THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
400 Golden Shore
Long Beach, California 90802-4275
(562) 985-2669

Date: April 2, 1997

To: Personnel Officers
Benefits Officers

From: Cathy Robinson, Senior Director
Human Resources Administration

Subject: NEW LONG TERM DISABILITY PREMIUM RATES

Because Long Term Disability insurance premiums are based upon a percentage of covered salary, the per-employee premium rate must be periodically recalculated, based upon new salary data. The following costs, which remain fully paid by the CSU, are effective starting with the April pay period (May 1st warrants):

<table>
<thead>
<tr>
<th>Deduction Code</th>
<th>Prior Monthly Premium</th>
<th>New Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>250-100 (Management/Executive)</td>
<td>$7.74</td>
<td>$7.93</td>
</tr>
<tr>
<td>250-101 (Unit 3)</td>
<td>$6.97</td>
<td>$7.25</td>
</tr>
<tr>
<td>250-102 (Unit 4)</td>
<td>$2.76</td>
<td>$2.94</td>
</tr>
<tr>
<td>250-103 (Unit 1)</td>
<td>$27.32</td>
<td>$30.37</td>
</tr>
</tbody>
</table>

There is no change to the coverage at this time, but as you are aware, Unit 1 currently has a one-year waiting period with a 50% benefit, while the other groups have a six-month waiting period with a 66 2/3% benefit.

If you have any questions, please call systemwide benefits at (310) 985-2669.

CR/pb

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