

**California Department of Human Resources
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: Long Term Disability Insurance Open Enrollment	REFERENCE NUMBER: 2016-008
DATE ISSUED: March 30, 2016	SUPERSEDES:

This memorandum should be forwarded to:

**Personnel Officers
Personnel Transactions Supervisors
Personnel Transactions Staff**

FROM: California Department of Human Resources
Benefits Division

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This PML provides information about the annual open enrollment for Long Term Disability Insurance (LTD). Coverage is provided by The Standard Insurance Company.

Departments are encouraged to provide this memorandum to their excluded employees. Employees will also receive a postcard mailed to their home address announcing open enrollment.

OPEN ENROLLMENT

Open enrollment for LTD is **April 1 through April 30, 2016**. During this enrollment period, eligible employees may enroll and currently enrolled employees can change their coverage option. Employees already enrolled are not required to re-enroll during open enrollment in order to continue their coverage. Employees can cancel coverage any time throughout the year.

ELIGIBILITY CRITERIA

Employees must be permanent or probationary, excluded from collective bargaining, have a time base of half-time or greater, and have one of the following designations to be eligible to enroll in the LTD.

- Managerial (M, E50, E59, E79, E99)
- Supervisory (S, E48, E58, E68, E78, E98)
- Confidential (C, E97)
- Excluded/Exempt (E88, E89, E92)
- E01 though E21, E67, E77

Employees in limited-term appointments, who otherwise meet the eligibility criteria may enroll in LTD only if they have a mandatory right of return to a position that meets the above criteria.

Excluded employees who are appointed to permanent-intermittent positions and Rank-and-File employees are not eligible for LTD.

EFFECTIVE DATE OF COVERAGE

The employee's effective date of coverage will begin on the first day of the pay period following the first premium (payroll) deduction.

SCO receives LTD enrollment form by:	Employee's LTD coverage will begin effective:
April 10, 2016	May 1, 2016
April 11- 30*, 2016	June 1, 2016

*Enrollment forms signed, dated, and received by the personnel office by April 30, 2016, will be processed by SCO through May 10 with an effective date of June 1, 2016.

EMPLOYEE COMMUNICATIONS

Eligible employees NOT currently enrolled in the LTD Program.

In March 2016, CalHR will mail a notice of the upcoming open enrollment to the homes of eligible employees. In late March, a second notification will be mailed that provides more information on how to enroll. In mid-April, a final reminder postcard will be mailed to remind employees that the open enrollment period will end on April 30, 2016.

Employees currently enrolled in the LTD Program.

In late March, a postcard with information announcing the open enrollment period will be mailed to current enrollees. This will be the only notification for currently enrolled employees.

PREMIUM RATES AND ADMINISTRATIVE FEE

The current LTD premium rates and benefits will remain the same, as well as the 80 cent administrative fee.

Premium rates are determined by multiplying the employees monthly base salary by the factors indicated. The maximum monthly base salary is not to exceed \$15,385 for the 65 percent plan option and \$18,182 for the 55 percent plan option.

For example a 42 year old employee, with a monthly salary of \$5,758 chooses option A. The premium would be determined by multiplying \$5,758 by 0.00203 to get \$11.69. Adding the 80 cent administrative fee results in a monthly premium of \$12.49.

Current Premium Rates

Option A – 65% Miscellaneous/Non-Safety/OASDI* Employees (075-111)

Under 30	30-39	40-49	50-59	60 & Over
0.00030	0.00086	0.00203	0.00408	0.00452

Option B – 65% Peace Officers/Firefighters/Safety/Non-OASDI* Employees (075-112)

Under 30	30-39	40-49	50-59	60 & Over
0.00036	0.00101	0.00244	0.00539	0.00609

Option C – 55% Miscellaneous/Non-Safety/OASDI* Employees (075-119)

Under 30	30-39	40-49	50-59	60 & Over
0.00014	0.00043	0.00102	0.00206	0.00229

Option D – 65% Peace Officers/Firefighters/Safety/Non-OASDI* Employees (075-120)

Under 30	30-39	40-49	50-59	60 & Over
0.00020	0.00058	0.00137	0.00296	0.00332

*The Old Age, Survivors and Disability Insurance program, commonly known as Social Security.

CHANGES FOR 2016

The LTD form has not been changed, but will include a privacy notice to employees.

FILL AND PRINT FORM

A fill and print enrollment form is available on The Standard's website at www.standard.com/mybenefits/california or visit CalHR's website at www.calhr.ca.gov. Employees can complete the form online, print it, sign it, and return it to their department personnel office. The fill and print form must have an original signature and date or SCO will not process it.

ORDERING ENROLLMENT FORMS

Personnel offices should always maintain an adequate supply of the current marketing and enrollment materials during the annual open enrollment, for employees who become newly eligible during the year, and for employees who wish to cancel LTD coverage. CalHR does not maintain these materials for distribution to departments. Please order supplies directly from The Standard by:

- Calling The Standard at 1-888-641-7193, or
- E-mailing your request to: socltdforms@standard.com

When ordering, request form number (SI17533D-643146) for LTD forms and form number (SI10386-643146) for brochures.

Your request must include your department name, name of contact person, the actual physical street address with zip code, room number, suite or mail station, telephone number and extension, and the quantity of enrollment kits needed. The Standard ships via UPS ground delivery and supplies are not deliverable to a P.O. Box (allow five to ten business days for delivery).

COMPLETION OF THE LTD ENROLLMENT AUTHORIZATION FORM

Employees are required to complete Sections A, B, and C of the enrollment form and return the completed form to their departmental personnel office.

Personnel offices are responsible for verifying that the employee is eligible to enroll in LTD, and has accurately completed section A, B, and C of the form. Personnel offices must verify the monthly base salary listed on the form, complete section D, include "Eligible employee enrolling during open enrollment" in the remarks section, and submit the form to SCO by the dates indicated in the chart on page 2.

If employees have questions about LTD, they should contact their departmental personnel office, visit The Standard's website at www.standard.com/mybenefits/california, or call the toll-free customer service number at 1-888-641-7193.

Personnel offices who have questions or need assistance, should contact Monica Hernandez at (916) 324-0533 or via email at monica.hernandez@calhr.ca.gov.

/s/Belinda Collins

Belinda Collins, Chief
Benefits Division