

**EMPLOYEE ENROLLMENT and EFFECTIVE DATE OF COVERAGE**

**EMPLOYEE ENROLLMENT**

A newly eligible Employee who enrolls for employee-only medical coverage when he first becomes eligible is automatically enrolled for Basic GTL coverage, and he may also enroll for Voluntary GTL, Dependent Voluntary GTL and/or Voluntary Spouse GTL insurance according to the benefit requirements. Amounts of coverage that are guarantee issue are set forth in the Schedule of Benefits and will become effective as follows:

<b>Day of Enrollment</b>	<b>Insurance effective date if Employer supplements the benefits waiting period<sup>(1)</sup></b>	<b>Insurance effective date if Employer does not supplement the benefits waiting period<sup>(1)</sup></b>
On or before the Employee's first day at work, provided the Employee submits an application and requests payroll deduction of the applicable premium for Contributory coverages, if any	Basic GTL – the date the Employee becomes eligible. VGTL – the date the Employee becomes eligible. <sup>(2)</sup> Dependent GTL – the date the Employee becomes eligible. VSGTL – the date the Employee becomes eligible. <sup>(3)</sup>	Basic GTL – the first of the month following the end of the required waiting period. VGTL – the date the Employee becomes eligible. <sup>(2)</sup> Dependent GTL – the date the Employee becomes eligible. VSGTL – the date the Employee becomes eligible. <sup>(3)</sup>
Provided the Employee's application and request for payroll deduction of the applicable premium for Contributory coverages, if any, are received in the institution HR/Benefits Office within 31 days of the Employee's first day at work.	Basic GTL – the date the Employee becomes eligible. VGTL – the first of the month following the date the enrollment form is received. Dependent VGTL – the first of the month following the date the enrollment form is received. VSGTL – the first of the month following the date the enrollment form is received.	Basic GTL – the first of the month following the end of the required waiting period. VGTL – the first of the month following the date the enrollment form is received. Dependent VGTL – the first of the month following the date the enrollment form is received. VSGTL – the first of the month following the date the enrollment form is received.
After 31 or more days of the Employee's first day at work	Basic GTL – the date the Employee becomes eligible. VGTL – must wait to enroll at the next annual enrollment or in conjunction with a qualified Change in Status. Dependent VGTL – must wait to enroll at the next annual enrollment or in conjunction with a qualified Change in Status. VSGTL – must wait to enroll at the next annual enrollment or in conjunction with a qualified Change in Status.	Basic GTL – the date the Employee becomes eligible. VGTL – must wait to enroll at the next annual enrollment or in conjunction with a qualified Change in Status. Dependent VGTL – must wait to enroll at the next annual enrollment or in conjunction with a qualified Change in Status. VSGTL – must wait to enroll at the next annual enrollment or in conjunction with a qualified Change in Status.
<sup>(1)</sup>	Insurance effective date is reliant upon the Employee having met the Active Service definition of this Policy.	
<sup>(2)</sup>	Satisfactory Evidence of Insurability will be required on applications for Voluntary GTL in excess of the guarantee issue amount.	
<sup>(3)</sup>	Employee must have Employee Voluntary GTL of at least 1 times Annual Compensation and Dependent Voluntary GTL coverage to purchase the Voluntary Spouse GTL benefit.	

If an Employee does not enroll for himself within the first 31 days he is eligible or if he waives all or a portion of his Noncontributory coverage and chooses to enroll at a later date, the Employee is considered a late applicant. Late applicants must furnish Evidence of Insurability.

For plan year(s) beginning on and occurring after September 1, 2010, if an Employee does not enroll for his dependents within the first 31 days he is eligible and chooses to enroll at a later date, the Employee is considered a late applicant and must furnish Evidence of Insurability for each eligible Dependent.

### **RETIRED EMPLOYEE ENROLLMENT**

If there is no break in service between active employment and the effective date of retirement, newly Retired Employees are eligible for the following Basic GTL and Voluntary GTL coverages:

1. Basic GTL in an amount set forth on the Schedule of Benefits, and the state premium sharing is available to pay the Retired Employee's premium for the Basic GTL;
2. Voluntary GTL in amounts set forth on the Schedule of Benefits, and all Voluntary GTL coverage is Contributory; and
3. Voluntary Spouse GTL in an amount set forth on the Schedule of Benefits, and all Voluntary Spouse GTL coverage is Contributory.

If there is a break in service between active employment and the effective date of retirement,

1. Premium sharing is not available for payment of the Retired Employee's Basic GTL until the first day of the calendar month that begins after the 90<sup>th</sup> day after the effective date of retirement; and
2. Evidence of Insurability will be required for amounts of Voluntary GTL and Voluntary Spouse GTL elected, and Voluntary GTL and Voluntary Spouse GTL coverage will become effective according to the Change in Coverage provision below.

### **DEFERRED EFFECTIVE DATE**

An Employee must be in Active Service on the date his initial coverage or any increases in coverage are scheduled to begin. If he is not in Active Service on the date coverage would otherwise become effective; and his absence is caused by an injury, illness or layoff, the effective date of any initial coverage or increased coverage will be deferred until the first day he returns to Active Service. An Employee will be considered in Active Service if he was actually at work on the day immediately preceding:

1. a weekend (except for one or both of these days if they are scheduled work days);
2. a holiday (except when such holiday is a scheduled work day);
3. a paid vacation;
4. any nonscheduled work day.

An Employee will be considered in Active Service if he is insured under the Prior Plan and is on an Employer approved leave of absence on the date immediately preceding the Policy Effective Date.

### **CHANGE IN STATUS**

If an Employee experiences a qualified Change in Status, he may add or drop Voluntary GTL amounts, provided the benefit change is consistent with the Change in Status. He must submit the appropriate enrollment form(s) to his institution HR/Benefits Office within 31 days of the Change in Status. He may enroll in Voluntary GTL or he may enroll a new spouse or dependent child in Voluntary Spouse GTL or Dependent Voluntary GTL. We will require Evidence of Insurability for any additional Voluntary GTL coverage elected due to a Change in Status.

## CHANGE IN COVERAGE

Employees may increase or enroll in Voluntary GTL benefits in accordance with the Change in Status provision or during an annual enrollment period. Evidence of Insurability will be required for the following coverage changes:

1. for the plan year(s) beginning on and occurring after September 1, 2010, for any Employee enrolling in, or increasing Voluntary GTL if he is not a new Employee;
2. when enrolling in or increasing Voluntary GTL for the Employee and/or spouse following a qualified Change in Status event;
3. for new benefits-eligible Employees electing Voluntary GTL of greater than 3 times Annual Compensation;
4. for Voluntary Spouse GTL benefits of \$15,000 or \$40,000 (in addition to the \$10,000 Dependent GTL benefit);
5. for Retired Employees requesting to increase coverage;
6. for individuals returning to the System following a break from Active Service to obtain retirement status, on amounts of Voluntary GTL (in excess of the guarantee issue Basic GTL); or
7. for Spouses of Retired Employees enrolling in Voluntary Spouse GTL, unless the Spouse was enrolled for Voluntary Spouse GTL on the last day the Employee was an active Employee on or after September 1, 2010.

For Employees on Active Status, changes in coverage become effective on the first of the month that falls on or after the date we receive the Employee's enrollment form for any guarantee issue amounts or the first of the month that falls on or after the date we approve Employee's Evidence of Insurability for coverage with such a requirement. Employees must be in Active Service on the day any increased coverage becomes effective, regardless of the reason for the increase. Changes made by an Employee who is not in Active Service do not become effective until the later of the date the Employee goes onto Active Service or, for guaranteed issue coverage, the first day of the month that falls on or after the date we receive the Employee's enrollment form, or, for coverage requiring Evidence of Insurability, the date FDL approves such evidence of insurability.

If an Insured is eligible under one class of Eligible Employees and later becomes eligible under a different class of Eligible Employees, any change in insurance due to the class change will be effective on the first of the month following the change in class.