

DEATH BENEFIT FOR RETIRED AND DISABLED EMPLOYEES

The \$500 death benefit was established by Statute for all retirees and disabled state employees in 1977. In 1981, it became negotiable as part of the collective bargaining process. It appears in each of the state contracts beginning sometime during the period of 1981 to 1985. This benefit is no longer available effective January 1, 2008 per the collective bargaining agreements.

PART I -- ELIGIBILITY

Retirees -- July 1, 1977 through June 30, 1981

Minnesota Statutes Section 43A.35 provides that employees who retire from the civil service on or after July 1, 1977, through July 1, 1981, shall be entitled to a \$500 cash death benefit payable to a beneficiary designated by the employee if, at the time of the employee's death, the employee is entitled to an annuity under a state retirement program. This also applies to the University of Minnesota staff and faculty.

Disabled employees -- July 1, 1979 through June 30, 1981

A \$500 cash death benefit shall be payable to the designated beneficiary of a civil service employee who becomes totally and permanently disabled after July 1, 1979, through June 30, 1981, and who at the time of death is receiving a state disability benefit and is eligible for a deferred annuity under a state retirement program. This also applies to the University of Minnesota staff and faculty.

Retirees and disabled employees -- July 1, 1981 through December 31, 2007

Beginning July 1, 1981, the \$500 death benefit for retirees and permanently disabled employees, along with all other insurance benefits, became negotiable as part of the collective bargaining process. The following table shows the effective dates of this benefit after July 1, 1981:

<u>Unit #</u>	<u>Bargaining Unit and Effective Dates of Benefit</u>
201	Law Enforcement July 1, 1981 - present: Benefit under union contract

202, 203, 204, 206,
207, 208, 213 AFSCME
July 1, 1981 - August 10, 1981: No benefit
August 11, 1981 - present: Benefit under union contract

205 Minnesota Nurses Association
July 1, 1981 - present: Benefit under union contract

209 Inter Faculty Organization
July 1, 1981 - present: Benefit under union contract

210 MN Community College Faculty Association
July 1, 1981 - September 20, 2002: No Benefit
MN State College Faculty
September 21, 2002 - present: Benefit under union contract

211 MN State University Administrative and Service Faculty
July 1, 1981 - present: Benefit under union contract

212 MN Government Engineering Council
July 1, 1981 - June 30, 1985: No benefit
July 1, 1985 - present: Benefit under union contract

214 MN Association of Professional Employees
July 1, 1981 - June 30, 1985: No benefit
July 1, 1985 - present: Benefit under union contract

215 State Residential Schools Education Association
July 1, 1981 - present: No benefit

216 Middle Management Association
July 1, 1981 - June 30, 1985: No benefit
July 1, 1985 - present: Benefit under union contract

217 Commissioners Plan
July 1, 1981 - June 30, 1985: No benefit
July 1, 1985 - present: Benefit under plan

220 Managerial Plan
July 1, 1981 - June 30, 1985: No benefit
July 1, 1985 - present: Benefit under plan

224 United Technical College Educators
July 1, 1995 – September 20, 2002; Benefit under union contract

PART II -- REPORTING CLAIMS

July 1, 1977 through May 14, 1984

Upon the death of an eligible employee who retired on or after July 1, 1977, through May 14, 1984, the agency that the employee retired from must pay the designated beneficiary the \$500 cash death benefit. Claims should be reported to the personnel office of the agency the employee worked for at the time of retirement.

May 15, 1984 through December 31, 2007

Beginning May 15, 1984, the state negotiated a single payment insurance policy with Minnesota Mutual Life Insurance Company (Minnesota Life). A certificate of a paid up \$500 death benefit was issued to employees who retired after this date. The employer pays the premium in a lump sum to Minnesota Life at the time of retirement.

Upon the death of an eligible employee who retired after May 15, 1984 and prior to January 1, 2008, if a certificate was issued to an employee upon their retirement, Minnesota Life will pay the designated beneficiary the \$500 death benefit. Claims should be reported to Minnesota Life at (866) 293-6047.

NOTE: *If the eligible retiree did not complete the application and retired prior to May 15, 1984 the agency is responsible for payment of this benefit to beneficiaries upon the retiree's death.*

If the eligible retiree did not complete the application and retired between May 15, 1984 and January 1, 2008, the retiree or agency should contact DOER.