



North Dakota  
Public Employees Retirement System  
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**Rev. 5/2012**

## **GROUP LIFE INSURANCE ENROLLMENT INFORMATION**

### **Participation in the NDPERS Group Life Insurance Plan**

The NDPERS Group Life Insurance is a term life policy underwritten by Voya Financial. According to North Dakota Century Code (NDCC) 54-52.1, political subdivisions may offer the benefits of the NDPERS group life plan to its permanent employees.

The life plan schedule of benefits is designed by NDPERS and is available on our website at [www.nd.gov/ndpers](http://www.nd.gov/ndpers) under Group Life Plan, Plan Handbook (active members). Because this benefit represents an important source of security to employees and their families, please review the eligibility and coverage information carefully to ensure complete understanding of the rights and responsibilities of both the employer and employee.

This publication is intended to provide general information and may not be considered to be a legal interpretation. Statements contained in this handbook do not supersede the North Dakota Century Code, Administrative Code, Plan Document or master contract, or restrict the authority granted to the Retirement Board. This information is subject to changes made by the North Dakota legislature, by the Board of the North Dakota Public Employees Retirement System or its agents at anytime.

If you have any other questions or concerns regarding the NDPERS Group Life Insurance Plan please contact our office at 1-800-803-7377. Thank you.

## **Eligibility Assessment Questionnaire**

In order for NDPERS to verify a group's eligibility to join a benefit plan, an [Eligibility Assessment Questionnaire SFN 58781](#) must be completed and submitted to NDPERS.

## **Board Resolution**

In the event an agency wishes to enroll in the group life insurance plan, a board resolution indicating as such must be submitted to NDPERS:

### **Required Language for Board Resolution:**

**A motion was made by {Insert Board Member Name} for «Agency» to affirm to North Dakota Public Employees Retirement System that «Agency» is formed pursuant to N.D.C.C. § (Insert citation) and is neither a non-profit nor a for-profit corporation, to join the NDPERS Life Insurance Plan and offer the plan to all eligible employees of the «Agency». The motion was seconded by {Insert Board Member Name}. The Board approved joining the NDPERS Life Insurance Plan effective «EffectiveDate».**

# GROUP LIFE INSURANCE ENROLLMENT INFORMATION

The NDPERS Group Life Insurance is a term life policy underwritten by Voya Financial. According to North Dakota Century Code (NDCC) 54-52.1, political subdivisions may offer the benefits of the NDPERS group life plan to its permanent employees subject to the criteria provided in the Employer Participation Agreement. NDPERS requires 60-90 days to enroll a new group.

## Employee Eligibility and Enrollment

### Eligibility

“Full-time” is defined as an employee who works at least 20 hours per week, 20 or more weeks per year in a fully-funded position, not of limited duration. All employees who meet this definition must be offered the opportunity to apply for life insurance coverage.

Paid members of political subdivision boards, commissions or associations must be paid to be eligible to participate in the group life plan. Paid includes a per diem for each meeting.

Part-time and temporary employees, who work at least 20 hours per week, 20 or more weeks per year, are eligible to participate at their own expense.

### Enrollment

All eligible employees must have a 31-day open enrollment period to apply for life insurance coverage. Employees must complete a NDPERS Life Insurance Enrollment/Change SFN 53803 to enroll in the plan.

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 19 if they are unmarried and financially dependent on their parents for support,

or

- age 19 to 23 and the child is attending college full-time (12 credits per semester) and is fully financially dependent.
- **A DEPENDENT OF AN EMPLOYEE WILL NOT BE ELIGIBLE IF THAT DEPENDENT IS ALSO AN EMPLOYEE.**

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

The employer is required to complete and submit an [Employee Eligibility Report \(SFN 54119\)](#) and a [Notice of Appointment of Authorized Agent or Contact SFN 17029](#) to the NDPERS office.

All applications and forms must be sent to the NDPERS office no later than the 15<sup>th</sup> day of the month 45 days prior to the requested effective date. See “Timetable for Insurance Enrollment”.

## Minimum Contribution Requirements

NDPERS requires that the employer pay the \$.28 premium per member per month for \$3,500 basic life

insurance coverage. Premium for any supplemental coverage is paid by the employee. See "Levels of Coverage".

Part-time and temporary employees are eligible to participate but at their own expense.

## **Special Enrollment Periods**

The special enrollment periods allow an individual to enroll in the plan without any restrictions. An employee may enroll:

- ✓ Add a spouse within 31 days of marriage. An employee who previously chose not to obtain supplemental coverage is eligible to elect additional supplemental coverage at the same time that the employee's spouse is enrolled. However, any additional supplemental coverage being requested by the employee requires medical underwriting and approval by the carrier.
- ✓ Add a dependent within 31 days of birth or adoption, or placement for adoption. An employee and other dependents who previously waived coverage are also eligible to enroll in the plan at the same time that the employee's dependent is enrolled. An employee who previously chose not to obtain supplemental coverage is eligible to elect additional supplemental coverage at the same time that the employee's dependent is enrolled. However, any additional supplemental coverage being requested by the employee and other dependents requires medical underwriting and approval by the carrier.

## **Annual Enrollment Period**

Existing employees may increase their supplemental, dependent, or spouse supplemental life insurance coverage during the annual enrollment season, which is generally in October and November of each year. An increase to the life insurance coverage requires evidence of insurability and will not be effective until approved by the insurance carrier. An employee can add supplemental coverage in the amount of \$5,000 during annual enrollment without requiring evidence of insurability.

## **Premium Rates**

The premium rate structure for the NDPERS group life insurance plan is available on the NDPERS website at <http://www.nd.gov/ndpers/forms-and-publications/publications/2011-lifetable.pdf>.

## Timetable for Insurance Enrollment

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<b>Contracts Received by NDPERS*</b>	<b>Applications, Notice of Appointment of Authorized Agent (SFN 17029) &amp; Employee Eligibility Report (SFN 54119) Must Be Completed and Returned to NDPERS*</b>	<b>Earliest Coverage Effective Date **</b>
January 13	February 15	April 1
February 13	March 15	May 1
March 13	April 15	June 1
April 13	May 15	July 1
May 13	June 15	August 1
June 13	July 15	September 1
July 13	August 15	October 1
August 13	September 15	November 1
September 13	October 15	December 1
October 13	November 15	January 1
November 13	December 15	February 1
December 13	January 15	March 1

**\* If the date listed falls on a Saturday, Sunday, or a holiday, the date listed is changed to the following business day.**

**\*\* The coverage effective date of an agency is dependent on if all criteria and guidelines are met in a timely manner. NDPERS has the right to change the effective employer participation date. Do not cancel other group coverage that you may have until NDPERS confirms your effective date of coverage.**

## **Levels of Coverage**

### **Basic Life:**

If the employer is participating in the NDPERS Life Insurance Program, the employee will receive basic life insurance coverage in the amount of \$3,500. The premium is \$0.28 a month and is paid by the employer.

### **Employee Supplemental Life:**

The employee may elect to have supplemental coverage in addition to the basic life coverage of \$3,500. The first increment is \$1,500 (\$1,500 + basic of \$3,500 = \$5,000); thereafter, the supplemental increments are \$5,000 up to a maximum of \$200,000.

### **Dependent Life:**

If an employee elects supplemental coverage, they are eligible to purchase dependent life insurance. This coverage is available at either a \$2,000 or \$5,000 level for the spouse and each eligible dependent. The premium is based on the employee's age and is a flat rate regardless of the number of dependents covered.

### **Spouse Supplemental Life:**

If an employee elects 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 coverage or \$100,000, whichever is less. Evidence of Insurability is required on all spouse supplemental life over \$50,000.

### **Accidental Death and Dismemberment (AD&D):**

The NDPERS Group Life Insurance contains an AD&D insurance benefit which will pay benefits due to loss of life, limb or sight due to accidental injury.

### **Living Benefit Option:**

The benefit is available only to active employees. It allows employees who have a terminal illness or condition to receive a portion of their life insurance benefit while they are living. A terminal condition is defined as having a life expectancy of six months or less with no reasonable expectation of recovery. The provision pays 50% of the total face amount of the life insurance not to exceed \$100,000. At the present time, the living benefit option proceeds are taxable income. After the living benefit option is paid, the premium for the life coverage is reduced and based on the remaining amount of coverage which is payable to the beneficiary upon the employee's death.

**SAMPLE  
EMPLOYER PARTICIPATION AGREEMENT  
IN THE  
NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM  
GROUP LIFE INSURANCE PLAN**

This Agreement is between the North Dakota Public Employees Retirement System (NDPERS) and \_\_\_\_\_ (Employer).

**I. PURPOSE**

The purpose of this Agreement is to establish the terms and conditions for the participation of the Employer in the NDPERS Group Life Insurance Plan (the Plan).

**II. EFFECTIVE DATES**

The parties agree that this contract shall commence on \_\_\_\_\_ and shall terminate as provided in paragraph VI.

**III. EMPLOYER ELIGIBILITY**

The Employer is eligible to participate in the Plan on the first day of the month following acceptance by the Plan. All eligible employees have a 30-day open enrollment period from the date this Agreement is signed in which to enroll without providing any evidence of insurability. Eligible employees may cover their dependents in accordance with the terms and provisions of the Plan.

**IV. EMPLOYER'S RESPONSIBILITIES**

- A. The Employer agrees to be bound by the terms, provisions and rules of the Plan as adopted by NDPERS, and amended from time to time, with regard to the administration of the Plan. NDPERS will provide the Employer with such terms, provisions and rules.
- B. The Employer shall offer the Plan as the primary life insurance plan available to its employees.
- C. The Employer shall allow all "eligible" employees as that term is defined in the North Dakota Century Code (N.D.C.C. 54-52.1-01(4)) to participate in the Plan. The term "eligible employee" is currently defined by reference to the definition of "Permanent employee" set forth in N.D.C.C. 54-52-01(9) and includes "a governmental unit employee whose services are not limited in duration and who is filling an approved and regularly funded position in an eligible governmental unit, and is employed 20 hours or more per week and more than 20 or more weeks each year." N.D.C.C. 54-52.1-01(4) and 54-52-01(9).
- D. The Employer agrees to provide the minimum of \$1,300 of term life insurance for each eligible employee.
- E. The Employer shall allow all eligible employees a 31-day open enrollment period from the date this Agreement is signed in which to enroll in the plan. Employees participating in the NDPERS life insurance plan at the time of a consolidation between employers will be treated

as "transfers" if they did not have a termination of employment which means they had a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Eligible employees may cover their dependents in accordance with the terms and provisions of the Plan.

- F. The Employer shall pay to NDPERS all premiums due under the Plan on a monthly basis. NDPERS will not accept individual payments from participating employees in cases where the employees are responsible for part or all of the premium due. Rather, the Employer is responsible for collecting any premium contributions from participating employees (by payroll deduction or otherwise) and making a single lump sum monthly payment to NDPERS.

The premium payment due NDPERS is based on the applicable uniform group rates established by the NDPERS Board. The Employer will be given adequate advance notice of any premium changes in the Plan.

- G. Part-Time and Temporary Employees are eligible to participate at their own expense. They must enroll within 31 days from hire date. Coverage will be effective the first of the month following date of hire. The employer may not make a contribution for coverage for temporary employees.

- H. The Employer shall notify NDPERS of the following events within thirty (31) days of their occurrence:

1. Death of an employee;
2. Termination of an employee's employment;
3. Reduction of an employee's working hours or other change in employment status so that "eligibility" as defined in paragraph IV(C) is lost;
4. Divorce; or
5. Loss of coverage of a dependent due to age/school.

- J. The Employer agrees to hold NDPERS harmless for any loss, damage, or expense resulting from any actions taken or omitted by the Employer.

## **V. NDPERS' RESPONSIBILITY**

- A. NDPERS shall provide the insurance benefits described in the Plan, as modified from time to time, to participating employees of the Employer.
- B. NDPERS shall provide a written summary description of the plan to all participating employees of the Employer.
- C. NDPERS shall provide all necessary information regarding the Plan and its administration to the Employer and/or the participating employees.
- D. Advance notice of all modification to the Plan will be given to all participating employees.

## **VI. TERMINATION**

- A. This contract may be terminated by mutual consent of both parties, or by either party upon sixty (60) days notice, in writing.

- B. NDPERS, by written notice, may terminate this agreement if Employer fails to comply with any of the conditions of this agreement. Upon determination by NDPERS that the Employer has failed to comply with the conditions of the Agreement, NDPERS shall promptly provide written notification to the Employer of the determination, and its intent to terminate the agreement. The Employer's failure to remit the premiums due will result in the termination of insurance coverage for affected employees as of the date the premium payment was due.

The termination of this Agreement related to defaults (including breach of contract) by the Employer is not an exclusive remedy and is in addition to any other rights and remedies provided by law or under this contract.

- C. This Agreement is automatically terminated if the group life insurance plan is discontinued for any reason whatsoever.

## **VII. RE-ENROLLMENT**

If the Employer elects to terminate this Agreement, the Employer shall not be eligible for renewing participation in the Plan without evidence of insurability until a subsequent NDPERS open enrollment period coinciding with the State biennium, but not earlier than twenty-four (24) months from the date of such termination. Re-enrollment at any other time will require all employees to provide evidence of insurability in order to obtain coverage.

## **VIII. APPLICABLE LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota.

## **IX. WAIVER**

The failure of NDPERS to enforce the provisions of this contract shall not constitute a waiver by NDPERS of that or any other provision.

## **X. AMENDMENTS**

This Agreement may be amended by NDPERS upon sixty (60) days written notice to the Employer and at any time upon mutual written agreement between NDPERS and the Employer.

## **XI. MERGER CLAUSE**

This Agreement constitutes the entire agreement between the parties. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding the Agreement. Employer, by the signature of the authorized governing body or public official, hereby acknowledges that the Employer has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

## **XII. NOTICES**

Notice required under this Agreement shall be made as follows:

**NORTH DAKOTA PUBLIC EMPLOYEES  
RETIREMENT SYSTEM:**

NDPERS Group Life Insurance Plan  
400 E Bdwy, Suite 505  
PO Box 1657  
Bismarck, ND 58502-1657

\_\_\_\_\_  
(Signature)

Sparb Collins  
(Print Name)

Executive Director, NDPERS  
(Title)

Dated this \_\_\_\_ Day of \_\_\_\_\_, 200\_

**EMPLOYER:**

\_\_\_\_\_  
(Business Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, State, Zip)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Title)

Dated this \_\_\_\_ Day of \_\_\_\_\_, 200\_

