



North Dakota Public Employees Retirement System  
E-Mail Memorandum

**MEMORANDUM**  
**2003-16**

**TO: ALL PAYROLL/PERSONNEL OFFICERS**

**SUBJECT: NOTICE OF TRANSFERS**

During the last three months PERS has received an “abundance” of forms, most of which were not required to be completed. The Continuation of Group Health Insurance Coverage (COBRA) seems to be the most popular. When the employee completes a COBRA form this means the employee “terminated”. Therefore, their health insurance coverage is “terminated”, which puts the termination ball in motion. As some of you have experienced, employees get notices from BCBSND that their coverage has been cancelled. This is due to COBRA forms being completed instead of the Notice of Transfer. These COBRA forms are processed weekly and the termination of coverage process can not be stopped.

Effective July 1, 2003 the PERS Board adopted a standard policy for all programs, this means that employees who separate from employment and become re-employed with another NDPERS participating employer are to be treated as a “transfer”. See the [“Inside NDPERS Handbook”](#) for complete plan policies.

We developed the following information as a quick reference. We ask that you explain to the employee the effects on their benefits (i.e. coverage).

**CURRENT EMPLOYER – It is your responsibility to verify whether the exiting employee is transferring or not to another [NDPERS Participating Employer](#).**

- If yes, Complete [Notice of Transfer SFN 53706](#) and send to the new employer.  
If employee does not want to reveal the new NDPERS employer
  1. Complete Parts A, B, C, & D
  2. Provide a copy to NDPERS
  3. Give the Notice of Transfer SFN 53706 to the exiting employee to provide to their new employer
  
- If no or unsure, use the current separation of employment procedures.

*For any group insurance coverage the exiting employee is going to receive through their spouse, NDPERS considers this to be a “termination of coverage” and not a “transfer of coverage”. Therefore, COBRA would apply--use the current termination of coverage procedures.*

**NEW EMPLOYER – It is your responsibility to verify whether the new employee**

**transferred from another [NDPERS Participating Employer](#).**

- If yes, Complete [Notice of Transfer SFN 53706](#).  
If employee does not want to reveal the former NDPERS employer
  1. Complete Parts A, E, & F
  2. Provide a copy to NDPERS
  
- If no or unsure, use your current enrollment procedures.

Thank you for your cooperation. If you have any questions please feel free to contact our office at 701-328-3900 or 800-803-7377.