union petitioned for review, which was granted.

The Supreme Court of Wisconsin held that county employees who had not retired did not have vested contract right in reimbursement, and therefore county ordinance that prospectively eliminated Medicare Part B premium reimbursement upon retirement for county employees who did not retire before retirement dates established by county did not impermissibly abrogate a vested contract right.

Statute granting county specific home rule authority over county employee retirement system made no mention of health insurance benefits, health insurance benefits were not governed by same statutes and ordinances as county retirement system, memorandum summarizing proposed ordinance stated that only previously-retired employees had vested right in reimbursement, county payment for health insurance premiums was not defined in fixed way such that county payment was tied to specified benefit that always would follow, and county health insurance payments were not earned in increments as employees continued their employment.