

# Perspectives

FOR ACTIVE  
MEMBERS  
OF THE  
NORTH DAKOTA  
PUBLIC  
EMPLOYEES  
RETIREMENT  
SYSTEM

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## Contribution Increases

Senate bill 2108 was passed by the 2011 legislature. The bill provides for both the employer and the employee contribution to be increased by 1% each for the Public Employees Retirement System, Judges Retirement System, Highway Patrol Retirement System and the Defined Contribution Retirement Plan effective January 2012 and again in January 2013.

As proposed, this bill sets forth a plan over a 4-year period that increases both employer and employee contributions by 4% each to address the funding challenge facing the PERS retirement plans as a result of the turmoil in the financial markets. For a full review of that challenge, please refer to the PERS Retirement Plan Financial Update articles in the fall 2009, spring 2010 and fall 2010 PERSpectives newsletters on the PERS web site at <http://www.nd.gov/ndpers/>

[forms-and-publications/perspectives-archive.html](http://www.nd.gov/ndpers/forms-and-publications/perspectives-archive.html).

Based on your monthly salary, the chart below shows the effect of the contribution increase as it applies to both employer and employee.

If you are a part-time or temporary employee and enrolled in the plan, your contribution will be the amount shown in the total column for the dates listed. If you are employed by a non-state governmental entity, your employer may elect to have the employee contribution paid on a pretax basis. If no election is made by the employer, contributions will be paid on an after tax basis. More detailed information will be provided to your employer in the upcoming months. State agencies will not be required to make an election.

Effective Dates	Employer Contribution	Employee Contribution	Total
7/1/11 – 12/31/11	4.12%	4%	8.12%
1/1/12 – 12/31/12	5.12%	5%	10.12%
1/1/13	6.12%	6%	12.12%

## New Companion Plan & 401(a) Defined Contribution Plan Provider

The NDPERS Board has selected TIAA-CREF as the new provider for the 457 Deferred Compensation Companion Plan and the 401(a) Defined Contribution Plan. This was the result of a Request for Proposal that was released earlier this year. The primary reason for the change is lower administrative fees and an increase in days allotted to counseling services for participants. The \$8 annual fee for the defined contribution plan and the \$30 annual fee for the deferred compensation program were eliminated and the number of days of on-site counseling services has been increased from 21 days to 180 days a year. PERS staff is currently working with TIAA-CREF for plan implementation and transition effective November 1, 2011. More information on this transition will be communicated to plan participants in September.

## If you need a specialty pharmacy, the Triessent Program can help.

Triessent® is the name of your specialty pharmacy program.

**The Triessent program supports members with specialty conditions.** Triessent helps them get the most from their medication therapy. This can help the member take charge of his or her specialty condition.

### Specialty Medications Defined

Specialty medications are prescribed to treat chronic (long-term), life-threatening or rare conditions. Examples can include multiple sclerosis, hemophilia, hepatitis C, rheumatoid arthritis and others. Specialty conditions can also include cancer and fertility.

Specialty medications are often given by infusion (intravenously [IV]) or injection, but some may be taken by mouth. Often they have special storage and handling needs.

Triessent packages medications carefully for special handling and temperature control. The package will include all needed supplies. Members also get educational materials that cover treatment and possible side effects.

### How to Enroll

If your physician has prescribed a specialty medication for you, just call 888.216.6710. Triessent staff will collect the information needed to enroll, including prescription, physician contact information and health plan ID number.

*Continued on page 6*

## New Group Life Carrier

The NDPERS Board has selected ING as the new carrier provider for the group life insurance plan. This was the result of a Request for Proposal that was released earlier this year. We transitioned to ING effective July 1, 2011. Following are the considerations that resulted in the Board's decision:

1. Basic life coverage for active employees increased from \$1,300 to \$3,500; this is an increase in the basic life benefit of \$269%.
2. Reduced the employee and spouse rates an average of 18% and 26.5%, respectively.
3. Travel Assistance Benefits (domestic and international) to include:
  - Pre-trip Information:
    - Visa and passport requirements, immunization requirements, foreign exchange rates, embassy/consular referral, travel/tourist advisories, temperature and weather conditions and cultural information.
  - Emergency Personal Service (non medical):
    - Urgent message relay, interpretation/translation services, emergency travel arrangements, recovery of lost or stolen luggage or personal possessions and legal assistance and/or bail bond.
  - Medical Assistance Services:
    - Medical referrals, medical case monitoring, Rx assistance and arrangement and payment of emergency medical services up to \$10,000 with a written guarantee of reimbursement from eligible participant.
  - Emergency Transportation Services:
    - Visit of family member or friend, return of traveling companion, return of dependent children, return of vehicle and return of mortal remains.

You may contact ING Travel Assistance for the above services as follows:

In the U.S. toll free:	800.859.2821
Worldwide, Collect:	202.296.8355
Email:	ops@europassistance-usa.com
Web:	www.europassistance-usa.com

4. Funeral Planning and Concierge Services through Everest at no cost for employees, their spouse and children under age 25 to include:
  - Unlimited use of secure, online planning tools to include personalized reports that compare local funeral home prices nationwide.
  - Round-the-clock toll-free access to Everest advisors.
  - Concierge services to provide personal assistance including planning a funeral or memorial service and negotiating prices with funeral homes.

To access this benefit go to the Everest Enrollment site to create your personal user ID and profile at [www.everestfuneral.com/ing](http://www.everestfuneral.com/ing). If you do not have internet access, or would like further information or assistance, contact an Everest Service Advisor at 1-877-456-5050.

## Health Insurance Dependent Eligibility

The transitional enrollment period to add dependents age 19 and older and under age 26 concluded on June 13, 2011. This enrollment period was conducted in compliance with the provisions of the Patient Protection and Affordable Care Act (PPACA) which states that adult

dependents will remain eligible for coverage to age 26 regardless of dependent, student, or marital status. This will apply unless the adult dependent has another offer of employer-based coverage such as through his or her job.

*Continued on page 5*

# 7 Tips to Kicking Bad Habits

Want to kick a bad habit, but don't know where to start? Bad habits and unsuccessful attempts to kick these habits leads to low self-esteem while increasing your risks of chronic diseases and other illnesses. Good habits, in turn, empower you to new levels of success in your professional and personal life, while contributing to your overall physical and mental health.

Try these seven tips to overcome your bad habits.

1. **Commit.** Acknowledge that you must change. Don't commit just because your spouse, kids, colleagues or even your parents want you to change. Understand that change is not easy, but if you're truly quitting for yourself, your chances of success are more solid.
2. **Get real.** Set clear, realistic goals and time lines to improve your chances of long-term success. Some people find it useful to write down their specific goals, and chart their progress in a journal or calendar.
3. **Don't go solo.** You can discuss your goals with others to get their support and possibly their participation to kick bad habits of their own. This will also help others avoid your temptations when you're together. Find encouragement from friends, family members and colleagues. Join support groups. Your health care provider can share proven support groups for your particular bad habits, and possibly even medications to help you quit smoking.
4. **Swap in the good.** Pick up another habit: a good one. Find something that gets your mind off your bad habit. Try taking a walk, reading a book, doing new type of exercise, cooking or preparing a healthful snack, or using a new application on your mobile device or computer.
5. **Reward yourself.** Actions followed by rewards are more likely to recur. Even so, we are very poor about rewarding ourselves at stages of kicking bad habits. Many people overlook successes and let a single slip-up turn into a complete relapse. Don't give in. Listen to others' encouragement. Treat yourself to a new pair of shoes, evening out, new music downloads or other tangible rewards.
6. **Write on.** Every time you engage in your bad habit, write it down. You'll identify patterns, which will help you avoid slipping back to bad habits. For instance, if you tend toward overeating at a certain time, book an exercise class at that time. Or if you turn to caffeinated drinks when you're under more stress, pre-empt stress-inducing meetings or times with non-caffeinated beverages on hand.
7. **Move it.** Obviously, a habit of regular exercise sparks weight loss, yet frequent exercise also helps break habits of overeating and addictions, especially if you substitute a workout for an end-of-the-day cigarette or alcoholic drink. In fact, among smokers who become competitive runners, more than 80 percent give up smoking for good.

—Information provided by Blue Cross Blue Shield of North Dakota

## Notice About the Early Retiree Reinsurance Program

You are a plan participant, or are being offered the opportunity to enroll as a plan participant, in an employment-based health plan that is certified for participation in the Early Retiree Reinsurance Program (ERRP). The ERRP is a Federal program that was established under the Affordable Care Act. Under the ERRP, the Federal government reimburses a plan sponsor of an employment-based health plan for some of the costs of health care benefits paid on behalf of, or by, early retirees and certain family members of early retirees participating in the employment-based plan. By law, the program expires on January 1, 2014.

Under the ERRP, your plan sponsor may choose to use any reimbursements it receives from this program to reduce or offset increases in plan participants' premium contributions, co-payments, deductibles, co-insurance, or other out-of-pocket costs. If the plan sponsor chooses to use the ERRP reimbursements in this way, you, as a plan participant, may experience changes that may be advantageous to you, in your health plan coverage terms and conditions, for so long as the reimbursements under this program are available and this plan sponsor chooses to use the reimbursements for this purpose. A plan sponsor may also use the ERRP reimbursements to reduce or offset increases in its own costs for maintaining your health benefits coverage, which may increase the likelihood that it will continue to offer health benefits coverage to its retirees and employees and their families. NDPERS has decided to use these funds to offset future premium increases.

### What's New at NDPERS?

A lot! This is as a result of:

- Legislative changes
- Benefit program changes
- Administrative changes

NDPERS will have a video presentation available on our web site at [www.nd.gov/ndpers](http://www.nd.gov/ndpers) some time in late September to inform you of "What's New." We encourage you to view this presentation to get a detailed explanation of these changes.

# SUMMARY OF LEGISLATIVE PROPOSALS

The following summarizes the bills submitted for the 2011 legislative session.

Bill No./Sponsor	DESCRIPTION	Status/Committee Recommendation
<b>SB 2108</b> <b>NDPERS</b>	<p>Increases employee and employer contributions equally for the Main, Highway Patrol, Judges and Defined Contribution plans:</p> <ul style="list-style-type: none"> <li>• 2% employee increase and 2% employer increase with a 1% increase January 1, 2012 and a 1% increase January 1, 2013.</li> </ul> <p>Increases employee contributions for the Law Enforcement plan:</p> <ul style="list-style-type: none"> <li>• 1% employee increase with a .5% increase January 1, 2012 and a .5% increase January 1, 2013.</li> </ul> <p>Increases the temporary employee contribution for the defined benefit and defined contribution plans:</p> <ul style="list-style-type: none"> <li>• 4% employee increase with a 2% increase January 1, 2012 and a 2% increase January 1, 2013.</li> </ul>	<i>Passed</i>
<b>SB 2109</b> <b>NDPERS</b>	<p>Allows transfers from the PERS DC plan to TIAA/CREFF, eliminates the 60-month term certain option as a form of payment for surviving spouses in the Highway Patrol Retirement System (HPRS), updates the IRS compliance provisions, modifies the PERS board election process, removes the requirement for a member of the law enforcement plan to have three consecutive years of service immediately before retirement to three consecutive years of service and clarifies that any surviving beneficiary who dies before receiving a distribution of such account balance is treated as predeceasing the member.</p>	<i>Passed</i>
<b>SB 2110</b> <b>NDPERS</b>	<p>Amends the North Dakota Century Code relating to the uniform group insurance program and allows:</p> <ul style="list-style-type: none"> <li>• Another lower cost coverage option for retired employees not eligible for Medicare,</li> <li>• The board to receive separate bids for prescription drug coverage,</li> <li>• The board to consider self-insurance of health insurance benefits as well as part or all of the prescription drug coverage.</li> </ul>	<i>Passed</i>
<b>HB 1364</b> <b>Rep. Carlson</b>	<p>Creates a high deductible health plan (HDHP) with a health savings account for state employees.</p>	<i>Passed</i>

## High Deductible Health Plan for State Employees

House Bill 1364 was passed during the last legislative session and requires the NDPERS Board to develop and implement a high deductible health plan (HDHP) with a health savings account (HSA). This plan will be offered in conjunction with the Dakota PPO/Basic plan. Participation in the HDHP/HSA plan is optional. The plan must be made available to state employees by January 1, 2012.

As the name implies, an HDHP has higher deductibles and larger upfront costs for medical treatment; however, the higher initial out-of-pocket expenses are offset by lower monthly premiums, and there is a cap on how much you pay out-of-pocket.

The advantage of enrolling in an HDHP is a participant is then eligible to open a health savings account. Your employer may contribute to your account and you may also contribute on a pretax or after tax basis. HSA funds can pay for expenses before you meet your deductible as well as help pay for services not covered by your health plan, medical expenses after retirement and long-term care expenses. You own your account and decide whether to use the funds to

pay for out-of-pocket medical expenses or save it for future use. Another feature is that you don't lose HSA funds at the end of the year. Unspent balances remain in your account earning interest until you spend them on medical care. In addition, if you change jobs your account goes with you even if you move out of state. Regardless of where you get your health insurance plan, whether on your own or through your employer, your HSA funds are yours.

The HDHP design approved by the board maintains the basic and PPO plans and is shown below.

The estimated annual employer contribution to the HSA for a single would be approximately \$600 and for a family plan \$1,500. The HDHP/HSA plan will be rolled out for state employees in conjunction with this year's annual enrollment season this fall. For additional information and updates as we continue with plan development and implementation please go to the NDPERS web site at [www.nd.gov/ndpers](http://www.nd.gov/ndpers) and select the HDHP/HSA button.

	HDHP Basic Plan	HDHP PPO Plan
Under this Benefit Plan the Deductible Amounts are:		
Single Coverage	\$1,500 per Benefit Period	\$1,500 per Benefit Period
Family Coverage	\$3,000 per Benefit Period	\$3,000 per Benefit Period
Under this Benefit Plan the Coinsurance Maximum Amounts are:		
Single Coverage	\$2,000 per Benefit Period	\$1,500 per Benefit Period
Family Coverage	\$4,000 per Benefit Period	\$3,000 per Benefit Period
Under this Benefit Plan the Out-of-Pocket Maximum Amounts are:		
Single Coverage	\$3,500 per Benefit Period	\$3,000 per Benefit Period
Family Coverage	\$7,000 per Benefit Period	\$6,000 per Benefit Period

## Health Insurance Dependent Eligibility *Continued from page 2*

Following are responses we provided to specific questions we received during the enrollment period:

**Q:** If a **married** adult dependent is added to the plan, whether pregnant at the time or becomes pregnant while covered, is the grandchild eligible to be covered?

**A:** No

**Q:** If a **single** adult dependent is added to the plan, whether pregnant at the time or becomes pregnant while covered, is the grandchild eligible to be added to the contract after birth?

**A:** Yes. However, if the adult dependent should get married,

the grandchild will no longer be eligible for coverage and must be removed from the contract. If as a result of marriage the adult dependent is eligible for coverage through another employer group plan, she also loses eligibility and must be removed from the contract.

**Q:** If the adult dependent is eligible for coverage through another employer group plan and is required to pay the premium, can that dependent be added to the parent's plan through the state?

**A:** No. The PPACA regulations state that if the adult dependent is eligible for or covered by another group plan, they are not eligible to be added to the parent's plan.

Continued from page 2

## Triessent Program

### Medication is Only One Piece of a Complete Health Picture

The Triessent care team also provides support by telephone:

- Answers to medication questions
- Educational materials
- Information about managing potential medication side effects
- Confidential support
- 24/7/365 access to a pharmacist for urgent medication issues

The Triessent program can help individuals get the most from their specialty medication.

Triessent is a registered trademark of Prime Therapeutics LLC.

## Superior Vision Plan – Accessing Your Benefits

The Superior Vision Plan benefits are offered through a Preferred Provider Organization (PPO). They have “in-network” providers (contract) and “out-of-network” providers (no contract). The network is nationwide. Currently the network has 161 providers in North Dakota, including some border communities in Minnesota. You may locate a vision provider using the following access sites:

Go to [www.superiorvision.com](http://www.superiorvision.com) and click on “Locate a Provider” or go to [www.nd.gov/ndpers](http://www.nd.gov/ndpers) and click on “Active Members” from the menu and select “Vision Plan” and click on “Provider Network.” When you input your zip code, you will get a list of those providers within your location.

If you do not have internet services, you may contact Customer Service at 800.507.3800.

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