

Office of State Uniform Payroll
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

August 23, 2018

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2019-05

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 and Cancer- C/V) will be implementing rate increases effective January 1, 2019 for the above policies. By August 24, 2018, 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 October 12, 2018. Vendors will forward a signed copy of the SED-4 form to the payroll office by November 2, 2018 to be entered. Agencies should have all deduction changes entered for the January 4, 2019 payday. Employees who do not submit the signed SED-4 by the October 12th deadline will have their policies cancelled upon notice from these vendors, effective January 1, 2019.

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 November 9, 2018. 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 January 1, 2019. **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.**

Cancellations and rate changes must be entered by the agency in LaGov HCM before December 31, 2018 in order for the correct deductions to be taken on the January 4, 2019 payday. Failure to do so will result in the agency having to make retroactive adjustments

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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 January 1, 2019, 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 ext 17225
Transamerica Life, Ellen Cother (800) 400-3042 ext 1271382

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):

Shaneen Watson	342-5345	Shanna Batiste	342-5344
Brandy Boyd	342-5354	Jodi Bullock	342-5377
Kenya Warren	342-5357		

APH:JAB/mgc

c: Lynette Deloch, Office of Group Benefits
Rosalyn Duty, Starmount Life
Ellen Cother, Transamerica Life