By law, employees in KPERS-covered positions become active members on their hire date. Active members contribute part of their salary to the Retirement System until they leave covered employment. At retirement, members will receive a lifetime monthly benefit.

Active members also receive several other important benefits while they are still working.

Basic Group Life Insurance

What is it?
Basic Group Life Insurance provides insured death benefits for active KPERS members.

Who is covered?
Basic Group Life covers all employees working in KPERS-covered positions and all employees participating in the Retirement System for Judges and the Board of Regents Retirement Plan, as well as legislators and State officers not in KPERS.

Standard Insurance Company (The Standard) administers KPERS life insurance benefit.

Note: Contact The Standard for printed copies of the Certificate of Coverage booklets for new employees.

The Standard Local Office

E-mail: kpersadmin@standard.com
Toll-Free: 1-844-289-2306
Fax: 971-321-5033

What is the insured amount?
150% of the higher of:

- A member’s current annual rate of compensation, which is the member’s hourly wage times the number of hours the position requires or
- The member’s previous 12-month salary

Who pays the premium?
The entire cost of Basic Group Life Insurance is paid by the employer.

Military service and other leaves of absence
Basic Group Life Insurance continues while an employee is on active duty, at no cost to the employee. See Leaving KPERS-Covered Employment section of the Employer Manual for processing military and other leaves of absence.
Optional Group Life Insurance (OGLI)

OGLI provides additional protection for employees beyond the basic life insurance. Employers affiliate for this benefit separately from other KPERS benefits. Not all employers participate. See affiliation and related dates, below. See the OGLI Section of the Employer Manual for details.

How much coverage can an employee apply for?

An employee can apply for as little as $5,000 and as much as $300,000.

When can a member enroll in optional group life insurance?

- Within 30 days of the employee’s hire date, he or she may choose up to $50,000 of Optional Term Life Insurance coverage without answering any health questions.
- If the employee would like over $50,000 of coverage, he or she will need to provide proof of good health.
- An employee can apply anytime with proof of good health.

Who pays the premium?

The entire cost of OGLI coverage is paid by the employee through payroll deduction.

When does coverage become effective?

- $50,000: the date the member applies.
- Over $50,000: the date the member is approved. KPERS will send a letter.
- If, due to sickness or injury, the member is not actively at work on the effective date, coverage becomes effective the first day following the date the member returns to work.

Good to know: Employees can start, reduce or cancel their coverage anytime.

Continuation of Life Insurance

After ending employment, an employee may continue life insurance coverage by:

- Converting his or her coverage (conversion form).
- Porting his or her coverage (portability form).

Kansas law requires that employees be given at least 15 days notice before the policy expires, including ending employment, disability, leave of absences and moving to a non-covered position.
Active Member Benefits

See the Leaving KPERS-Covered Employment section of the online Employer Manual for details and how these affect life insurance coverage.

Conversion rights

If notice is not given in that time period, employees have until 15 days after given notice, or 60 days after the conversion period in which the policy expires, whichever occurs first, to convert their coverage.

Active Member Death Benefit

What is it?
The Active Member Death Benefit provides payments to an active member’s beneficiary after his or her death.

What does the beneficiary receive?
The beneficiary will receive a lump-sum insurance payment and the member’s contributions and interest.

Surviving spouse benefit option

For this option, the member’s spouse must be listed as the only primary beneficiary. Instead of receiving the member’s contributions and interest in a lump sum, the spouse may choose a lifetime monthly benefit instead.

- If the member is eligible to retire at time of death, the spouse begins receiving a monthly benefit immediately.
- If the member was not eligible to retire at time of death, but had at least 10 years of service credit, the spouse will begin receiving a monthly benefit at the earliest time the member would have been eligible (even if the monthly benefit is a reduced benefit for “early” retirement.)

On-the-Job Accidental Death Benefits

These benefits are in addition to the Basic Group Life Insurance, any OGLI and returned contributions and interest.

- $50,000 lump-sum payment
- The surviving spouse will receive a lifetime annual benefit equal to the greater of:
  - 50% of the members’ final average salary.
  - What the member would have been paid had he or she elected the 100% joint-survivor option.
- The monthly benefit will be offset by any Workers’ Compensation. The minimum monthly benefit after offset will be $100.
- The death benefits are service-connected and will be non-taxable.
Benefits are paid in this order of preference:

- Spouse
- If no spouse, children up to age 18, or 23, if a full-time student
- If no children, dependent parents
- No benefits payable if no children or dependent parents

### KP&F Service-Connected Death Benefit

See KP&F changes that started July 1, 2017, and are retroactive to July 1, 2016, in the KP&F Employers Manual on page 16.

*Includes KPERS members serving as police officers and firefighters.*

### Accelerated Death Benefit (for terminally ill members)

**What is it?**

Optional and Basic Group Life Insurance coverage provides payments to employees diagnosed as terminally ill with a life expectancy of 24 months or less.

- The employee may be able to receive up to 100% of his or her life insurance, instead of having the death benefit paid to a beneficiary.
- The employee can choose to accelerate all or part of the benefit.
- Any remaining coverage stays in effect as long as employee is a Retirement System member and pays the associated premiums with Optional Group Life Insurance.
- The remaining death benefit will be paid to the employee's beneficiary.

Please have employees contact KPERS if they wish to apply for the accelerated death benefit.
If an active member dies, complete a Employer’s Report of Death (KPERS-61)

**Part A (instructions also on form)**

1. Check the box that indicates which Retirement System the employee is a member of.
2. Enter the employee's Social Security number.
3. Enter the employee's name.
4. Enter the employee's mailing address.
5. Enter the employee's date of birth.
6. Enter the employee's date of death.
7. Enter the employee's last day physically at work.
8. Enter the employee's last day on payroll (the last day compensated for work performed). **The last day on payroll cannot be later than the date of death.**
9. If there's a break between the last day at work and the last day on payroll, explain.
10. If the death was the result of an accident arising out of, and in the course of, the employee's actual performance of duty with the employer; briefly describe what the employee was doing and how the accident happened. The incident must have been independent of all other causes and not as the result of a willfully negligent or intentional act of the employee.

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- Optional Group Life Insurance
- Continuation of Life Insurance
- Active Member Death Benefit
- On-the-Job Accidental Death Benefits
- Accelerated Death Benefit
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  - Eligible employees
  - Military service
  - Disability definition
  - KPERS-60 form
  - Social Security
  - KPERS claim denial and appeal process
  - Waiting period
  - Calculating member's last day for KPERS contributions
  - Disability benefit amount
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  - Rehabilitative employment
  - Maximum benefit period
  - When disability benefits end

**EWP How-To**

Submit End Date and Reason Code
Part B

1. Enter the employee’s position.
2. Check the box that indicates whether employee was paid hourly or by contract.
3a. If hourly, enter the hourly rate and hours required for the position. Multiply the two lines to get the current annual rate of pay.
3b. If contract, enter the contract amount and contract end date.

For School Employees Only

4. Check the box that indicates whether the employee worked on a nine-, 10- or 12-month schedule.
5. Check the box that indicates whether the employee was or would have been paid in nine, 10 or 12 monthly installments for the current school year.
6. Check the box that indicates whether the employee was paid in nine, 10 or 12 monthly installments in the previous school year.
7. Check the box that indicates whether the employee received all money due within one pay period of the last day on payroll.

Part C

1. Enter your employer name.
2. Enter your KPERS employer ID number.

Sign and Date

The Retirement System will accept only the designated agent’s signature on file or an additional signer whose signature is also on file.
KPERS Disability

KPERS' long-term disability plan provides financial protection by replacing part of the member’s income if he or she is disabled by injury or sickness for a long time.

Eligible employees

- Active members of KPERS
- Employees of an educational institution under the Kansas Board of Regents (K.S.A. 74-4927(a))
- Eligible employees of the University of Kansas Hospital Authority
- Elected officials of the Legislature and unclassified employees on their staff
- State officers in the state's Deferred Compensation Plan and unclassified employees on their staff

Military service

- There is no disability coverage during military leave.
- Refer to Leaving KPERS-Covered Employment section of the Employers Manual.

Disability definition

The member is disabled when, on the date of disability, he or she meets the following definition of total disability:

- **Own occupation period** – For the first 24 months for which benefits are paid, the member is unable to perform the material and substantial duties (duties that are normally required to perform the member's regular occupation and cannot be reasonably omitted or modified) of his or her regular occupation due to sickness or injury.

- **Any occupation period** – After benefits have been paid for 24 months, the member is unable to perform the material and substantial duties of any gainful occupation due to sickness or injury.
Active member will contact you to start the disability application process. Complete an Employer’s Report of Disability and submit to KPERS. (KPERS-60)

Part A (instructions also on form)

1. Check the box of the Retirement System in which the employee has a membership.
2-7. Enter employees personal information
8. Enter the employee’s last day physically at work.
9. Enter the employee’s last day on payroll. If the employee is still on the payroll using sick leave and/or vacation leave, please put “still on payroll.”

Part B

1. Enter employee’s position.
2. Check the box indicating whether the employee is paid hourly or by contract.
3a. If an hourly position, enter the hourly rate and annual hours for that position. Multiply first two lines to get the current annual rate of pay.
3b. If a contract employee, enter the contract amount and contract end date.

School Employees Only

4. Check the box that indicates whether the disabling event (e.g. accident, illness onset, etc.) happened during summer break. If yes, fill in the event date.
5-8. Check the box indicating what annual period the employee works (#5), how often he’s paid (#6), how often he was paid in the previous year (#7), and whether he received all the money due within one pay period of the last day on payroll (#8).
Part C

1. Check the box that indicates whether workers' compensation has been filed on behalf of the employee.
2. Check the box that indicates whether the employee has other employment.
3. Check the box that indicates whether the employee is covered by any other employer-sponsored disability benefits.
4. If yes to #1 or #3, enter the benefit provider and phone number.

Part D

1. Enter the name of the employer.
2. Enter the employer's 4-digit KPERS ID number.
3. Enter the employer's email address.
4. Enter the employer's phone number.

The Retirement System will accept only the designated agent's signature on file or additional signers.

Social Security

- Members applying for KPERS disability also must apply for Social Security disability and complete any appeals process.
- If the member is denied by Social Security, this does not automatically mean that the member will be denied KPERS disability.
- If approved for KPERS disability and Social Security disability, KPERS will offset the member's KPERS disability benefit by any (disability or normal Social Security) the member receives.
- The member will receive at least $100 a month from KPERS. The minimum monthly benefit is $100.

KPERS claim denial and appeal process

If the member's claim is denied, KPERS will send member written notice with an explanation. The member may request an administrative hearing to appeal the denial.
Waiting period

For approved claims, benefits will begin the later of:

- The date the member completes 180 continuous days of total disability or,
- The date the member ceases to draw compensation from his or her employer.

No benefits are paid during the 180-day waiting period, and the member must be under the care of a physician. If a member attempts to work for up to 30 days during the waiting period and again becomes totally disabled from the same cause, the waiting period will be extended by the number of days worked.

Calculating member’s last day for KPERS contributions

As long as the member is receiving at least 50% of full pay, based on his or her KPERS-covered position, the member is considered on the payroll for KPERS purposes.

Full pay is based on the following:

- Regular pay
- Accumulated sick leave pay
- Accumulated vacation pay
- Any combination of the above

Once the member is no longer earning at least 50% of full pay based on his or her KPERS position, go to the EWP and enter the employee's end date. Use “leave of absence” as the reason code. EWP How To: Submit End Date and Reason Code

The member may continue to receive Workers’ Compensation pay or small accumulated payments for sick leave and annual leave. However, do not deduct KPERS contributions. The member has essentially moved to a non-covered position.

Example 1:
An employee is injured and begins using sick/annual leave to pay 66% of his salary.
> Report contributions from the salary and leave the employee on the payroll.

Example 2:
An employee is injured and begins receiving Workers’ Compensation, which pays 66% of the employee’s salary. The employee uses sick/annual leave to pay 34% of his salary. The employee is off more than ten consecutive days.
> Stop KPERS contributions and place the employee on a leave of absence.

Example 3:
An employee is injured and begins receiving Workers’ Compensation, which pays 66% of the employee’s salary. The employee has no accumulated sick/annual leave.
> Stop KPERS contributions and place the employee on a leave of absence if the employee is off more than ten consecutive days, even though the employee continues to earn leave.
Example 4:
An employee becomes ill and has no accumulated sick/annual leave. The employee begins receiving 70% of full pay from the employer’s sick-leave program. 
> Deduct contributions from the salary and leave the employee on the payroll for KPERS purposes.

Example 5:
An employee becomes ill and is not at work. Employee has no accumulated sick/annual leave and there is no employer sick-leave program. The employer pays employee 70% of full pay.

> Stop KPERS contributions and place the employee on a leave of absence if the employee is off more than ten consecutive days.

Keep in mind: Regular KPERS employees do not earn service credit while on unpaid leave of absence for medical reasons or while on Workers’ Compensation. KP&F and KPERS members working as police officers and firefighters can earn service credit on paid leave. It is very important to have the employee apply for KPERS disability benefits if it looks like he or she will be absent more than three months. For the first 24 months, employees must be totally disabled only from their own occupation. If approved for disability, employees will receive service credit beginning from the first day on the payroll.

Disability benefit amount
Once a member completes the waiting period, our long-term disability administrator, DMS (Disability Management Services, Inc.), will pay a monthly benefit as long as the member continues to be approved for disability benefits. The benefit amount will be:

- 60% of the member’s current annual rate of compensation on the date the disability began.
- Paid in equal monthly payments.
- Reduced by any deductible income the member receives:
  - Social Security primary disability or retirement benefits.
  - Workers’ compensation benefits.
  - Railroad Retirement Board disability or retirement benefits.
  - Other disability benefits from any other sources by reason of employment.
  - Earnings from any source of employment.
  - Earnings from eligible rehabilitative employment.
- Minimum benefit amount is $100.
- Maximum benefit amount is $5,000.
Other features of the disability program

If approved for disability, the following applies:

• The member will continue to receive service credit.
• If the member has been disabled more than five years, final average salary is adjusted with a cost-of-living formula to calculate retirement benefits.
• The member will continue to have Basic Group Life Insurance coverage at no cost to the member.

Member may continue Optional Group Life Insurance coverage by continuing to make premium payments at the same rates paid during active employment. Member must complete and submit the Optional Group Life Insurance Continuation form (KPERS 79-C). The member will make premium payments directly to Standard Insurance Company.

Rehabilitative employment

Following a period of total disability, a member may continue to qualify for disability benefits while engaging in rehabilitative employment.

DMS will:

• Review the member’s records to determine if vocational or rehabilitative services might help the member return to gainful employment.
• Work with the member to develop a plan that best meets the member’s needs.
• Work with the member’s physicians and other medical practitioners and vocational experts.

Once it’s determined that the member is a suitable candidate for rehabilitative services, participation is mandatory.

The rehabilitative plan includes:

• Coordination with the member’s employer to assist him or her to return to work.
• Evaluation of adaptive equipment to allow the member to work.
• Vocational evaluation to determine how the member’s disability may impact the member’s employment options.
• Job placement services.
• Resume preparation and interview skills training.
• Job seeking skills training.
• Training for a new occupation.
• Assistance with relocation that may be part of an approved rehabilitation program.

DMS reserves the right to make the final decision regarding the member’s eligibility to take part in a rehabilitative plan.

If the member does not participate in a rehabilitative plan without good cause, disability benefits will end.
Rehabilitative employment benefits
During a period of approved rehabilitative employment, the member’s monthly benefit will be reduced by employment earnings as follows:

<table>
<thead>
<tr>
<th>Period of Rehabilitative Employment</th>
<th>Reduction of Member’s Disability Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Months 1-12</td>
<td>↓ 50%</td>
</tr>
<tr>
<td>Months 13-24</td>
<td>↓ 75%</td>
</tr>
</tbody>
</table>

The maximum benefit period for rehabilitative employment is 24 months.

Maximum benefit period
Disability payments are paid monthly for as long as the member qualifies for benefits, but not to exceed the maximum benefit period.

<table>
<thead>
<tr>
<th>Disability Begins</th>
<th>Member’s Maximum Benefit Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before age 60</td>
<td>Until 65th birthday or until retirement, whichever is first</td>
</tr>
<tr>
<td>At 60 or after</td>
<td>For five years or until retirement, whichever is shorter</td>
</tr>
</tbody>
</table>

In no event will benefits be paid:
• During the 180-day waiting period.
• While the member is on the employer’s payroll.
• If the member withdraws contributions from KPERS.

When disability benefits end
Benefit payments end if the member:
• Is no longer disabled as defined in this plan.
• Reaches the end of the maximum benefit period.
• Fails to provide proof of continuing disability.
• Withdraws contributions from KPERS.
• Refuses to complete his or her responsibilities under a company-approved rehabilita-
   tion plan without good cause.
• Is not working to his or her capacity if participating in rehabilitative employment.
• Retires.