



NOTICE 3

IMPORTANT INFORMATION ABOUT YOUR
**2020 BENEFITS
OPEN ENROLLMENT**

Disability and Group Universal Life Plan Changes, New Term Life Plan

The 2020 Benefits Open Enrollment will begin on Wednesday July 15, 2020 at 8 a.m. and end at 5 p.m. on Friday August 21, 2020. Elections made during Open Enrollment will be effective September 1, 2020 unless underwriting is required. This Open Enrollment communication contains information about Disability plan changes and your options to change from MetLife Group Universal Life coverage to MetLife Group Term Life coverage. Please visit the [2020 Benefits Open Enrollment](#) page on the Employee Benefits Center to view prior communications.

DISABILITY

Disability coverage is intended to replace a portion of an employee’s income if the employee is unable to work due to an accident or illness. The new disability benefit through American Fidelity Assurance Company (AFA) will offer employees multiple coverage options to meet a variety of needs. The format is easier to understand, and premiums are lower than the current disability benefit through Standard.

Key Features of the AFA Disability Plan

- The plan is a long term disability plan. Benefits are payable through Social Security Normal Retirement Age (SSNRA) for both accident and sickness.
- Elimination periods are 7 days, 14 days, 30 days, 60 days or 90 days. An elimination period is how many calendar days you wait before benefits are payable.
- If an employee is confined as a patient in a hospital, the elimination period can be waived making benefits payable beginning day 1. This applies only to 7-day, 14-day and 30-day elimination periods.
- Benefit amounts equal to 35%, 50% or 66-2/3% of normal monthly earnings can be chosen.
- This plan has pre-existing condition limitations. Pre-existing condition limitations will not apply to elections made by current Standard disability plan participants during the 2020 Benefits Open Enrollment.
- Participants will have the option every Open Enrollment to increase to the 66-2/3% benefit level without health evidence. Pre-existing condition limitations would apply.
- Benefits paid are in addition to any district paid leave and are paid directly to the employee to use as they choose.
- Offers electronic claims filing either online or through an app.

Rates are on page 4 of this document. Find plan details on the [Employee Benefits Center](#).

Enrollment Options for Current Participants

Employees who currently have disability plan coverage:

- Can choose any elimination period and benefit amount offered by American Fidelity.
- Pre-existing condition limitations will not apply to AFA elections made by current Standard disability plan participants during the 2020 Benefits Open Enrollment.

- A current participant can choose to keep the benefit level they have with Standard instead of choosing an AFA benefit percentage. If during enrollment an employee elects to keep their current benefit level they will be enrolled in an AFA plan with their current Standard benefit level and an equivalent AFA elimination period. *For example:* An employee has a Standard plan with a 0-day waiting period for accident, a 3-day waiting period for illness and a \$300 benefit amount. The \$300 benefit amount represents 10% of their normal monthly salary. If the employee chooses to keep their \$300 benefit amount they would be enrolled in an AFA disability plan with a \$300 benefit and a 7-day elimination period (waiting period).
- If a current participant takes no action during Open Enrollment the employee's Standard disability plan will be rolled to an equivalent American Fidelity disability plan. *For example:* An employee with a Standard plan having a 0/3-day waiting period and the benefit equivalent of 40% of monthly income would roll to an AFA plan with a 7-day waiting period and a 35% benefit amount.

Enrollment Options for New Enrollees

Employees who are enrolling in disability coverage for the 2020-21 plan year who did not have coverage for the 2019-2020 plan year:

- Can choose any elimination period and benefit amount offered by American Fidelity.
- Pre-existing condition limitations will apply to new enrollees.

FAQ's

Does the American Fidelity plan have pre-existing condition limitations?

Yes, the AFA plan does have pre-existing condition limitations for the first twelve months of coverage (waived for current Standard disability plan participants who choose an AFA plan during the 2020 Benefits Open Enrollment). The AFA plan will look at conditions treated during the 90 days prior to the effective date of coverage to determine if a condition is pre-existing. The Standard plan looked at the 180 days prior to the effective date.

Does the American Fidelity plan have a pre-existing condition waiver during the first twelve months of coverage like Standard?

No, pre-existing condition limitations will apply to the AFA plan EXCEPT for current Standard participants who choose an AFA plan during the 2020 Benefits Open Enrollment.

What if I am in the middle of a disability claim on August 31, 2020?

If you are in the middle of a disability claim on August 31 Standard will continue paying that claim.

METLIFE GROUP UNIVERSAL LIFE AND METLIFE GROUP TERM LIFE

The Group Universal Life (GUL) benefit offered through MetLife will be ending August 31 2020. Employees will be able to enroll in MetLife's Group Term Life benefit to be effective September 1, 2020. This change provides employees with the opportunity to enroll in higher coverage levels with lower rates. GUL coverage will not roll to a Group Term Life policy. Enrollment is required.

Key Features of MetLife Group Term Life Coverage

- Employee Group Term Life coverage:
 - Can elect coverage in \$10,000 increments not to exceed an amount equal to 4X base pay (maximum \$250,000) without health evidence.
 - Can elect coverage in \$10,000 increments over 4X base pay (maximum \$1,000,000) by completing Statement of Health paperwork. Participant will have coverage of \$250,000 pending MetLife approval for amount requiring health evidence.

- Current GUL participants who have coverage amounts over \$250,000 will be able to elect Group Term Life in that same amount, without completing a Statement of Health Form, through the online enrollment process.
- Spouse Group Term Life coverage:
 - Must elect Employee Group Term Life to elect spouse coverage.
 - Employee can choose coverage for spouse in \$10,000 increments up to \$50,000.
- Child Group Term Life coverage:
 - Must elect Employee Group Term Life to elect coverage for children.
 - Employee can choose coverage for children in flat \$5,000 or \$10,000 coverage amounts. One policy covers all eligible dependent children.
- During the 2020 Benefits Open Enrollment all current benefits eligible employees (not just current GUL participants) will be able to elect Employee Group Term Life coverage in \$10,000 increments not to exceed an amount equal to 4X base pay (maximum \$250,000) without health evidence. Enrollment for spouse and child coverage can also be elected without health evidence this Open Enrollment.

Rates are on page 6 of this document. Find more information on the [Employee Benefits Center](#).

FAQ's

What if I have a cash accumulation fund balance in my Group Universal Life account on August 31, 2020?
MetLife will refund any remaining cash funds directly to participants without tax consequences.

Will future retirees be able to continue coverage on a direct pay basis at active rates?

Retirees through August 31, 2020 will be moved from the GUL plan to the Group Term Life plan as a closed grandfathered group. No changes other than decreases will be allowed for the grandfathered group September 1, 2020 and after. Retiree Group Term Life rates for plan year 2020-21 will be 10% higher than Group Term Life active group rates. Employees who retire September 1, 2020 and after will have the option to port or convert their Group Term Life coverage under standard MetLife provisions and rates.

Will enrollment in MetLife Group Term Life require paper applications like MetLife GUL does?

Enrollment in MetLife Group Term Life will be made online through the online enrollment process. If a Statement of Health form is required the form can be printed during the enrollment process, completed, and submitted to the Garland ISD Benefits Department. If the form is required but not received MetLife will contact the enrollee for the form.

American Fidelity (AFA) Disability Plan Rates

*Rates are per \$100 of covered monthly salary.

**Elimination Period is how many calendar days you wait before benefits are payable.

***Maximum disability period is Social Security Normal Retirement Age (SSNRA).

35% of Salary Plans

Plan	Rate*	Elimination Period**		Max Disability Period***	
		Accident	Sickness	Accident	Sickness
Plan 1	\$1.32	7 days	7 days	SSNRA	SSNRA
Plan 2	\$1.12	14 days	14 days	SSNRA	SSNRA
Plan 3	\$0.92	30 days	30 days	SSNRA	SSNRA
Plan 4	\$0.58	60 days	60 days	SSNRA	SSNRA
Plan 5	\$0.42	90 days	90 days	SSNRA	SSNRA

50% of Salary Plans

Plan	Rate*	Elimination Period		Max Disability Period	
		Accident	Sickness	Accident	Sickness
Plan 6	\$1.88	7 days	7 days	SSNRA	SSNRA
Plan 7	\$1.60	14 days	14 days	SSNRA	SSNRA
Plan 8	\$1.32	30 days	30 days	SSNRA	SSNRA
Plan 9	\$0.82	60 days	60 days	SSNRA	SSNRA
Plan 10	\$0.60	90 days	90 days	SSNRA	SSNRA

66 2/3% of Salary Plans

Plan	Rate*	Elimination Period		Max Disability Period	
		Accident	Sickness	Accident	Sickness
Plan 11	\$2.50	7 days	7 days	SSNRA	SSNRA
Plan 12	\$2.12	14 days	14 days	SSNRA	SSNRA
Plan 13	\$1.76	30 days	30 days	SSNRA	SSNRA
Plan 14	\$1.08	60 days	60 days	SSNRA	SSNRA
Plan 15	\$0.80	90 days	90 days	SSNRA	SSNRA

Takeover Plans

(Use these rates if keeping current Standard benefit level instead of electing an AFA % of salary benefit level.)

Plan	Rate*	Elimination Period		Max Disability Period	
		Accident	Sickness	Accident	Sickness
Plan T1	\$3.74	7 days	7 days	SSNRA	SSNRA
Plan T2	\$2.64	14 days	14 days	SSNRA	SSNRA
Plan T3	\$1.62	30 days	30 days	SSNRA	SSNRA
Plan T4	\$1.20	60 days	60 days	SSNRA	SSNRA

Calculate AFA Disability Benefit Amount and Premium

You can follow the steps below to determine your AFA benefit amount and calculate your premium. These calculations will be done for you automatically during the online enrollment process. You can contact an FFGA Benefits Advisor during Open Enrollment if you have questions.

Step 1 – Determine Amount to use for Calculation

Annual Salary divided by 12 = Normal Monthly Salary

Normal Monthly Salary divided by 100 = Amount to use for calculation in Step 3 below

Step 2 – Choose your Benefit Level and Elimination Period to Determine Rate

Take the Normal Monthly Salary you calculated in Step 2 above and decide whether you want 35%, 50% or 66-2/3% of that amount as your benefit level. This is the benefit you would receive per month as payment for a disability claim.

Next decide which elimination period you want: 7 days, 14 days, 30 days, 60 days or 90 days. The elimination period is how many calendar days you wait before benefits are payable.

Locate the rate table for the % of salary that you want and find the rate that corresponds with the elimination period you want. That is the Rate you will use in Step 3 below.

Step 3 – Calculate Monthly Premium

Take the Amount you calculated in Step 1 and multiply it by the Rate you determined in Step 2. The result is your Monthly Premium.

MetLife Group Term Life Rates

*Rates are per \$1,000 of coverage

Employee & Spouse Rates

Age	Non-Smoker Rate*	Smoker Rate*
<30	\$0.060	\$0.080
30-34	\$0.080	\$0.107
35-39	\$0.090	\$0.128
40-44	\$0.135	\$0.197
45-49	\$0.204	\$0.306
50-54	\$0.326	\$0.465
55-59	\$0.506	\$0.710
60-64	\$0.690	\$0.934
65-69	\$1.270	\$1.658
70-74	\$2.060	\$2.653
75-79	\$2.908	\$3.760
80-84	\$4.517	\$5.878
85-89	\$7.068	\$9.292
90+	\$10.347	\$13.798

Child Rate

The rate for child coverage is a flat rate of \$0.135 per \$1,000 of coverage.

\$5,000 in Child Term Life will cost \$0.68 per month.

\$10,000 in Child Term Life will cost \$1.35 per month.

Calculate Monthly Premium for Employee Term Life and Spouse Term Life

You can use the steps below to calculate your monthly premium. The calculations will be done for you automatically in the online enrollment process.

Step 1 – Calculate units of \$1000 coverage

Amount of Coverage divided by 1,000 = # of \$1000 units of coverage

Step 2 – Calculate Premium

Result from Step 1 multiplied by applicable rate from chart = Monthly Premium

EMPLOYEE BENEFITS CENTER (EBC)

FOR BENEFITS PLANS & PREMIUMS, BENEFIT ELECTIONS & VIEW BENEFITS, MID-YEAR CHANGES:

<http://benefits.ffga.com/garlandisd>

GARLAND ISD BENEFITS DEPT:

benefits@garlandisd.net

P: 972-487-3047

FOR FFGA BENEFITS ADVISOR

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