


Date: October 8, 2010

Code: TECHNICAL LETTER
HR/Benefits 2010-12

To: Human Resources Directors
Benefits Representatives

From: Evelyn Nazario 
Assistant Vice Chancellor
Human Resources Management

Subject: New Rates Effective January 1, 2011 for Long-Term Disability (LTD) Insurance, CSU-Paid Group Term Life and AD&D Insurance, and Voluntary Life Insurance Programs

Overview

Audience: Human Resources Directors, Benefits Representatives, and/or campus designee(s) responsible for administering benefits

Action Item: Information Only

Affected Employee Group(s)/Unit(s): All Employees Eligible for CSU-Paid Long-Term Disability (LTD) Insurance, CSU-Paid Group Term Life and AD&D Insurance, and Voluntary Life Insurance Programs

Summary

This technical letter announces the new rates that are effective January 1, 2011, for the following benefit plans: CSU-Paid Long-Term Disability (LTD) Insurance, CSU-Paid Group Term Life and AD&D Insurance, and Employee-Paid Voluntary Life Insurance.

Campus designees responsible for benefits administration should read the rest of this technical letter.

CSU-Paid Long-Term Disability (LTD) Insurance

CSU has extended its contract with The Standard for Long-Term Disability (LTD) Insurance through December 31, 2012. LTD insurance rates are based upon a percentage of covered salary and are paid in arrears (e.g., July pay period deduction pays for July). The new LTD insurance rates are effective January 1, 2011, and will remain fully paid by CSU for all eligible employee groups as listed below:

Deduction Code	Employee Category	2010 Rates	2011 Rates
250-100	M80, MPP (Management)	\$5.26	\$5.33
250-104	M98 (Executives)	\$12.51	\$12.51
250-103	Unit 1 (Physicians)	\$50.45	\$49.44
250-101	Unit 3 (Faculty)	\$4.07	\$4.22
250-102	Unit 4 (Academic Professionals)	\$1.69	\$1.70

Distribution:

CSU Presidents
Vice Chancellor, Human Resources
Vice Presidents, Administration

Payroll Managers
State Controller's Office

The State Controller's Office (SCO) will make the necessary adjustments to its tables. There is no change to the benefit coverage.

CSU-Paid Group Term Life and AD&D Insurance

CSU has extended its contract with The Standard for CSU-Paid Group Term Life and AD&D Insurance through December 31, 2012. Insurance rates will decrease effective January 1, 2011 (December 2010 pay period). The new monthly insurance rates are as follows:

Deduction Code	Employee Category	Amount of Coverage	2011 - 2012 Rates
250-025	C99 (Confidential)	\$50K Life/AD&D	\$7.50
250-020	M80 (Management)	\$100K Life/AD&D	\$15.00
250-026	M98 (Executives)	\$250K Life/AD&D	\$37.50
250-028	Unit 1 (Physicians)	\$25K Life/AD&D	\$3.75
250-027	Units 2,5,7,9 (CSUEU)	\$10K Life/AD&D	\$1.50
250-021	Unit 3 (Faculty)	\$50K Life/AD&D	\$7.50
250-024	Unit 4 (Academic Professionals)	\$25K Life/AD&D	\$3.75
250-023	Unit 8 (Public Safety)	\$10K Life/AD&D	\$1.50
250-022	Unit 11 (Teaching Associates Only)	\$50K Life Only	\$7.00
250-029	Unit 12 (Headstart – SFSU Only)	\$50K Life/AD&D	\$7.50

CSU Voluntary Life Insurance

CSU has extended its contract with The Standard for Voluntary Life Insurance through December 31, 2012. Employee-paid rates will decrease effective January 1, 2011 (December 2010 pay period), for all employee (except <30), spouse, and child coverage levels. The new monthly rates are listed on the following chart:

CSU Voluntary Life Insurance Rates per \$1,000 of Coverage Deduction Code 075-117			
Employee Age	Rate Per \$1,000	Spouse Age	Rate Per \$1,000
<30	\$0.06	<30	\$0.06
30-34	\$0.08	30-34	\$0.08
35-39	\$0.09	35-39	\$0.10
40-44	\$0.13	40-44	\$0.16
45-49	\$0.24	45-49	\$0.28
50-54	\$0.38	50-54	\$0.44
55-59	\$0.65	55-59	\$0.75
60-64	\$0.71	60-64	\$0.79
65-69	\$1.27	65-69	\$1.37
70-74	\$2.06	70-74	\$2.05
75+	\$2.06	75+	\$2.05
Child	\$0.162	NA	NA

There is no change to the benefit coverage or levels of life insurance. As a reminder, employees who chose not to enroll in voluntary life insurance during their initial enrollment period can choose to enroll

at anytime, but will be required to complete an Evidence of Insurability (EOI) form for underwriting requirements.

Common Management Systems (CMS) Processing Instructions

The LTD and Group Term Life and AD&D rate changes described in this Technical Letter have been included in CMS Baseline with the 2011 Open Enrollment updates.

Questions regarding this Technical Letter may be directed to Human Resources Management at (562) 951-4411. This Technical Letter is also available on the Human Resources Management Web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

EN/dg