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COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of State Uniform Payroll

December 21, 2011

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2012-26

TO: LaGov HCM Agency Human Resources
and Employee Administration Staff

FROM: Andrea P. Hubbard
Director

SUBJECT: Rate Change for the Following Statewide Vendor Product:
Transamerica Life (30131) Cancer Policies

Transamerica Life will be implementing a rate increase effective July 1, 2012 for the above policies. By March 12, 2012, the vendor will mail letters to all agencies affected by this 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 the vendor to the employees affected notifying them of this 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 change must sign the forms and send them back to the vendor by April 30, 2012. The vendor will forward a signed copy of the SED-4 form to the payroll office by May 21, 2012 to be entered. Agencies should have all deduction changes entered for the July 13, 2012 payday (**entry close deadline of July 6, 2012**). Employees who do not submit the signed SED-4 by the April 30th deadline will have their policies cancelled upon notice from the vendor, effective July 1, 2012.

The vendor 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 May 28, 2012. 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 July 1, 2012. **The employee signature is not required on these SED-4's. The SED-4 should include all other active policies the employee has with the vendor as new SED-4's supersede all prior forms.**

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Cancellations and rate changes must be entered by the agency in eEnrollment June 25, 2012 thru July 6, 2012 to avoid one time refunds and deductions. For those employees in the Flexible Benefits Plan, the agencies will need to select the qualified event, "**SIGNIFICANT INCREASE IN COST OF COVERAGE**", when modifying the deduction amount or cancelling the deduction in eEnrollment.

If you have any questions about the rate change, please contact the following Administrative Coordinator for the vendor listed below:

Transamerica Life Insurance, Tina Inskeep (800) 400-3042 ext 1271631

Any other questions should be directed to Jodi Bullock at (225) 342-5345.

APH:JAB/pbh

c: Ray Harrison, Office of Group Benefits
Tina Inskeep, Transamerica Life Insurance