



This document provides a brief summary of the benefits offered to State of Alaska and participating political subdivision employees. More information can be found in the Voluntary Supplemental Benefits handbook found at: [http://doa.alaska.gov/drb/pdf/ghlb/vsb\\_information\\_booklet\\_2016.pdf](http://doa.alaska.gov/drb/pdf/ghlb/vsb_information_booklet_2016.pdf)

## State Employee Life, Accidental Death and Dismemberment (AD&D) Coverage

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### Basic Life/AD&D—employer paid, state only

- \$10,000 lump sum for Supervisory, confidential, Partially Exempt, Exempt and General Government employees.
- \$2,000 lump sum for all other bargaining units

### Travel Accident—employer paid, state only

- \$200,000 if death occurs accidentally while in travel status for Supervisory, Confidential, Partially Exempt, Exempt and General Government employees. Also includes coverage for the Governor, Lieutenant Governor, Legislators and members of Boards and Commissions.
- \$100,000 if death occurs while in travel status for all other employees

### Select Life-optional—employee paid, post-tax, state only

Pays annual salary rounded up to the nearest \$1,000 updated each January in the event of death, regardless of cause.

- Pays up to \$100,000 for Supervisory and Confidential Unit employees; and
- up to \$60,000 for all others.

# Voluntary Supplemental Benefits—pre-tax, employee paid, state and participating political subdivisions

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## Life insurance

Life insurance is available in the following volumes:

- \$10,000
- \$50,000
- \$100,000
- \$200,000 (requires evidence of insurability)
- \$300,000 (requires evidence of insurability)

## Survivor Benefits

Survivor benefits pay a monthly benefit to the survivor for a period certain. If employees enroll in Survivor Benefits, they cannot enroll in more than \$10,000 of life insurance.

<i>Available Payout Period</i>	<i>Monthly Benefits</i>
5 years	\$765
10 years	\$455
15 years	\$360
20 years	\$315
25 years	\$290
30 years	\$275

## Accidental Death and Dismemberment

\$100,000 limit for employee only or employee and family coverage. Accidental dismemberment benefits are based on the type of dismemberment.

## Short Term Disability

Benefit is equal to 60% of an employee's monthly base pay up to a maximum of \$580 per week after a 30 day waiting period.

## Long Term Disability

Employees choose between enrolling in a benefit is equal to either 50% or 70% of monthly base pay. Benefit begin after a 180 day waiting period.

# Occupational Death Benefits

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## **PERS Pension Benefit —Tier I, II, III**

- The member does not have to be vested to qualify.
- For a peace officer or fire fighter, the monthly survivor's pension is the greater of 50% of the gross salary or 75% of the normal retirement benefit they would have earned when they retired.
- For other than peace officer or firefighter, the monthly survivor's pension is equal to 40% of the member's gross salary at the time of death or end of employment due to occupational disability.
- If there is no surviving spouse but the member has dependent children, the monthly survivor's pension will be divided equally among those children.
- At the member's normal retirement date (by age or service) the benefit changes. The benefit will then be paid as if the member had worked until normal retirement.

## **TRS Pension Benefit —Tier I, II**

- The teacher does not have to be vested to qualify.
- For a teacher, the monthly survivor's pension is equal to 40% of the member's last base contract salary (divided by 12 months).
- If there is no surviving spouse but the member has dependent children, the monthly survivor's pension will be divided equally among those children.
- At the teacher's normal retirement date (by age or service) the benefit changes. The benefit will then be based on the teacher's average base salary at the time of death and total TRS service.

## **DCR Pension Benefit —PERS Tier IV and TRS Tier III**

- For a peace officer or fire fighter, the monthly survivor's benefit is 50% of the gross monthly compensation immediately before their death.
- For other than peace officer or firefighter, the monthly survivor's benefit is equal to 40% of the member's gross monthly compensation immediately before their death.
- Monthly benefit cease when member would have first qualified for normal retirement by either service or age and service. The surviving spouse or, if there is no surviving spouse their beneficiary, would have access to their defined contribution retirement account balance at that time. The account balance will include all contributions plus investment gains or losses, less expenses, earned over the period invested.

## **Health Benefit —Tier I**

- The surviving spouse is eligible for system-paid medical benefits for self and children of the member that are dependent on the surviving spouse at appointment to survivor benefits.

## Health Benefit — Tier II, III

- The surviving spouse is eligible to access self-paid medical benefits for self and children of the member that are dependent on the surviving spouse at appointment to survivor benefits. (See premiums below.) Tiers II/III become members of the legacy (DB) retiree plan
- The surviving spouse who receives a benefit from the plan pays 100% of the premium until the survivor is 60 years old.
- No medical benefits are available for dependent children who are not dependent on the surviving spouse. (Legislation will correct this flaw for Peace/Fire.)

## Medical Premiums-Tier II and III for Recipients without System-paid medical

Coverage Level	Monthly Premium
Survivor only	\$823
Survivor and Children	\$1,163

## Health Benefit—Tier IV PERS DCR and Tier III TRS DCR

- Currently no access to medical benefits are provided until the member would have been eligible for normal retirement. While receiving occupational death benefits, service continues to accrue. Once the peace officer or firefighter would have had 25 year of service (or all other employees would have had 30 years of service) they would be considered eligible for normal retirement. (HB4002 legislation addresses this for peace officer/firefighter.)
- The surviving spouse's premium is 100% of the cost from when they are provided access until the spouse becomes Medicare eligible.
- After the point in time where spouse becomes Medicare-eligible, premiums follow the service-based schedule. (see below)

## DCR Medical Premiums

The Medicare-eligible premium will be based on the member's years of service. The percentage of premium paid by the member is as follows:

Years of Service	Percent of Premium Paid by Member
Less than 15 years	30%
15 – 19	25%
20 – 24	20%
25 – 29	15%
30 years or more	10%

## Domestic Partners

PERS has never offered opposite sex domestic partners medical coverage. The opposite sex couples must have been legally married for the spouse to eligible. However, with the inability of same-sex

partners to become married, regulations were adopted that provided qualified same-sex partners could obtain medical benefits through December 31, 2015.

On June 26, 2015, the United States Supreme Court in *Obergefell v. Hodges*, ruled that same-sex couples can marry nationwide allowing persons of the same-sex are to be recognized as a spouse. Effective January 1, 2016, the Division of Retirement and Benefits repealed Title 2 Chapter 38 of the Alaska Administrative Code which allows for Employment-Related Benefits for Same-Sex Partners of State Employees and Retirees under the State's Retirement Systems.

By repealing this regulation, unmarried same-sex partners and children of same-sex partners were no longer eligible for coverage under the AlaskaCare Retiree Health Plan effective January 1, 2016.