

We work better, when we work together...

January 2016

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MPERS Experience

If you were acquainted with the MPERS staff for the last decade you would have recognized that we have seen a number of long-term individuals retire, subsequent replacements hired, and added a couple of new staff members to manage our responsibilities more effectively. Despite these changes, we still have an average tenure of eight years with the personnel in place today and that only includes MPERS service. If you add in prior pension experience before our time at MPERS, the average becomes nearly 10 years. That amounts to approximately 120 years in MPERS pension experience (160 years including prior service) under our roof. While MPERS may be a fairly young organization, we are hardly a bunch of rookies. This experience supports the quality service reputation we have developed over the years and reinforces confidence in the responsibilities we have to members and employers alike.

Disability Rates

We're pleased to announce that Standard Insurance has agreed to continue our present premium for disability coverage (.53% of insured payroll) through June 30, 2020. The stability of a four-year rate guarantee is an attractive option in an environment that typically is seeing costs on the rise. If you have any questions about our disability program, please feel free to contact us, or visit the [Disability Benefits](#) section of our website.

Insurance Premiums & the Cafeteria Plan

When a member's benefit amount changes for any reason, MPERS sends a letter explaining what has changed, and what the new net amount of the benefit will be going forward. As most of you are aware, every December premium rates change for the medical insurance since it is pre-paid. This year, we have received a large number of calls regarding the medical premium being deducted from the December benefit. The majority of these calls are from members that retired during 2015, and pre-paid the remainder of their 2015 medical premiums through the cafeteria plan. There seems to be a lot of confusion about what premium amount should be deducted on their December benefit for this group. Normally, in December, only a portion of these members' premium is withheld from their benefit – the difference between the current year's rate (2015) and the next year's rate (2016). Then in January, the full amount of the new rate is withheld. If you are not already doing so, when helping the member complete their insurance paperwork at retirement, please make sure and explain to them what to expect regarding their insurance deductions for their December & January benefits during the first year of their retirement.