

State of California

MEMORANDUM

TO: PERSONNEL MANAGEMENT LIAISONS DATE: August 15, 1996
REFERENCE CODE: 96-041

THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:

Personnel Officers, Personnel Transactions Supervisors and
Personnel Transactions Staff

FROM: Department of Personnel Administration
Benefits Division

SUBJECT: Long Term Disability for Nonrepresented Employees--Open Enrollment

CONTACT: Desi Rodrigues, Personnel Management Technician
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An open enrollment period for the LTD insurance for **nonrepresented employees** will be held from October 1, 1996 through October 31, 1996 in order to provide eligible employees with an opportunity to enroll in this valuable plan. This memo provides information on the eligibility criteria, effective dates of coverage and the various methods that will be used to communicate with eligible employees.

Eligibility Criteria

Employees who are eligible to enroll in LTD include permanent or probationary employees excluded from collective bargaining, one-half time or greater time base, with one of the following designations:

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

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. Permanent intermittents are not eligible.

Employee Communications

The DPA will be informing eligible employees about the LTD open enrollment using a variety of communications techniques.

While all eligible employees will be mailed an open enrollment announcement to their home addresses, more detailed information will be



provided to employees under age 50. We are specifically targeting these employees because LTD coverage can be critical when employees are young and disabilities can last for many years.

All employees eligible as of July 1, 1996 will be mailed open enrollment information as follows:

- **Employees Under Age 50:** In late August a postcard will be mailed to the homes of over 14,000 employees notifying them of the open enrollment. The postcard will also notify the employees that more detailed information will be mailed to their homes in mid-September. This mailing will include a cover letter which provides more detailed information regarding the open enrollment and a summary which highlights the features of the LTD plan. Employees interested in enrolling in the plan will be instructed to mail a pre-addressed postcard (which is included in the packet) to MetLife. They will be sent enrollment packages which include the plan brochure and an enrollment form.

- **Employees Over Age 50:** In late August a postcard will be mailed to the homes of over 8,000 employees notifying them of the open enrollment. The postcard will instruct these employees to contact their departmental personnel offices for the plan brochure and an enrollment form if they are interested in enrolling.

In addition to the above communications, all eligible employees' October 1, 1996 paycheck stub will include a two-line global message reminding them of the open enrollment.

Completion of the LTD Enrollment Authorization Form

During open enrollment periods, new enrollees are to complete the LTD Enrollment Authorization Form (GR-11513-9), Sections A and B and submit the form directly to their personnel offices.

Personnel offices are responsible for verifying the employee's eligibility, gross salary, premium amount and retirement category (Safety or Miscellaneous), completing Section C and submitting the forms on a timely basis to SCO.

Effective Dates of Coverage

LTD coverage will begin on the first day of the pay period following the pay period from which the first premium deduction is made. Specifically, if the employee's enrollment form is processed by the Personnel Office and forwarded to the State Controller's Office (SCO) by October 10, 1996, the first effective date of coverage will be **November 1, 1996**. For those employees whose enrollment forms are submitted to personnel between October 15th and the 31st and forwarded to SCO by November 10, the benefit will become effective on **December 1, 1996**.

There is no retroactivity in the LTD program. The SCO will return any incorrectly completed forms to the appropriate Personnel Office for correction, which will result in a delay of the employee's effective date. The payroll "cut-off" date upon which the corrected form is returned to the SCO by the personnel office will then determine the employee's actual effective date of coverage.


LTD Plan Brochures and Enrollment Forms

In order to minimize the workload required by departmental personnel offices to support the LTD open enrollment, MetLife has agreed to be the primary contact for the distribution of plan brochures and enrollment forms to the eligible employees under age 50 who are interested in enrolling. We anticipate that the majority of these employees will return the pre-addressed postcard to MetLife in order to request the brochure and enrollment form. There may be a small number of employees over age 50 who will contact personnel offices directly for the brochure and enrollment forms. Therefore, you should ensure that you have an adequate supply of these materials in stock. A limited supply of the enrollment forms (GR-11513-9) and brochures can be obtained by calling Desi Rodrigues of the DPA Benefits Division at (916) 324-0533/Calnet 454-0533.

The DPA's September Benefits News which is distributed to departmental personnel offices and employee organizations will include an article on the LTD Plan. When you receive the Benefits News it can be reproduced and distributed or posted on bulletin boards as an additional method of notifying your employees of the upcoming open enrollment period.

We appreciate your assistance in communicating information to employees regarding the LTD Plan and in making the open enrollments successful. Through your continued support and DPA's implementation of improved marketing/enrollment materials we have been able to increase the enrollment in this plan by over 30% during the past two years. There are currently over 8,000 employees enrolled in the plan.

If you have any questions regarding this memo, please contact Desi Rodrigues at the above number or Vallita Lewis at (916) 324-9362 or Calnet 454-9362.


Patricia Pavone, Chief
Benefits Division

