Date: November 21, 2011

To: Human Resources Officers
Benefits Representatives

From: Evelyn Nazario
Assistant Vice Chancellor
Human Resources Management

Subject: New Rates Effective January 1, 2012 for CSU-Paid Long-Term Disability (LTD) Insurance

Overview

Audience: Human Resources Officers, Benefits Representatives, and/or campus designee(s) responsible for administering benefits

Action Item: Information Only

Affected Employee Group(s)/Unit(s): All Employees Eligible for CSU-Paid Long-Term Disability (LTD) Insurance

Summary

This technical letter announces new rates that are effective January 1, 2012, for CSU-Paid Long-Term Disability (LTD) Insurance.

Campus designees responsible for benefits administration should read the rest of this technical letter.

CSU-Paid Long-Term Disability (LTD) Insurance

The current contract between the CSU and The Standard for Long-Term Disability (LTD) Insurance is in effect through December 31, 2012. LTD insurance rates are based upon a percentage of covered salary and are paid in arrears (e.g., December pay period deduction pays for December). The new LTD insurance rates are effective January 1, 2012, and will remain fully paid by CSU for all eligible employee groups as listed below:

<table>
<thead>
<tr>
<th>Deduction Code</th>
<th>Employee Category</th>
<th>2011 Rates</th>
<th>2012 Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>250-100</td>
<td>M80, MPP (Management)</td>
<td>$5.33</td>
<td>$5.31</td>
</tr>
<tr>
<td>250-104</td>
<td>M98 (Executives)</td>
<td>$12.51</td>
<td>$12.51</td>
</tr>
<tr>
<td>250-103</td>
<td>Unit 1 (Physicians)</td>
<td>$49.44</td>
<td>$50.07</td>
</tr>
<tr>
<td>250-101</td>
<td>Unit 3 (Faculty)</td>
<td>$4.22</td>
<td>$3.84</td>
</tr>
<tr>
<td>250-102</td>
<td>Unit 4 (Academic Professionals)</td>
<td>$1.70</td>
<td>$1.67</td>
</tr>
</tbody>
</table>

The State Controller’s Office (SCO) will make the necessary adjustments to its tables. There is no change to the benefit coverage.

Distribution:

CSU Presidents
Vice Chancellor, Human Resources
Vice Presidents, Administration

Payroll Managers
State Controller's Office
Common Management Systems (CMS) Processing Instructions

The LTD rate changes described in this Technical Letter will be included in CMS Baseline, and campuses will be notified in a separate CMS communication.

General Information

Questions regarding this Technical Letter may be directed to Human Resources Management at (562) 951-4411. This Technical Letter is also available on the Human Resources Management Web site at: http://www.calstate.edu/HRAdm/memos.shtml.

EN/mh