



## North Carolina Total Retirement Plans



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STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

### 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: April 25, 2024

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, those 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. Since 2018, rate reductions have generated retirees \$6.7 million in cost savings.

#### Status

We have experienced consistent annual growth in participation since the contract inception with Pierce Insurance Agency. The total participation increase over that span exceeds 127% percent with more than 260,742 retirees and dependents currently participating in Dental and Vision as of December 31, 2023. In addition, there are 28,042 participants in the Identity Theft program.

**2024 Open Enrollment** (Enrolled: September 15, 2023 – November 15, 2023, coverage effective January 1, 2024)

- 3,753 New Dental applications
- 3,493 New Vision applications
- 1,304 New LifeLock (Identity Theft) applications

**Calendar Year 2023** (New coverage effective January 1 to December 31, 2023)

- 11,951 Dental policies
- 11,062 Vision policies
- 1,526 new Identity Theft policies

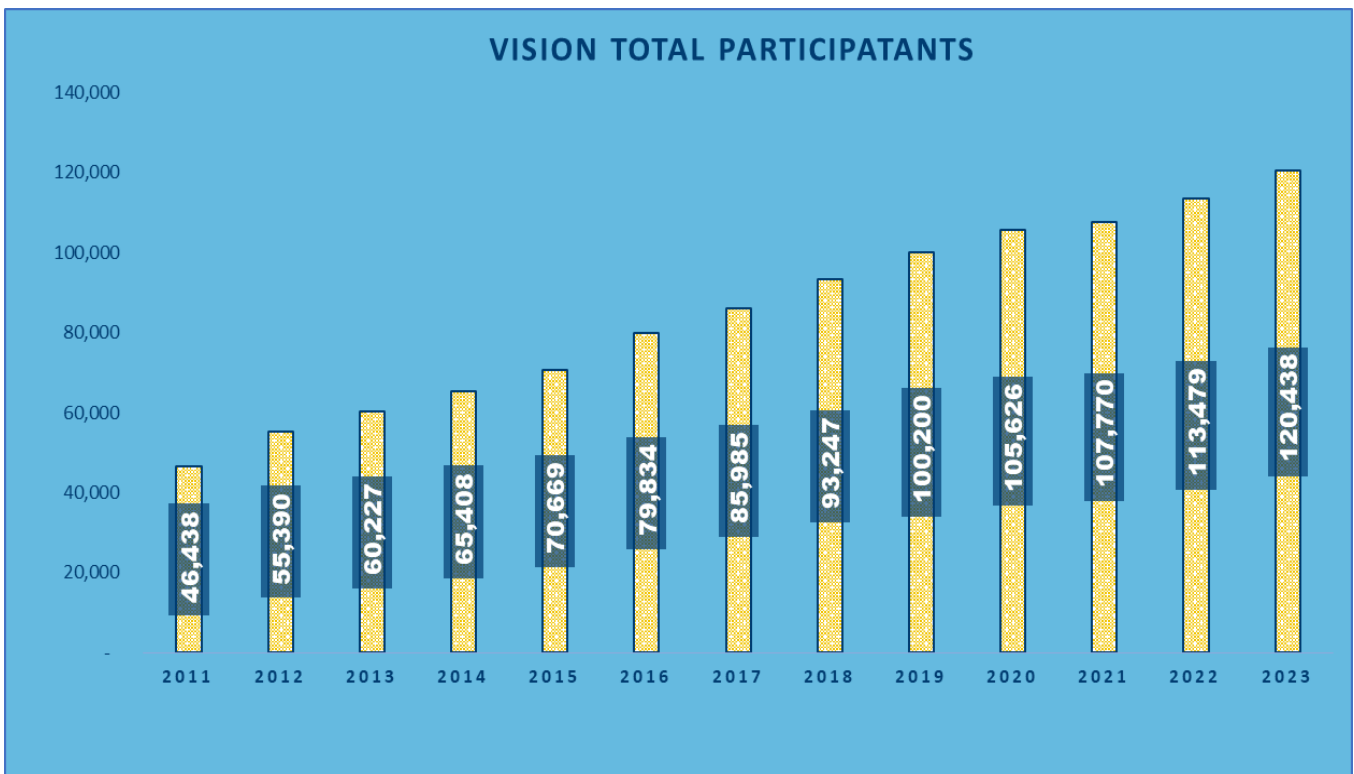
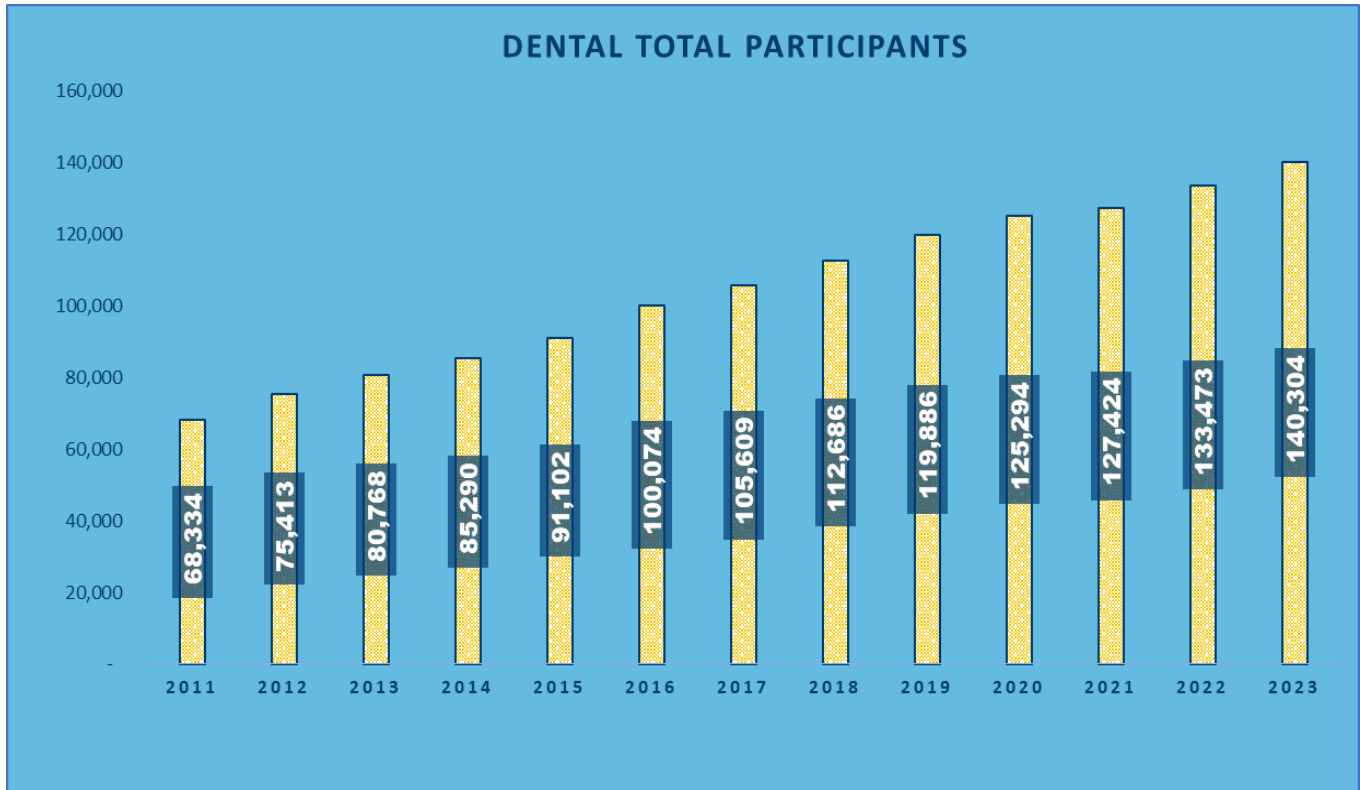
**Current Total Participants** (Retirees and Dependents as of December 31, 2023)

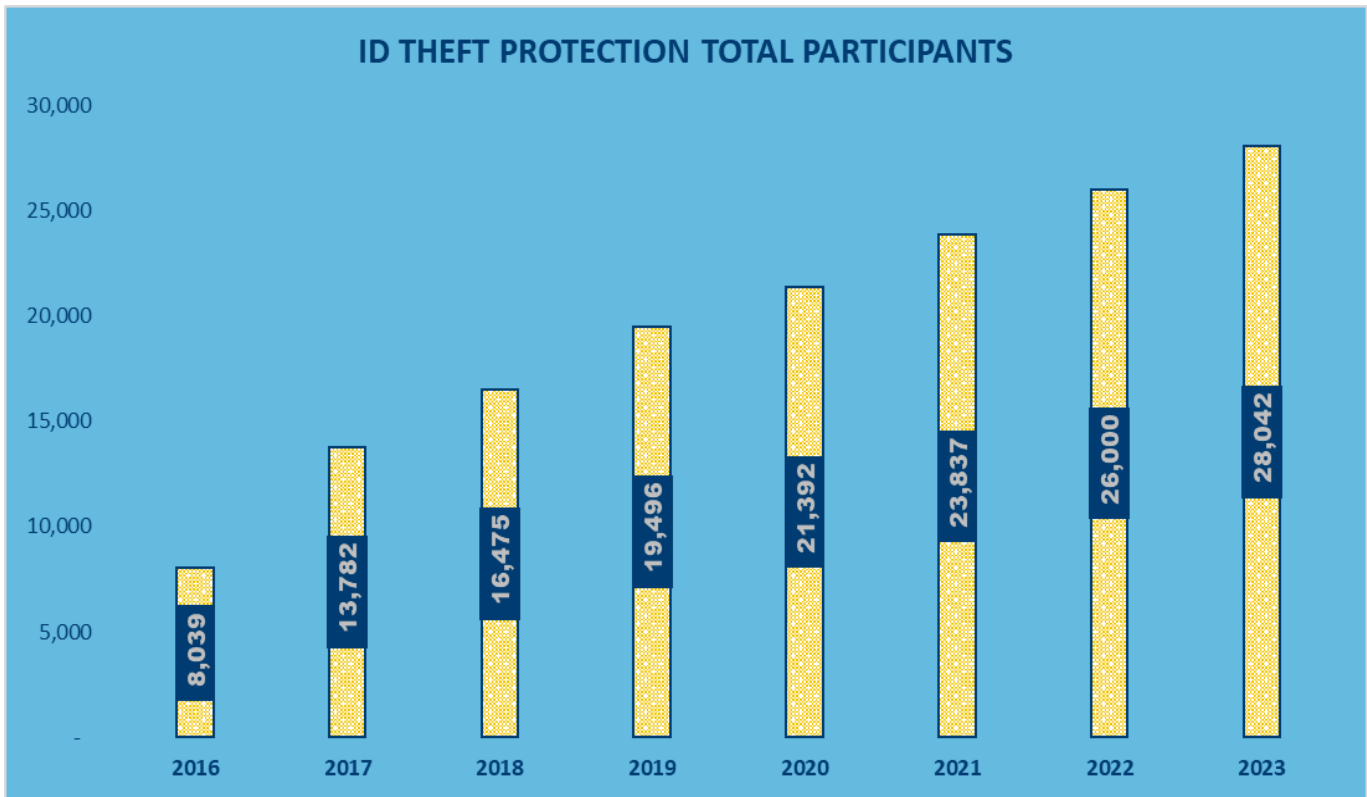
- Dental: 140,304 participants
- Vision: 120,438 participants
- Identity Theft: 28,042 participants

## Rate History

Rate History						
DENTAL	2015-2018	2019	2020*	2021	2022	2023 - 2024
RETIREE ONLY	\$37.78	\$37.05	\$37.00	\$37.00	\$37.00	\$36.26
RETIREE + 1	\$89.52	\$87.77	\$87.60	\$87.60	\$87.60	\$85.85
RETIREE + FAMILY	\$125.51	\$123.07	\$122.82	\$122.82	\$122.82	\$120.36
*COVID Relief one-time credit issued 7/1 deduction was reduced by 50%						
VISION PLAN 1	2016-2018	2019	2020	2021	2022	2023 - 2024
RETIREE ONLY	\$7.35	\$7.21	\$7.17	\$7.17	\$7.17	\$6.81
RETIREE + 1	\$14.88	\$14.58	\$14.51	\$14.51	\$14.51	\$13.79
RETIREE + FAMILY	\$16.71	\$16.37	\$16.29	\$16.30	\$16.30	\$15.49
VISION PLAN 2	2016-2018	2019	2020	2021	2022	2023
RETIREE ONLY	\$5.13	\$5.03	\$5.00	\$5.00	\$5.00	\$4.74
RETIREE + 1	\$10.40	\$10.20	\$10.15	\$10.15	\$10.15	\$9.62
RETIREE + FAMILY	\$11.64	\$11.40	\$11.34	\$11.34	\$11.34	\$10.75
LIFELOCK	2017	2018	2019	2020	2021	2022 - 2024
RETIREE ONLY	\$8.49	\$8.49	\$8.49	\$8.40	\$8.40	\$8.00
RETIREE + 1	\$14.99	\$14.99	\$14.99	\$14.90	\$14.90	\$14.00
RETIREE + FAMILY	\$23.36	\$23.36	\$23.36			
***LIFELOCK STARTED BEING OFFERED IN 2016 NO PREMIUM PAID UNTIL DECEMBER						

## Total Participation by year





Number of retirees enrolled in benefits no longer being offered:

- Life Insurance: 7,356 total policies
- Accident Plan: 3,749
- Critical Illness Plan: 911

## Services Provided by Pierce Insurance Agency

- Mobile-ready website: [ncretiree.com](https://ncretiree.com) with live chat feature
- Annual open enrollment awareness for all retirees
  - Booklet mailed to all retirees.
  - Email campaign.
- Retiree enrollment monthly awareness
  - Booklet mailed to new retirees.
  - Email campaign.
- NEW: Quarterly Newsletter for benefit participants.
- Deduction of premiums from monthly pension benefit payment
- Call Center with dedicated toll-free number - 855-627-3847 (855-NCRETIRE)
  - 578,140 calls received in 2023.
  - 27,196 calls received during open enrollment.
- State-of-the-art enrollment platform with online, telephonic, and paper options
- Educational videos
- Negotiates to reduce costs and enhance benefits - savings of \$4.7 million.
- North Carolina Retirement Systems Supplemental Benefits Mobile App available for download on Google Play and through web app for Android and Apple users.
  - 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](https://ncretiree.com).
  - NC retirees can view their benefits from e-books, 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.
- Instructional Video - how to enroll online.