

## APPENDIX VII: EMPLOYEE & EMPLOYER PAID BENEFITS

*Preparing students to step forward with  
confidence and a vision of lifetime success*



SD School for the Blind  
and Visually Impaired

*Partners in educational success*



South Dakota School for the Deaf



Dear State of South Dakota Employees,

Public service is essential to maintaining our democratic society, providing services to our citizens, and helping the state and country prosper. Thank you for your dedication to the State of South Dakota and its citizens.

Beyond day-to-day duties, each State employee, regardless of title or pay grade, is responsible to help maintain the public trust. Any misappropriation of resources, conflict of interest or other illegal activity, undermines the confidence citizens have in our State government. It overshadows the otherwise good work being done for society.

In addition to reading and abiding by the personal responsibility policies outlined here, you are asked to report acts that you believe violate these policies. If you see something, please say something. To create a comfortable atmosphere for recounting such concerns, an internal control officer has been appointed in each department. If you do not feel comfortable discussing your concerns with the internal control officer in your department, you may reach out to an internal control officer from another department or contact your human resources manager.

Thank you in advance for representing yourself and your fellow State employees with integrity.

Sincerely,

Governor Dennis Daugaard

Dear Board of Regents Employees,

Integrity. Ethics. Transparency. Protecting the public trust. You and I not only have the responsibility to maintain the very highest standards in these areas, but also to pass these values along to our students. Our society has long depended on higher education to enhance the ability of our democracy to function effectively and fairly for all of the people that call our nation and state home. We must assist students in their search for knowledge, in understanding themselves and their cultural and physical environments, and in developing the wisdom and skills necessary to function as responsible citizens in society.

As a Regental system employee, you play an integral role in carrying out that mission. Each and every employee has a responsibility to demonstrate to each other, our students, and the citizens of the State of South Dakota, a commitment to making stewardship and ethical behavior a part of our everyday activity. Thank you for representing the Board of Regents and your institution with honesty and integrity, and leading by example for the future leaders of South Dakota.

Sincerely,

A handwritten signature in black ink that reads "Mike Rush". The signature is written in a cursive, flowing style.

Mike Rush  
Executive Director and CEO

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## HEALTH INSURANCE - South Dakota Public Employee Benefit Program

All permanent full-time/part-time employees are covered as long as they are employed by the BOR. Coverage begins one month and one day from the date of hire. New hires must make all benefit election choices within 30 days of hire. South Dakota State Employee Health Plan provides coverage (medical, dental, vision, life, etc.) for adult dependents age 19 up to age 26, regardless of student or marital status. See below for information on Late Enrollees. The state provides three health care coverage plans (Low Deductible, High Deductible, and Opt-Out options). These plans run from July 1 through June 30 of each year. The employee chooses the plan right for them. The state's health plan is self-insured. The state purchased a repricing, pre-authorization, managed care service and claims processing from Dakota Care. There is 75/25 coinsurance on all eligible expenses after the deductible or copayment has been met. This means that your insurance pays 75 percent and you pay 25 percent whenever you utilize a Dakota Care provider. When utilizing a Non-Dakota Care provider the co-insurance is 65/35. Employees and/or their spouse who use tobacco products will be charged a \$60 per person per month rate for their health insurance coverage. The State reserves the right to verify the use of tobacco products of you and/or your spouse during the plan year. If you misrepresent yourself and/or your spouse, you could face disciplinary action and the reduction or loss of your health and life benefits.

As a tobacco user you are encouraged to participate in the South Dakota Quitline at 1-866-737-8487; for additional information online, visit [www.befreesd.com/quitline.html](http://www.befreesd.com/quitline.html). If you quit on your own, you may change the Tobacco Use designation through the Annual Enrollment Process or by sending BHR a written statement of no tobacco use for the past 120 days or more.

The 12-month pre-existing conditions clause is waived if you and/or your dependents were covered by a qualifying health plan for at least 12 consecutive months prior to your hire date. You must provide the Bureau of Human Resources with proof of creditable coverage in the form of a Certificate of Prior Coverage from your previous employer or group health plan or letter from your prior group health plan. A pregnancy existing on the effective date of coverage is not a pre-existing condition covered under this policy.

Since the state's health plan is self-insured we do not have group numbers or plan numbers. Your policy number/identification number will be assigned by Dakota Care.

New employees must enroll within 30 days of date of hire. Enroll online at <http://benefits.sd.gov>.

Coverage for a spouse and/or children is available under all plans. You enroll your dependents in the same medical plan you select. Qualified dependents include your spouse, if not divorced or legally separated from you, and your adult children up to age 26. Dependent children who are full-time students are covered up to age 29. The South Dakota State Employee Health Plan utilizes the National Student Clearing House to verify student status for college students. If your dependent is not verified through the National Student Clearing House, you will receive a letter and a student verification form in the mail. The completed form must be verified by the registrar and returned to the Bureau of Human Resources.

## **LATE ENROLLEES**

When an employee applies to add a spouse/dependent (or himself/herself) to the health plan after the initial 30 day enrollment period as a new hire, that spouse/dependent (or employee) is considered a late enrollee. If an employee has a valid Family Status Change, then they will be able to bring their spouse/dependent (or himself/herself) onto the plan during the plan year. Qualifying event for a family status change is 30 days. An employee can add their spouse/dependent (or himself/herself) during the annual open enrollment without having to have a valid Family Status Change. If there is no health coverage prior to coming onto the State plan then the 12-month pre-existing conditions clause must be followed. Please refer to “Late Entrants to the Group Health Plan” at <http://benefits.sd.gov> for additional information.

## **ID CARDS**

Dakota Care is responsible for issuing our health plan ID Cards. These ID Cards are not automatically sent to everyone at the beginning of a plan year. New ID Cards are issued if one or more of the following occurs:

- Change from a Deductive Plan to a Provider Plan (or visa versa)
- Change your Primary Care Provider
- Add or drop a dependent from the plan
- Your name changes

If you lost your card or need an extra card, contact Dakota Care at 1-800-831-0785.

## **OUT-OF-STATE PREFERRED PROVIDER**

The State of South Dakota Employee Health Plan will require all out-of-state care for inpatient and outpatient services to be authorized by HMP (Health Management Partners). All requests for out-of-network referrals must be made prior to receiving care from the provider in order for you to receive the highest level of benefits (75%/25%).

Treatment received at the Mayo Clinic and facilities in Rochester, MN and the University of Colorado and facilities in Denver, CO will no longer be self-referral. An out-of-state preauthorization is required prior to services being received from these facilities.

Out-of-network benefits (65%/35%) will be applied to services received out-of-state if out-of-state care is not preapproved by HMP.

For preauthorization of services, providers should contact HMP via an online process at [www.hmpsdc.com](http://www.hmpsdc.com). Contact the BHR, Division of Health, at 877-573-7347 if you have any questions.

Emergency Care – When traveling out-of-state and emergency services are required, a call to HMP must be made within 48 hours to retro-authorize an in-patient admission (866-330-9886 or 877-573-7347).

Dependents Residing In Other States – There are no changes to authorization requirements for dependents (college students) residing in other states.



## CONTINUING HEALTH COVERAGE

The circumstances which permit continuation of your group health coverage at group rates are as follows:

1. If the covered employee dies or becomes eligible for Medicare, covered dependents may continue coverage for up to 36 months.
2. If the covered employee terminates employment, the covered employee and covered dependents may continue coverage for up to 18 months.
3. If a divorce occurs, covered dependents who would otherwise lose coverage may continue coverage for up to 36 months.
4. Adult children ages 19 up to age 26 may remain on the health, dental, vision, life, etc. regardless of student or marital status. Members no longer need to verify full time student status for adult children ages 19 up to 26. If your adult child is between ages 26 to 29, he/she must be a full time college student in order to remain on your plan and complete the student verification process.
5. Adult dependents are not eligible for South Dakota State Employee Health Plan if they are offered group insurance coverage through an employer and/or a spouse's employer (if married).
6. Upon retirement, you may continue with the health insurance at the group rate and have the payment deducted from your retirement check.
7. Early retirees will be allowed to continue their group health insurance at group rates until age 65 at which time you may convert to an employer-sponsored medical supplemental plan.
8. Disabled employees: twenty-nine (29) months for disabled employees and/or qualified beneficiary.
9. Covered Spouse Who Retires: To remove from the health insurance, a Medicare eligible letter must be sent to Bureau of Human Resources along with a Family Status Change Form.

## STAYWELL WELLNESS PROGRAMS

### Staywell Wellness Programs

- Health Assessment
- Health Screenings
- Wellness Program

## HEALTH MANAGEMENT PARTNERS (HMP)

### Health Management Partners (HMP)

- Case Management
- Condition Management
- Medical Pre-authorizations
- Medical Management
- Our Healthy Baby

Health Management  
Partners  
2301 West Russell St.  
Sioux Falls, SD 57105

[http://sosd.hmpsportal.co](http://sosd.hmpsportal.com)  
[m www.preauthonline.com](http://www.preauthonline.com)

866.330.9886  
Fax:  
605.731.1905

## EMPLOYEE ASSISTANCE PROGRAM (EAP)

APS Employee Assistance Program (EAP)				
<ul style="list-style-type: none"><li>• Family Issues</li><li>• Alcohol/Drugs</li><li>• Anxiety</li><li>• Parenting</li><li>• Workplace</li><li>• Managing Stress</li></ul>	<ul style="list-style-type: none"><li>• Aging</li><li>• Depression</li><li>• Grief</li><li>• Relationships</li><li>• Abuse</li><li>• Legal</li></ul>	KEPRO 777 East Park Dr. Harrisburg, PA 17111	<a href="http://www.EAPHelplink.com">www.EAPHelplink.com</a> company code: southdakota 24 hours a day, 7 days a week	800.713.6288

**PRIMARY CARE CLINICS IN SIOUX FALLS:** The state has partnered with Sanford to provide select services for a reduced cost at three Primary Care Clinics as part of a new pilot program. Covered members can receive select services at state sponsored Primary Care Clinics in Sioux Falls for a \$10 per visit charge\*.

Select services are listed at <http://benefits.sd.gov/pcc.aspx>. You can also access the select services list at <http://benefits.sd.us>, choose Active Employee, scroll over Benefits, choose Health Plan Options, and Choose Primary Care Clinics.

### **Primary Care Clinic Locations:**

26th and Sycamore Family Medicine (Pediatricians on staff) Hours: Monday thru Friday 7:30 a.m. to 5 p.m.	4405 E. 26th St.	605.328.9000
41st and Sertoma Family Medicine Hours: Monday thru Friday 7:30 a.m. to 5 p.m.	7220 W. 41st St.	605.328.9600
69th and Minnesota Family Medicine Hours: Monday thru Friday 7:30 a.m. to 5 p.m.	6110 S. Minnesota Ave.	605.328.5800

### **Important Information:**

- Bring your ID card to your appointment and identify yourself as a member of the South Dakota State Employee Health Plan.
- Urgent Care or care you seek on the weekend at one of the three Primary Care Clinics is not included in the \$10 per visit charge\* and normal plan benefits apply (deductible and coinsurance).
- The \$10 per visit charge\* only applies to covered members who have the South Dakota State Employee Health Plan as their primary insurance.
- If you receive a service that is not on the select services list, you are responsible for normal plan benefits (deductible and coinsurance).
- The \$10 per visit charge\* does not apply to your deductible or out-of-pocket maximum.
- Members can choose the clinic and provider of their choice but the \$10 per visit charge\* only applies to the three Primary Care Clinics in Sioux Falls.
- If you have questions, please call DakotaCare at 800-831-0785.

## OPT-OUT OPTION

Employees may elect to opt-out of the state's health plan during a Flex Enrollment Period. They must provide proof that they are covered by another group health plan. One may opt back into the state's health plan during the annual enrollment period. If an employee wants back in during the plan year, they will need to provide proof that through no fault of their own their other coverage has been lost. Without a qualified change, they must wait until the annual enrollment period. Employee will receive a \$300 opt-out credit in a Health Reimbursement Account (HRA) with Discovery Benefits.

## HEALTH PLANS

SOUTH DAKOTA STATE EMPLOYEE HEALTH PLAN COVERAGE DETAILS FOR FY19				
Plan Details	Low Deductible Health Plan		High Deductible Health Plan with HSA	
	Network Provider <sup>1</sup>	Out-of-Network Provider	Network Provider <sup>1</sup>	Out-of-Network Provider
Eligible Preventive Services <sup>2</sup>	Covered at 100%	Not covered <sup>3</sup>	Covered at 100%	Not covered <sup>3</sup>
Plan Year Deductible	• \$1,000 per person • \$2,500 per family of three or more <sup>4</sup>	• \$2,000 per person • \$5,000 per family of three or more	• \$2,000 single coverage • \$4,000 family coverage per family of two or more	• \$4,000 single coverage • \$8,000 family coverage per family of two or more
			If you have family coverage, the full family deductible must be met before benefits are paid for any family member.	
Copayment	• Emergency Room: \$250 • Does not count toward your deductible but does count toward your out-of-pocket maximum.		N/A	
Coinsurance	• Plan pays 75% after deductible • You pay 25%	• Plan pays 65% after deductible • You pay 35%	• Plan pays 75% after deductible • You pay 25%	• Plan pays 65% after deductible • You pay 35%
Plan Year Out-of-Pocket Maximum (includes deductible)	• \$4,100 per person • \$8,625 per family of three or more	• \$7,700 per person • \$16,750 per family of three or more	• \$5,000 single coverage or any one family member • \$9,525 family coverage per family of two or more	• \$8,600 single coverage or any one family member • \$17,650 family coverage per family of two or more
Employer Health Savings Account Contribution	N/A		• \$250 for single coverage • \$500 for family coverage  • These amounts are doubled if member and covered spouse, if applicable, completed wellness qualifications by March 31, 2018.	
Prescription Drugs				
Deductible	\$100 per person	\$100 per person	• Included in Plan Year Deductible • Preventive therapy medications may be available at a lower cost. You can find the list at <a href="https://benefits.sd.gov/forms.aspx">https://benefits.sd.gov/forms.aspx</a>	
Pharmacy Out-of-Pocket Maximum	• \$1,000 per person • \$2,500 per family of three or more		Included in Plan Year Out-of-Pocket Maximum	

### **Low Deductible Health Plan**

- To be eligible for this plan, you and your covered spouse must completed a Health Screening, Health Assessment and earned 100 Wellness Program points during the designated time frames, unless you were hired or added to the health plan after July 1.
- You must meet a \$1,000 per person or a \$2,500 family deductible (per family of three or more).
- Copayment: Emergency Room \$250.
- After the deductible has been met when using a DAKOTACARE network provider, 25% coinsurance applies until the out-of-pocket maximum has been met.
- A separate prescription drug deductible of \$100 per person applies before prescription drug copayments begin.

### **Prescription Drug Coverage – Low Deductible**

- Under the Low Deductible Plan there is a separate \$100 deductible (per person, per plan year) for prescription drugs. Copayments apply after the deductible is satisfied. If the price is less than the defined copayment, you will pay the lesser of the two amounts.
- If a physician indicates Dispense As Written (DAW) or if the member requests the brand name product when a generic is available, the member will pay the applicable copayment PLUS the difference between the brand name medication and the contracted rate. This cost difference is referred to as an ancillary charge.
- To determine your prescription's category, please visit your local pharmacy or call CVS at 866.443.1185.

#### PRESCRIPTION DRUG COVERAGE UNDER THE LOW DEDUCTIBLE HEALTH PLAN

*Tiered Prescription Drug Coverage	Up to 30 Day Supply Copayment	60-90 Day Supply Copayment
Tier 1 - Generic	\$15	\$37.50
Tier 2 - Brand Preferred	\$45	\$112.50
Tier 3 - Brand Non-Preferred	\$65	\$162.50
Tier 4 - Specialty Preferred	\$65	n/a
Tier 5 - Specialty Non-Preferred	\$90	n/a

### **High Deductible Health Plan with Health Savings Account (HSA)**

- All eligible health plan expenses, including prescription drugs, apply toward the deductible.
- There is a \$2,000 deductible for single coverage and a \$4,000 deductible for family coverage (per family of two or more).
- There is an out-of-pocket maximum of \$5,000 for single coverage and \$9,525 for family coverage per family of three or more.
- After the deductible has been met when using a DAKOTACARE network provider, 25% coinsurance applies for in-network services until the out-of-pocket-maximum has been met.
- An HSA enables you to pay for covered medical expenses with pretax dollars. The contributions you and the State make to the HSA grow with interest over time and can be taken with you when you retire or if you terminate employment with the State.
- If you complete the paperwork to open an HSA with Discovery Benefits by the deadline, you will receive an employer contribution from the State. The Benefits Program will email HSA information.
- Employer contributions and payroll deductions will be made to your HSA established with Discovery Benefits.
- If you have questions about an HSA, please contact Discovery Benefits at 866.451.3399.

HSA MAXIMUM CONTRIBUTIONS			
In addition to the State contribution, you may also make tax-free contributions to your HSA, up to limits established by the Internal Revenue Service (IRS). The following are the maximum contributions you can make to your HSA in calendar year 2018 according to IRS regulations.			
	Employer	Employee	Total HSA Contribution 2018 calendar year*
Employee only	\$500	\$2,950	\$3,450
Employee + spouse and/or children	\$1,000	\$5,850	\$6,850
* Catch-up contributions are allowed for individuals age 55 or older, and each individual age 55 or older can contribute an additional \$1,000 in calendar year 2018. Consult your financial planner or accountant for more information.			

Note: Funds must be used to pay for qualified medical expenses.



## **Prescription Drug Coverage - High Deductible**

### **PRESCRIPTION DRUG COVERAGE UNDER THE HIGH DEDUCTIBLE HEALTH PLAN**

Member pays for eligible prescription drug expenses directly to the pharmacy at the time of service, which then apply to the deductible.

Pharmacy charges are applied to deductible: \$2,000 single coverage or \$4,000 family coverage per family of two or more.

After the deductible has been met, the member pays 25% coinsurance for covered generic and brand preferred prescription charges. The member pays 37.5% coinsurance for covered brand non-preferred prescription charges. Coinsurance continues throughout the plan year until the out-of-pocket maximum is met.

### **PREVENTIVE THERAPY DRUG COVERAGE ON THE HIGH DEDUCTIBLE HEALTH PLAN**

Prescriptions included on the preventive therapy list at <https://benefits.sd.gov/forms.aspx> will be available to you at a reduced price even before you meet your deductible.

Tiered Prescription Drug Coverage	Up to 30 Day Supply Copayment	60-90 Day Supply Copayment
Tier 1 - Generic	\$0	\$0
Tier 2 - Brand Preferred	\$45	\$112.50
Tier 3 - Brand Non-Preferred	\$65	\$162.50
Tier 4 - Specialty Preferred	\$65	n/a
Tier 5 - Specialty Non-Preferred	\$90	n/a

Only prescriptions on the preventive therapy list will be available to members of the High Deductible Health Plan at no cost (generic drugs) or at a maximum of \$90 for a 30-day supply for brand name drugs. This is to help you continue to take preventive maintenance drugs before satisfying the deductible. To see a complete list of prescriptions covered by preventive therapy, go to <https://benefits.sd.gov/forms.aspx>.

## BENEFIT PLAN CONTACT INFORMATION

Contact information is available at <http://benefits.sd.gov/Contacts.aspx>.

The South Dakota State Employee Health Plan works in partnership to provide high quality, competitively priced programs and services. Below is a listing of our contacts and resources and the services they offer.

DAKOTACARE	CONTACT	ONLINE	PHONE/FAX
<ul style="list-style-type: none"> <li>Coverage questions</li> <li>Provider Network</li> <li>Claims Processing</li> <li>Health Homes Questions</li> </ul>	DAKOTACARE 2600 West 49 Street Sioux Falls, SD 57105-6575	<a href="http://www.DAKOTACARE.com">www.DAKOTACARE.com</a> DAKOTACARE Access <a href="https://access.dakotacare.com/">https://access.dakotacare.com/</a> Network look up: <a href="https://www.dakotacare.com/tools-resources/provider-search-2016/">https://www.dakotacare.com/tools-resources/provider-search-2016/</a>	800.831.0785 877.573.7347, option 1 Fax: 605.274.3291 (Attn: Claims)
South Dakota State Employee Benefits Program			
<ul style="list-style-type: none"> <li>Health Plan Questions</li> <li>Enrollment Questions</li> </ul>	Bureau of Human Resources 500 E Capital Ave Pierre, SD 57501	<a href="mailto:benefitswebsite@state.sd.us">benefitswebsite@state.sd.us</a> <a href="https://benefits.sd.gov">https://benefits.sd.gov</a>	605.773.3148 or 877.573.7347, option 2 Fax: 605.773.6840
beneFIT Well-Being Program			
<ul style="list-style-type: none"> <li>Online Health Assessment</li> <li>Onsite Health Screening</li> <li>Wellness Programs</li> </ul>	StayWell Health Management 3000 Ames Crossing Rd. St. Paul, MN 55121	<a href="https://benefit.staywell.com">https://benefit.staywell.com</a>	800.721.2749 or 877.573.7347, option 3
Health Management Partners (HMP)			
<ul style="list-style-type: none"> <li>Case Management</li> <li>Condition Management</li> <li>Medical Pre-authorizations</li> <li>Medical Management</li> <li>Our Healthy Baby</li> </ul>	Health Management Partners 2301 W Russell St. Sioux Falls, SD 57105	<a href="http://sosd.hmpsdportal.com">http://sosd.hmpsdportal.com</a> <a href="http://www.preauthonline.com">www.preauthonline.com</a>	866.330.9886 or 877.573.734, option 4 Fax: 605.731.1905
Discovery Benefits			
<ul style="list-style-type: none"> <li>Medical Flexible Spending Account</li> <li>Dependent Care Spending Account</li> <li>Health Savings Account</li> <li>Health Reimbursement Account</li> </ul>	Discovery Benefits PO Box 2926 Fargo, ND 58108	<a href="mailto:customerservice@discoverybenefits.com">customerservice@discoverybenefits.com</a> <a href="http://www.discoverybenefits.com">www.discoverybenefits.com</a>	866.451.3399 or 877.573.7347, option 5
Delta Dental			
<ul style="list-style-type: none"> <li>Dental</li> </ul>	Delta Dental PO Box 1157 Pierre, SD 57501	<a href="http://www.deltadentalsd.com">www.deltadentalsd.com</a> <a href="http://benefits.sd.gov/dental.aspx">http://benefits.sd.gov/dental.aspx</a>	605.224.7345, 877.841.1478 or 877.573.7347, option 6
EyeMed*			
<ul style="list-style-type: none"> <li>Vision</li> </ul>	EyeMed 4000 Luxottica Place Mason, OH 45050	<a href="http://enroll.eyemed.com">enroll.eyemed.com</a> <a href="https://benefits.sd.gov/vision.aspx">https://benefits.sd.gov/vision.aspx</a>	888.626.6334
MetLife			
<ul style="list-style-type: none"> <li>Accident</li> <li>Hospital Indemnity*</li> <li>Short Term Disability*</li> <li>Life Insurance and AD&amp;D*</li> </ul>	MetLife 200 Park Ave New York, NY 10166	<a href="http://www.metlife.com">www.metlife.com</a> <a href="https://benefits.sd.gov/">https://benefits.sd.gov/</a>	800.GET.MET8, 800.438.6388 or 877.573.7347, option 7
Risty Benefits, Inc.			
<ul style="list-style-type: none"> <li>Long Term Care- UNUM</li> </ul>	Risty Benefits, Inc. 1324 Minnesota Sioux Falls, SD 57105	<a href="mailto:help@ristybenefits.com">help@ristybenefits.com</a> <a href="http://www.southdakotaflexbenefits.com">www.southdakotaflexbenefits.com</a>	866.237.9411 or 877.573.7347, option 8
Employee Assistance Program (EAP)			
<ul style="list-style-type: none"> <li>Family Issues</li> <li>Alcohol/Drugs</li> <li>Anxiety</li> <li>Parenting</li> <li>Workplace</li> <li>Managing Stress</li> <li>Aging</li> <li>Depression</li> <li>Grief</li> <li>Abuse</li> <li>Legal</li> <li>Relationships</li> </ul>	KEPRO 777 East Park Dr. Harrisburg, PA 17111	<a href="http://www.EAPHelplink.com">www.EAPHelplink.com</a> company code: southdakota 24 hours a day, 7 days a week	800.713.6288 or 877.573.7347, option 9

## SOUTH DAKOTA FLEXIBLE BENEFIT PLANS

The following are the tax benefit plans offered through the State of South Dakota. These products are voluntary benefits, and the employee is responsible for the premiums. Depending on the product, the premium will be either be tax or post-tax.

- \* Short Term Disability Income Protection (MetLife)
- \* Hospital Indemnity Plan (MetLife))
- \* Accidental Insurance (MetLife)
- \* Dental Care (Delta) – Pretax
- \* Vision Care (EyeMed) – Pretax

**Plan Year:** July 1 to June 30



## SHORT TERM DISABILITY INCOME PROTECTION (METLIFE)

For more information, contact MetLife at 800.438.6388 or <https://benefits.sd.gov/ShortTermDisabilityPlan.aspx>.

This coverage provides you with income if you cannot perform the material and substantial duties of your occupation due to an accident, illness, injury, or childbirth

### How to calculate your contribution amount:

Example 1		Example 2 (max \$1,200 benefit)		Figure Your Rate	
A. Hourly Rate =	\$16.50	A. Hourly Rate =	\$50.00	A. Hourly Rate =	\$
B. Annual Earnings <sup>1</sup> = (A x 2088)	\$34,452	B. Annual Earnings <sup>1</sup> = (A x 2088)	\$104,400.00	B. Annual Earnings <sup>1</sup> = (A x 2088)	\$
C. Weekly Earnings = (B ÷ 52)	\$662.54	C. Weekly Earnings = (B ÷ 52)	\$2,007.69	C. Weekly Earnings = (B ÷ 52)	\$
D. Weekly Benefit = (C x 0.6)	\$397.52	D. Weekly Benefit = (C x 0.6)	\$1,200.00	D. Weekly Benefit = (C x 0.6)	\$
E. Value Per \$10 = (D ÷ 10)	\$39.75	E. Value Per \$10 = (D ÷ 10)	\$120.00	E. Value Per \$10 = (D ÷ 10)	\$
F. Estimated Monthly Contribution = *(E x by 0.254)	\$10.10	F. Estimated Monthly Contribution = *(E x by 0.254)	\$30.48	F. Estimated Monthly Contribution = *(E x by 0.254)	\$

\*If you are a 24 pay period employee you would multiply by 0.127 to get your semi-monthly contribution.

Coverage	
Benefits Begin	After 30 calendar days of total disability.
Monthly Benefit Amount	60% of your monthly salary <sup>1</sup> , up to \$1,200 per week. Short-Term Disability Income Protection Plan benefits are paid on a weekly basis. You can use 40% of sick or vacation leave to supplement your pay.
Participation Begins	Generally, six months after the employee enrolls in the Plan. <sup>2</sup>
Benefits End	Earliest of: <ul style="list-style-type: none"> <li>• End of disability (meaning the employee is physically able to return to work)</li> <li>• Employment in any job/occupation</li> <li>• The employee's death<sup>3</sup></li> <li>• 52 weeks</li> </ul>
<sup>1</sup> For purposes of this Plan, your salary does not include bonuses, fringe benefits, longevity pay, overtime pay, or summer school compensation.	
<sup>2</sup> Coverage for new employees generally begins six months after their first day of work, provided they enrolled within 30 days of date of hire. During annual enrollment, coverage is effective the following January 1. You will begin paying premiums in December for coverage effective January 1.	
<sup>3</sup> Any accrued benefits will be paid to your estate upon employee death.	

## HOSPITAL INDEMNITY PLAN (METLIFE)

For more information, contact MetLife at 800.438.6388 or <http://benefits.sd.gov/hip.aspx>.

- No medical questions required to enroll.
- There are no waiting periods for coverage and payments are made in addition to any other insurance you may have.
- No pre-existing exclusion limitation.
- You and/or a covered family member receive a daily benefit of \$200 per person for each day of hospitalization because of an illness or injury – up to a total of 180 days beginning with the first day of a hospital stay. There is not a lifetime maximum benefit.
- Care must be medically necessary, ordered by a physician and take place in a hospital.
- You can use the HIP benefit for any purpose you like, for example: to help pay for expenses not covered by your medical plan, lost wages, child care, travel, home health care cost or any of your normal household expenses.

COVERAGE PER PAY PERIOD	12 PAY PERIODS
Employee	\$ 8.38
Employee + Spouse	\$13.30
Employee + Child(ren)	\$17.32
Employee + Family	\$22.40

## ACCIDENT INSURANCE PLAN (METLIFE)

For more information, contact MetLife at 800-438-6388 or <http://benefits.sd.gov/accident.aspx> or [www.metlife.com](http://www.metlife.com).

- Accident insurance provides you with a lump-sum payment when you suffer a covered injury or undergo covered testing, medical services or treatment and meet the group policy and certificate requirements. There are more than 150 covered events and there is no limit on the number of different accidents that will be covered.
- You can use the Accident Insurance Plan benefit for any purpose you like, for example: to help pay for expenses not covered by your medical plan, deductible, coinsurance, or your out-of-pocket maximum.
- Payments will be made directly to you to use as you see fit.
- There are no waiting periods for coverage and payments are made in addition to any other insurance you may have.

COVERAGE PER PAY PERIOD	12 PAY PERIODS
Employee	\$ 4.56
Employee + Spouse	\$ 8.74
Employee + Child(ren)	\$ 9.70
Employee + Family	\$12.16

## DENTAL CARE PLAN (DELTA DENTAL)

The state of South Dakota offers dental coverage through Delta Dental. A Base Plan and an Enhanced Plan are offered. Members will receive a separate dental card. Members can visit the provider of their choice, but you may owe less out-of-pocket when you go to a participating/network dentist. Questions, call Delta Dental at 605-224-7345, or visit <http://benefits.sd.gov/dental.aspx> or [www.deltadentalsd.com](http://www.deltadentalsd.com).

### Dental Plan Comparison Chart

Diagnostic and Preventive Services	Frequency	Base Plan Coverage <sup>1</sup>	Enhanced Plan Coverage
Routine examinations	2 per plan year	75%	100%
Routine cleanings	2 per plan year	75%	100%
Bite-wing x-rays	1 per plan year	75%	100%
Full mouth x-ray	1 in 5 years	75%	100%
Fluoride treatments	2 per plan year up to age 19	75%	100%
Space maintainers	on primary posterior teeth up to age 14	75%	100%
Dental sealants	once for unrestored 1st and 2nd permanent molars of child(ren) up to age 16	75%	100%
Routine and Restorative Services	Frequency	Base Plan Coverage <sup>1</sup>	Enhanced Plan Coverage
Emergency treatment	n/a	60%	80%
Non-surgical extractions	n/a	60%	80%
Amalgam (silver) and composite (tooth colored) restorations/fillings	1 every 2 years per surface	60%	80%
Periodontal maintenance	2 per plan year instead of prophylaxis	60%	80%
Denture repair	n/a	60%	80%
Anesthesia	in conjunction with surgical service	60%	80%
Major Services <sup>2</sup>	Frequency	Base Plan Coverage <sup>1</sup>	Enhanced Plan Coverage
Root canals	1 every 2 years per tooth	35%	50%
Treatment of gum disease (periodontal service)	surgical-once every 3 years nonsurgical-once every 2 years	35%	50%
Crowns/onlays	1 every 5 years per tooth	35%	50%
Bridges	1 every 5 years	35%	50%
Partial and complete dentures	1 every 5 years	35%	50%
Implants	1 every 5 years	35%	50%
Surgical extractions	n/a	35%	50%
Orthodontics <sup>2</sup>		50% up to age 19 only	50%
Lifetime orthodontic benefit	May be paid over the course of the treatment plan	\$1,000	\$2,000 <sup>4</sup> Increased
Maximum Bonus Account <sup>3</sup>		n/a	\$2,000 Increased

## DENTAL PLANS

- The Base Plan has a \$25 per plan year per member deductible.
- The Base and Enhanced Plans pay for services based on a percentage of allowable charges.
- The member is responsible for the deductible, charges that exceed the covered percentage of allowable charges and any charges over the annual maximum.
- No more than the noted dental maximum can be applied to dental benefits.
- Delta Dental offers an expanded dental network that includes 98% of the dentists in South Dakota.
- You can visit the dentist of your choice but you may owe less out-of-pocket when you go to a participating/network dentist. Participating/network dentists have agreed to write off charges that exceed the allowable charges; nonparticipating dentists can balance bill those charges back to the members.
- Members enrolled in the Enhanced Plan are eligible to receive \$250 per plan year in Maximum Bonus Account (MBA) benefits if they file at least one claim during the plan year and benefits paid are less than \$1,000 for the plan year. MBA maximum is \$2,000 per member when enrolled in the Enhanced Plan.

### Dental Plan Overview

	<b>Base Plan</b>	<b>Enhanced Plan</b>
Annual Maximum	\$1,000	\$2,000
Deductible (per plan year per member)	\$25	N/A
Diagnostic and Preventive Services	no waiting period	no waiting period
Routine and Restorative Services	no waiting period	no waiting period
Major and Orthodontic Services	1 year waiting period	1 year waiting period
Maximum Bonus Account (MBA)	n/a	up to \$2,000 per Enhanced Plan member

COVERAGE PER PAY PERIOD	12 PAY PERIODS	
	<b>Base</b>	<b>Enhanced</b>
Employee	\$ 32.40	\$ 52.34
Employee + Spouse	\$ 64.70	\$104.50
Employee + Child(ren)	\$ 70.82	\$106.56
Employee + Family	\$103.12	\$158.744

### Smile Smart for Your Health

If you or someone on your dental plan has any of the following health conditions, you/they may be eligible for additional benefits (per plan year) through the Smile Smart for Your Health program.

- Gum (periodontal) disease (4 cleanings, 2 application of fluoride varnish per plan year)
- Diabetes (4 cleanings per plan year)
- Pregnancy (1 additional cleaning during the time of pregnancy per plan year)
- High-risk cardiac conditions (4 cleanings per plan year)
- Kidney failure or undergoing dialysis (4 cleanings per plan year)
- Undergoing cancer-related chemotherapy and/or radiation (4 cleanings, 2 applications of fluoride varnish per plan year)
- Suppressed immune systems (4 cleanings, 2 applications of fluoride varnish per plan year)
- At risk for oral cancer (brush biopsy test for early detection of oral cancer/precancerous cells)
- Questions, call Delta Dental at 605-224-7345.



## VISION CARE PLAN (EYEMED)

- The Vision Plan covers a wide range of services such as eye exams, glasses, and contact fittings.
- You can see the vision care doctor of your choice but you may pay the lowest out-of-pocket cost if you visit an In-Network provider.
- You can find an In-Network provider by visiting [enroll.eyemed.com](http://enroll.eyemed.com), clicking on “Find a Provider”.
- Questions, call EyeMed at 888.626.6334.

### COVERAGE PER PAY PERIOD 12 PAY PERIODS

Employee	\$ 7.08
Employee + Spouse	\$14.18
Employee + Child(ren)	\$12.00
Employee + Family	\$19.80

Service	In-Network Coverage	Out-of-Network Reimbursement	Frequency
Exam, with dilation as necessary	\$10 copay	up to \$45	Once every plan year
Frames <sup>1</sup>	\$0 copay, \$130 allowance, 20% off balance over \$130	up to \$70	Once every plan year
Lenses (in place of contact lenses)			
Single Vision	\$25 copay	up to \$30	Once every plan year
Bifocal	\$25 copay	up to \$50	Once every plan year
Trifocal	\$25 copay	up to \$65	Once every plan year
Lenticular	\$25 copay	up to \$100	Once every plan year
Standard Progressive	\$80 copay	up to \$50	Once every plan year
Premium Progressive Tiers 1-3 <sup>2</sup>	\$100-125 copay	up to \$50	Once every plan year
Standard Lens Options			
UV Treatment	\$0 copay	up to \$5	Once every plan year
Standard Polycarbonate (under age 19)	\$0 copay	up to \$5	Once every plan year
Standard Plastic Scratch Coating	\$0 copay	up to \$5	Once every plan year
Tint (Solid & Gradient)	\$0 copay	up to \$5	Once every plan year
Standard Polycarbonate (age 19 & over)	\$40	N/A	Once every plan year
Anti-Reflective Coating <sup>3</sup>	\$45-\$68	N/A	
Photochromic (Plastic)	\$75	N/A	
Standard Contact Lens Fit and Follow-Up	\$40	N/A	Contact lens fit and two follow-up visits are available every plan year (once a comprehensive eye exam has been completed)
Premium Contact Lens Fit and Follow-Up	10% off retail price	N/A	
Elective Contact Lenses (in place of eyeglass lenses)	up to \$130 allowance	up to \$105	Once every plan year
Medically Necessary Contact Lenses (in place of eyeglass lenses)	\$0 copay, covered in full	up to \$210	Once every plan year
Retinal Imaging Benefit	up to \$39	N/A	Once every plan year

<sup>1</sup>20% off the balance when patients choose a frame that exceeds the allowance. Available from all in-network providers.

<sup>2</sup> & <sup>3</sup> Discuss your lens options with your in-network provider.

## **FLEXIBLE SPENDING ACCOUNTS (FSA)**

### **DEPENDENT DAY CARE SPENDING ACCOUNT (Discovery Benefits)**

- Discovery Benefits is the new flexible spending account vendor.
- Make the most of your money. A Dependent Care/Day Care Spending Account provides an easy way for you to set aside pretax money to use for eligible dependent care (day care) only.
- Eligible dependents. Money set aside in your account can be used for the care of dependent children under age 13 and/or a dependent child or spouse who is physically or mentally unable to care for themselves. Visit <http://benefits.sd.gov/spds.aspx> and see the Dependent Care/Day Care Expense Spending Account section of the Flexible Benefits SPD for further eligibility requirements.
- Use it or lose it. Active flexible spending account (FSA) holders have until September 14 of the following plan year, to spend or incur claims related to their Dependent Care/Day Care Spending Account (unless your benefits end). You have 120 days from the end of the plan year to submit claims.
- To learn more, visit <http://benefits.sd.gov/SpendingAccounts.aspx>.

<b>FSA</b>	<b>Status</b>	<b>2018 IRS Maximum Annual Contribution per Calendar Year</b>
Dependent Care/Day Care Flexible Spending Account	per household	\$5,000

## MEDICAL FLEXIBLE SPENDING ACCOUNT (Discovery Benefits)

- Make the most of your money. A Medical Expense Spending Account provides an easy way for you to set aside pretax money to use for medical expenses.
- Pay for out-of-pocket medical costs with pretax dollars. A Medical Expense Spending Account helps you pay for out-of-pocket medical costs including: deductibles, copayments, dental costs, vision costs, prescriptions and some other healthcare costs not covered by health insurance.
- If enrolled in the \$1,800 Deductible Health Plan, the Medical Expense Spending Account is limited and may only be used toward vision and dental until your health plan deductible has been met.
- Easy access to your money. Discovery Benefits will provide you with a debit card to use for eligible expenses. You don't always need to manually submit claims or documentation for most expenses. To learn more, visit <http://benefits.sd.gov/SpendingAccounts.aspx>.
- Eligible family members. Money set aside in your account can be used to pay for out-of-pocket expenses for eligible members of your family, not just those covered by the Health Plan.
- Use it or lose it. Active flexible spending account (FSA) holders have until September 14 of the following plan year, to spend or incur claims related to their Medical Expense Spending Account (unless your benefits end). You have 120 days from the end of the plan year to submit incurred claims.

FSA	Status	2018 IRS Maximum Annual Contribution per Calendar Year
Medical Flexible Spending Account	per employee	\$2,650

## HEALTH REIMBURSEMENT ACCOUNT (HRA)

Health Reimbursement Accounts (HRAs) are employer-funded accounts from which employees are reimbursed tax-free for qualified medical expenses up to a fixed dollar amount per year. Unused amounts may be rolled over to be used in subsequent years. The employer funds and owns the account.

## **AFLAC - AMERICAN FAMILY LIFE ASSURANCE COMPANY (SUPPLEMENTAL PRODUCTS)**

([www.aflac.com/us/en/individuals/ProductAndServices.aspx](http://www.aflac.com/us/en/individuals/ProductAndServices.aspx))

Various supplemental insurance products are offered by AFLAC. These products are voluntary benefits, and the employee is responsible for the premiums. Depending on the product, the premiums will either be pre-tax or post-tax.

Below are benefits being offered.

- Accident (Pretax/After Tax)
- Cancer/Specified-Disease (Pretax)
- Dental (Pretax)
- Hospital Confinement Indemnity (Pretax)
- Hospital Confinement Sickness Indemnity (Pretax)
- Hospital Intensive Care (Pretax)
- Life (After Tax)
- Long-Term Care (After Tax)
- Short-Term Disability (After Tax)
- Vision (Pretax)

If you would like additional information, contact the Human Resources Director. Arrangements will then be made for an AFLAC representative to contact you to explain the policies and cost of coverages.

## **PHARMACY NETWORK (CVS - CAREMARK)**

([www.caremark.com](http://www.caremark.com) or 1-866-443-1185)

Participants in any of the state health plans are eligible for the prescription drug program (offered through Dakota Care and CVS). To view or receive a list of pharmacies that are participating in our network go to the CVS website or call them. When going to a pharmacy provider you must show your Dakota Care ID Card in order to receive the discounts available for claims to be paid properly. If you go to a non-participating pharmacy, you pay the full price for the prescription at the time of purchase. Then you must contact CVS for reimbursement.

As of July 1, 2014 there is no longer a 90-day copayment. You can refill for 90 days but you will be responsible for three 30-day copayments. Prescriptions expire 365 days from the date that prescription was written. At that time, a new prescription must be ordered by your healthcare provider. Controlled substances are drugs that have the potential for abuse. All prescriptions for controlled substances (example: narcotic pain medications) require a new prescription every 6 months (federal law). Preauthorizations for drugs will expire at a maximum of 365 days from the date the preauthorization is issued.



Allergy serum and oral medications are covered under the CVS Plan. CVS has a specific allergy claim form that can be found online under Forms and Documents at <http://benefits.sd.gov>. Charges for administering medications or the office visit are covered under the Health Plan.

Diabetic supplies are covered under the pharmacy component, where most of the supplies are actually obtained. Insulin and needles/syringes (including preloaded syringes) are covered under one copayment if purchased at the same time for up to a 90-day supply. If syringes are purchased separately from the insulin, they are covered under a separate copayment. Diabetic test strips are covered under one copayment for each 30-day supply, maximum of 205 per fill. Lancets are covered under one copayment, maximum of 205 per fill. If purchased at the same time as diabetic test strips, only one copayment applies. Your copayment will vary depending on whether or not you fill your prescription purchasing diabetic supplies that are listed on the formulary.

To view the formulary, log onto <http://benefits.sd.gov/Forms.aspx>.

To view list of specialty medications, log onto <https://www.cvscaremarkspecialtyrx.com/wps/portal/specialty/patients/drugs-conditions/drugs->

## **DRUGS REQUIRING PREAUTHORIZATION**

Certain maintenance drugs require preauthorization. That means your physician must call CVS at 1-866-443-1185 for preauthorization.

## **PRESCRIPTION MAIL SERVICE PROGRAM**

CVS administers a mail service prescription program for state employees. This mail service addresses long-term prescription needs. Examples: prescriptions for blood pressure, asthma, diabetes. To start this service you will need to contact CVS at [www.caremark.com](http://www.caremark.com) or at 1-866-443-1185.

## **DURABLE MEDICAL EQUIPMENT**

The State of South Dakota also has contracted with two companies to provide durable medical equipment to employees and their family members: MERSCO Medical, Inc. and PSI, Health Care, Inc. The usual, reasonable, and customary charge for prescribed items will be discounted when you rent or purchase equipment from either of these companies. The adjustment will appear on your Explanation of Benefits when your claim is processed by Philadelphia American Life.

Durable medical equipment includes items such as: hospital beds, iron lungs, apnea monitors, oxygen tents, hydraulic lifts, ventilators, and wheelchairs. See your Provider Directory for company locations and numbers to call for information.

## STATE LIFE INSURANCE PLAN - (METLIFE)

For more information contact MetLife at 800.438.6388 or visit <http://benefits.sd.gov>.

Basic Life Coverage -- All benefit eligible employees will automatically have a \$25,000 life insurance policy as long as they are employed by the State of South Dakota. Coverage goes into effect one month and one day after your first day of work. You cannot continue the Basic Life Coverage if you leave state government.

## DEPENDENT LIFE INSURANCE PLAN, ACCIDENTAL DEATH & DISMEMBERMENT (AD&D) - (METLIFE)

For more information contact MetLife at 800.438.6388 or visit <http://benefits.sd.gov>.

This is an optional plan available to all benefits eligible employees. Spouses and/or children will have \$10,000 of Dependent Life Coverage and \$10,000 of Dependent AD&D (14 days to 19 years of age and students 29 years of age if a full-time student). Once leaving state employment, coverage will cease after 18 months. In order to receive this coverage, you must enroll in the Employee Supplemental Group Life Insurance through the state. If you would like additional information, contact the Director of Human Resources.

COVERAGE LEVEL	PREMIUMS (12 PAY PERIODS)
\$10,000 Life	\$1.92
\$10,000 AD&D	\$0.30
You pay coverage with after tax payroll deductions.	

## SUPPLEMENTAL GROUP LIFE INSURANCE PLAN, ACCIDENTAL DEATH & DISMEMBERMENT - AD&D (METLIFE)

For more information contact MetLife at 800.438.6388 or visit <http://benefits.sd.gov>.

Supplemental Group Life Insurance and AD&D may be purchased by benefit eligible employees who want to add to their existing life plan. It is additional coverage and must be paid by the employee.

Who is Eligible: All benefit eligible employees who work at least 20 hours a week at least 6 months of the year and have a permanent job classification. When both husband and wife work for the state as benefit eligible employees, both are eligible for employee insurance.

When You Are Eligible: Within 30 days of the day you begin work.

How to Join the Plan: New employees enroll during the new hire enrollment period, otherwise through the annual benefit enrollment period scheduled in the spring of each year.

No Medical Examination If You Enroll Promptly: You do not need to take a medical examination if you enroll within 30 days of your hire date. However, if you do not enroll during that period, it is required that you provide proof of insurability. Likewise, if you do not enroll for dependent insurance.

When Your Insurance Becomes Effective: By enrolling during your eligibility period, you will become insured for employee insurance on the warrant date that reflects your first deduction if you are then actively at work; otherwise, on the day you return to active work. The dependent insurance, if you have dependents and have them enrolled for that insurance, will become effective on the day you become insured for the employee insurance.

The MetLife Supplemental Life Insurance Plan is portable, meaning you may be able to continue the policy on your own when you end employment with the State up to age 99.

You may not enroll for dependent insurance without also enrolling for employee insurance. If you become insured for dependent insurance, all of your eligible dependents will be included.

If you have no dependents on the day your employee insurance becomes effective, you may enroll for dependent insurance within 30 days of the date you acquire a dependent, and your dependent insurance will become effective on the date the person becomes your dependent or the date you enroll for dependent insurance, whichever is later.

#### Life Coverage and AD&D -- Employee

The amount of coverage you may purchase ranges from 1-7 times your salary up to \$1,000,000.

#### How to figure Supplemental Life

- To calculate your contribution amount(s), round your salary up to the next \$1,000 level.
- Multiply salary by desired coverage level. Then multiply by the rate for your age group.
- Finally, divide by 1,000.

Example: Employee paid 24 Pay Periods - age 46  
with annual earnings of \$37,600 elects Life and  
AD&D coverage at 3 times annual.

Life Rate = \$0.075 per thousand

$\$38,000 \times 3 \times 0.075 / 1,000 = \$8.55$  per pay period

AD&D Rate = \$0.01 per thousand

$\$38,000 \times 3 \times 0.01 / 1,000 = \$1.14$  per pay period.

**Rate Per \$1,000 of Employee Coverage Per Pay Period**

<b>Age</b>	<b>Premiums</b>	<b>Premiums</b>
	<b>12 Pay Periods</b>	<b>12 Pay Periods</b>
	<b>Life</b>	<b>AD&amp;D</b>
Younger than 30	\$0.070	\$0.020
30 to 34	\$0.084	\$0.020
35 to 39	\$0.098	\$0.020
40 to 44	\$0.114	\$0.020
45 to 49	\$0.150	\$0.020
50 to 54	\$0.208	\$0.020
55 to 59	\$0.310	\$0.020
60 to 64	\$0.450	\$0.020
65 to 69	\$0.828	\$0.020
70 +	\$1.332	\$0.020

You pay for coverage with after tax payroll deductions.

**LONG TERM CARE INSURANCE (LTC) – UNUM PROVIDENT** (Policy 295435)

For more information, contact Risty Benefits at 866-237-9411.

Active employees who carry the State's Group Supplemental Life Plan will automatically receive a Basic Long-Term-Care (LTC) benefit, paid for by current premiums. UnumProvident insures this benefit. The Basic benefit provides \$1,500 per month if a member is unable to work due to the loss of two or more Activities of Daily Living (ADLs) and is confined to a nursing home. Partial benefits are provided if a member resides in an Assisted Living Center or receives professional help in the home. The maximum amount for this benefit will be \$36,000 (2 year duration at \$1,500 per month).

Active holders of the State's Group Supplemental Life coverage will be given the option to buy up to higher levels of LTC at group rates. Rates are based on what age you are when you purchase LTC. Active employees will have Guarantee Issue during the enrollment period but some exceptions apply. An employee's immediate and extended family members can apply for LTC through the medical underwriting approval process at negotiated group rates. LTC is portable.

**WHOLE LIFE INSURANCE** - New York Life Insurance ([www.newyorklife.com](http://www.newyorklife.com))

The Whole Life Insurance Program is an optional plan available to all permanent South Dakota state employees. Optional coverage for your spouse and/or children is also available. Depending on the amount of protection you choose, premium payments can range from \$10 per month to \$100 per month. Monthly premiums are paid automatically by payroll deduction. When you retire or leave state government, the plan goes with you. The plan is issued for employees and spouses to age 70, and children age 0 to 25. Employee's spouse and/or children are guaranteed a maximum of a \$25,000 policy. (Once a year open enrollment.) [This plan is not a 403B.]

EMPLOYER-PAID GROUP INSURANCE FOR EMPLOYEES ON LEAVE WITHOUT PAY - (This is the South Dakota Board of Regents Policy on Employer-Paid Group Insurance for employees on leave without pay or temporary reduction to less than full-time employment.)

Employees granted leave without pay or a temporary reduction to less than full-time employment for one month or more will continue to have the employee's share of the group health/life/ADD (Accidental Death and Dismemberment) paid for by the Regents/institution for up to a total of three (3) months per leave without pay or temporary reduction. An employee may be granted a leave or temporary reduction for group health/life/ADD premiums if they desire to remain covered by group policy.

Nine, ten or eleven month employees who have contracts and/or letters of intent and/or letters of notification of employment for the following year will continue to have their share of the premium paid for by the Regents/institution for the non-appointment period. Insurance premiums will not be paid by the employer for leave without pay or temporary reductions in time during the appointment period for such employees if such payment combined with the non-appointment months would exceed three (3) months. Note: Only those leave without pay periods or temporary reductions to less than part-time employment that are one month or more duration are considered under this policy.

WORKER'S COMPENSATION CLAIMS PROCEDURE

As a South Dakota state employee, you are covered by an insurance program that pays medical and disability benefits for work-related injuries and diseases. The Worker's Compensation Program for state employees is administered by the Bureau of Human Resources.

**Injury Reporting Procedure:** If you are injured or contract an occupational disease on the job, you must report it as soon as possible. Report the circumstance of the injury or disease to your **immediate supervisor and/or the Director of Human Resources for filing the electronic First Report of Injury form, no later than three (3) business days after the occurrence.** Failure to notify your supervisor or the Director of Human Resources may result in denial of your claim. Within seven (7) calendar days after the employer has knowledge of the injury, the electronic First Report of Injury form must be filed within the Bureau of Human Resources.

The web link for filing is <http://benefits.sd.gov/workerscompensation.aspx>.

**If you fail to report your claim on time, it may be denied.** Keep in touch with your human resource office to assure the claim is properly filed and monitored. All claims will be thoroughly investigated by the Bureau of Human Resources.

**Selection of Medical Practitioner:** You have the right to initially select a medical practitioner. Before seeing your practitioner you need to obtain a Workmen's Compensation Work Status Report Form from the Director of Human Resources. This form needs to be completed by the practitioner and then returned to the Director of Human Resources. **If you want to change medical practitioners, you must submit a written request to the Bureau of Human Resources for approval.** If your medical practitioner refers you to another practitioner for further treatment, you do not need permission to see that practitioner. **But remember—if another medical practitioner is consulted for a second opinion without referral or the Bureau of Human Resources' approval, it will be at your own expense!**

**You also need to give prior notification to the State's Managed Care Program for hospitalization or surgery, unless it is an emergency.**

If you have already seen a medical practitioner about your injury or disease, be sure that your employer includes the medical practitioner's full name and complete address on the Employer's First Report of Injury form. If the medical practitioner's name and address are not on the Employer's First Report of Injury form, please send that information to the Bureau of Human Resources as soon as possible. This same information applies to hospital or other medical practitioners.

Your medical practitioner must submit a report to Dakota Care fourteen (14) days after treatment. A medical bill should be attached to the report for faster processing. You must get prior approval from the Bureau of Human Resources to purchase orthopedic devices or physical therapy equipment.

Any medications prescribed by your physician for the work-related injury or disease must be paid for with your prescription card.

**Filing for Disability Benefits:** You cannot be paid for lost work time unless you are incapacitated for seven (7) consecutive days. Make sure the person who files worker's compensation reports in your department notifies the Bureau of Human Resources when you have been off work beyond this period. No compensation for lost time payments can be made until the Bureau of Human Resources has received such notice.

If you are placed on Temporary Total Disability (according to SDCL 62-4-3), it is your responsibility to:

1. Provide the Bureau of Human Resources with a medical practitioner's slip indicating the period of time you will be unable to work.
2. Notify the Bureau of Human Resources if your medical practitioner releases you to return to work or if you intend to resign or change employers.

If you fail to furnish this information, your benefits could be delayed or suspended. Legal action is possible in cases of fraudulent claims, for example, if a person returns to work while receiving disability benefits.

An agreement regarding compensation and a voucher payable to the injured employee will be mailed to your employer's office which filed the Employer's First Report of Injury. You must sign the agreement and the voucher and return them to the Bureau of Human Resources.

Every effort will be made to allow you to return to work as soon as possible. At a minimum, you should maintain weekly contact with your supervisor or Director of Human Resources.

**Use of Sick Leave/Vacation Pay as Supplement:** If your worker's compensation benefits are not equal to your salary, state law (SDCL 3-6-8.2) says you may use sick leave or vacation pay in an amount necessary to make up the difference between your salary and the worker's compensation benefits.

If you have any questions concerning your claim, please contact the South Dakota BHR Worker's Compensation Program (605-773-3148).

## UNEMPLOYMENT INSURANCE

Section 61-6-1.6 of the SDCL provides that employees of schools will be denied benefits during a customary vacation period, a day of legal discontinuance or a holiday in addition to the period of time between two successive academic years (i.e. if they were employed at the end of the spring term and if there is reasonable assurance that they will be employed in the same or an equal capacity during the next time).

If an employee is terminated with good cause not attributable to the employer or for misconduct, benefits for unemployment insurance may also be denied. A decision is rendered by the Unemployment Insurance Division upon filing a claim through a Job Service Office.

Termination resulting from a layoff due to lack of work usually results in the receipt of unemployment insurance benefits.

## SOUTH DAKOTA RETIREMENT PLAN (401a)

All employees of the Special Schools who work twenty (20) hours a week for at least six (6) months of the year must participate in the South Dakota Retirement System. An employee becomes a member on the date of hire. The employee must complete the necessary enrollment forms in the HR office in order to designate a beneficiary. The employee contribution is six percent (6%) of total earnings for the fiscal year and is matched by the Board of Regents. The six percent (6%) employee contributions to the retirement system are not taxable for Federal Income Tax purposes. The contributions are subject to Social Security tax. Interest on accumulated contributions is credited monthly.

SDRS Phone: 605-773-3731 or 1-888-605-SDRS (7377)

SDRS Website: [www.sdrs.sd.gov](http://www.sdrs.sd.gov)



SDRA has one plan with two benefit designs (Foundation Members and Generational Members).

### Foundation Members

Joined SDRS prior to July 1, 2017

#### Normal Retirement Age

- Age 65 for Class A and B Judicial
- Age 55 for Class B Public Safety

#### Special Early Retirement

- Class A: Rule of 85
- Class B Judicial: Rule of 80
- Class B Public Safety: Rule of 75

#### Early Retirement Age: 3%/year reduction in benefit

- Age 55 for Class A and B Judicial
- Age 45 for Class B Public Safety

#### Base Benefits

- Class A: 1.55%
- Class B Public Safety: 2%
- Class B Judicial: 3.33%/ 2%

No Variable Retirement Account (VRA)

#### Other Features

- Three-year vesting
- Three-year Final Average Compensation
- 60% post-retirement survivor benefit
- COLA based on SDRS funded status and indexed to CPI
  - Minimum: 2.1%
  - Maximum: 3.1%
- Refund: 100% of member contributions; 85% of employer contributions (50% if not vested)

### Generational Members

Joined SDRS on/after July 1, 2017

#### Normal Retirement Age

- Age 67 for Class A and B Judicial
- Age 57 for Class B Public Safety

No Special Early Retirement

#### Early Retirement Age: 5%/year reduction in benefit

- Age 57 for Class A and B Judicial
- Age 47 for Class B Public Safety

#### Base Benefits

- Class A: 1.8%
- Class B Public Safety: 2%
- Class B Judicial: 3.33%/ 2%

Variable Retirement Account (VRA): Annual contribution of up to 1.5% of compensation; credited with South Dakota Investment Council earnings; available to member at retirement, disability, or death

#### Other Features

- Three-year vesting
- Five-year Final Average Compensation
- Single life benefit; 60% or 100% post-retirement survivor benefit available with cost covered by a reduction in member's monthly benefit
- COLA indexed to CPI and based on SDRS funded status
  - Minimum: 1.0%
  - Maximum: 3.1%
- Refund: 100% of member contributions; 85% of employer contributions (50% if not vested)

NOTE: Foundation Members Base Benefit – Class A:  
1.7% for service prior to 7/1/2008  
plus 1.55% for service 7/1/2008



### Special Pay Plan (401a)

This plan is mandatory for all permanent employees who terminate the first day of the calendar month prior to their 55<sup>th</sup> birthday and who will receive termination pay above \$600, maximum deposit amount \$41,000. The plan only accepts termination payments (annual leave, sick leave, contract buyouts, retirement incentives and all other lump sum payments) at the end of a permanent employee's career. These payments are exempt for FICA, income tax, and retirement. Each member will self direct the investment of his or her funds within the plan. Participants are immediately vested. Members can withdraw funds as soon as administratively possible. Twenty-four hour Special Pay Plan service is available through Supplemental Retirement Plan (SRP) website ([www.SRP457.com](http://www.SRP457.com)) or 1-800-959-4457.

### Protection For Your Survivors:

**If you die while still employed** -- A family benefit and spouse benefit are paid monthly if you die while participating in SDRS. The family benefit is payable when children under the age of 18 are in the home, and the spouse benefit becomes effective when your spouse reaches the age of 65. Calculation of family benefits will be based on the final average compensation.

**If you die after retirement** – SDRS also pays survivor benefits to your spouse after you have retired. This benefit is equal to 60 percent of the benefit being paid to you at the time of your death and will continue for your spouse's lifetime. If both you and your spouse die before you have received all contributions, your named beneficiary or estate will receive the balance. To qualify for death benefit, your spouse must have been married to you prior to your retirement date and for at least 12 months before your death.

Buying Additional Service: Eligible members can buy additional years of credited service for years of public service when they could not participate. Your cost to purchase credit service depends upon your age at the time of your purchase. The cost is an actuarially determined percentage of your current salary. Below is the percentage table.

Age at Purchase	% of Combined Contributions*	% of Pay
40 and Younger	100%	12.0%
41	110%	13.2%
42	120%	14.4%
43	130%	15.6%
44	140%	16.8%
45	150%	18.0%
46	160%	19.2%
47	170%	20.4%
48	180%	21.6%
49	190%	22.8%
50	200%	24.0%
51	210%	25.2%
52	220%	26.4%
53	230%	27.6%
54	240%	28.8%
55 and Older	250%	30.0%

Purchasing credited service through payroll deduction is tax deferred. Employees can take up to ten (10) years to purchase credited service.

Reinstating Past Credited Service: If you withdraw your contributions from a previous employer, you may be entitled to reinstate your past service. To do so you must be rehired on a permanent basis and repay any contributions you received, plus interest. The repayment must be made no later than two years after your hire date. This must be made in a lump sum payment.

Retired Employees Who Are Re-Employed By An SDRS Employer:

1. Change in the COLA – The annual cost-of-living adjustment (COLA) of 3.1 percent will not be paid on a member's retirement benefit while the member is re-employed by an SDRS employer.
2. New Member Status – Rehired members will participate in SDRS as new members, which means they must work an additional three years to become vested again and qualify for add-on retirement benefits.
3. Add-On Benefit – When members retire for the second time, the add-on retirement benefit will be based on the period of re-employment only.

Disability Before Age 65: If you cannot work because of a disability that occurs before age 65 and is expected to last one year or longer, you may receive a monthly benefit from SDRS. This benefit is payable until age 65, when retirement benefits begin. While you are drawing disability benefits, you continue to earn service credit toward your retirement as if you were continuously employed. You are eligible for disability benefits after three (3) years of credit service. If you are accidentally disabled while performing the usual duties of your job, you are immediately eligible for benefits. You must be a contributing member at the time you become disabled. If you become disabled, the formula for calculation will be based on the final average compensation.

Spouse Option - Optional Survivor Coverage: This benefit ceased July 1, 2010. Present enrollees grandfathered –in.

Return to Work Requirements for a Retired Member: Members will be required to terminate from their previous jobs for a period of three (3) consecutive calendar months before returning to work for an SDRS employer. Members reemployed before meeting this termination requirement will be treated as if they had not retired and will have to repay any SDRS benefit they've received.

Retired members who return to work for an SDRS employer after meeting the required employment termination period of three (3) months:

- Reemployed member's contributions will be deposited into the SDRS Supplemental Retirement Plan
- Employer's contributions will be paid to SDRS to offset costs.
- Members will not earn any addition SDRS pension benefits.
- Members who took early retirement with a reduced benefit payment will have their benefit payments suspended and COLA will be eliminated during reemployment.
- Members who take normal or special early retirement benefit payment will have their benefit payments reduced to 85% and COLA will be eliminated during reemployment.

## SOUTH DAKOTA RETIREMENT SYSTEM SUPPLEMENTAL RETIREMENT - SRP 457 {Pre-Tax}

SRP is designed to simplify the task of personal savings, give you alternatives for investing your savings that you may never have had before, and reduce your income taxes, as well. You can direct your contributions into a single investment alternative or into many. Contributions are payroll deducted and are pre-taxed. You are not taxed until you withdraw your contributions after retirement. SRP is a part of the retirement plan, and benefits normally begin at the end of your working career. You can choose one of the following methods of withdrawing your savings:

1. A lump-sum or partial lump-sum payment
2. A lifetime annuity - a guaranteed dollar amount for life.
3. Equal periodic payments
  - a) A percentage of the total fund paid out over a fixed period
  - b) A monthly fixed dollar amount paid out until the funds are depleted.

You may also withdraw your SRP in three other instances as follows:

1. If you leave your job and are no longer eligible to contribute. (You can also leave your contribution in the plan until you retire.)
2. If you die before you begin benefits.
3. If you experience an unforeseeable emergency (severe financial hardships caused by events beyond your control).

If you are interested in signing up or need more information, contact the Director of Human Resources or call or write:

SDRS Supplemental Retirement Plan  
207 East Capitol  
Pierre, SD 57501  
Telephone: 605-224-2230 / 1-800-959-4457

## SOUTH DAKOTA RETIREMENT SYSTEM SUPPLEMENTAL RETIREMENT - ROTH 457 {After-Tax}

**Contributions:** Roth contributions are subject to federal, and where applicable, state and local income tax withholding

**Earnings, if any:** Tax-free as long as qualifying conditions are met.

**Distributions:** Tax-free, assuming: a 5-year holding period has been satisfied, and the distribution is made after age 59½ or for death, disability, or rollover to a Roth IRA.

**Rollovers:** Allowed to another Roth account [457(b), 403(b), 401(k), or 401(a)] or Roth IRA.

Required Minimum Distributions (RMDs); The IRS requires minimum distributions to begin at age 70½ or retirement, whichever is later; if the SDRS Roth 457 balance is rolled over to a Roth IRA before the calendar year the participant reaches age 70½, minimum distributions are not required.

If you are interested in signing up or need more information, contact the Director of Human Resources or call or write:

SDRS Supplemental Retirement Plan  
207 East Capitol  
Pierre, SD 57501  
Telephone: 605-224-2230 / 1-800-959-4457