

2018 Planning Ahead Handbook

A Guide for
Survivors &
Beneficiaries
of Active State
Employees

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Planning Ahead

Why Read This Handbook?

Although it is not a pleasant thought, we all must face the inevitability of death. This handbook will help you prepare the information your survivors will need if you die while employed by the State of California. It also explains the steps your survivors and beneficiaries should take to ensure they receive the benefits to which they are entitled.

What You Should Do Now to Prepare Your Survivors

One of the most important steps you can take now to prepare your survivors in the event of your death is to compile the information listed below:

- Your full legal name, date of birth, and Social Security number.
- Location of your birth certificate, Social Security card, marriage certificate, divorce, and/or legal separation papers, military discharge papers, adoption papers, naturalization papers, state and federal income tax returns, and Medicare card.
- Your employee organization/association (union), if applicable.
- The name and location of your employer, the location, phone number, and e-mail address of your personnel office, the name, phone number, and e-mail address of your supervisor.
- List of insurance plans you are enrolled in, (e.g., life, long-term disability, health, long-term care, homeowner's/renters, mortgage).
- Information about retirement savings plans you are enrolled in, such as CalPERS, 401(k), 457(b) and/or 403(b) accounts, IRAs, etc.
- List of your savings and checking accounts, including names and locations of institutions where they are held.
- List of stocks, bonds, and mutual funds you own, including names and locations of institutions where they are held.
- Location of your titles and deeds (e.g., car, house, cemetery plot, real estate).
- The names of your family advisor, attorney, and certified public account.
- Location of your safe deposit box and key.
- Location of your post office box and key.
- Your burial instructions.
- Location of your will and trust agreement.

This handbook does not apply to situations involving the death of a retired/separated state employee. If you are retired/separated at the time of your death, your family should contact:

California Public Employees Retirement System (CalPERS)

(888) 225 7377

The “Vital Information” form at the end of this handbook will help you gather the information your survivors will need. When you have completed the form, store it in a safe place where your family or friends can easily access it. You should update this form anytime you make changes in your employment or after any major life events.

These are just some of the things your survivors will need to help them deal with your affairs. You may want to take other, more personal steps to ensure they have all the information necessary to carry out your instructions.

If you have not yet planned what should happen to your assets when you die, now is a good time to begin. You can plan your estate with the help of a professional planner or your family attorney. You can even do your own estate planning using resources available at the library or via the Internet. It is never too early to plan.

Beneficiary Designations

Only the beneficiary(ies) on file at the time of your death will receive your benefits and/or account balances. For this reason, make sure your most current beneficiary information is on file with your personnel office and the other offices listed below. Unfortunately, many families have experienced unpleasant surprises at a very stressful time in their lives because beneficiary information was not current. For example, if an ex-spouse is still listed as your beneficiary at the time of your death, that person may receive benefits that you intended someone else to receive.

Each of the offices and benefit programs listed below requires you to designate a beneficiary. Take some time to review this list and contact the appropriate offices to make sure your records are up to date. If you have not already designated a beneficiary, or need to update your current designation, request a beneficiary designation form when you call.

Effective July 1, 2003, if a registered domestic partner dies without a will, trust, or other estate plan, the surviving domestic partner inherits the deceased partner's separate property in the same manner as a surviving spouse (California Probate Code § 6401 and 6402).

If there is no beneficiary designation on file at the time of your death, California Government Code section 21493 requires assets to be distributed based on the following priority order (in most cases):

1. Spouse or registered domestic partner
2. Children (natural or adopted)
3. Parents
4. Brothers and sisters
5. Probated estate
6. Trust, if one exists
7. Stepchildren
8. Grandchildren (including step grandchildren)
9. Nieces and nephews
10. Great grandchildren
11. Cousins

The offices/programs requiring a beneficiary designation are:

- Your department's personnel office.
- Your employee organization/association (union), if applicable.
- Basic Group Term Life Insurance/Supplemental Group Term Life Insurance, if you are covered contact Metropolitan Life (MetLife) at (800) 252-8524.
- CalPERS at (888) 225-7377.
- Savings Plus at (855) 616-4776.
- Travel and Accident Insurance, if you are covered contact the Office of Risk and Insurance Management at (916) 376-5279.

If You Become Terminally Ill

If you are covered by the state's Basic Group Term Life Insurance and become terminally ill, you have the option to request accelerated payment equal to 70 percent of the face amount of your policy. The state's Basic Group Term Life Insurance covers managers, supervisors, confidential, and other "excluded employees" (see glossary for definition).

To qualify for this accelerated option, you must have been diagnosed with a sickness or injury that is expected to result in your death within six months.

For additional information, contact:

MetLife

(800) 252-8524

A Guide for Survivors and Beneficiaries of Active State Employees

This section is for survivors and beneficiaries. It provides guidance on what to do and who to contact when an active state employee dies.

Notifying the State of California

When an active State of California employee dies, a family member or friend needs to call at least one of the following people as soon as possible:

- The deceased employee's manager or supervisor.
- The deceased employee's personnel office.

At this time, the personnel office will need to know the name and phone number of a contact person for the family. The Vital Information form at the end of this handbook will help you answer questions from the personnel office and provides other information that you may need in settling the estate.

Information the Personnel Office Will Need

Be ready to provide the following about the deceased:

- Their full legal name, date of birth, and Social Security number.
- The time, date, and cause of death (if known).
- The last day worked (if known).
- A copy of their marriage certificate, if applicable.
- A copy of their death certificate.*

**To settle the estate, you may need to obtain multiple original and/or certified copies of the death certificate. Typically, certified copies of death certificates can be obtained (for a fee) from the funeral home while funeral arrangements are being made. If additional certified copies are still required, they can be obtained (for a fee) from the County Clerk's Office or Recorder's Office.*

Actions the Personnel Office Will Take

Generally, the personnel office takes care of most of the paperwork for survivors and beneficiary(ies) to obtain the appropriate benefits. Upon notification of a death, the personnel office will:

- Notify the deceased employee's manager, supervisor, and departmental director.
- Notify CalPERS.
- Notify the State Controller's Office.
- Notify the state's Basic Group-Term Life Insurance Plan, if the employee was covered.
- Notify Savings Plus, if the employee was enrolled in the state's 401(k) plan, 457(b) plan, the Part-time, Seasonal, and Temporary Retirement Program, or the Alternate Retirement Program.
- Notify the State Compensation Insurance Fund, if death was or may have been work related.
- Notify appropriate employee organizations/associations (unions), if applicable, as some provide life insurance coverage for their members.
- Cancel direct deposit, if applicable.
- Prepare the final paycheck, including a lump sum payment for any unused vacation, personal holiday, holiday credits, personal leave, compensating time off, excess hours, or annual leave.
- Send Consolidated Omnibus Budget Reconciliation Act (COBRA) notifications to eligible survivors.

It also may be necessary to contact banks, credit unions, and creditors.

You should also notify the following agencies:

- *CalPERS
(888) 225-7377.*
- *Savings Plus
(855) 616-4776.*
- *Social Security Administration
(800) 772-1213.*
- *The employee organization/association (union), if the employee was a member.*

Summary of Benefits

This section describes benefits that may be available to survivors and beneficiaries after the death of an active state employee.

Alternate Retirement Program

The Alternate Retirement Program, or ARP, is a retirement savings program that certain state employees first hired 8/11/04 to 6/30/13 were automatically enrolled in for their first two years of employment.

Status of Benefits

Alternate Retirement Program assets will be paid in a lump sum to the closest surviving family member in the following order:

The participant's spouse or registered domestic partner; or, in either case, if none;

1. The participant's children (including adopted children), or if none;
2. The participant's parents, or if none;
3. The participant's brothers and sisters, or if none;
4. The participant's probated estate, or if not probated;
5. The participant's trust, or if none;
6. The participant's stepchildren, or if none;
7. The participant's grandchildren, or if none;
8. The participant's nieces and nephews, or if none;
9. The participant's great-grandchildren, or if none;
10. The participant's cousins, or if none;
11. In accordance with state law for intestate estates.

Basic Group Term Life Insurance — State Plan (Excluded Employees)

Status of Benefits

If there is no designated beneficiary on file or no surviving beneficiary at the time of the employee's death, the beneficiary will be determined in the following order:

1. Spouse or registered domestic partner.
2. Child(ren).
3. Parent(s).*
4. Deceased employee's estate.

Benefits will be paid equally among surviving children or surviving parents. Family status changes, such as divorce and remarriage, are automatically adjusted provided an employee has not designated a beneficiary other than the above. If Supplemental Life Insurance was purchased, please contact MetLife.

Savings Plus

(855) 616-4776

M-F, 5 a.m. - 8 p.m. PST

To speak with a service center representative say "representative," or press 0.

MetLife

(800) 252-8524

CalPERS Death Benefits (pre-retirement)

CalPERS members are eligible for various death benefits.

Status of Benefits

Death benefits range from a simple return of contributions (plus interest) to a monthly allowance. Each member's death benefits can vary significantly, depending on circumstances, data, and employer contract.

Consolidated Omnibus Budget Reconciliation Act (COBRA)

The Consolidated Omnibus Budget Reconciliation Act (COBRA) requires continuation coverage be offered to qualified beneficiaries and survivors when group health, dental, and vision coverage is lost due to certain qualifying events which include the death of a covered employee. See Health Insurance, Dental Insurance, and Vision Insurance for more information.

Dental Insurance

Status of Benefits

If the deceased employee was enrolled in a dental plan, their department is required to continue paying for all enrolled dependents for up to 120 days following the employee's death. During this time, CalPERS will determine if the spouse or other family members are eligible for survivor benefits.

After 120 days, the surviving dependent(s) will be eligible to continue their current coverage if they meet all the following criteria:

- They were enrolled as dependents at the time of the employee's death.
- They qualify for a monthly survivor allowance from CalPERS.
- They continue to qualify as surviving dependents.

Surviving dependents who do not qualify to continue their current coverage through CalPERS are eligible for continuation of coverage under COBRA.

Employee Assistance Program

The Employee Assistance Program is a state-paid program that provides confidential, professional short-term counseling and referral services to employees and their eligible dependents.

Status of Benefits

Benefits are based on the deceased employee's bargaining unit.

CalPERS
(888) 225-7377

Contact the deceased employee's personnel office.

Contact the deceased employee's personnel office or departmental Employee Assistance Program coordinator.

Employee Suggestion Program

The Employee Suggestion Program rewards employees for ideas that reduce the cost of state operations or improve safety.

Status of Benefits

If an employee suggestion submitted prior to the employee's death is approved and implemented, any resulting cash award is paid to deceased employee's estate.

FlexElect Program

The FlexElect Program is a voluntary tax savings program that lets state employees set aside money in a reimbursement account to pay for certain expenses.

Status of Benefits

Reimbursement claims being processed at the time of employee's death are paid if they meet eligibility criteria. Reimbursement of claims for services provided up to the employee's death may be submitted and paid if they meet the eligibility criteria.

Group Legal Services Insurance Plan

Status of Benefits

The employee's membership in the State Group Legal Insurance Plan is discontinued one year after the employee's death. Any eligible and open claims on a covered matter at the time of death will be completed.

Upon a member's death, if family coverage was elected, ARAG will waive the premiums for one year from the date of the member's death. After one year, the surviving spouse/domestic partner can enroll in the ARAG Conversion Plan in his/her name.

Health Insurance

Status of Benefits

Health coverage for the employee and all enrolled dependents will automatically cancel. The law requires the state employer to continue paying contributions for all enrolled dependents' health coverage for 120 days. During this time, enrolled dependents may elect Consolidated Omnibus Budget Reconciliation Act (COBRA) to begin after the 120 day Direct Pay ends.

A survivor of a deceased active employee may be eligible for health coverage if all of the following criteria are met:

The survivor is enrolled or eligible to enroll as a dependent at the time of death.

The survivor will qualify for a monthly survivor retirement benefit.

Surviving family members who do not meet the above requirements may be eligible for COBRA continuation coverage once the employer Direct Pay benefit ends.

Contact the deceased employee's personnel office and/or departmental Merit Award administrator.

For information on outstanding claims, contact the deceased employee's personnel office or:

*FlexElect
(916) 322-0300*

Contact the deceased employee's personnel office or:

*ARAG
(866) 762-0972*

Contact the deceased employee's personnel office or:

*CalPERS
(888) 225-7377*

Life Insurance — Union or Association Plan

Some unions provide life insurance benefits to their members.

Long-Term Care Insurance

Long-Term Care is voluntary employee-paid insurance that helps protect against the catastrophic costs of long-term care.

Status of Benefits

If the employee was enrolled in CalPERS Long-Term Care, the surviving spouse may be entitled to a partial refund of premiums paid. If there is no surviving spouse, the death benefit will be paid to employee's estate or living trust.

Surviving family members may be eligible to enroll in Long-Term Care.

Long-Term Disability Insurance (Excluded Employees)

Long-Term Disability Insurance provides voluntary employee-paid disability coverage to eligible excluded employees.

Status of Benefits

If the employee was receiving monthly long-term disability payments, eligible survivors may receive a one-time payment equal to six times the monthly payment. If the employee was not receiving payments or a claim had not been approved, there are no survivor benefits.

Contact the deceased employee's union headquarters, if applicable.

*CalPERS
(888) 225-7377*

*Standard Insurance
(888) 641-7193*

Part-time, Seasonal, and Temporary Retirement Program

The Part-time, Seasonal, and Temporary Retirement Program is a mandatory retirement savings program authorized by federal law for employees who are not covered by a retirement system or Social Security.

Status of Benefits

If a beneficiary was not named or if named beneficiary dies before the employee, the account is paid in the following order:

1. To the participant's spouse or registered domestic partner, or if neither;
2. To the participant's children (including adopted children), or if none;
3. To the participant's parents, or if none;
4. To the participant's brothers and sisters, or if none;
5. To the participant's probated estate, or if not probated;
6. To the participant's trust, or if none;
7. To the participant's stepchildren, or if none;
8. To the participant's grandchildren, or if none;
9. To the participant's nieces and nephews, or if none;
10. To the participant's great-grandchildren, or if none;
11. To the participant's cousins, or if none;
12. In accordance with state law for intestate estates.

Savings Plus — 401(k)/457(b) Plans

Savings Plus is a voluntary retirement program that allows employees to supplement their retirement benefits through tax-deferred and Roth after-tax payroll contributions.

Status of Benefits

Funds from the deceased employee's 401(k) and/or 457(b) plans are paid to the designated beneficiary on file with Savings Plus. Savings Plus distributes assets to designated beneficiaries in a 401(k) or 457(b) plan, or according to a legal hierarchy if the participant did not designate a beneficiary. Savings Plus will need the caller's name, contact number, address, relationship to the deceased, the decedent's address, and any contact information on relatives or beneficiaries.

Survivor Death Benefits for Immediate Family

Status of Benefits

CalPERS determines if surviving spouse or minor children (under 18 years of age) are eligible for Survivor Benefits. If there is no surviving spouse or minor children, dependent parents may qualify.

Savings Plus
(855) 616-4776
M-F, 5 a.m. - 8 p.m. PST

To speak with a service center representative say "representative," or press 0.

Savings Plus
(855) 616-4776
M-F, 5 a.m. - 8 p.m. PST

To speak with a service center representative say "representative," or press 0.

Contact the deceased employee's personnel office or:

CalPERS
(888) 225-7377

Third-Party Pre-Tax Parking Reimbursement Account Program

The Third-Party Pre-Tax Parking Reimbursement Account Program is a voluntary tax savings program available to employees who drive a personal vehicle to work and do not have access to state controlled/ owned (Department of General Services, Caltrans, etc.) parking spaces or a department-sponsored parking program.

Status of Benefits

Eligible reimbursement claims received prior to the employee's death will be processed and paid to the beneficiary. Reimbursement of claims for parking up to the employee's death may be submitted and paid if they meet the eligibility criteria.

Travel and Accident Insurance (Excluded Employees)

Benefit pays beneficiary of eligible employees who are required to travel on state business (away from the work premises where he or she is permanently assigned), and incur a loss during a business trip.

Status of Benefits

Benefits are paid in the following order unless the Department of General Services, Office of Risk Management has a designated beneficiary form on file for the deceased employee:

- Surviving spouse, or registered domestic partner.
- Surviving child(ren).
- Surviving parent(s).
- Surviving sibling(s).
- Estate.

Family status changes, such as divorce and remarriage are automatically adjusted, provided an employee has not designated a beneficiary other than the above with the Department of General Services, Office of Risk Management.

For information on outstanding claims, contact the deceased employee's personnel office or:

CalHR
(916) 322-0300

*Office of Risk and Insurance
Management*
(916) 376-5279

Vision Insurance

Status of Benefits

If the deceased employee was enrolled in a vision plan, their department is required to continue paying for the covered employee's enrolled dependents for up to 120 days following the employee's death. During this time, CalPERS will determine if the spouse or other family members are eligible for survivor benefits.

After 120 days, the surviving dependent(s) will be eligible to continue their current coverage if they meet all the following criteria:

- They were enrolled as dependents at the time of the employee's death.
- They qualify for a monthly survivor allowance from CalPERS.
- They continue to qualify as surviving dependents.

Surviving dependents who do not qualify to continue their current coverage through CalPERS are eligible for continuation of coverage under COBRA.

Workers' Compensation

Status of Benefits

If employee's death was work-related, surviving family members may be eligible for death benefits.

Contact the deceased employee's personnel office.

Contact the deceased employee's personnel office.

Glossary

Bargaining Unit

The state's rank-and-file employees are divided into 21 bargaining units. Each bargaining unit is represented by a union; in some cases the same union represents multiple units. These "exclusive representatives" negotiate directly with the state employer, represented by the CalHR.

Beneficiary

A person eligible to receive a benefit after the death of an employee or other benefit recipient.

Excluded Employees

Employees who do not have collective bargaining rights under the Ralph C. Dills Act. In general, these employees are managerial, confidential, and supervisory employees.

Represented Employees

Rank-and-file employees who have collective bargaining rights and are represented by a union.

Survivor

A dependent eligible to receive a benefit upon an employee's death. A survivor is defined by law. State laws determine who, if anyone, is eligible to receive benefits as a survivor. You do not have control over your survivor.

Vital Information Form

The Vital Information Form is attached to this document. Complete and store the Vital Information Form in a safe location. This information should be updated periodically. If you have questions about the form, you may contact the CalHR Benefits Division.

California Department of Human Resources
Benefits Division
1515 S Street, North Building, Suite 400
Sacramento, California 95811

