

2020 M/C LIFE INSURANCE ANNUAL UPDATE INFORMATION

IMPORTANT NOTICE

The 2020 annual update of the Management/Confidential (M/C) Group Life Insurance Plan is now in progress. This information is to advise you of changes that may affect your coverage. Please review this notice carefully. If you have any questions regarding your enrollment in the plan or if you desire to make changes in your M/C Life Insurance coverage, please contact your Benefits Administrator.

AUTOMATIC CHANGES

The annual update will result in automatic changes for:

- Any enrollee who reached a higher premium age bracket as of September 1, 2020;
- Any enrollee whose age as of September 1, 2020, requires a reduction in coverage; or
- Any enrollee covered at a multiple of annual salary who experiences a change in their salary which affects their coverage amount, including reaching the maximum benefit amount of \$500,000.

For the plan year September 1, 2020 through August 31, 2021, Personal Life premium rates will increase 4.7%, Dependent Life rates will decrease 0.1%, and the Accidental Death and Dismemberment (AD&D) premium rates will decrease 0.3%. The Accident and Sickness rates will remain at zero and the administrative charge for the plan has decreased to 3.4%.

CHANGES THAT ARE NOT AUTOMATIC

You must contact your agency Benefits Administrator promptly if:

- You want to change your beneficiary.
- You have spousal coverage and you have divorced, or your marriage has been annulled. Your former spouse is not eligible to be a covered dependent under this Plan, even if a court orders you to maintain coverage. You must notify your agency Benefits Administrator and end coverage for your spouse effective the date the marriage ended. Your former spouse can still be a beneficiary of your Life Insurance coverage. However, you would need to re-designate them indicating that they are now your ex-spouse.
- You and your spouse are both enrolled as employees in the M/C Group Life Insurance Plan, and both are insuring children. Insurance industry practice allows children to be insured as dependents of only one employee under any one group insurance program. If duplicate coverage of dependent children is confirmed, coverage will be changed retroactively to comply.
- Your dependent child has reached the age of 19, or 25 if they are a full-time student. Advise your Benefits Administrator if your child is no longer eligible to continue coverage. If you are interested in a separate conversion policy for your child, you may request a "Conversion of Group Life Benefits to an Individual Policy" form from your Benefits Administrator.
- You want to change your status as a smoker. Individuals presently enrolled as "smokers" who have not smoked since September 1, 2019, may now apply for the

special nonsmoker premium discount. To be eligible for a rate reduction, you must submit your application to your Benefits Administrator by September 30, 2020.

- You want to either increase or decrease your multiple of salary option. You must fill out a PS-934, M/C Life Insurance Transaction Form, check "Change in Coverage" in box 12, select one of the options in box 13A. You may increase your multiple of salary option up to five times your annual salary, however the maximum benefit allowed under this policy is \$500,000). Complete the entire form before submitting it through your agency Benefits Administrator to the Employee Benefits Division, M/C Life Insurance Unit. Any increase in coverage requires that you submit a Statement of Health form directly to MetLife.
- You are planning to retire and wish to cancel your M/C Life Insurance. Your benefits will continue in retirement at the same level unless a written request indicating that you wish to cancel your coverage is received. To cancel your coverage, complete form PS-932 "M/C Life Insurance Transition to Retirement Notice" and select option 4, "Cancellation of M/C Life Insurance Coverage." Submit this form to your agency Benefits Administrator. **Coverage is NOT automatically cancelled at the time of retirement.**

NEW PAYROLL DEDUCTIONS AND COVERAGE AMOUNTS

Effective dates of new payroll deductions and changes in the amount of Life Insurance coverage for NYS employees on the OSC payroll system will change automatically on the Institution and Administration paychecks dated as follows:

Payroll	First Paycheck with New Deduction	Effective Date of Changes in Life Insurance Coverage
Institution Current	8/27/2020	9/10/2020
Administration Current	8/19/2020	9/3/2020
Institution Lag	9/10/2020	9/10/2020
Administration Lag	9/2/2020	9/3/2020

Effective dates of new payroll deductions and changes in the amount of Life Insurance coverage for PE enrollees will be September 1, 2020.

If you think an error has occurred in your salary-based coverage, you must report it to your Benefits Administrator no later than September 30, 2020.

REDUCTION IN COVERAGE

If your coverage amount is based upon your salary, the coverage amount in effect on the September 1st after you reach age 65, 70, 75 or 80 will be reduced as indicated below. Coverage will not be reduced below \$15,000. If, after the reduction is applied, your coverage is not a multiple \$1,000, it will be rounded up to the next higher \$1,000.

Percentage of Reduction in Benefits for Active and Retired Enrollees

<u>Status</u>	<u>Age</u> 65-69	<u>Age</u> 70-74	<u>Age</u> 75-79	<u>Age</u> 80 and over
Active	35%	55%	70%	80%
Retired	35%	\$15,000*	\$15,000*	\$15,000*

*Maximum benefit amount

When an actively working enrollee reaches age 65, 70, 75, or 80 and their Life Insurance is reduced, their spouse's coverage may also be reduced. At no time can spousal Life Insurance benefits be more than 50% of an enrollee's Life Insurance benefit, with a maximum benefit of \$20,000.

Note: All active enrollees, regardless of age, are covered by Accidental Death and Dismemberment benefits. Retired enrollees are not eligible for Accidental Death and Dismemberment benefits on the September 1st which coincides with, or the next following, their 70th birthday.

RETIREMENT SYSTEMS DEDUCTIONS

Premium changes for September coverage for retirees receiving pension deductions will occur in their pension checks dated August 31, 2020.

FOR FURTHER INFORMATION

If you have questions concerning this update, please contact your Benefits Administrator. Retirees may contact the Employee Benefits Division.