Important information

This presentation contains an abbreviated description of insurance benefits provided by or through PEBA. The plan of benefits documents and benefits contracts contain complete descriptions of the health and dental plans and all other insurance benefits. Their terms and conditions govern all health benefits offered by or through PEBA.

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Important information

- This overview is not meant to serve as a comprehensive description of the insurance benefits offered by PEBA.
- More information can be found in the following:
  - *Benefits Administrator Manual*; and
  - *Insurance Benefits Guide*.

3

Retirement

4

Retirement

- Retiree insurance eligibility and funding.
- Retiree insurance decisions.
  - Non-Medicare and Medicare-eligible.
  - Health, dental, vision.
  - Life insurance, long-term disability, MoneyPlus.
- Enrollment.
- Premiums and billing.
- Returning to work.

5

Retiree insurance eligibility

- Eligibility for retiree group insurance is not the same as eligibility for retirement.
- Determining retiree insurance eligibility is complicated and only PEBA can make that determination.
- It is very important that employees contact PEBA before making final arrangements for retirement.
- *Retiree Insurance Eligibility, Funding* flyers.

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Retiree insurance eligibility

- Regardless of how or when an employee qualifies for retirement, to qualify for the group insurance program, his last five years must be:
  - Served consecutively;
  - In a full-time, permanent position; and
  - With an employer participating in the state insurance program.

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Earned service

- Earned service credit is:
  - Time earned and established in one of the defined benefit pension plans PEBA administers;
  - Time worked while participating in the State Optional Retirement Program (State ORP); or
  - Time worked for an employer that participates in the State Health Plan, but not in a PEBA-administered retirement plan.

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Retiree insurance funding

- Retirees of state agencies, state institutions of higher education, public school districts, or other employers that participate in the S.C. Retirement Health Insurance Trust Fund may be eligible to receive state-funding toward their premiums if they meet certain requirements.
  - Contact PEBA for more information.
- Changing jobs could affect an employee's eligibility for funding.

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Retiree insurance funding

- If a charter school does not participate in a PEBA-administered retirement plan and the employee meets the eligibility requirements for retiree group insurance, employer funding, if any, is at the discretion of the charter school.

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Retiree insurance eligibility and funding

- For State ORP participants and members whose employer does not participate in a PEBA-administered retirement plan, eligibility is determined as if the participant were a member of the South Carolina Retirement System.
- State ORP participants may be eligible to receive state-funding toward their premiums if they meet certain requirements.
- Employers who do not participate in a PEBA-administered retirement plan set funding rules for eligible members.

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Non-Medicare-eligible choices

- State Health Plan, which includes prescription benefits.
  - Standard Plan.
  - Savings Plan.
- TRICARE Supplement Plan.
  - For eligible members of the military community.
  - TRICARE rules apply.
  - Coverage ends at 65.

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Becoming Medicare-eligible

- Subscribers should enroll in Medicare Parts A and B.
- The Medicare enrollment period begins three months before 65th birthday.
- If receiving Social Security benefits, the Social Security Administration will contact subscribers and enroll them automatically. Otherwise, subscribers must contact Social Security to enroll.

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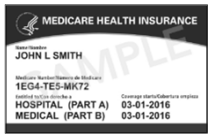
Becoming Medicare-eligible before age 65

- Notify PEBA and provide a copy of Medicare card.
- May change health plans within 31 days of Medicare eligibility.



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2020 Medicare benefits[1]

- There is no Medicare coverage outside the U.S. and U.S. territories.

Part A (hospital benefits)	Part B (medical benefits)
• $1,408 deductible per benefit period. • No monthly premium if enough work credits established.	• $198 annual deductible. • $144.60 (average monthly premium as determined by Medicare). • Plan pays 80 percent of approved charges.

[1] Medicare deductibles are subject to change.

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Medicare-eligible choices

- State Health Plan, which includes prescription benefits.
  - Standard Plan.
  - Medicare Supplemental Plan.
- See *Insurance Coverage for the Medicare-eligible Member* for detailed information.
- If enrolled in TRICARE Supplement Plan, can cancel or switch coverage once reaching Medicare eligibility. TRICARE becomes TRICARE for Life, a Medicare supplement.

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Automatic enrollment in the Medicare Supplemental Plan

- Automatic enrollment at age 65 for those who participate in the State Health Plan.
- PEBA sends a notification three months before 65th birthday.
- Subscribers can choose to opt out of the Medicare Supplemental Plan.
- Medicare will be primary whether or not subscribers opt out as long as they are not working in an insurance-eligible position on active coverage.
  - If subscribers remain on the Standard Plan in retirement, Medicare will still pay first toward their expenses.

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2020 Medicare Supplemental Plan benefits[1]

- Pays Medicare Part A deductible.
- Pays Medicare Part B deductible.
- Pays Medicare coinsurance, up to 100 percent of Medicare-approved charges.
- Includes prescription drug benefit.
- Claims for non-Medicare subscribers are processed under the Standard Plan.
- Offers no coverage outside the U.S.

[1] Medicare deductibles are subject to change.

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2020 Medicare Supplemental Plan benefits example[1]

If covered by Medicare and Medicare Supplemental Plan, claims will be processed like this:

Medicare-approved amount	$7,500
2020 Medicare Part A deductible	$1,408
Medicare payment	$6,092
Remaining bill	$1,408

Next, the Medicare Supplemental Plan benefits are applied:

Remaining bill	$1,408
Medicare Supplemental Plan pays Medicare Part A deductible	$1,408
Subscriber's total payment	**$0**

[1] Medicare deductibles are subject to change.

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Keeping Standard Plan benefits with Medicare

- Worldwide coverage.
- Uses carve-out method.
- Learn more in the *Insurance Coverage for the Medicare-eligible Member* handbook.

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Medicare Part D drug program

- Most subscribers covered by PEBA should remain enrolled in Express Scripts Medicare, which is the State Health Plan's Medicare Part D drug program.
- Subscribers may only have **one** Part D plan.
  - If they enroll in a separate Part D program, subscribers lose PEBA prescription benefits.
- Learn more in the *Insurance Benefits Guide* or contact Express Scripts, the pharmacy benefits manager.

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Medicare Supplemental Plan and Standard Plan prescription benefits

- Subscribers pay up to $3,000 per person in prescription drug copayments. Then, they pay nothing.

30-day supply at network pharmacy	90-day supply at network pharmacy or mail-order pharmacy
• Tier 1 (generic): $9 • Tier 2 (preferred brand): $42 • Tier 3 (non-preferred brand): $70	• Tier 1 (generic): $22 • Tier 2 (preferred brand): $105 • Tier 3 (non-preferred brand): $175

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Dental Plus and Basic Dental Plans

- Enroll within 31 days of retirement or special eligibility situation.
- Enroll during open enrollment in odd-numbered years.
- Once enrolled, must remain enrolled until next odd-numbered year open enrollment period or within 31 days of a special eligibility situation.
- Coverage is the same as active subscriber coverage.

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State Vision Plan

- Enroll within 31 days of retirement or special eligibility situation or yearly during open enrollment.
- Coverage is the same as active subscriber coverage.

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$3,000 basic life insurance

- Must have been enrolled in a health plan offered through PEBA at time of retirement.
- Can convert to a whole life policy within 31 days of retirement date.
- Premiums quoted and billed by contracted vendor, MetLife.
  - Retirees receive the conversion forms directly from MetLife.

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Optional life insurance

- Can convert existing coverage to a whole life policy within 31 days of retirement.
- Can continue existing coverage within 31 days of retirement.
  - Continue coverage in $10,000 increments.
  - Retiree coverage ends the January 1 following the retiree's 75th birthday.

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Optional life insurance

- Premiums:
  - Retirees continuing coverage will pay the same premium as active employees.
  - Converted policy premiums are underwritten individually by MetLife.
  - Retirees will receive the continuation and/or conversion forms directly from MetLife.

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Dependent life insurance

- Can convert existing coverage to a whole life policy within 31 days of retirement.
- Premiums quoted and billed by contracted vendor, MetLife.
  - Retirees will receive the conversion forms directly from MetLife.

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Long term disability

- Basic long term disability:
  - Available only to active, non-temporary employees enrolled in the State Health Plan.
  - Ends at retirement.
  - Cannot be converted to an individual policy.
- Supplemental long term disability:
  - Available only to active, non-temporary employees.
  - Ends at retirement.

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MoneyPlus

- Not available in retirement.
- Retirees in the Savings Plan who are not eligible for Medicare may continue Health Savings Account contributions, but not through MoneyPlus.

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Enrollment

- Only PEBA can determine eligibility. Employee must submit an *Employment Verification Record* three months before retirement date.
- If PEBA determines employee is eligible for retiree insurance, employee must complete and submit:
  - *Retiree Notice of Election*; and
  - *Certification Regarding Tobacco and E-cigarette Use*, *if applicable*.
- Retiree insurance packet available online at www.peba.sc.gov/assets/retireepacket.pdf.

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Premiums

- State agency, school district and higher education institution retirees:
  - Premiums are deducted from monthly annuity payments[1] or through bank draft.
  - Depending on when retirement paperwork is finalized, more than one month's premium may be deducted from first annuity payment.
  - If premiums due before retirement is finalized, PEBA sends a bill until the annuity payment is processed.

[1]If total premiums are more than amount of check, PEBA will bill the retiree for the full amount.

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Premiums

- Optional employer retirees:
  - Premiums are billed to the employer who must submit payment in full to PEBA.
  - Retirees pay premiums directly to employer.
  - Premiums are due by the 10th of each month.
  - PEBA will cancel coverage if payment not received.

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Returning to work

- If hired in an insurance-eligible position, retiree should enroll in PEBA active insurance coverage.[1]
  - Cannot be enrolled in PEBA retiree insurance.
  - May refuse all PEBA health insurance coverage and keep Medicare only.
- Learn more in the *Insurance Coverage for the Medicare-eligible Member* handbook.

[1]Federal law prohibits financial incentives for Medicare-eligible retirees to keep Medicare primary when eligible for active coverage.

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Disability

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Disability

- *Workplace Possibilities*.
- Disability benefits.
- Optional Life benefits.
- Long Term Disability benefits.

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The Standard's *Workplace Possibilities* program

- Proactive disability management program that provides specialists to work directly with employees, employers and physicians in order to:
  - Increase employee productivity;
  - Reduce the cost, duration and impact of disability, FMLA and other absence/disability programs; and
  - Support employee participation in health management programs.

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The Standard's *Workplace Possibilities* program

- Stay at Work services:
  - Services are provided while employee is still working.
  - Goal is to help the employee perform job tasks.
- Return to Work services:
  - Services are provided soon after an employee goes out of work.
  - Goal is to quickly return employee to work.
- Sign up for The Standard's blog at www.workplacepossibilities.com/blog.

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Disability benefits

- Must apply for benefits before leaving covered employment.
- Submit *Application for Disability Retirement* to PEBA, if applicable.
  - SCRS members must be approved for disability benefits from the Social Security Administration.
- Optional Life insurance benefits through MetLife.
- Long Term Disability benefits through The Standard.

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Optional Life

- If on leave due to disability, coverage continues for up to 12 months by paying premiums.
  - Beginning the first of the month after the last day worked.
- If employee does not return to work at end of 12 months, terminate coverage.
  - Conversion/continuation options offered by MetLife.

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Life insurance

- Accelerated benefits option available to active employees and their covered dependents.
  - Terminally ill with life expectancy of no more than 12 months.
  - Employee may request up to 80 percent of his life insurance prior to death.
  - Remaining balance paid to beneficiary upon death.
- Complete MetLife's *Accelerated Benefit Claim* form.

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Long Term Disability

- Eligibility for benefits is based on criteria using terminology from The Standard.
- Own occupation is a person who is unable to perform his <u>own</u> occupation as it is performed in the national economy.
- Any occupation is a person who is unable to perform <u>any</u> occupation.
- See plan certificates for more information: <u>www.standard.com/mybenefits/southcarolina</u>.

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Basic Long Term Disability (BLTD)

- BLTD is employer-funded.
  - Automatic enrollment if enrolled in health coverage.
  - 90-day benefit waiting period.
  - 62.5 percent of predisability earnings, reduced by deductible income.
  - Maximum $800 monthly benefit.

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Supplemental Long Term Disability (SLTD)

- SLTD is additional, optional coverage.
  - Employee pays premium.
  - 90 or 180 day benefit waiting period.
  - 65 percent of predisability earnings, reduced by deductible income.
  - Maximum $8,000 monthly benefit.

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BLTD and SLTD application process

- Complete the *LTD Benefits Claim Form packet*.
  - Employee, benefits administrator and physician must complete their portions and return to The Standard.
  - Submit within 90 days after the end of benefit waiting period.
- If approved, The Standard will notify employee, benefits administrator and PEBA.
- PEBA will process the SLTD premium waiver.
- See the Disability subscribers chapter in the *Benefits Administrator Manual* for details.

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Death

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Death

- Death benefits.
- Life insurance.
- Supplemental Long Term Disability.
- Additional services.
- Survivor coverage.

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How to administer death benefits

- Submit termination to PEBA.
  - Termination date is day after death for all coverage, except Optional Life.
  - Optional Life should be terminated day of death.
- To continue coverage, a *Survivor Notice of Election* form must be completed within 31 days of date of death.

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Life insurance

- Complete and submit MetLife's *Life Claim* form or call MetLife at 800.638.6420.
- MetLife will contact the beneficiary.
- See the *Life Insurance* chapter of the *Insurance Benefits Guide* for more information.

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Life insurance

- MetLife will pay Accidental Death and Dismemberment benefits.
  - Benefit amount based on percentage of the amount of life insurance coverage elected.
    - Percentage determined by type of loss.
- Dependent Life coverage ends on the subscriber's day of death.

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SLTD benefits

- If member dies while SLTD benefits are payable, The Standard will pay a lump-sum benefit to eligible survivor.
- Benefit equal to three months of SLTD benefit, not reduced by deductible income.
  - Not available if benefits and claim have reached maximum.
  - Not available if approved for or receiving lifetime security benefit.

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Additional services

- MetLife offers to all members:
  - Funeral assistance, planning and discount services.
  - Beneficiary claim assistance.
  - Estate resolution services.
- MetLife offers to employees with Basic life insurance:
  - Grief counseling.
- MetLife offers to employees with Optional life insurance:
  - Will preparation service.

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Survivor coverage

- Surviving spouse or child may be eligible for survivor coverage as long as he:
  - Was covered as dependent at time of subscriber's death;
  - Remains an eligible dependent; and
  - Pays the premium.
- For information regarding eligibility and funding for survivors of employees killed in the line of duty, view General Information chapter in the *Insurance Benefits Guide* and contact PEBA.

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Survivor coverage

- Coverage ends when:
  - Surviving spouse remarries or fails to pay premium.
  - Surviving child is no longer eligible as a dependent or fails to pay premium.

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Survivor enrollment

- PEBA enrolls survivors of active employees and retirees of:
  - State agencies;
  - Higher education institutions; and
  - Public school districts.
- Optional employers enroll survivors of their active employees and retirees.

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Survivor premiums

- Survivors of active employees, partially funded[1] and state-funded retirees:
  - State Health Plan premiums waived for one year.
  - After the waiver, survivor pays the full premium.
- Survivors of non-funded retirees pay full cost of premiums from date of retiree's death.
- Survivors pay full cost of dental and vision premiums from date of retiree's death.
- Survivors of optional employer retirees should contact employer.

[1]Survivors of partially funded retirees pay half the employer share during the waiver year.

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Terminate coverage

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Terminate coverage in EBS

Step 1: Indicate reason for termination (retired, disability retirement, left employment, death).

Step 2: Add effective date of termination, last day worked or date of death.

Step 3: Review.

Step 4: Indicate appropriate options offered to the employee/survivor.

Step 5: Apply.

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Terminate coverage in EBS

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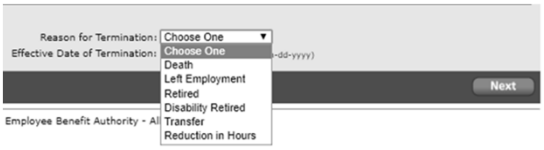
Terminate coverage in EBS



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Terminate Coverage | Review

SSN: 554445555
Name: ROLLO LOTHBROK

Employer Group ID: 5320100
Subscriber Type: ACTIVE - REGULAR -FT

Please check the coverage options to terminate

	Coverage	Status	Description	Effective Date
✓	Health/State Life/LTD	Active	SAVINGS PLAN - Enrollee	03- 01- 2017
	Tobacco	Terminated		03- 01- 2017
✓	Dental	Active	Enrollee	03- 01- 2017
	Dental Plus	Terminated		03- 01- 2017
	Vision	Terminated		03- 01- 2017
	Dependent Life Child	Terminated		03- 01- 2017
	Dependent Life Spouse	Terminated	Age Grp: . Cov. Level:	03- 01- 2017
✓	Optional Life - Primary	Active	Age Grp: 35 - 39. Cov Level: 100000	03- 01- 2017
✓	Supplement LTD	Active	Age Grp: 31 - 40 Option: 90	03- 01- 2017

Reason for Termination: Left Employment

Last Day Worked: 05 - 05 - 2017 (mm-dd-yyyy)

Note: Effective Date of Termination will be calculated.

Next

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Account Name: EBS ADMIN | Log Out HGIUAT
Group ID: F500000 - F500000

Cancel
Apply

Terminate Coverage | Review

SSN: 554445555
Name: ROLLO LOTHBROK

Employer Group ID: 5320100
Subscriber Type: ACTIVE - REGULAR -FT

Termination Changes

Type of Coverage	Status Change From ➡ To	Effective Date Change
Health	Active ➡ Terminated	03-01-2017 ➡ 06-01-2017
Dental	Active ➡ Terminated	03-01-2017 ➡ 06-01-2017
Optional Life	Active ➡ Terminated	03-01-2017 ➡ 06-01-2017
Supplement LTD	Active ➡ Terminated	03-01-2017 ➡ 06-01-2017

Reason for Termination: **Left Employment**

Certification:
By submitting this transaction I attest that the termination reason is accurate to the best of my knowledge. The employee has been offered either COBRA, disability or service retirement information, and/or any other pertinent information regarding continuation or conversion of coverage according to his/her reason for termination. Furthermore, this employee and all internal departments have been notified that the insurance coverage(s) has been terminated. The employee has been advised that claims will not be honored after the effective date of termination.

☐ Notification of the termination has been sent to the Flexible Benefits Administrator if the employee was a Medical Spending Account participant.

Check one or more for appropriate options offered to the employee:

☐ COBRA
☐ Retiree
☐ Conversion
☐ Portability

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south carolina peba — state health plan | retirement systems

EBS Insurance Benefits

Home

MANAGE SUBSCRIBERS
Inquiry
Manage

MANAGE GROUPS
Refunds
Enroll. Reports
Acct. Reports
Balance
Contacts
SLTD Salary Entry

BA RESOURCES
PEBA Ins. Home
Download Forms
Carrier Links

Account Name: EBS ADMIN | Log Out HGIUAT
Group ID: F500000 - F500000

Manage Subscriber

Coverage Termination Successful for SSN: 554445555 - Reprint SOT

Enroll
SSN
Group F500000 Continue
Enrollment is used for adding new subscribers to your group.

Change
SSN Continue
Use **Change** to modify current subscribers within your group.

Terminate
SSN Continue
Terminate allows you to drop coverage for a subscriber.

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PEBA Insurance Benefits
Summary of Termination

Terminate Changes

Type of Coverage	Status Change	Effective Date Change
Health	Active to Terminated	08-01-1999 to 04-01-2019
Dental	Active to Terminated	01-01-2002 to 04-01-2019
Vision Care	Active to Terminated	01-01-2014 to 04-01-2019
Dependent Life Child	Active to Terminated	01-01-2001 to 04-01-2019
Optional Life	Active to Terminated	01-01-2016 to 04-01-2019
Supplement LTD	Active to Terminated	01-01-2019 to 04-01-2019
Pretax Premium	Active to Terminated	01-01-2018 to 04-01-2019

Reason for Termination

Left Employment
Last Day Worked : 03-06-2019

Certification

By submitting this transaction I attest that the termination reason is accurate to the best of my knowledge. The employee has been offered either COBRA, disability or service retirement information, and/or any other pertinent information regarding continuation or conversion of coverage according to his/her reason for termination. Furthermore, this employee and all internal departments have been notified that the insurance coverage(s) has been terminated. The employee has been advised that claims will not be honored after the effective date of termination.

Options offered to the employee:

- ☑ COBRA
- ☐ Retiree
- ☐ Conversion
- ☐ Portability

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Terminate coverage

- Send COBRA notification, available at www.peba.sc.gov/iforms.html.
- Service and disability retirements.
  - Provide employee with retiree insurance forms.
  - MetLife will mail continuation and/or conversion forms directly to retiree.
- Terminations.
  - MetLife will mail a conversion form directly to employee.
- Death.
  - Provide survivor with enrollment forms.
-

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Terminate coverage

- If you do not submit the termination in EBS, submit the *Active Termination Form* to PEBA.
  - Resigned or terminated from employment (T5).
  - Service retirement (T7).
  - Disability retirement (T2).
  - Death (T1).

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Summary

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Retirement, disability and death summary

- Only PEBA can determine retiree insurance eligibility.
- Insurance benefit options in retirement.
- Retiree insurance enrollment is not automatic.
- Disability benefit options.
- Death benefits.
- Survivor coverage.
- Terminate coverage in EBS.

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Get social with PEBA

SCPEBA

PEBATV

SCPEBA

SCPEBA

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Disclaimer

This presentation does not constitute a comprehensive or binding representation regarding the employee benefits offered by the South Carolina Public Employee Benefit Authority (PEBA). The terms and conditions of the retirement and insurance benefit plans offered by PEBA are set out in the applicable statutes and plan documents and are subject to change. Please contact PEBA for the most current information. The language used in this presentation does not create any contractual rights or entitlements for any person.

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