

OkACTE/CCOSA Member Death Benefit Program (MBP) Recommendations

Program Component	Current Practice	Proposed Practice
Enrollment Window	Within the first 3 years of OkACTE membership or when the board approves open enrollment.	Within the first 3 years of OkACTE membership or when the board approves open enrollment.
Eligibility to Participate	Active and Retired OkACTE Members and their Spouses Retired members must have been a member of the plan at least (5) years prior to their retirement. They are also required to maintain their OkACTE/ACTE Loyalty Membership dues.	Active and Retired OkACTE Members and their Spouses Retired members must have been a member of the plan at least (5) years prior to their retirement. They are also required to maintain their OkACTE/ACTE Loyalty Membership dues.
Cost to Participate	Newly married participants can enroll their spouses within 60 days after their marriage. \$20.00 payment per individual. Payment requested once OkACTE is notified of death. OkACTE members and their spouses are in a separate pool where they pay for the deaths of both the member and spouse. Members enrolled without spouses only pay for member deaths.	Newly married participants can enroll their spouses within 60 days after their marriage. \$20.00 to enroll (if new to program after September 1, 2016) All MBP Participants (members and Spouse) will be invoiced a pre-death fee of \$20.00 to get the new system two deaths ahead. All MBP participants will pay \$10.00 per death after initial fee is paid
Staying Active in MBP	OkACTE bills participants \$10 after a death occurs Participants have 30 days after a death to pay their \$10.00 and stay active in MBP	CCOSA bills all participants \$10.00 after a death occurs Participants have 60 days after a death to pay their \$10.00 and stay active in MBP
Returning to Active Status	Participants can return to Active status at any time by paying all missed deaths to OkACTE.	Participants are dropped from the program after 60 days of non-payment In order to return to active status the individual would pay a \$30.00 reinstatement fee + \$20.00 to get two deaths ahead in the program
Payout to Beneficiary	95% of monies in pool distributed to designated MBP	95% of monies in pool distributed to designated MBP

Available Funds	participant beneficiary	participant beneficiary
	Distribution is based on what is actually in the MBP fund	MBP will always be two deaths ahead in the fund

Why make these changes?

As directed by the OkACTE Executive Committee, OkACTE staff has worked with CCOSA (Cooperative Council for Oklahoma School of Administration) to discuss a mutual death benefit program that provides a larger payout to participants and secure the solvency of the program.

Currently OkACTE has approximately 750 MBP participants. CCOSA has approximately 400 MBP participants. Combining these programs will result in a larger participant pool with a larger payout to families of our members.

CCOSA will manage the MBP on behalf of both associations through a new database program created by LeVant Technologies. In exchange for managing the MBP, CCOSA will assess a 5% management fee against the MBP proceeds at intervals that are agreeable to both OkACTE and CCOSA.

OkACTE/CCOSA Member Death Benefit Program (MBP) Update

Program Component	Approved Practice
Enrollment Window	Within the first 3 years of OkACTE membership or when the board approves open enrollment.
Eligibility to Participate	<p>Active and Retired OkACTE Members and their Spouses</p> <p>Retired members must have been a member of the plan at least (5) years prior to their retirement. They are also required to maintain their OkACTE/ACTE Loyalty Membership dues.</p> <p>Newly married participants can enroll their spouses within 60 days after their marriage.</p>
Cost to Participate	<p>\$20.00 to enroll (if new to program after September 1, 2016)</p> <p>All MBP Participants (members and Spouse) will be invoiced a pre-death fee of \$20.00 to get the new system two deaths ahead.</p> <p>All MBP participants will pay \$10.00 per death after initial fee is paid</p>
Staying Active in MDBP	<p>CCOSA bills all participants \$10.00 after a death occurs</p> <p>Participants have 60 days after a death to pay their \$10.00 and stay active in MBP</p>
Returning to Active Status	<p>Participants are dropped from the program after 60 days of non-payment</p> <p>In order to return to active status the individual would pay a \$30.00 reinstatement fee + \$20.00 to get two deaths ahead in the program</p>
Payout to Beneficiary	95% of monies in pool distributed to designated MBP participant beneficiary
Available Funds	MBP will always be two deaths ahead in the fund
Start Date	<p>September 1, 2016</p> <p>All participants that are active in current OkACTE MBP will not be required to pay the \$20 enrollment fee, yet will be required to pay the \$20 pre-death fee.</p>