

STATE OF KANSAS

BENEFITS SUMMARY FOR TOPEKA CORRECTIONAL FACILITY EMPLOYEES

The following benefits information will apply if you are laid off effective March 1, 2001:

Unemployment Benefits

Following a one-week waiting period, you may be eligible for weekly unemployment benefits for up to 26 weeks if you are able and available to work. To avoid any delay of benefit payments, it is extremely important that you file your claim for unemployment benefits as soon as possible following your last day at work at your agency. For additional information concerning unemployment benefits, you should call your local Job Service Office.

Accumulated Leave

On your final paycheck, in addition to your earned biweekly salary, you will be paid for any accumulated vacation leave, any compensatory time credits, and 20% of your accumulated sick leave. You will not be paid for holidays occurring after the effective date of your layoff. You will need to contact your personnel officer as soon as possible if you wish to change your exemptions or withholding for income tax purposes on your final paycheck.

LIFELINE - Employee Assistance Program

A counselor is available 24 hours a day for help in dealing with personal or family problems related to your layoff. This service will continue to be available to you and your immediate family for 6 months following your last day at work. The toll-free number for LIFELINE is 1-800-284-7575.

Group Health Insurance

If you are currently enrolled in group health insurance, your coverage as an active employee will end effective the last day of the pay period in which you work (March 3, 2001). You will then be eligible to continue group health insurance coverage for the first six (6) months by paying your regular active employee share of the premium yourself starting on the first day of the next pay period following your last day at work. For the next eighteen (18) months, you will be eligible to continue group health insurance coverage by paying the full premium yourself (rates will be higher).

Following your last day at work, you will be sent a letter to your home address advising you of continuation provisions and the cost of the coverage. Your personnel officer also has information on continuation group health insurance rates.

If you are rehired in a benefits eligible position within one year of layoff, you will be eligible for group health insurance coverage effective the first day of the payroll period following your rehire date. There will not be a 60-day waiting period.

KPERS - Retirement

If you are currently contributing to KPERS through payroll deduction, your final deduction will be made from your last paycheck.

KPERS – Retirement (continued)

If you are vested in KPERS (10 years or more of credited service), you may leave your contributions with KPERS. Contributions will continue to receive interest and you will be eligible for retirement benefits upon reaching retirement age. You may also choose to make application for withdrawal of accumulated contributions. It will take approximately six weeks from the time all documentation is received in the retirement system office to process the withdrawal. Amounts withdrawn may be subject to Federal income taxes.

If you are not vested in KPERS (less than 10 years of credited service), you may choose to make application for withdrawal of accumulated contributions (see above). If your contributions are not withdrawn, your KPERS membership will be protected for 5 years. Interest will continue to be credited and should you be employed in a covered position within that 5-year period, your participation in KPERS would be immediate. If you do not return to covered employment and do not withdraw your contributions, your contributions will revert to the employer's reserve at the end of the 5-year protection of membership. However, a special application can be made to the board of trustees to withdraw your contributions. Please contact your personnel officer for details.

Group Term Life Insurance

If you are employed in a benefits eligible position, you will automatically be covered by group term life insurance through KPERS for two years following your last day at work. Coverage equals 150% of your current annual rate of compensation. Generally, if you are rehired in a benefits eligible position, your group term life insurance as an active employee will be effective immediately.

If requested within 31 days following your date of layoff, group term life insurance coverage may be converted to an individual whole life insurance policy (in addition to the coverage listed above). You will need to complete a conversion information form and send it to KPERS for rates and restrictions.

Your personnel officer has the necessary forms. If you are rehired in a benefits eligible position, your conversion policy will be terminated.

Optional Group Life Insurance

If you are currently enrolled in optional group life insurance, your coverage will end effective the last day of the month in which you work. If requested within 31 days of this date, you may then convert to an individual whole life insurance policy at your cost (rates will be higher). You will need to complete a conversion information form and send it to KPERS for rates and restrictions. Your personnel officer has the necessary forms.

If you are rehired in a benefits eligible position, the conversion policy will be terminated; however, you may continue the same coverage level of optional group life insurance without underwriting and at active employee rates.

Deferred Compensation

If you are currently participating in deferred compensation, your final deduction will be made from your last paycheck. You may also choose to end your participation prior to your final paycheck. You will need to contact your Aetna representative to make this change. The telephone number for Aetna is 1-800-232-0024 outside Topeka or (785) 296-7095 in Topeka.

Deferred Compensation (continued)

Following your last day at work, you will be eligible to withdraw funds contributed to deferred compensation. There is no IRS penalty on these withdrawals but they are taxable as ordinary income. You will need to contact your Aetna representative to complete forms in order to withdraw your contributions. If you do not complete these forms, Aetna will contact you to make a decision within 180 days concerning your accumulated contributions.

If you choose, your contributions may also be placed on paid up status and remain with the State of Kansas, continuing to accumulate interest on a tax-deferred basis until you retire. You may also transfer your contributions to a new employer on a tax-deferred basis if your new employer qualifies to sponsor deferred compensation plans and both your old and new employer agree to the transfer. You will need to contact your Aetna representative for more details.

KanElect Flexible Spending Accounts

If you are currently enrolled in either of the two flexible spending accounts, your participation will end as of the last day of the payroll period in which you work. For the remainder of the plan year (plus a 90-day grace period), you will be able to file for reimbursement of incurred claims up to your account balance. Reimbursement will be made for health care expenses incurred up to the last day of the payroll period in which you worked. For dependent care, reimbursement will be made for expenses incurred up to the last day of the plan year.

In addition, if you are currently enrolled in the Health Care Flexible Spending Account, you will be sent a letter to your home address offering continuation of the account for up to 18 months starting the first of the pay period following your last day at work. If you choose to continue, you will be responsible for payment of the premiums (plus an administrative fee) on an after-tax basis.

Savings Bonds

If you currently have payroll deductions for savings bonds, your final deduction will be made from your last paycheck. You will need to contact your personnel officer if you choose to end your participation prior to your final paycheck. Bonds will be issued as usual; however, if following your layoff, there are not enough funds to issue your last bond, the excess amount will be refunded to you.

Long Term Care

If you currently have payroll deductions for long term care, the final deduction will be made from your last paycheck. You will need to contact your personnel officer if you choose to end your participation prior to your final paycheck.

Organization Dues

If you currently have payroll deductions for organization dues, the final deduction will be made from your last paycheck. You will need to contact your personnel officer if you choose to end your participation prior to your final paycheck.

United Way

If you currently have payroll deductions for United Way, the final deduction will be made from your last paycheck. You will need to contact your personnel officer if you choose to end your participation prior to your final paycheck.

Learning Quest

If you currently have payroll deductions for Learning Quest, the final deduction will be made from your last paycheck. You will need to contact your personnel officer if you choose to end your participation prior to your final paycheck.

This notification is intended to comply with federal and state laws and regulations concerning benefits. Items explained herein are subject to change and shall be interpreted in accordance with controlling laws.

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Division of Personnel Services

Department of Administration