Date: June 14, 1999

Code: TECHNICAL LETTER
HR/Benefits 99-02

To: Human Resources Directors
Benefits Officers

From: Cathy Robinson, Senior Director
Human Resources Administration

Subject: NEW LONG TERM DISABILITY PREMIUM RATES

Long Term Disability (LTD) insurance premiums are based upon a percentage of covered
salary that requires the per-employee premium rate to be periodically recalculated, based
upon new salary data. The following costs, which remain fully paid by the CSU, are
effective starting with the July 1999 pay period (August 1 warrants):

<table>
<thead>
<tr>
<th>Deduction Code</th>
<th>Prior Monthly Premium</th>
<th>New Monthly Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>250-100 (Management/Executive)</td>
<td>$8.32</td>
<td>$8.75</td>
</tr>
<tr>
<td>250-101 (Unit 3 - Faculty)</td>
<td>$7.47</td>
<td>$7.55</td>
</tr>
<tr>
<td>250-102 (Unit 4 - Academic Professionals)</td>
<td>$3.08</td>
<td>$3.01</td>
</tr>
<tr>
<td>250-103 (Unit 1 - Physicians)</td>
<td>$34.53</td>
<td>$36.01</td>
</tr>
</tbody>
</table>

There is no change in coverage for the above groups at this time. Unit 1 continues to have a
six-month waiting period with a 50% benefit, while the other groups have a six-month
waiting period with a 66 2/3% benefit.

Please call systemwide benefits at (562) 951-4411 if you have any questions.

Distribution:

CSU Presidents
Vice Chancellor, Human Resources
Executive Vice Chancellor/CFO
Payroll Managers
Budget Officers
Employee Relations Designees