Office of State Uniform Payroll

State of Louisiana

Division of Administration

John Bel Edwards Governor



JAY DARDENNE Commissioner of Administration

August 10, 2023

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2024-03

- TO: LaGov HCM Agency Human Resources and Employee Administration Staff
- FROM: Andrea P. Hubbard Director
- SUBJECT: Rate Changes for Statewide Vendor Products

Starmount Life (Dental) and Transamerica Life (Cancer) will be implementing rate increases effective Jan. 1, 2024 for the above policies. By Aug. 25, 2023, these vendors will mail letters to all agencies affected by the rate increase, along with a list of the employees' current deduction amounts and the new amounts. At the same time, letters will be mailed from these vendors to the employees affected notifying them of the change. A new Payroll Deduction Authorization Form (SED-4) with the new rates will also be enclosed with the letter.

Employees who accept the rate increase must sign the forms and send them back to the appropriate vendor by Oct. 20, 2023. Vendors will forward a signed copy of the SED-4 form to the payroll office by Nov. 24, 2023 to be entered. Agencies should have all deduction changes entered for the Jan. 12, 2024 payday. Employees who do not submit the signed SED-4 by the Oct. 20th deadline will have their policies cancelled upon notice from these vendors, effective Jan. 1, 2024.

Vendors will prepare and send a list of employees who did not agree to the changed rates (did not sign the new SED-4 form) to the payroll offices by Dec. 8, 2023. The list will indicate the employee's name, social security number, and product. A new Payroll Deduction Authorization Form, SED-4, will also be mailed to the employee and agency indicating that coverage for this specific policy has been cancelled effective Jan. 1, 2024. <u>The employee signature is not required on these SED-4's</u>. The SED-4 should include all other active policies the employee has with the vendor as <u>new SED-4's supersede all prior forms</u>.

Cancellations and rate changes must be entered by the agency in LaGov HCM before Jan. 8, 2024 in order for the correct deductions to be taken on the Jan. 12, 2024 payday. Failure to do so will result in the agency having to make retroactive adjustments in order to correct the deductions. Retroactive adjustments could result in refunds being processed or inflated premiums in the pay period following the adjustments. Please refer to the LaGov HCM Help script for information about delimiting deductions and making adjustments to existing deductions.

Employees who accept the rate increase but will not have had the policy in force for one full year, as of Jan. 1, 2024, cannot have the rate increase effective until that one year has passed per the Louisiana Insurance Code (Title 22 of the Louisiana Revised Statutes). If these vendors choose to have the increase effective when that year is up, they must include this information in a cover letter to the agencies with the SED-4 so that the increase will be handled properly for those employees enrolled in the Flexible Benefits Plan.

If you have any questions about the rate changes, please contact the following Administrative Coordinators for the vendors listed below:

Starmount Life, Rosalyn Duty (888) 729-5433 Transamerica Life, Kristine DePrefontaine (727) 557-2842

Attached is an updated Vendor/Coordinator Listing (VC-02) reflecting a new Administrative Coordinator for Transamerica.

Any other questions should be directed to a member of the OSUP Benefits and Financial Administration Unit at _DOA-OSUP-BFA@LA.GOV or (225):

Jodi Bullock 342.5377 Shaneen Watson 342.5345

APH:PAR/kme

c: William Merrill, Office of Group Benefits Rosalyn Duty, Starmount Life Kristine DePrefontaine, Transamerica Life

Attachment: VC-02 (Updated 8/04/2023)