

# Perspectives

FOR RETIRED  
MEMBERS  
OF THE  
NORTH DAKOTA  
PUBLIC  
EMPLOYEES  
RETIREMENT  
SYSTEM

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This newsletter is published by the North Dakota Public Employees Retirement System  
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### Board Members:

Jon Strinden  
*Chairman*

Thomas Trenbeath

*Attorney General Appointee*  
Arvy Smith

*State Health Officer Designee*

### Members Elected:

Mike Sandal, Joan Ehrhardt,

Howard Sage,

Kim Riedlinger Wassim

Sparb Collins

*Executive Director*

Kathy M. Allen

*Editor*

## Kim Riedlinger Wassim Elected to the Board

Kim Riedlinger Wassim was elected to a five-year term on the NDPERS Retirement Board. Her term is effective July 1, 2013 and ends June 30, 2018. Kim is currently a Human Resource Officer with Human Resource Management Services, a division of OMB. The following is a recap of the election results:

	VOTES
Kim Riedlinger Wassim	799
Levi Erdmann	740
Invalid	36
Received after deadline	<u>32</u>
<b>Total</b>	<b>1,607</b>

The NDPERS Board and staff welcome Kim as its newest member.

## Thank you, Levi!

Levi Erdmann's term as the elected active representative on the NDPERS Board concluded on June 30, 2013. Levi served on the Board in this capacity for five years. The PERS Board and staff extend their appreciation to Levi for his contribution and dedication during his term on the Board.



*Kim Riedlinger Wassim*



*Levi Erdmann*

## Save Time and Eliminate Worry

One thing you can do to save time, eliminate worry and avoid delays is to sign up for direct deposit. Not only is direct deposit faster than getting your benefit checks in the mail, it is also safe, reliable, secure and used nationwide.

Benefit payments are deposited electronically into your bank account. You do not have to change your current bank relationship to take advantage of this service. It is available through all banks, credit unions, savings and loans facilities, and most other financial institutions.

### Advantages to Direct Deposit:

- Your money will be deposited timely – the first business day of each month – which allows you immediate access to your money.
- Your worries about mail delays, stolen checks, or interruption due to disaster are over.
- You'll avoid waiting in long bank lines to cash or deposit checks.
- It's free! PERS does not charge any fees for this service.

*Continued on page 2*

## Defined Contribution Plan Eligibility Expanded

House Bill 1452 provides for expanding the eligibility to enroll in the defined contribution plan to all state employees. Previously, the plan was available to only employees in non-classified service. Effective October 1, 2013, the plan will be available to all permanent state employees hired on or after that date. The provision expires July 1, 2017. The eligibility will be expanded to include the Judges, Air National Guard, Law Enforcement and Main System Members. It excludes employees of the Highway Patrol and participating political subdivisions.

## Pre-Medicare Health Insurance and RHIC Portability

HB 1058 was passed this last Legislative session. The law change closes the pre-Medicare health insurance plan to retirees with a retirement effective date of July 1, 2015 or later. In addition, the change allows the retiree health insurance credit (RHIC) to be used for other health and prescription drug coverage (non-NDPERS) and the NDPERS dental, vision or LTC plans. Once implemented, this option will also be available to existing retirees.

More information will be available as the administrative details are defined and procedures are developed.

## EOBs to be Bundled to Reduce Costs, Increase Efficiency

BCBS has implemented a new process for all their lines of business which will apply to all PERS subscribers.

Explanation of Benefits statements (EOBs), which members receive showing health care expenses, reimbursements by BCBSND and copays and coinsurance, will be bundled together for families.

The changes are being made to increase efficiency, reduce costs and make it easier for our members to track their health care expenses.

Instead of receiving separate EOBs for each member of a household whenever one of them receives health care services, EOB statements will be bundled up and mailed out for members of a household covered on the same insurance policy. This will allow members, especially parents with multiple dependent children, to better manage and track their family's medical spending and will avoid having to open, review and file multiple EOB letters for

different family members within a short period of time.

EOBs will be bundled only for children 12 and younger (if the child's address is not listed as confidential in the system) that have the same policy number and address as the account subscriber and only if the member had a service during the same time as the dependent.

The move to bundled EOBs will help reduce costs for BCBS, which will also lead to reduced costs for members. The change will also increase efficiency and save time and resources for the company. Bundled EOBs will also make it easier for members to compare and better manage their health care usage by allowing for quick comparisons of multiple appointments of all family members. By helping provide more complete and easier to access health information, the company is also helping members to keep a closer eye on their health care usage.

*(Continued from cover)*

## Save Time and Eliminate Worry

To begin direct deposit, complete an "Authorization for Direct Deposit for Annuity Payment SFN 18379" which is available on our web site at <http://www.nd.gov/ndpers/retirement-plans/retirees.html>. Complete and sign the Part A of the form and have your financial institution complete Part B. If you do not have internet access, call the PERS office at 701-328-3900 or 800-803-7377 and one will be sent to you.

Return the form to the PERS office by the 15th of any month. The direct deposit of your PERS benefit payments will begin the first of the following month, unless an alternate effective date is requested. To change financial institutions or change any account information, just complete a new Authorization for Direct Deposit form.

***DIRECT DEPOSIT –  
For your peace of mind!***

# Summary of Legislation

The following summarizes the provisions of the bills passed by the 2013 legislature.

Bill No.	Description
SB 2060	<p>Updates the Internal Revenue compliance provisions of the Highway Patrol retirement plan; updates the name for the legislative oversight committee in the Highway Patrol plan; allows the NDPERS Board to utilize deferred compensation provider fees to fund administration expenses of the program; updates the language for eligibility for normal retirement in the National Guard and Law Enforcement plans; updates language in the National Guard and Bureau of Criminal Investigation plans to be consistent with changes made last session in the Law Enforcement plan; removes the level social security retirement benefit option under the public employees retirement system; updates the name for the legislative oversight committee in the NDPERS plan; updates the Internal Revenue compliance provisions of the NDPERS plan; allows the Board to pay a third party vendor from the funds received from the pretax benefits program; clarifies how the defined contribution assets are to be distributed if a named beneficiary predeceases the member; standardizes the provisions for use of the retiree health credit for defined contribution plan member to be consistent with those of the Main Hybrid plan; establishes a federal compliance section for the defined contribution plan.</p>
HB 1058	<p>Closes the pre-Medicare plan to retirees beginning July 1, 2015; allows retiree health credit to be used for other health and prescription drug coverage and the PERS dental, vision or LTC plans.</p>
HB 1059	<p>Changes the definition of temporary employee to comply with the Affordable Care Act (ACA) and sets the premium level accordingly; allows political subdivisions to set up their own health spending account if they select the high deductible health plan (HDHP).</p>
HB 1452	<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>• 1% employee increase and 1% employer increase January 1, 2014.</li> </ul> <p>Increases employee contributions for the Law Enforcement plan:</p> <ul style="list-style-type: none"> <li>• .5% employee increase and a .5% employer increase January 1, 2014.</li> </ul> <p>Increases the temporary employee contribution for the defined benefit and defined contribution plans:</p> <ul style="list-style-type: none"> <li>• 2% employee increase January 1, 2014.</li> </ul>
Special Studies	<p><b>Legislative Management Study – State Employee Health Insurance Premiums.</b> The legislative management shall consider studying, during the 2013-14 interim, the feasibility and desirability of establishing a maximum state contribution to the cost of state employee health insurance premiums. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.</p> <p><b>Legislative Management Study – North Dakota Retirement Plans.</b> During the 2013-14 interim, the legislative management shall consider studying the feasibility and desirability of existing and possible state retirement plans. The study must include an analysis of both a defined benefit plan and a defined contribution plan with considerations and possible consequences for transitioning to a state defined contribution plan. The study may not be conducted by the employee benefits programs committee. The legislative management shall report its findings and recommendations, together with any legislation needed to implement the recommendations, to the sixty-fourth legislative assembly.</p>



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## **Confidentiality and Access to Your Personal Information**

When you call NDPERS for personal information about your benefit accounts, you are subjected to a series of questions to verify that you are a member. Because NDPERS records are confidential and not public records, staff may only disclose information to the member or under the following circumstances:

- A person to whom a member/beneficiary has given written consent.
- A person legally representing the member/beneficiary upon proper proof of representation, unless member/beneficiary withholds consent.
- A person authorized by court order.
- A member's spouse or former spouse, that individual's legal representative, and the judge presiding over the member's dissolution of marriage proceedings for the purpose of drafting a Qualified Domestic Relations Order (QDRO).
- A member's participating employer's authorized agent, under limited circumstances.
- A member's designated beneficiaries after the member's death. Information relating to beneficiaries may be disclosed to other beneficiaries of the same member.
- The general public, but only after the board has been unable to locate the member for a period in excess of two years, and limited to the member's name and the fact that NDPERS has been unable to locate the member.
- Any person whom the NDPERS board determines disclosure is necessary for treatment, operational, or payment purposes, including the completion of necessary documents.

Staff must be very diligent in protecting the confidentiality of our member records. A penalty for disclosure of confidential information is a Class C felony, which includes a five-(5) year prison term and a \$5,000 fine (N.D.C.C. 12.1-13-01).

*The articles and opinions in this publication are for general information only and are not intended to provide specific advice or recommendations for any individual. We suggest that you consult your attorney, accountant, financial or tax advisor with regard to your individual situation. This newsletter is available in alternate formats upon request. Printed on recycled paper.*