

**RFP 4196Z1
ATTACHMENT 1
PLAN STRUCTURE - BASIC AND SUPPLEMENTAL
CURRENT**

Information about the group life coverage for the three employee groups is provided in the tables below. The tables should be considered summaries as they may omit material details and exceptions.

1. Active NDOL

For purposes of this RFP, the Active NDOL Basic Life Insurance group is made up of NDOL employees hired before July 1, 1991 who did not switch to the Eligible Permanent Employees (see #4. below) benefit structure at that time, have not since retired and whose coverage is not being continued under disability waiver of premium. The language for the Active Department of Labor plan can be found in the Certificate Book for Eligible Department of Labor employees on the Employee Benefits website:

http://das.nebraska.gov/personnel/benefits/2013/mutual/supp_life_cert_book_dol.pdf

The respondent should include this group in its bid.

	Basic Life Insurance	Supplemental Life	AD & D	Dependent Life
<i>Who Is Eligible?</i>	Closed Plan for hirings prior to 7/1/91	Not Applicable	Included with basic life coverage	Legal dependents of employees who routinely work at least 20 hr/wk on average -
<i>Amount of Coverage</i>	Base annual salary adjusted to next higher \$1,000 plus \$2,000. \$20,000 minimum. \$60,000 maximum. High age reductions.	Not Applicable	Equivalent to basic life insurance coverage amount	Spouse - \$2,000; Child - \$500 (3 days - 6 months) \$1,000 (6 months - 19 years)
<i>When Coverage Begins</i>	Upon enrollment - closed plan	Not Applicable	Upon enrollment - closed plan	Concurrent with employee enrollment when elected
<i>Cost</i>	\$0.19 per \$1,000 per month	Not Applicable	Included with Basic Life Insurance premium	\$.82 per month
<i>Coverage after Retirement</i>	Amount in force High age reductions.	Not Applicable	None - ends at retirement or age 65 if actively employed	None – ends at retirement
<i>Coverage While on Leave without Pay</i>	Minimum 3 months/maximum 12 months depending on paid leave accrued	Not Applicable	Minimum 3 months/maximum 12 months depending on paid leave accrued	Minimum 3 months/maximum 12 months depending on paid leave accrued

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<i>When Coverage Ends</i>	End of the month in which employee terminates. Retirees move into Retired NDOL group	Not Applicable	Retirement / resignation	Coverage ends at the end of the month in which employee terminates/retires
<i>Conversion Privilege</i>	Within 31 days of termination of coverage under the group	Not Applicable	Within 31 days of termination of coverage under the group	Within 31 days of termination of coverage under the group
<i>Proof of Good Health</i>	Not Applicable – closed plan	Not Applicable	Not Applicable – closed plan	Not Applicable – closed plan
<i>Contributory / noncontributory</i>	Employer pays 1/3 of premium, member pays 2/3 of premium	Not Applicable	State Pays 1/3 employee pays 2/3	Contributory
<i>Count</i>	28	Not Applicable	28	15

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2. Retired NDOL

For purposes of this RFP, the retired NDOL Basic Life Insurance group is made up of individuals who retired from the NDOL group, either before or after the NDOL plan was closed July 1, 1991. The language for the Retired Department of Labor plan can be found in the Certificate Book for Eligible Department of Labor employees on the Employee Benefits website:

http://das.nebraska.gov/personnel/benefits/2013/mutual/supp_life_cert_book_dol.pdf

The respondent should include this group in its bid.

	Basic Life Insurance	Supplemental Life	AD & D	Dependent Life
<i>Who Is Eligible?</i>	Employees who retire from Active NDOL group	Not Applicable	Not Applicable	Eligibility ends at retirement
<i>Amount of Coverage</i>	Varies depending on amount in force at retirement	Not Applicable	Not Applicable	Not Applicable
<i>When Coverage Begins</i>	Closed Plan	Not Applicable	Not Applicable	Not Applicable
<i>Cost</i>	\$0.20 per \$1,000 per month	Not Applicable	Not Applicable	Not Applicable
<i>Coverage after Retirement</i>	Amount at retirement reduced 2% per month until 25% in force at retirement is reached	Not Applicable	Not Applicable	Not Applicable
<i>Coverage While on Leave without Pay</i>	N/A	Not Applicable	Not Applicable	Not Applicable
<i>When Coverage Ends</i>	Death	Not Applicable	Not Applicable	Not Applicable
<i>Conversion Privilege</i>	N/A	Not Applicable	Not Applicable	Not Applicable
<i>Proof of Good Health</i>	N/A	Not Applicable	Not Applicable	Not Applicable
<i>Contributory / noncontributory</i>	Retiree pays premium if under age 65; agency pays if over 65	Not Applicable	Not Applicable	Not Applicable
<i>Count</i>	Needs to be updated	Not Applicable	Not Applicable	Not Applicable

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3. Eligible Permanent Employees

For purposes of this RFP, the Eligible Permanent Employees Life Insurance group is made up of all covered employees not included in a group described above and who have satisfied applicable eligibility requirements. This does include the approximate 550 eligible permanent part-time employees who may choose not to participate in the Basic Life. The language of the current life insurance plan can be found on the Employee Benefits website:

http://www.das.state.ne.us/personnel/benefits/2008/index_active.html#mutual_income

The respondent should include this group in its bid.

	Basic Life Insurance	Supplemental Life	AD & D	Dependent Life
<i>Who Is Eligible?</i>	All other State Employees who routinely work at least 20 hrs/week on average	All other State Employees who routinely work at least 20 hrs/week on average	All other State Employees who routinely work at least 20 hrs/week on average	Legal dependents of employees who routinely work at least 20 hrs/week on average
<i>Amount of Coverage Current Ending 6/30/2013</i>	\$20,000	.5X, 1X, 1.5X, 2X, 3X, 4X & 5X's annual salary	Principle Sum of \$5,200	Low Option Spouse-\$5,000; Children 3 days, less than 6 months-\$2,000; 6 months to 24 years-\$3,000. High Option Spouse-\$10,000; Children 3 days, less than 6 months-\$2,500; 6 months to 24 years \$5,000. High age reduction.
<i>Proposed Amount of Coverage to be bid by vendor Beginning 7/1/13</i>		.5X, 1X, 1.5X, 2X, 3X, 4X & 5X's annual salary		Low Option Spouse & Children (up to age 19)* \$5,000 High Option Spouse & Children (up to age 19)* \$10,000
<i>When Coverage Begins</i>	First of the month after eligibility is met	First of the month after eligibility is met	First of the month after eligibility is met	First of the month after eligibility is met
<i>Cost</i>	\$0.14 per \$1,000 per month	Cost per \$1,000 based on attained age	\$0.10 per month.	Low option monthly cost per family \$2.11; Dependent age 70 or older \$5.66. High option monthly cost per family \$4.13; dependent age 70 or older \$11.32
<i>Coverage after Retirement</i>	Conversion or continuation under disability waiver	Conversion or continuation under disability waiver	Conversion or continuation under disability waiver	Conversion

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<i>Coverage While on Leave without Pay</i>	Minimum 3 months/maximum 12 months depending on paid leave accrued	Minimum 3 months/maximum 12 months depending on leave accrued	Minimum 3 months/maximum 12 months depending on paid leave accrued	Minimum 3 months/maximum 12 months depending on paid leave accrued
<i>When Coverage Ends</i>	End of the month in which employee terminates/retires	End of the month in which employee terminates/retires	End of the month in which employee terminates/retires	End of the month in which employee terminates/retires
<i>Conversion Privilege</i>	Within 31 days of termination of coverage under the group	Within 31 days of termination of coverage under the group	Within 31 days of termination of coverage under the group	Within 31 days of termination of coverage under the group
<i>Proof of Good Health</i>	Not required if elected when newly eligible	Not required if coverage is elected when newly eligible or an increase of one increment during the annual open enrollment period	Not required if coverage is elected when newly eligible or during the annual open enrollment period	Not required if coverage is elected when newly eligible or during the annual open enrollment period
<i>Contributory / noncontributory</i>	Non-contributory	Contributory	Contributory	Contributory
<i>Count</i>	15,894	9,608	12,012	Low Option 15 Over 70 830 Under 70 High Option 139 Over 70 5,541 Under 70

*Also covers children age 19 to 26