



PERSonnel UPDATES

The Newsletter for Authorized Agents & Personnel/Payroll Officers

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April 2000
Volume 8, Issue 2

Inside this Issue

- 1 Health Insurance Annual Enrollment
- 2 Life Insurance Bi-Annual Enrollment
- 3 EPO Open Enrollment
- 4 Deferred Comp Participant Agreement Forms
- 5 PEP Meeting Requests
- 6 Employees Retiring In The Next 10 Years or So
- 7 Defined Contribution Plan Issues
- 8 Waiver of Health Coverage Form
- 9 Dual Health Insurance Contracts
- 10 Insurance Department Billings
- 11 Board Meeting Highlights

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The articles and opinions in this publication are for general information and are not intended to provide specific advice or recommendations for any individual. We suggest that you consult your attorney, accountant, financial or tax adviser with regard to your individual situation.

Mailings/Events

Health Insurance Annual Enrollment

The month of May is the annual enrollment for the PERS group health plan. Employees who did not enroll in the group health plan during their initial 31 day eligibility period when hired or did not enroll within 31 days of a qualifying event may apply for coverage. Individuals being enrolled may be subject to a 12 month pre-existing condition clause.

Please use the following procedures:

- ⇒ A NDPERS Group Health Application must be completed. If the employee is joining the EPO program, an Employee Selection Form must be completed and mailed with the NDPERS Group Health Application.
- ⇒ Check the **ANNUAL ENROLLMENT** box at the bottom of the NDPERS Group Health Application.
- ⇒ The payroll/personnel manager must complete the shaded boxes on the NDPERS Group Health Application.
- ⇒ The NDPERS Group Health Application cannot be dated or submitted prior to May 1 and must be received in the payroll office no later than May 31.
- ⇒ The NDPERS office must receive the NDPERS Group Health Application and the Employee Selection Form from payroll, no later than June 5. Coverage will become effective July 1, 2000.
- ⇒ Payroll records must be changed for June's payroll paid July 1.

Life Insurance Bi-Annual Enrollment

During the month of May, employees currently enrolled for group life coverage may increase their supplemental, dependent, or supplemental spouse life insurance coverage.

Please use the following procedures:

- ⇒ A ReliaStar Group Evidence of Insurability form must be completed in addition to a Group Life Insurance Application [SFN 51144]. The forms cannot be dated or submitted prior to May 1 and must be received in the payroll office no later than May 31.
- ⇒ The payroll/personnel manager must complete the shaded boxes on both forms.
- ⇒ On the ReliaStar Group Evidence of Insurability form: the Group Number is GL-20980-5; leave the account number blank. The employee must list names of all persons requesting additional coverage.
- ⇒ Questions 1 through 6 must be answered "yes" or "no" for each person requesting additional coverage. All "yes" responses must be explained in the area provided.
- ⇒ If applying for spouse coverage, the spouse must provide a social security number and date and sign the form.
- ⇒ The employee must sign and date both forms.
- ⇒ Coverage will become effective the first of the month following approval by ReliaStar.

⇒ Do not change payroll records until you are notified by NDPERS that the coverage increase has been approved.

EPO Open Enrollment

This year's EPO open enrollment will begin on April 17 and go through May 5. Enrollment information will be mailed to all NDPERS members prior to the meetings and will include a schedule of meeting times and locations. EPO Selection forms must be submitted by May 31, 2000 and coverage goes into effect on July 1, 2000.

Odds & Ends

Deferred Compensation Plan Participant Agreement Forms

Effective June 1, 2000, the NDPERS office is requesting that participants use SFN 3803 – Participant Agreement for Salary Reduction form that was revised 11/98. This form contains the detailed beneficiary information required for the NDPERS database that we are requiring all participants to provide. Please dispose of any old forms that have a date prior to 11/98 and submit an order for the form currently used.

PEP Meeting Requests

NDPERS is taking requests from employer groups, who participate in the retirement plan, interested in hosting a meeting concerning the Portability Enhancement Provision (PEP). Beginning January 1, 2000 this enhancement to the retirement plan has been creating a lot of interest from our members. Our office staff has conducted quite a few meetings around the State since last October, but are still receiving requests from employers. If you would like to have a meeting for your employees concerning PEP, please contact a Benefit Specialist at the NDPERS office. We are compiling a list of interested employers. Our staff will make every effort to conduct a meeting for your employees in a timely manner, however, meetings will be scheduled by area and number of requests from that area. We have also received requests from employers to be on a continuous call list every time we are in that area. Give us a call, we look forward to hearing from you!

Do You Have Any Employees Retiring in the Next 10 Years or So?

The NDPERS office conducts Pre-retirement Awareness Seminars. All you have to do is provide the space and invite us. These seminars are an excellent way to start the retirement planning process. The seminar will cover topics about the NDPERS retirement, health, life, dental and long term care insurance, as well as, provide special speakers in the areas of Social Security, financial and legal planning. The seminar is an entire day of valuable information concerning retirement planning issues. Your employee's will appreciate the opportunity to take part in this day. Too many people wait until retirement is right around the corner – only to find out that it's too late to plan. Don't be one of the many that are not prepared. Employee's who have attended the seminar remark that they should have attended years ago and that this is a seminar that everyone should attend... it's excellent! Give the NDPERS office a call. Talk to a Benefits Specialist to make arrangements for hosting a seminar for your employees.

State Agencies: Defined Contribution (DC) Plan Issues

If you are a state agency employer group and have an employee whose status has changed from classified to non-classified, it is very important that you notify NDPERS immediately. NDPERS will determine if they are eligible to participate in the new DC plan and will send them materials accordingly. Please use a *Notice of Change (SFN 17066)* form and complete Section E to notify NDPERS of the change.

Also, there has been some confusion about when payroll officers should set-up an employee for the DC plan. If a non-classified state employee submits a *Defined Contribution Retirement Program Election (SFN 52170)* form to your payroll office, please submit all copies to the NDPERS office. Upon receiving the form, NDPERS will verify eligibility and process the form. Once the form is verified, NDPERS will return a copy of the form to the member and the agency. Along with the agency copy, a memo will be sent indicating the month in which the member's payroll code should be changed on central payroll. It is very important that this code not be changed prior to the month indicated in the memo. After receiving this

memo, the payroll office should update the code for the applicable central payroll. For agencies not on central payroll, they can file the copy in the member's personnel file.

If you have any questions about an employee's status in the DC plan, please contact Rebecca at (701) 328-3911.

Waiver of Health Coverage Form

Just a reminder about temporary and part-time employees who elect not to have health insurance coverage and sign a Waiver of Health Coverage Form. DO NOT SEND the form to NDPERS. Please keep the copy in your personnel records. We do not keep files or microfiche on temporary or part-time personnel. If you have any questions, please contact June at (701) 328-3913.

Dual Health Insurance Contracts

When a State employee is terminating employment and transferring to their spouse's health insurance contract (their spouse is also a state employee), please have the terminating employee complete a NDPERS Group Health Insurance Application indicating that he/she is transferring to the spouse's plan. Section 3, Coverage Information, must be completed in this case. Also, the spouse of the terminating employee must complete a new NDPERS Group Health Insurance Application adding that individual to his/her health contract. If you have questions, please contact June at (701) 328-3913.

Insurance Department Billings

After reconciling your monthly billings, please keep one copy of the billing for your records and send the other copy back to the NDPERS office with your payment. The *entire* billing must be returned, not just the back portion of the billing. If you have any questions, please contact June at (701) 328-3913.

Board Meeting Highlights

The NDPERS Board reviewed and took action on the following items:

November 18, 1999:

◀ Was presented with an overview of the June 30, 1999 audit report and management letter. Brady,

Martz & Associates prepared this report based on their audit.

- ◀ Reviewed the topics discussed at the Legislative Employee Benefits Programs Committee meeting held on November 17, 1999.
- ◀ Reviewed various issues concerning the Defined Contribution Plan, including enrollment, investment policies and eligibility for retiree health insurance credits.
- ◀ Was presented with an investment performance review for the Deferred Compensation Program Companion Plan by the consultant, The Segal Advisors.

December 30, 1999:

- ◀ Reviewed Defined Contribution Plan issues, including enrollment, transfer calculations and proposed rules.
- ◀ Was provided with information about the annual dental enrollment and Flex Comp enrollment.
- ◀ Was presented with an overview of the NDPERS annual health insurance report and EPO Survey from BCBS.

January 20, 2000:

- ◀ Reviewed the Prenatal Plus program (PNP) provided to PERS members.
- ◀ Was presented with information about a private sector's health insurance plan, which incorporated cash incentives to encourage employees to lead healthier lifestyles.
- ◀ Approved renewing the contract for one year with MidDakota Clinic for disability determination services under the defined benefit plan.
- ◀ Discussed the investment guidelines, transfer calculations and proposed rules for the Defined Contribution Plan.