

The EBD Update – Monday, December 03, 2007

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**** State Edition ****

SMM Issued for ARHealth

This Summary of Material Modification (SMM) is issued to amend the current Summary Plan Description (SPD). This change is effective as of January 1, 2008.

- Enrollment Deadline for Newborns and Adopted Dependents: Effective as of the date shown above, members shall have thirty (30) days from date of birth of a newborn child, placement for adoption, or filing date of petition for adoption to submit the necessary documentation to add the new dependent to the Plan. Thirty (30) day deadline to request the enrollment applies to members on all coverage tiers (employee only, employee + Child(ren), employee + spouse, and employee + family).

SMM Issued for ARHealth

This Summary of Material Modification (SMM) is issued to amend the current Summary Plan Description (SPD). This change is effective as of October 1, 2007.

- Change of ARHealth Coverage due to Other Group Insurance: An employee member and / or dependents may cancel their ARHealth coverage due to gaining other Group health coverage, provided that documentation be submitted to insurance representative with the agency / school within thirty (30) days of the new coverage, otherwise cancellation of coverage will be allowed at annual "Open Enrollment" period. Loss of coverage will be the last day of the month in which completed documentation is provided.

Supplemental Life Insurance Amounts

During the course of this year, we have changed many things dealing with the State employee's Life Insurance. We have a new carrier with Minnesota Life, we can take advantage of lower monthly rates, and we have removed the 1 or 2 times salary limitation with optional supplemental coverage. However, there has been some confusion regarding this last issue of salary.

Just to clarify, if an employee had previously elected supplemental life insurance at either one time or two times his / her salary, the amount that will be issued by Minnesota Life effective January 1, 2008 will be based on **current** salary. This means that if the employee recently received a salary increase, his / her current base salary will be used to determine their coverage with Minnesota Life.

For example, if an employee had elected supplemental coverage at two times their \$30,000 annual salary but had recently received a raise to \$31,000, then Minnesota Life will issue \$62,000 in supplemental life insurance as of January 1, 2008 without providing evidence of insurability and proceeding through the underwriting process.

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