



# LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

## PAYROLL MEMORANDUM 2018.19

### *Changing Lives, Creating Futures*

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**TO:** All Employees of Community and Technical Colleges, including Baton Rouge Community College, Bossier Parish Community College, Central Louisiana Technical Community College, Delgado Community College, L. E. Fletcher Technical Community College, Louisiana Delta Community College, Northshore Technical Community College, Northwest Louisiana Technical College, Nunez Community College, River Parishes Community College, South Louisiana Community College, SOWELA Technical Community College and the LCTCS Office

**FROM:** Sharon Dunham  
LCTCS Payroll, Sr Payroll Manager

**DATE:** August 30, 2018

**RE: Rate Changes for Statewide Vendor Products**

Starmount Life (Dental) and Transamerica Life (Cancer and Cancer- C/V) will be implementing rate increases effective January 1, 2019 for the above policies. By August 24, 2018, these vendors will mail letters to all agencies affected by the rate increase, along with a list of the employees' current deduction amounts and the new amounts. At the same time, letters will be mailed from these vendors to the employees affected notifying them of the change. A new Payroll Deduction Authorization Form (SED-4) with the new rates will also be enclosed with the letter.

Employees who accept the rate increase must sign the forms and send them back to the appropriate vendor by October 12, 2018. Vendors will forward a signed copy of the SED-4 form to the LCTCS payroll office by November 2, 2018 to be entered. Colleges should have all deduction changes entered for the January 4, 2019 payday. Employees who do not submit the signed SED-4 by the October 12th deadline will have their policies cancelled upon notice from these vendors, effective January 1, 2019.

Vendors will prepare and send a list of employees who did not agree to the changed rates (did not sign the new SED-4 form) to the LCTCS payroll offices by November 9, 2018. The list will indicate the employee's name, social security number, and product. A new Payroll Deduction Authorization Form, SED-4, will also be mailed to the employee and agency indicating that coverage for this specific policy has been cancelled effective January 1, 2019. The employee signature is not required on these SED-4's. The SED-4 should include all other active policies the employee has with the vendor as new SED-4's supersede all prior forms.

Employees who accept the rate increase but will not have had the policy in force for one full year, as of January 1, 2019, cannot have the rate increase effective until that one year has passed per the Louisiana Insurance Code (Title 22 of the Louisiana Revised Statutes). If these vendors choose to have the increase effective when that year is up, they must include this information in a cover letter to the agencies with the SED-4 so that the increase will be handled properly for those employees enrolled in the Flexible Benefits Plan.