

USE THIS FORM IF YOU ARE TRYING TO...

LIFE INSURANCE FORMS:

<u>If You Are Trying To:</u>	<u>Use This Form</u>
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Enrollments & Waivers

Enroll a new employee	New Hire Kit SFN 54360
Enroll a new employee, electing spouse supplemental over \$50,000	New Hire Kit SFN 54360 and Short Form Health Statement Questionnaire
Enroll a temporary/part-time employee	New Hire Kit SFN 54360 and Short Form Health Statement Questionnaire
Switch an employee from mandatory participation to optional participation and employee is continuing participation	Notice of Status or Employment Change SFN 53611
Switch an employee from mandatory participation to optional participation and employee is electing NOT to continue to participate	Notice of Status or Employment Change SFN 53611
Switch an employee from optional participation to mandatory participation	New Hire Kit SFN 54360

Changes/Additions

Report a name, marital, or address change	Notice of Change SFN 10766 and Life Insurance Enrollment/Change SFN 53803
Report dependent loss of eligibility status	Notice of Status or Employment Change SFN 53611 and Life Insurance Enrollment/Change SFN 53803
Report an employee transferring to another PERS participating agency	Notice of Transfer Kit SFN 53728
Report a leave of absence, leave of absence extension, or return from leave of absence	Notice of Status or Employment Change SFN 53611
Report an employee's classification change within agency	Notice of Status or Employment Change SFN 53611
Report change in beneficiary designation	Life Insurance Designation of Beneficiary Change SFN 53855
Report increase/decrease in coverage levels	Life Insurance Enrollment/Change SFN 53803 and Short Form Health Statement Questionnaire
Report an employee transferring to another PERS participating agency	Notice of Transfer Kit SFN 53728

Separation of Employment

Notify PERS of an employee's separation of employment (for all circumstances, including retirement, disability, and death)	Notice of Status or Employment Change SFN 53611
Conversion of life insurance to permanent policy	Application for Conversion of Group Life Insurance & Notice of Group Life Conversion Privilege

LIFE INSURANCE ENROLLMENT/CHANGE SFN 53803

The Life Insurance Enrollment/Change SFN 53803 is used to enroll employees in the group life insurance plan. This form is also used to request increases/decreases in coverage levels.

ELIGIBLE EMPLOYEES (Including Seasonal Employees)

To be eligible, an employee **must be:**

- ✓ at least 18 years of age
- ✓ work at least 20 hours per week for 20 or more weeks per calendar year,
- ✓ and be filling positions which are regularly funded and not of limited duration (i.e. permanent).

Coverage will be effective the first day of the month following date of employment. If application is not made within the first 31 days, evidence of insurability will be required and coverage will be effective the first day of the month following date of approval by the Claim Administrator.

If both spouses are employed by the State and/or a participating political subdivision each employee may be insured as an individual and as a dependent spouse.

DEPENDENTS

An eligible dependent includes:

- ✓ the subscriber's spouse under a legally existing marriage between persons of the opposite sex,
- ✓ children up to the age of 23 if they are unmarried and financially dependent on their parents for support,
- ✓ or are age 23 but less than age 26 and the child is attending college full-time (12 credits per semester) and is 50% financially dependent.
- ✓ **A DEPENDENT OF AN EMPLOYEE WILL NOT BE ELIGIBLE IF THAT DEPENDENT IS ALSO AN EMPLOYEE.**

PART-TIME /TEMPORARY EMPLOYEES

A part-time/temporary employee, employed on or after August 1, 2007, is eligible to participate at their own expense and are subject to evidence of insurability in all cases only if the employee is employed at least 20 hours a week and at least 20 weeks each year of employment.

Coverage will be effective the first of the month following date of approval by the Claims Administrator. NDPERS

will bill the agency for the premium on the agency monthly billing. The agency is responsible for collecting and remitting the monthly premium with their agency group bill. The agency is responsible for providing written verification to NDPERS that the individual is a part-time or temporary employee, the effective date of employment, the employee's name, address and Social Security number. The agency must provide a written verification to NDPERS when the employee terminates and deleted the employee from the agency monthly billing.

MEMBERS OF BOARDS, COMMISSIONS, OR ASSOCIATIONS

To be eligible to participate, members of State and political subdivision boards, commissions, or associations must be paid, which means receiving a per diem for each meeting. They will have 31 days from the date they assume office in which to enroll in the group life insurance plan. Coverage will be effective the first day of the month following date of employment. If application is not made within the first 31 days, evidence of insurability will be required and coverage will be contingent on approval by the Plan Administrator.

ENROLLMENT

New employees have an initial 31-day enrollment period from date of employment in which to apply for coverage without evidence of insurability. If application is not made within the first 31 days of employment, the employee may enroll during a designated Annual Enrollment Season.

LIFE INSURANCE COVERAGE OPTIONS

Even if an employee elects not to have Supplemental Coverage, Parts A, B, C, F and G of this form must be completed, signed, dated and submitted to NDPERS for the basic coverage provided by the employer.

If both spouses are eligible employees for the NDPERS Life Insurance Program, they may be insured as follows:

- 1) Each may be insured as an employee and as a dependent spouse.
- 2) Dependent children can be insured under each parent's policy.

BASIC LIFE

If the employer is participating in the NDPERS Life Insurance Program, each employee will receive Basic Life insurance coverage. The premium is \$0.28 a month and is paid by the employer.

SUPPLEMENTAL LIFE

The employee may elect to have Supplemental Life Coverage in addition to the Basic Life coverage. The Supplemental Life increments are \$5,000 up to a maximum of \$200,000. The first increment is \$3,700 (\$3,700 + basic of \$1,300 = \$5,000). The monthly premium is based on the employee's age.

DEPENDENT LIFE

If the employee elects Supplemental Life coverage, they are eligible to purchase Dependent Life insurance. This coverage is available at either a \$2,000 or \$5,000 level for each eligible dependent. The premium is based on the employee's age and is flat rate regardless of the number of dependents covered. The life insurance carrier does not require employees to list the names of eligible dependents. Once employees have dependent coverage, any newly acquired dependents will be insured automatically if born onto the policy.

SUPPLEMENTAL SPOUSE LIFE

If the employee elects Basic Dependent Life insurance coverage, they are eligible to purchase Supplemental Spouse Life insurance. This coverage is available in \$5,000 increments and may not exceed 50% of the total employee Supplemental Life coverage or \$100,000, whichever is less. For all employees applying for Spouse Supplemental in excess of \$50,000, the **Short Form Health Statement Questionnaire must be completed and must accompany the Life Insurance Enrollment/Change SFN 53803**. The monthly premium is based on the employee's age.

ADDITION OF DEPENDENT LIFE COVERAGE

If an employee is enrolled in the Supplemental Life and wishes to add a spouse as a result of marriage or a child because of birth or adoption, a **new Life Insurance Enrollment/Change SFN 53803 must be completed within 31 days of the event**. The premium is based on the employee's age. If the employee already has Dependent Life insurance coverage when one of the previously mentioned events occurs, no new application or further notification is required.

CANCEL OR DECREASE COVERAGE

Employees may cancel/decrease their Supplemental, Dependent or Supplemental Spouse Life insurance coverage at any time; however, **this option may not be available to individuals who are having the Employee Supplemental Life premiums paid with pretax dollars under the FlexComp Plan.** If you have questions regarding the ability to drop an employee's insurance in relation to the FlexComp Program, please contact our office. **A new Life Insurance Enrollment/Change SFN 53803 must be completed and submitted to NDPERS.**

INCREASE IN COVERAGE

Existing employees may increase their Supplemental, Dependent or Supplemental Spouse Life insurance coverage during the annual enrollment season. An increase to the supplemental life insurance coverage that required evidence of insurability will not be effective until the later of the date the coverage is approved by the insurance carrier or January 1st.

An employee who marries or at the time of a birth or adoption of a child, may apply for Supplemental, Dependent and Supplemental Spouse Life insurance coverage within 31 days from the date of marriage, birth or adoption. **A Life Insurance Enrollment/Change SFN 53803 and Short Form Health Statement Questionnaire**

must be completed and dated during this time and submitted to NDPERS. If the Employee Supplemental Life is increased and being paid with pretax dollars, the premium amount deducted under the FlexComp Program will be increased automatically. The employee may only pre-tax coverage amounts up to \$50,000 of Employee Supplemental Life. Coverage is effective the 1st of the month following the date the coverage was approved by the carrier.

CONDITIONS UNDER WHICH LIFE COVERAGE MAY BE CONTINUED

• Family and Medical Leave Act (FMLA)

The Family and Medical Leave Act allows up to 12 weeks of unpaid leave.

Family and medical leave is available to employees who have been employed by the employer for at least 12 months and worked at least 1,250 hours for the employer during the previous 12 months.

During an unpaid leave under the FMLA, an employee may continue life insurance coverage at his/her own expense. It is at the employer's discretion whether to continue to pay the monthly premium for basic life.

References:

[NDCC 54-52.4 \(North Dakota Family Leave Act of 1989\)](#)

Public Law 103-3 (Family and Medical Leave Act of 1993 (Federal))

If the employee does not return from medical leave, you have the right to recover any premium contributions paid while the employee was on the unpaid leave. If the employee does not return, they will have the right to a conversion policy directly with insurance carrier.

If an employee chooses not to continue the life insurance during an unpaid leave, upon their return to active, eligible employment, they will be required to complete a **NDPERS Life Insurance Enrollment/Change SFN 53803 for Basic Life only**. If the employee wants Supplemental and Dependent coverage, the employee/dependents must provide evidence of insurability and can only apply during the annual enrollment season.

• Unpaid Leave of Absence

An employee may continue life insurance coverage at their own expense. If an employee chooses not to continue the life insurance during an unpaid leave, upon their return to active, eligible employment, they will be required to complete a **NDPERS Life Insurance Enrollment/Change SFN 53803 for Basic Life only**. If the employee wants Supplemental and Dependent coverage, the employee/dependents must provide evidence of insurability and can only apply during the annual enrollment season.

• Seasonal Employees

Seasonal employees are subject to the same requirements as stated above under "Unpaid Leave of Absence."

Payroll is required to submit a notice to NDPERS that indicates the beginning and ending dates of the leave. You must continue to collect the employee's monthly premium and submit it with the monthly billing for employees who elect to continue their coverage.

FILING PROCEDURE: Send the white copy to NDPERS and retain a copy for your files.

CONVERSION OF LIFE INSURANCE

Application and first premium must be submitted to the life insurance carrier within the 31-day period specified in the life insurance booklet/certificate. Refer to the **Converting Group Term Life Insurance to Individual Insurance** for details.

Short Form Health Statement Questionnaire

This form is to be completed if an employee elects to have Employee Supplemental, Dependent, or Supplemental Spouse Life Insurance coverage after the initial 31-day enrollment period, or if an employee wants to INCREASE his/her current level of coverage. These changes may only be made during the Annual Enrollment Season each year. This form, in addition to a Group Insurance Enrollment/Change (SFN 53803), must be completed and submitted to NDPERS by the last day of either month. Coverage will become effective the 1st day of the month following date of approval by the life insurance carrier.

COMPLETE ALL INFORMATION REQUIRED

MAKE AND KEEP A COPY OF THE COMPLETED SHORT FORM HEALTH STATEMENT QUESTIONNAIRE FOR THE EMPLOYEE.

IMPORTANT:

When applying for additional supplemental life insurance during the annual enrollment season, both the Group Life Insurance Application and Short Form Health Statement Questionnaire must be signed and dated within the annual enrollment season.

FILING PROCEDURE: RETURN THE FORM TO NDPERS. NDPERS will forward the form to the life insurance carrier.

The NDPERS office will notify the payroll office when the insurance carrier's underwriting department has either approved or denied the application. Coverage will be effective the later of the month following the date of the approval or January 1st.

APPLICATION FOR ACCIDENTAL LOSS OF LIMB(S) OR EYE(S)

Contact the NDPERS office for information and an Application for Accidental Limb Loss Benefits or an Application for Accidental Eye Loss Benefits.

APPLICATION FOR LIVING BENEFIT OPTION

Contact the NDPERS office for information and a Living Benefit Option claim form.

NOTICE OF CHANGE
SFN 10766

This form is to be completed to notify NDPERS of:

- Name change
- Address change
- Marital Status change

Whenever the Notice of Change SFN 10766 is completed and sent to NDPERS, the authorized agent must certify the accuracy of the information or the member and the form must be dated. If someone other than the authorized agent or member signs the form, it will be returned for the proper signature.

1. Complete a marital status change whether there is a name change or not.
2. In cases of marital status change, it is **necessary** that the member complete a new Life Insurance Designation of Beneficiary Change **SFN 53855** for the NDPERS group life insurance plan.
3. Name changes should match the name the member has filed with Social Security.
4. The authorized agent or the member **MUST** sign Part E for this form to be valid.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

NOTICE OF TRANSFER

SFN 53728

All instructions, terms and conditions are in the NDPERS Notice of Transfer Kit SFN 53728.

If the employee will not begin employment with a new participating agency within 31 days from the date of employee's last regular paycheck with your agency, both the employee and the authorized agent must complete a separation of employment kit.

Administrative Code Chapter **71-02-01-01(24)**: "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

Often employees will terminate their position with an employer participating in NDPERS and take a job with another employer who is also participating in NDPERS (**NDPERS Participating Employer Groups**).

1. Employees cannot change their level of life insurance coverage.

If employee transfers employment from one participating employer to another participating employer without terminating eligible employment, and in recognition of the fact that the current employer may not be aware of the circumstances regarding a departing employee's employment plans and subsequently a new employer will not receive any transfer information, NDPERS has developed a series of scenarios along with the required administrative procedures to follow depending on the particular situation. These procedures are designed to ensure transfers are processed consistently based on "what the employer knows at the time of separation of employment."

Situation: **Current employer knows the employee is transferring to another covered employer:**

1. Complete the Notice of Transfer Kit **SFN 53728**, which contains the NOTICE OF TRANSFER FORM
2. Send the NOTICE OF TRANSFER FORM to the new employer

Situation: **Current employer has no knowledge that terminating employee is transferring to another covered employer:**

1. Current employer and employee complete the appropriate separation of employment kit
2. Send the complete kit to PERS
3. PERS will process accordingly in absence of any other information

Situation: **New employer receives a NOTICE OF TRANSFER FORM from a participating employer.**

1. Do not have transferring employee complete new enrollment forms for plans indicated in Part C of the NOTICE OF TRANSFER FORM
2. Set up employee with benefits according to information provided in Part C of the NOTICE OF TRANSFER FORM
3. Have employee complete enrollment forms for programs not previously enrolled in through previous employer
4. Submit any new enrollment forms to PERS

Situation: **New employer is not aware a new employee is a transfer from another participating employer. Previous employer processed as a separation of employment and employee does not provide the information.**

1. Have new employee complete all required enrollment forms
2. Send the enrollment forms to PERS
3. If there is an existing record, and the hire date is within 31 days of separation from previous employer, PERS will notify you that employee is a transfer from another participating employer and will:
 - a. Void the enrollment forms for any programs that employee previously participated in.
 - b. Complete Parts A-D of the NOTICE OF TRANSFER FORM and send it to new employer.
 - c. Employer will set up benefit record according to information provided in Part C of the NOTICE OF TRANSFER FORM
 - d. Employer must complete Parts E and F on the NOTICE OF TRANSFER FORM and return it to PERS

Situation: **New employer is aware a new employee is a transfer but previous employer treated as a separation of employment and did not complete a NOTICE OF TRANSFER FORM.**

1. Complete Parts A, E, and F of the NOTICE OF TRANSFER FORM

2. Send the NOTICE OF TRANSFER FORM to PERS
3. If hire date is within 31 days of separation from previous employer, PERS will complete Part C based on existing record and return the form to the new employer
4. Have employee complete enrollment forms for programs not previously enrolled in through previous employer
5. Employer will set up the benefit record accordingly

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

NOTICE OF STATUS OR EMPLOYMENT CHANGE
SFN 53611

This form is to be completed by the employer when the employee has a change in employment Status. (Instructions and conditions are also listed on the other side of this form).

This form is to be completed to notify NDPERS of:

- Employee leave of absence/leave without pay
- Extending leave of absence/leave without pay
- Employee's return from leave of absence
- Employee classification change within agency
- Employee's reduction in hours
- Employee's separation from employment

PART B: CHANGE OF STATUS

LEAVE OF ABSENCE

1. NDPERS must be notified whenever an employee is taking a leave without pay and the reason for the leave.
2. A leave of absence cannot exceed one year without being recertified. If an employee is taking an unpaid leave in excess of two years, the employee should be terminated.
3. NDPERS must be notified of a return from leave prior to the employer enrolling the employee in the dental plan. If an employee elects not to continue dental coverage during the leave, they may be required to complete the Re-enrollment Restriction Period set forth in the Schedule of Benefits.

CLASSIFICATION CHANGE

1. Often employees will change their position within the employer group. This may affect their eligibility for benefits, as well as, how the employee is reported to NDPERS.

REDUCTION IN HOURS

1. If notifying PERS of an employee's change from permanent to temporary service, this form must be accompanied by **SFN 17627**.

PART C: SEPARATION OF EMPLOYMENT

1. If an employee is leaving the employer's service due to Termination (pre-retirement), Retirement, Disability retirement, or Death, this form is in one (1) of 6 PERS separation of employment kits. The **EMPLOYER MUST COMPLETE** a Notice of Status or Employment Change **SFN 53611**. The PERS separation of employment kit includes all necessary forms the employer and employee are required to complete.

The employer or employee may obtain the following Kits:

- Refund/Rollover Kit **SFN 53725**
- Deferred Retirement Kit **SFN 53724**
- Disability Retirement Kit **SFN 53726**
- Retirement Kit **SFN 53723**

2. The "membership termination date" is the last date the employee worked at your agency in an eligible position.
3. The "last month insurance premium(s) will be paid by your agency/or this employee". This is the last month the employee will be on your group insurance billing.

NDPERS would like to remind employer's that participate in the group health plan of the Administrative Rules pertaining to final payment of the health insurance premium for terminating employees. Administrative Code section 71-03-04-01 pertaining to state agencies and section 71-03-07-01 pertaining to political subdivisions clarify that an employee's coverage must end the month following the month after termination of employment. This means the employer must remit premium payment for insurance coverage for the month following the month of termination in order to comply with this requirement. In addition, when an employee transfers from one participating employer to another, the new employer is responsible for submitting the premium for the first of the month following the month of employment."

PART D: PLAN INFORMATION

1. The employer must always complete this section.

PART E: AUTHORIZATION OF AUTHORIZED AGENT

1. The employer's authorized agent must always sign this section for the form to be valid.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

GROUP HEALTH AND LIFE INSURANCE MONTHLY RECONCILING PROCEDURES

Pay Direct Agencies All agencies that are not on Central Payroll.

(Counties, Cities, School Districts, District Health Units, Higher Ed, etc.)

The monthly Group Insurance Billings are sent out on or about the 1st of each month.

Step 1. Verify Coverage. Review the billing to make sure it includes the employees who should have insurance coverage for the billing month. **Do not cross out names on the billing.** To report additions, deletions, or changes that reflect the current month's coverage, use the Adjustments page of the billing. If applications reflecting these changes have not been sent to NDPERS, they must be sent along with the billing for processing. Make changes to level of coverage on the adjustment page as follows:

Additions - Enter Last Name, First Name, Social Security Number and add insurance premium amounts to the amount billed.

Deletions - Enter Last Name, First Name, Social Security Number and subtract insurance premium amounts from the amount billed.

Changes in level of coverage – Record the old level of coverage as a deletion and the new level of coverage as an addition.

The entries on the adjustment page should only be for changes to an employee's insurance coverage for the current month (additions, cancellations, etc).

Step 2. Reconcile payment to billing. The amount of premium that should be remitted with the billing should equal the original amount billed, plus any additions, less any deletions. If the payment does not equal the adjusted billing, you must provide a reconciliation of your payment amount to the billing as follows. Be sure to include the employee's name, premium amount and month for each adjustment.

Premium payment

Add premiums that you owe for the current month, that are not included in your payment

Subtract premiums that you paid for the current month, that you are requesting a refund for

Subtract premiums that are included in your payment that are for a prior month

Total must equal adjusted billing

This same process applies to employers who are remitting premium payments through ACH.

Step 3. Return the original billing, along with your premium check and premium reconciliation to NDPERS by the 10th of each month.

The remittance enclosed with your insurance billing should be for insurance premiums only. Do not include deferred comp deductions, retirement contributions, or any other payments for NDPERS programs in which you may participate.

GROUP HEALTH AND LIFE INSURANCE MONTHLY RECONCILING PROCEDURES

Central Payroll Agencies

The monthly Group Insurance Billings are sent out on the 5th of each month.

Step 1. **Verify Coverage.** Review the billing to make sure it includes the employees who should have insurance coverage for the billing month. **Do not cross out names on the billing.** To report additions, deletions, or changes that reflect the current month's coverage, use the Adjustments page of the billing. If applications reflecting these changes have not been sent to NDPERS, they must be sent along with the billing for processing. Make changes to level of coverage on the adjustment page as follows:

Additions - Enter Last Name, First Name, Social Security Number and add insurance premium amounts to the amount billed.

Deletions - Enter Last Name, First Name, Social Security Number and subtract insurance premium amounts from the amount billed.

Changes in level of coverage – Record the old level of coverage as a deletion and the new level of coverage as an addition.

The entries on the adjustment page should only be for changes to an employee's insurance coverage for the current month (additions, cancellations, etc).

Step 2. **Reconcile payment to billing.** Use the PeopleSoft State Detailed Deduction Report or the query NDS_PR165_DEDUCTIONS to determine the premiums that were paid from the advanced and supplemental payrolls. The premiums paid should equal the original amount billed, plus any additions, less any deletions. If the payroll reports do not equal the adjusted billing, you must provide a reconciliation of the premiums paid to the billing as follows. Be sure to include the employee's name, premium amount and month for each adjustment.

Premium payment (from payroll reports)

Add premiums that you owe for the current month, that were not paid

Add personal checks received from employees to pay for current month coverage

Subtract premiums that you paid for the current month, that you are requesting a refund for

Subtract premiums that are included in your payment that are for a prior month
Total must equal adjusted billing

Step 3. Return the original billing, along with any personal checks and premium reconciliation to NDPERS by the 15th of each month.