

Optional Benefits Enrollment Guide

 doa.alaska.gov/drb/ghlb/employee/info/optionalBenefitsGuide.html

Introduction to Optional Benefits—benefits to suit you

This enrollment guide provides the choices available to you under the State of Alaska Optional Benefits plan. In addition to enrolling when you are first eligible or during annual Open Enrollment for the subsequent benefit year beginning January 1, benefits may be changed within 30 days of a qualified change in family or employment status.

Optional Benefits offers you the opportunity to obtain benefits that best suit the needs of you and your family. Enrollment in any plan is optional – choose only the plans and coverage levels that meet your needs. Premiums are paid through payroll deductions and are subtracted from gross wages before taxes are deducted – an added advantage to the plan. You can select from the following options:

*You must elect these benefits each Open Enrollment period; they do not automatically continue from one benefit year to the next. Limitations to these plans may apply.

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Changing your coverage before Open Enrollment ends

You may change your mind about any benefit choices as long as you re-enroll in your final choices before the enrollment deadline. Reminder—each time you re-enroll, a new enrollment is processed. The previous enrollment will no longer exist. Make sure to re-select each of your elections.

Important note:

Failure to enroll during the Open Enrollment period will result in continued coverage at your current level of coverage, excluding enrollment in the Dependent Care Assistance Plan, effective January 1.

The only time you can change your coverage other than during Open Enrollment is within 30 days of a “qualified status change.” These include:

- gaining or losing a dependent through birth, adoption, marriage, divorce, or death.
- dependent is no longer eligible under the terms of the plan.
- spouse terminating employment, beginning an extended period of layoff or leave without pay, or beginning new employment.
- you or your spouse changing employment status from full-time to part-time or vice versa.

Your change in benefits must be consistent with the status change. For example, if you had a baby, you could elect Dependent Care. You also may change life insurance or disability selections due to a qualified status change.

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Life Insurance

The plans you make now—and the benefits you choose—can make a difference to your family later. Customize the amount of life insurance for your situation. The IRS limits group-term life insurance coverage paid for by the employer or with pretax premiums to \$50,000. If you are a member of the General Government, Supervisory, Partially Exempt, Exempt or Confidential bargaining unit, your Basic Life policy increased to \$10,000 effective July 1, 2013. This leaves a remainder of \$40,000 in coverage that can be purchased with a pretax premium without exceeding the IRS limit. If you elect either Supplemental Life for \$48,000 or for \$10,000 plus Supplemental Survivor, you will exceed the \$50,000 limit, a portion of the premiums you pay for this coverage will be imputed income to you. Only the portion of the premium representing the coverage amount over \$50,000 will be taxable.

There are [several plans](#) available to you:

Accidental Death and Dismemberment (AD&D) Insurance

[View supplemental AD&D information](#) »

Survivor Benefits

[View supplemental survivor benefits information](#) »

Disability Benefits

[View Disability benefits information](#) »

- [Short-Term Disability](#)
- [Long-Term Disability](#)

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Reimbursement Accounts

With reimbursement accounts, you can set aside money to pay for certain health or day care expenses on a tax-free basis.

Here's How They Work

Each benefit year, you decide the amount you want to contribute, up to the limits, on a pretax basis. During the benefit year, you file claims and are reimbursed with tax-free dollars from the account. You benefit from reduced taxes, because you don't pay taxes on the dollars you contribute to your accounts.

Some Important Rules

The government imposes certain restrictions on Reimbursement Account plans to give you these pre-tax advantages.

- You must elect these benefits each open enrollment period, they do not automatically continue from one benefit year to the next.
- Amounts are held in unique accounts. Balances cannot be moved between reimbursement accounts.
- The upcoming benefit year runs from January 1 to December 31. Therefore, you forfeit any portion of your account balance not used for expenses incurred by December 31. You must budget

contributions carefully.

- Services for eligible expenses must be received while you are covered by the plan—coverage stops during periods of leave without pay and at termination. Services must be received prior to the end of the benefit year, December 31. Claims for the benefit year must be filed within 90 days of the end of the benefit year.

Dependent Care Assistance Plan (DCAP)

[View DCAP details »](#)

Important note: You must re-enroll in the Dependent Care Assistance Plan during each Open Enrollment to participate during the upcoming new benefit year starting January 1.

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Who will receive your benefits if you die?

There are valuable benefits to be paid to your beneficiaries if you die. Many people complete beneficiary forms when they are first hired, but forget to update them when they marry, divorce, have a child, or experience a death in the family. Often beneficiaries move, but their addresses are not updated. This means your benefits could be paid to someone you would prefer not to pay, or benefit payments could be delayed while attempts to locate your beneficiary are made. If you cannot remember the last time you submitted a beneficiary form or who you designated, fill out a new [form](#) to ensure your benefits go to the people you want.

The following is a list of benefits that may be available upon your death:

- Pension Benefits
- Group Life Insurance Plan
 - Basic Life and AD&D Insurance
 - Select Life Insurance
- Supplemental Annuity Plan
- Supplemental Life Insurance/AD&D
- Supplemental Survivor Benefits
- Alaska Deferred Compensation Plan
- Unpaid Compensation (last paycheck plus leave not taken) and Travel Accident Insurance

[View beneficiary forms »](#)

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