

M E M O R A N D U M

To: PERSONNEL MANAGEMENT LIAISONS

Date: November 22, 1989
Reference Code: 89-72

**PLEASE DISTRIBUTE THIS MEMO IMMEDIATELY TO
ALL PERSONNEL OFFICERS, PERSONNEL TRANSACTIONS
STAFF AND LTD COORDINATORS**

From: Department of Personnel Administration

Subject: LONG TERM DISABILITY INSURANCE
o OPEN ENROLLMENT PERIOD
o PREMIUM RATE INCREASE
o PROGRAM ENHANCEMENTS
o CHANGE IN ENROLLMENT PROCEDURES FOR NEWLY ELIGIBLE
EMPLOYEES

OPEN ENROLLMENT

An **open enrollment period** for the Long Term Disability (LTD) insurance program carried by The Hartford Life and Accident Insurance Company is scheduled from December 1, 1989 to March 1, 1990. The earliest possible effective date is January 1, 1990. This open enrollment period applies to eligible employees who are not enrolled in LTD and current enrollees who wish to change their level of coverage. No health statement is required.

Eligibility for LTD is as follows: Active nonrepresented employees appointed permanent, one-half time or greater, and designated Managerial (M), Supervisory (S), Confidential (C), and Exempts (E88, E89, E97, E98, or E99). Employees on limited term appointments who otherwise meet this eligibility criteria may enroll in LTD ONLY if they have a mandatory right of return to a position and status that also meet this criteria.

Notification of Employees: Enrollment materials, including an enrollment authorization form, will be mailed to the homes of eligible employees who are not enrolled in LTD. This mailing will include employees meeting eligibility on October 24, 1989. Current enrollees will receive a post card informing them of the premium increase, open enrollment period and program enhancements. We expect all enrollment materials to reach employees on or before December 1, 1989. The open enrollment period has been extended to accommodate the possibility of delayed mail. LTD enrollment information returned to DPA as "undeliverable mail" will be forwarded to the employee's personnel offices for immediate delivery to the employees. Department personnel offices should also inform eligible employees of the open enrollment period.

LTDG7

The **LTD Enrollment Authorization Form GR-11513** has been revised to reflect new age factors and renumbered to **GR-11513-5**. All open enrollments and subsequent new enrollments must be submitted on the GR-11513-5 using the new age factors. A small supply of LTD Enrollment Authorization forms will be made available to personnel offices for employees who are currently enrolled in LTD and wish to change their level of coverage during the open period or who have been appointed to eligible status after October 24, 1989. New enrollees are directed to use the enrollment authorization forms they receive in the mail. Cancellations are to be accomplished by employee memo directly to SCO. Note: LTD Enrollment Authorization forms are not printed by the State and are not available through Central Stores.

Effective dates of LTD enrollments/changes will be on a prospective basis only. Properly completed documents received by the State Controller's Office by the tenth of the month will be effective the first of the following month providing the premium deduction is taken. The last effective date for open enrollment documents is April 1, 1990. Employees must be eligible to enroll, on active status, and at work on the effective date of coverage.

Enrollment Procedures for Open Period: New enrollees are to complete the LTD Enrollment Authorization form (GR-11513-5) Sections A and B and submit it to their personnel office by March 1, 1990. Personnel offices are responsible for verifying the salary and premium, completion of Section C and submission of the forms on a flow basis to the State Controller's Office. All documents processed during the open period are considered to be open enrollment documents. No remarks are required in Section C, item 9.

PREMIUM RATE INCREASE

Effective January 1, 1990, LTD premium age factors are increased 9%. Premiums for current LTD enrollees will be recomputed by the State Controller in the December, 1989, pay period warrant issued January 1, 1990. This recomputation of premium will take into account salary increases, age band changes and the new age factors as follows:

<u>Plan Code</u>	<u>Benefit Level</u>	<u>Age Factors</u>		
		<u>Under 40</u>	<u>40-49</u>	<u>50 & Over</u>
096	50% NO COLA	.0025	.0035	.0045
097	65% NO COLA	.0041	.0058	.0074
098	50% WITH COLA	.0030	.0040	.0049
099	65% WITH COLA	.0050	.0066	.0082

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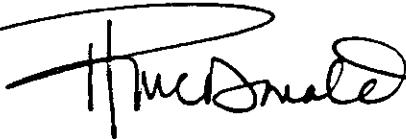
PROGRAM ENHANCEMENTS

Effective January 1, 1990, the following changes apply to LTD benefits: The minimum monthly benefit is increased from \$50 to \$100 for disabilities occurring after January 1, 1990, the period of total disability from one's own position after the elimination period is increased from 24 to 30 months, and a conversion option will be available.

CHANGE IN ENROLLMENT PROCEDURES FOR NEWLY ELIGIBLE EMPLOYEES

Effective with transactions which are key data entered after January 1, 1990, department personnel offices will receive a listing of employees who have become newly eligible, a supply of forms, and enrollment materials. Notification of employees and timely processing of enrollment documents will be the responsibility of the department personnel offices. Detailed instructions will be provided in December.

Questions regarding LTD open enrollment should be addressed to Terrie Jordan at (916) 324-0432/ATSS 454-0432 or Terri Yee at (916) 324-0533/ATSS 454-0533.



Patricia Pavone McDonald, Chief
Benefits Division

