

MEMORANDUM

TO: PERSONNEL MANAGEMENT LIAISONS

DATE: February 17, 1995
Reference Code: 95-07

THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:

Personnel Officers, Personnel Transactions Staff, and
Long Term Disability (LTD) Insurance Program Coordinators

FROM: Department of Personnel Administration

SUBJECT: LTD Insurance for Nonrepresented Employees - Special Open Enrollment

A special open enrollment for the LTD insurance for nonrepresented employees will be held from April 1, 1995 through April 30, 1995 in order to provide eligible employees with a second opportunity to enroll in this valuable plan. All eligible employees are encouraged to enroll. However, because LTD coverage can be crucial when employees are young and disabilities can last for many years, we are specifically targeting eligible employees under age 50 during this open enrollment. These employees under age 50 will be provided with detailed information on the minimal costs involved in obtaining a significant income replacement from this LTD plan.

Eligible employees are active nonrepresented employees appointed permanent, one-half time or greater time base, and designated Managerial (M), Supervisory (S), Confidential (C), Excluded/Exempt (E88, E89, E97, E98, or E99), or have eligibility to enroll in Supervisory/Managerial benefits as a result of mid-manager reductions (E01 through E21, E48, E58, E59, E67, E68, E77, E78, or E79). 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 meets this criteria. Permanent Intermittents are **not** eligible.

All employees eligible as of December 30, 1994 will be mailed an open enrollment announcement to their home address as follows:

- In mid-February, eligible employees under age 50 will be mailed a postcard notifying them of the special open enrollment and informing them that they will be mailed an enrollment package to their home in March. The open enrollment package will include a customized cover letter, enrollment form, and informational brochure. A different cover letter has been developed for three separate age groups (under 30, 30-39, and 40-49). These customized letters provide specific examples of costs and LTD benefits for a particular age group. Employees under age 50 will receive the customized cover letter applicable to their particular age group.

February 17, 1995

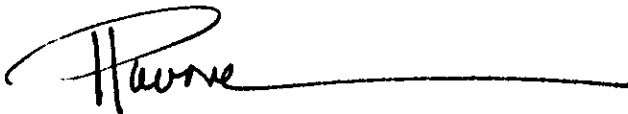
-2-

- In mid-February, eligible employees age 50 or over will be mailed a postcard notifying them of the special open enrollment and instructing them to contact their personnel office for an informational brochure and enrollment form if they are interested in enrolling.

Since only employees under age 50 will be mailed an enrollment package, personnel offices need to be sure to have an adequate supply of forms and brochures for those eligible employees age 50 or over who want to enroll. The enrollment forms (GR-11513-9) and brochures can be obtained from the DPA, Benefits Division, at (916) 324-0533/Calnet 454-0533.

Both the Controller (White) and DPA/Carrier (Yellow) copies of completed LTD enrollment forms should be forwarded to the State Controller's Office for processing. Please refer to the revised LTD section of the Benefits Training Manual, which was included in PML Memo 94-65, dated December 1, 1994, for current personnel office procedures for the LTD insurance program. Please note that the information in the Rate Stability section on page 4 of those LTD procedures incorrectly states that the rates are guaranteed through September 1994. It should read that the LTD rates are guaranteed for 5 years through September 1999.

Our March Benefits Bulletin will focus on the special LTD open enrollment and provide additional information. Please be sure to post and/or distribute the bulletin after you receive it. If you have any questions regarding this memo, please contact Terri Yee of my staff at (916) 324-0533/Calnet 454-0533.



Patricia Pavone, Chief
Benefits and Training Division