



MEMORANDUM

TO: Teachers' and State Employees' Retirement System and Local Governmental Employees' Retirement System Boards of Trustees

FROM: Thomas G. Causey, Executive Director
Retirement Systems Division

DATE: March 24, 2023

RE: Annual Report on Supplemental Insurance

BACKGROUND

Active state and local government employees during their working careers can participate through their employer in group vision, dental, life and other insurance options, in addition to health care coverage. As a retiree, these benefits are not portable, so retirees often have limited or no coverage options available at affordable rates. The North Carolina Retirement Systems Division (RSD) makes coverage available on a voluntary basis to retirees and benefit recipients at competitive prices. Current products include Dental and Vision through UnitedHealthcare and Identity Theft through LifeLock. Our contract with UnitedHealthcare expires December 31, 2025, and our contract with LifeLock expires December 31, 2025.

RSD partners with the Pierce Insurance Agency who serves as the exclusive broker and administrator for the program. Pierce Insurance Agency is a family-owned company established in 1955 in Farmville, NC, and was awarded the contract in 2011 to manage supplemental insurance benefits to retirees of the North Carolina Retirement Systems through a formal bid process.

In 2022 Pierce Insurance conducted an RFQ process to ensure retirees continue to receive the best possible plans and rates. As a result of that RFQ process, rates were reduced by 2% on the Dental and 5% on the Vision resulting in a savings of \$1.7 million for retirees. The new Dental and Vision rates are guaranteed to December 31, 2025.

Status

We have experienced consistent annual growth in participation since contract inception with Pierce Insurance Agency. The total participation increase over that span exceeds 115% percent with more than 246,952 retirees and dependents currently participating in Dental and Vision as of December 31, 2022. In addition, there are 26,000 participants in the Identity Theft program.

2023 Open Enrollment (Enrolled: September 15, 2022 – November 15, 2022, coverage effective January 1, 2023)

- 4,422 new Dental applications
- 4,172 new Vision applications
- 2,353 new LifeLock (Identity Theft) applications

Calendar Year 2022 (Coverage effective January 1 to December 31, 2022)

- 13,000 Dental policies
- 11,721 Vision policies
- 2,550 new Identity Theft policies

Current Total Participants (Retirees and Dependents as of December 31, 2022)

- Dental: 133,473 participants
- Vision: 113,479 participants
- Identity Theft: 26,000 participants

Dental Coverage

2023 Premiums- 2% rate reduction.

UnitedHealthcare

Monthly Premium

Retiree	Retiree + 1	Retiree + Family
\$36.26	\$85.85	\$120.36

Vision Coverage

2023 Premiums- 5% rate reduction.

UnitedHealthcare

Monthly Premium

	Retiree	Retiree + 1	Retiree + Family
Plan 1 Exam & Materials	\$6.81	\$13.79	\$15.49
Plan 2 Materials Only	\$4.74	\$9.62	\$10.79

Identity Theft Protection

2023 – Same rates with benefit enhancements

LifeLock

Monthly Premium

Retiree	Retiree + Family
\$8.00	\$14.00

PREMIUMS



Retiree Only (18+ Years Old)

\$8.00



Retiree + Family⁴

\$14.00

⁴ LifeLock enrollment is limited to NCRS retirees and their eligible dependents. Eligible dependents must live within the enrollee's household, or be financially dependent upon enrollee. As part of the family plan, LifeLock Benefit Junior is available to minors under 18, and as an added membership to an adult identity theft enrollment. LifeLock services will only be provided after receipt and applicable verification of certain information about you and each family member. Please refer to NCRS for the required enrollment information under your plan. In the event you do not complete the enrollment process for any family member, those individuals will not receive LifeLock services, but you will continue to be charged the full amount of the monthly membership selected until you cancel or modify that membership plan. Please note that we will NOT refund or credit you for any period of time during which we are unable to provide LifeLock services to any family member on your plan after your benefit effective date due to your failure to submit the information necessary to complete enrollment. If you do not complete the enrollment process for each family member, you may continue to pay more for LifeLock services than you otherwise would if you had selected a lower tier plan.

LIFELock IDENTITY THEFT PROTECTION	Identity Lock^{1,5}		●
	Home Title Monitoring		●
	Social Media Monitoring		●
	Credit, Bank & Utility Account Freezes	●	●
	LifeLock Identity Alert™ System ¹	●	●
	• Identity Verification Monitoring [†]	●	●
	• Telecom & Cable Applications for New Service		●
	• Payday - Online Lending Alerts [†]	●	●
	• Credit Alerts & Social Security Alerts [†]	●	●
	Mobile app (Android™ & iOS)	●	●
	<small>Downloading the app does not provide protection until enrollment has been completed.</small>		
	Dark Web Monitoring	●	●
	• Dark Web Monitoring – Gamer Tags		●
	• Dark Web Monitoring – Password Combo List		●
	Court Records Scanning		●
	USPS Address Change Verification	●	●
	Stolen Wallet Protection	●	●
	Reduced Pre-Approved Credit Card Offers	●	●
	Fictitious Identity Monitoring	●	●
	Phone Takeover Monitoring	●	●
	Data Breach Notifications	●	●
	Bank & Credit Card Activity Alerts [†]	●	●
	• Unusual Charge Alerts[†]		●
	• Recurring Charge Alert[†]		●
	Checking & Savings Account Application Alerts [†]	●	●
	Bank Account Takeover Alerts [†]	●	●
	401k & Investment Account Activity Alerts [†]	●	●
	File Sharing Network Searches	●	●
Sex Offender Registry Reports	●	●	
Prior Identity Theft Remediation ³	●	●	
<small>This feature is separate from our Million Dollar Protection™ Package and does not provide coverage for lawyers and experts, reimbursement of stolen funds or compensation for personal expenses for events occurring during the 12 months prior to enrollment. See disclaimer for details.</small>			
U.S.-based Identity Restoration Specialists	●	●	
24/7 Live Member Support	●	●	
Million Dollar Protection™ Package ^{†††}		●	
• Stolen Funds Reimbursement	Up to \$1 Million each	Up to \$1 Million each	
• Personal Expense Compensation			
• Coverage for Lawyers and Experts			
Credit Application Alerts ²	One-Bureau ¹	One-Bureau ¹	
Credit Monitoring ¹	Three-Bureau ¹	Three-Bureau ¹	
Credit Reports & Credit Scores ¹	One-Bureau ¹	On Demand – One Bureau Daily/ Three-Bureau ¹ Annual	
<small>The credit scores provided are VantageScore 3.0 credit scores based on data from Equifax, Experian and TransUnion respectively. Third parties use many different types of credit scores and are likely to use a different type of credit score to assess your creditworthiness.</small>			
Monthly Credit Score Tracking ¹	One-Bureau ¹ Annually	One-Bureau ¹	
<small>The credit score provided is a VantageScore 3.0 credit score based on Equifax data. Third parties use many different types of credit scores and are likely to use a different type of credit score to assess your creditworthiness.</small>			
Secures PCs, Mac & mobile devices		Up to 5 devices (Family gets 10 devices)	
Online Threat Protection		●	
Password Manager	●	●	
Parental Control⁴		●	
Smart Firewall		●	
Cloud Backup³		50 GB	
Secure VPN		●	
Privacy Monitor	●	●	
SafeCam³		●	

No one can prevent all identity theft or all cybercrime.

¹ If your plan includes credit reports, scores, and/or credit monitoring features ("Credit Features"), two requirements must be met to receive said features: (i) your identity must be successfully verified with Equifax; and (ii) Equifax must be able to locate your credit file and it must contain sufficient credit history information. IF EITHER OF THE FOREGOING REQUIREMENTS ARE NOT MET YOU WILL NOT RECEIVE CREDIT FEATURES FROM ANY BUREAU. If your plan also includes Credit Features from Experian and/or TransUnion, as applicable, you will not receive Credit Features from such bureau(s) until the verification process is successfully completed and until then you will only receive Credit Features from Equifax. Any credit monitoring from Experian and TransUnion will take several days to begin after your successful plan enrollment. Please note that in order to enjoy all features in your chosen plan, such as bank account alerts, credit monitoring, and credit reports, it may require additional action from you and may not be available until completion.

² If your plan includes One Bureau Credit Application Alerts, two requirements must be met to receive said features: (i) your identity must be successfully verified with TransUnion; and (ii) TransUnion must be able to locate your credit file and it must contain sufficient credit history information. IF EITHER OF THE FOREGOING REQUIREMENTS ARE NOT MET YOU WILL NOT RECEIVE ONE BUREAU CREDIT APPLICATION ALERTS. One Bureau Credit Application Alerts will take several days to begin after your successful LifeLock plan enrollment.

³ Not all products, services and features are available on all devices or operating systems. System requirement information on [Norton.com](https://www.norton.com).

⁵ Locking or unlocking your credit file does not affect your credit score and does not stop all companies and agencies from pulling your credit file. The credit lock on your TransUnion Credit File will be unlocked if your subscription is downgraded or canceled.

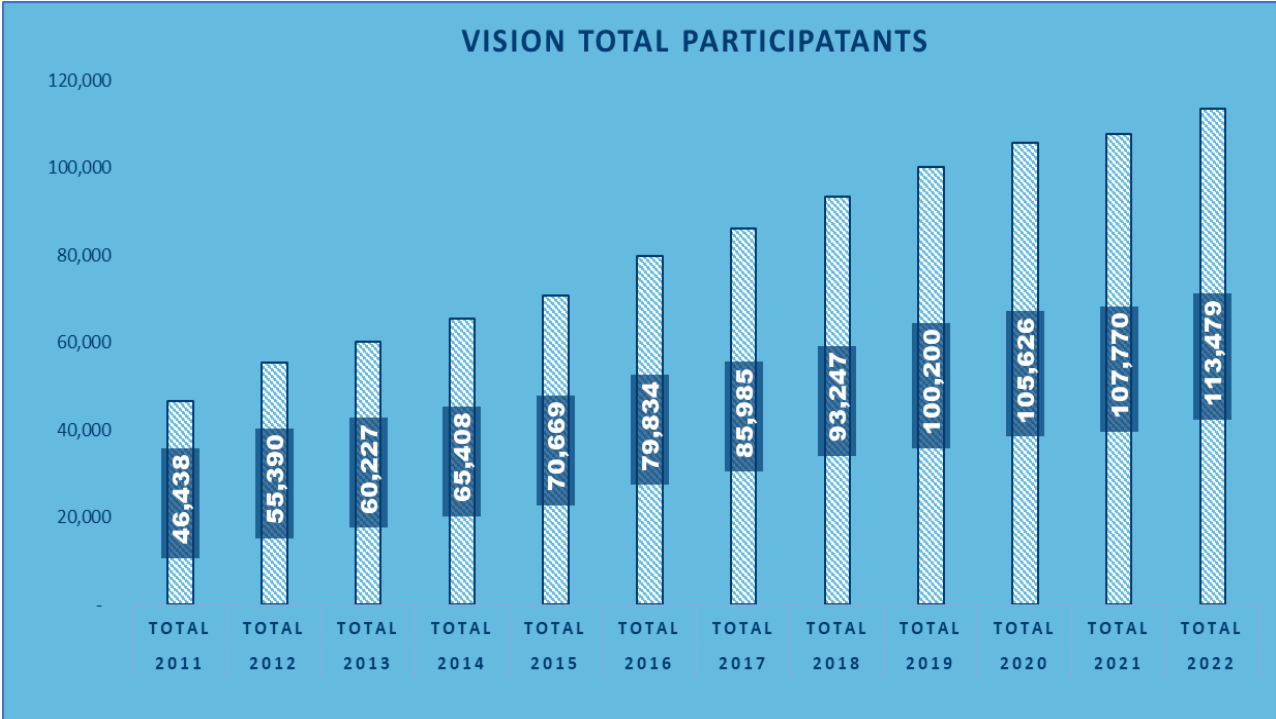
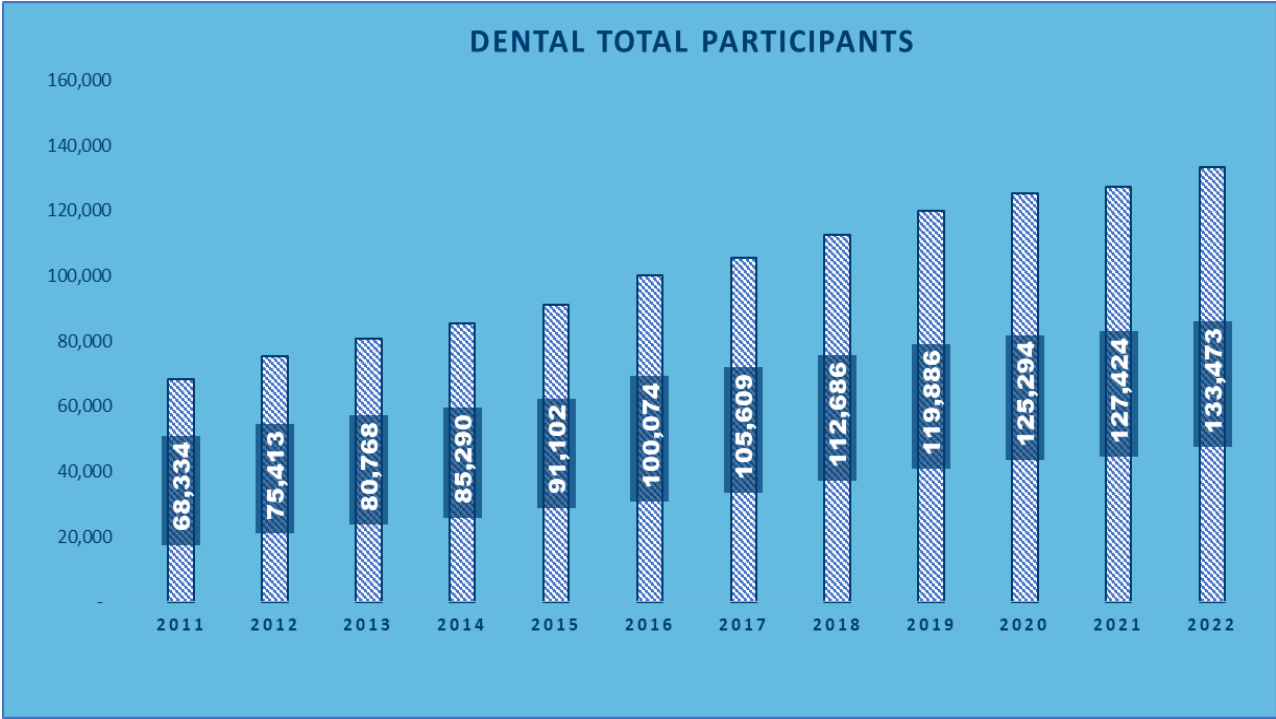
[†] The LifeLock alert network includes a variety of product features and data sources. Although it is very extensive, our network does not cover all transactions at all businesses, so you might not receive a LifeLock alert in every single case.

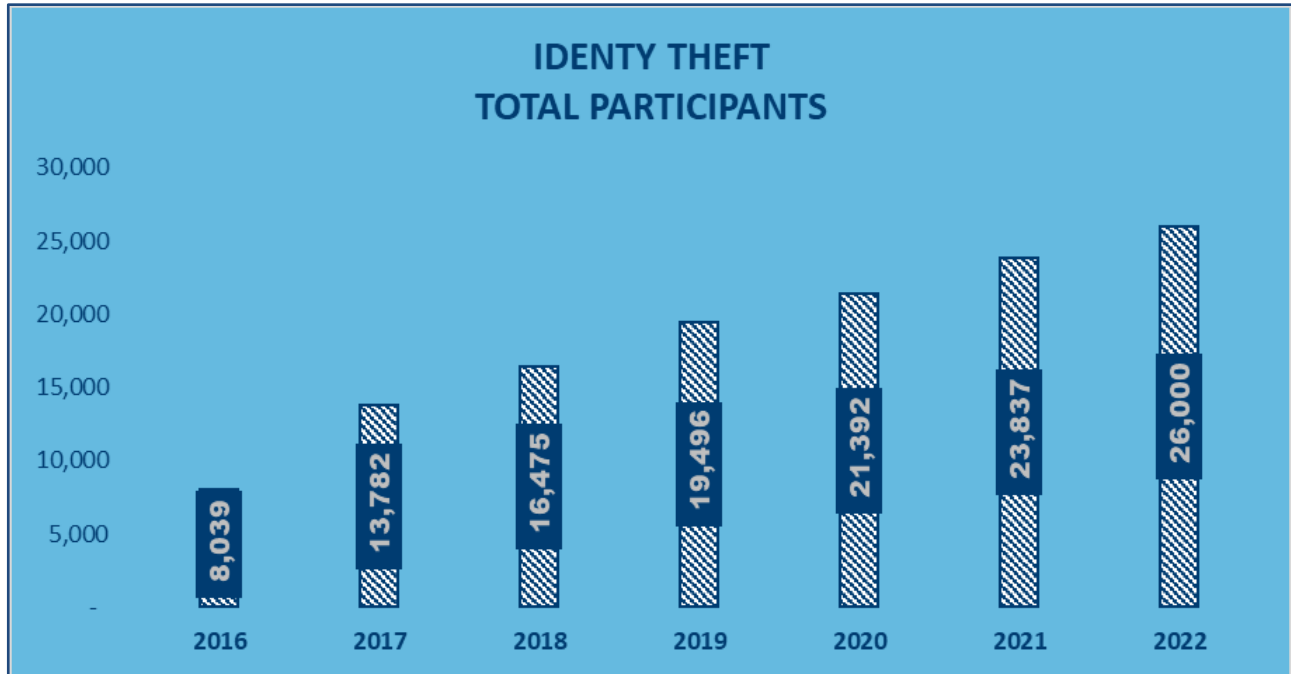
^{†††} Reimbursement and Expense Compensation, each with limits of up to \$1 million for Norton LifeLock Benefit Essential, Norton LifeLock Benefit Premier, Benefit Elite, and Ultimate Plus, up to \$100,000 for Advantage and Ultimate, and up to \$25,000 for Standard, Command Center, Basic, and Benefit Junior and up to \$1 million for coverage for lawyers and experts if needed, for all plans. Benefits under the Master Policy are issued and covered by United Specialty Insurance Company (State National Insurance Company, Inc. for NY State members). Policy terms, conditions and exclusions at: [NortonLifeLock.com/legal](https://www.nortonlifelock.com/legal).

³ Subject to eligibility requirements defined in [Terms & Conditions](https://www.nortonlifelock.com/legal), Norton reserves the right to change and/or cease services at any time.

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Total participants on the following chart include retirees and dependents.





Services Provided by Pierce Insurance Agency

- Mobile-ready website: ncretiree.com with live chat feature
- Annual open enrollment awareness for all retirees
 - Booklet mailed to all retirees
 - Email campaign
- New retiree enrollment monthly awareness
 - Booklet mailed to new retirees
 - Email campaign
- Deduction of premiums from monthly pension benefit payment
- Call Center with dedicated toll-free number - 855-627-3847 (855-NCRETIRE)
 - 57,139 calls received in 2022
 - 26,199 calls received during open enrollment
- State-of-the-art enrollment platform with online, telephonic and paper options
- Educational videos
- Negotiates to reduce cost and enhance benefits - savings of \$1.7 million.
- **New!** North Carolina Retirement Systems Supplemental Benefits Mobile App available for download on Google Play. Coming soon on Apple Store.
 - The mobile app makes it easier for NC retirees to access their Dental, Vision, and Identity Theft benefits by providing instant access to ncretiree.com.
 - NC retirees can view their benefits e-book, enroll online, access policy resources for claims and customer care, view videos, FAQs, and contact information.
- Open Enrollment Virtual Information Sessions highlighting benefits, how to navigate supplemental benefits website, enrollment options, and Q&As.
- **New!** Instructional Video - how to enroll online.