



Memorandum

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

FROM: Thomas Causey, Executive Director

DATE: January 29, 2020

RE: Annual Report on Supplemental Insurance

Background

Active state and local government employees during their working careers are able to participate through their employer in group vision, dental, life and other insurance options, in addition to health care coverage. As a retiree, those benefits are not portable, so retirees often have limited or no coverage options available at affordable rates. The NC Retirement Systems Division (RSD) makes coverage available on a participating 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, 2020, and our contract with LifeLock expires December 31, 2020.

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. Renewal options have been exercised since the execution of the initial agreement. The existing contract was recently extended through December 31, 2020.

Status

We have experienced consistent annual growth in participation since contract inception with Pierce Insurance Agency. The total participation increase over that span exceeds 90 percent with more than 180,000 retirees currently participating.

2020 Open Enrollment (October 1 - November 19, 2019 with coverage effective January 1, 2020)

- 5,254 New Dental applications
- 5,304 New Vision applications
- 1,703 New LifeLock (Identity Theft) applications

Calendar Year 2019 (January to December 31, 2019)

- 9,772 New Dental applications
- 9,216 New Vision applications
- 2,429 New LifeLock (Identity Theft) applications

Current Total Participants (Retirees and Dependents) as of December 31, 2019

- Dental: 119,886
- Vision: 100,200
- LifeLock: 19,496

DENTAL COVERAGE**2020 Premiums***UnitedHealthcare*

Monthly Premiums

Retiree	Retiree + 1	Retiree + Family
\$37.98	\$89.92	\$126.07

VISION COVERAGE**2020 Premiums***UnitedHealthcare*

Plan Coverage/Monthly Premiums

	Retiree	Retiree + 1	Retiree + Family
Plan 1 Exam & Materials	\$7.36	\$14.89	\$16.72
Plan 2 Materials Only	\$5.13	\$10.42	\$11.64

IDENTITY THEFT PROTECTION**2020 Premiums***LifeLock*

Monthly Premiums

36% Rate Reduction in Retiree and Family premium and Benefit Enhancement for Identity Theft Protection negotiated in 2019

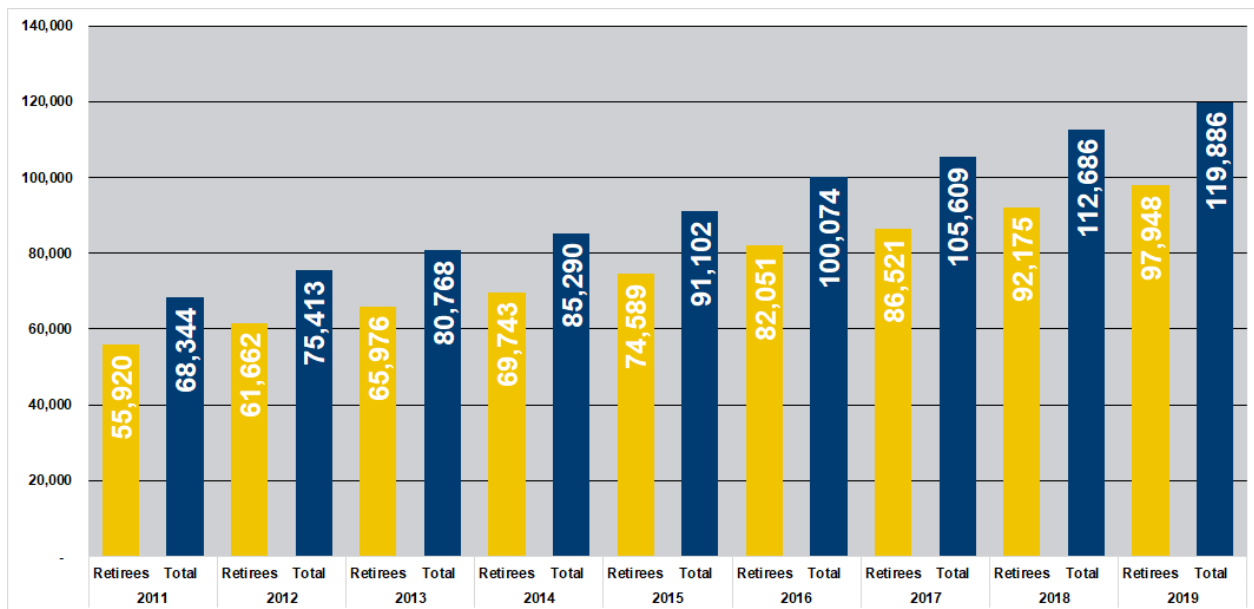
- New plan enhancements in Benefit Elite Premium include
 - Three credit bureau monitoring (new)
 - Prior remediation (new)
 - Includes Norton password manager (new)

Retiree	Retiree + Family
\$8.40	\$14.90

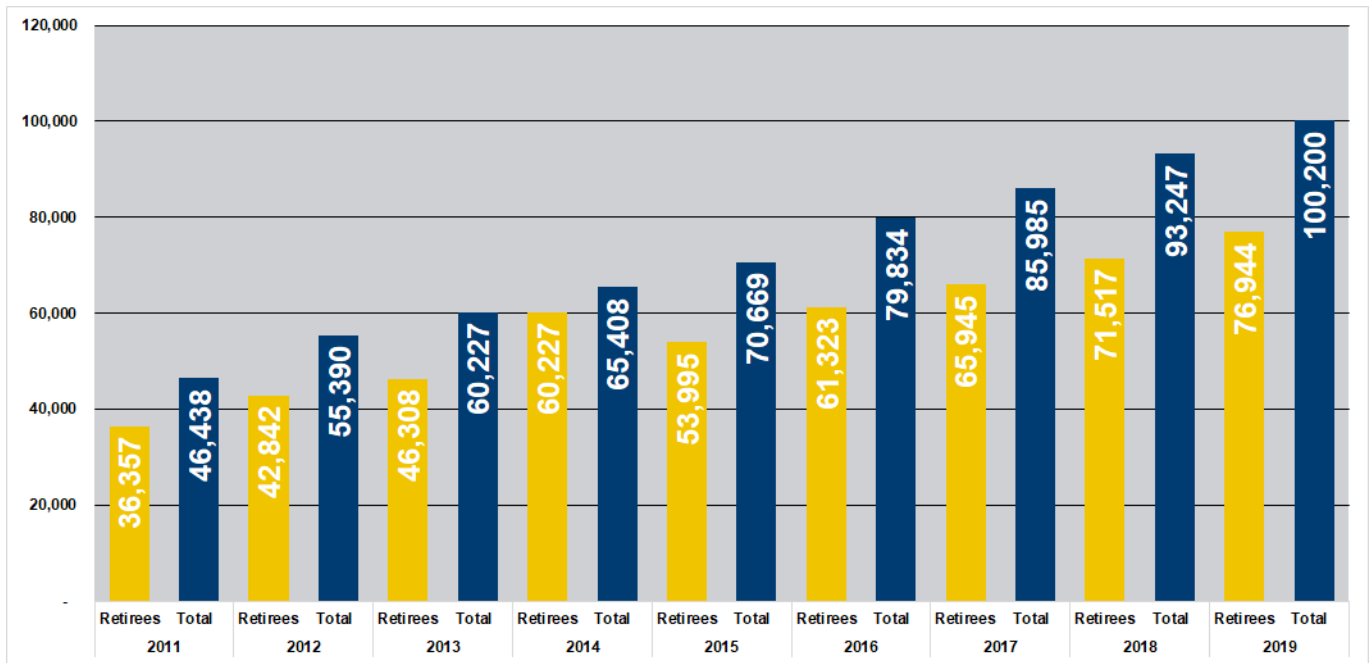
Pierce Insurance Agency Services

- Mobile-ready website: www.ncretiree.com
- Annual open enrollment for all retirees and monthly for new retirees
- Premiums are deducted from monthly pension benefit payment
- Call Center with dedicated toll-free number: 855-627-3847 (855-NCRETIRE)
- State-of-the-art enrollment platform: online, telephonic, paper
- Educational videos

Dental Enrollment



Vision Enrollment



ID Theft Enrollment

