

**Title 27: Personnel**

**Part 210: PERS, Regulations for Retirement Plans Administered by the Board of Trustees**

**Chapter 52: Payroll Deduction of Retiree Group Life and Health Insurance**

**100 Purpose**

The purpose of this regulation is to define the circumstances under which PERS is authorized to deduct group life and health insurance premiums from the retirement allowances of retirees.

**101 Payroll Deduction**

1. Any retired member or beneficiary receiving a retirement allowance or benefit pursuant to any retirement system administered by the Board of Trustees of the Public Employees' Retirement System (PERS) may authorize the system to make deductions there from for the payment of insurance premiums for employer or system sponsored group life and health insurance.
2. The executive director shall prescribe, subject to these rules, the procedures and forms for the filing of authorizations.
3. The sponsoring entity must adopt a resolution approving payment by payroll deduction.
4. Unless otherwise authorized by the executive director, payment to a sponsoring entity/insurance provider must be made by direct deposit from PERS.
5. Unless otherwise authorized by the executive director, billing from any sponsoring entity/insurance provider will be automated and in the format specified by the system, known as the "Vendor Billing Requirements."
6. Not fewer than 500 retirees must initially authorize the deduction for payment to the same group health or life insurance provider.
7. Authorization shall be filed in the office of the board. However, the executive director may prescribe in the alternative, filing such authorization with the insurer issuing the group life or health insurance plan, if such insurer has undertaken in a writing filed with the board to:
  - a. Supply to the board with statements of deductions as specified in authorizations received by it and to hold the State, the board and its employees harmless from liability for any errors in withholding or transmitting deductions pursuant to such statements except for moneys actually withheld but not transmitted.
  - b. Keep all authorizations received by it available for inspection by authorized representatives of the board.
  - c. Sign a statement that any information provided by PERS with regard to its retirees, including but not limited to names, addresses, identification numbers, etc, must be kept confidential and will not be shared with or released to any third party or used in any way except for the express purposes of providing the insurance coverage pursuant to which the withholding authorization is executed.

8. Authorizations or changes thereto must be received by PERS no later than the 10th of any month to become effective on the 1st day of the following month. The system shall make the deductions authorized and pay to the organization the amounts deducted, until the authorization is revoked in writing by the person.
9. PERS may charge the insurance provider an amount not exceeding the actual costs incurred by the system in making the deductions.

**(History: Adopted effective July 1, 2004; reformatted August 1, 2007)**