Classic Values, Innovative Advice

Maine Public Employees Retirement System Group Life Insurance Premium Study

Produced by Cheiron

August 2026

TABLE OF CONTENTS

Via Electronic Mail

August 13, 2026

Board of Trustees
Maine Public Employees Retirement System
P.O. Box 349
Augusta, Maine 04332-0349

Re: Maine Public Employees Retirement System Group Life Insurance Premium Study Report

Dear Members of the Board:

At your request, we have completed a study of premiums that are paid for the Maine Public Employees Retirement System (MainePERS) Group Life Insurance Benefits. Our study compares premiums collected vs. benefits paid for Basic, Supplemental, and Dependent Life Insurance for active participants and Basic Life Insurance for retirees. We analyzed results for participants in the Group Life Insurance Programs for the State Sponsored Plans, Teachers, and Participating Local Districts (PLDs). For this study, we looked at historical premium collection and life insurance claims for these groups, projected future claims, and income based on the future premium rates approved by the Board.

Section I summarizes the conclusions of this study.

Section II contains a historical summary of the premiums and claims for the Group Life Insurance obligations.

Sections III and IV contains the projections of claims and income based on current premiums and the future premiums approved by the Board. The projections are based on data through the valuation as of June 30, 2025 utilizing financial data through June 30, 2026. The changes to premiums will be effective on or after Fiscal Year Ending (FYE) 2028 but will be reflected in projections for the next full biennial valuation performed as of June 30, 2026 to the extent any changes are adopted by the Board.

Appendix A describes the Participant Data, Assumptions, and Methods used in the projections contained in Sections I-IV.

Appendix B contains the substantive plan provisions provided by the system.

Board of Trustees
Maine Public Employees Retirement System
August 13, 2026

The purpose of this report is to present the study of premium adequacy for the Group Life Insurance program as of June 30, 2026, for MainePERS. This report was prepared exclusively for the use of MainePERS. This report is not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party.

In preparing our report, we relied on information (some oral and some written) supplied by MainePERS. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

If you have any questions, please contact us.

Sincerely,
Cheiron

Daniel J. Rhodes, FSA, FCA, MAAA
Principal Consulting Actuary

Ryan Benitez, ASA, MAAA
Consulting Actuary

John L. Colberg, FSA, EA, MAAA
Principal Consulting Actuary

SECTION I — EXECUTIVE SUMMARY

Maine Public Employees Retirement System (MainePERS) engaged Cheiron to provide an analysis of the Group Life Insurance premiums using census data through June 30, 2025, life insurance claims data through December 31, 2025, and financial data through June 30, 2026. The primary purpose of this study is to analyze if the premiums being charged for the Group Life Insurance Benefits are sufficient to fund the Plan and to show the impact of the premium changes approved by the Board.

Below is a summary of key findings:

Since 2021, Active claims in the financials have been higher than seen in the life insurance data, while Retiree claims have been lower. MainePERS staff determined this was due to a logic error in the current V3 PAS system, which dates back to a 2016 change in GASB standards requiring separation of Active and Retiree members into separate GLI trusts. In particular, claims related to pension applications converted for V3, disability retirees, and certain PLD retirees who did not participate in a defined benefit plan were affected. This has been corrected going forward, but in order to correct the asset deficiencies that have developed in the active trusts as a result of this, **we recommend a one-time transfer of assets from each retiree trust into the respective active trust to account for claims to individuals that would have been treated as retirees when developing premium rates.**

STATE EMPLOYEES

- Claim experience in the state active plan was 19% worse than projected over the four most recent fiscal years ending June 30, 2025. After correcting for the claims that should have been paid from the retiree trust, the experience was 25% better than projected.
- Claim payments for state retiree basic life insurance were 14% lower than expected over the same period. After correcting for the claims that should have been paid from the retiree trust, the experience was 25% worse than projected.
- Beginning in FYE 2026, the premiums for basic active coverage were increased from $0.20 to $0.26 monthly per $1,000 of coverage based on the results of the 2024 premium study. We recommend keeping premiums at this level.
- Beginning in FYE 2024, the premiums for basic retiree coverage were increased from $0.72 to $0.78 monthly per $1,000 of coverage. We recommend keeping premiums at this level.
- The current age-based premiums for supplemental insurance are sufficient, and no change is recommended.
- The premiums for dependent coverage are sufficient, and no change is recommended.

SECTION I — EXECUTIVE SUMMARY

TEACHERS

- Claim experience in the teachers active plan was 31% worse than projected over the four most recent fiscal years ending June 30, 2025. After correcting for the claims that should have been paid from the retiree trust, the experience was 16% better than projected.
- Claim payments for teachers retiree basic life insurance were 10% lower than expected over the same period. After correcting for the claims that should have been paid from the retiree trust, the experience was 16% worse than projected.
- Effective July 1, 2026, based on the results of the 2024 Premium Study, the premiums for basic active coverage have increased from $0.11 to $0.13 monthly per $1,000. We recommend keeping premiums at this level.
- The State contributes the Actuarially Determined Contribution (ADC) for basic retiree coverage. No change is recommended to this method.
- The current age-based premiums for supplemental insurance are sufficient and no change is recommended.
- The premiums for dependent coverage are sufficient, and no change is recommended.

PARTICIPATING LOCAL DISTRICTS

- Claim experience in the PLD active plan was 8% worse than projected over the four most recent fiscal years ending June 30, 2025. After correcting for the claims that should have been paid from the retiree trust, the experience was 35% better than projected.
- Claim payments for PLD retiree basic life insurance were 28% lower than expected over the same period. After correcting for the claims that should have been paid from the retiree trust, the experience was 30% worse than projected.
- Based on the results of the 2024 Premium Study, the premium rate paid by both active and retired employees in the PLD Group Life Insurance program increased from $0.50 to $0.52 monthly per $1,000 of coverage effective July 1, 2025, with an additional increase to $0.54 scheduled to go into effect on July 1, 2027. In order to maintain the stated goal of achieving full funding for the retiree trust by 2036, an additional increase to $0.56 in 2032 would be needed based off current projections.
- The current age-based premiums for supplemental insurance are sufficient and no change is recommended.
- The premiums for dependent coverage are sufficient, and no change is recommended.

SECTION I — EXECUTIVE SUMMARY

For all plans, we recommend reviewing the sufficiency of the premiums whenever the cash flows deviate significantly from the projections presented in this report. We recommend a study in 2028 to review the impact of the administrative corrections and any asset transfer.

The body of this report provides additional detail and support for our conclusions.

SECTION II — HISTORICAL SUMMARY

Cheiron has developed premiums for the MainePERS Group Life Insurance program since the 2005 premium study. This study developed recommendations that went into effect for Fiscal Year Ending 2008 when the State needed to record the liability for Other Post-Employment Benefits paid by the State on its financial statements for the implementation of GASB 43/45. Since then, Cheiron has conducted premium studies in 2012, 2016, 2020, 2024, and now 2026.

Premium rates for retiree coverage have been set historically to ensure that the Unfunded Actuarial Liability (UAL) is paid within 30 years, the maximum acceptable period that was established by GASB 43/45 for recognizing the UAL for accounting purposes, as of the Fiscal Year Ending 2008 for State & Teachers. A 23-year period was used for PLDs, which was the projected period over which the current rates would amortize the UAL at that time.

Below is a historical summary of the premium rates paid for Maine's Basic Group Life Insurance benefits. Note that in past premium study reports, premiums were shown on a bi-weekly per $1,000 basis. They are now shown on a monthly per $1,000 basis in order to align with how the premiums are administered.

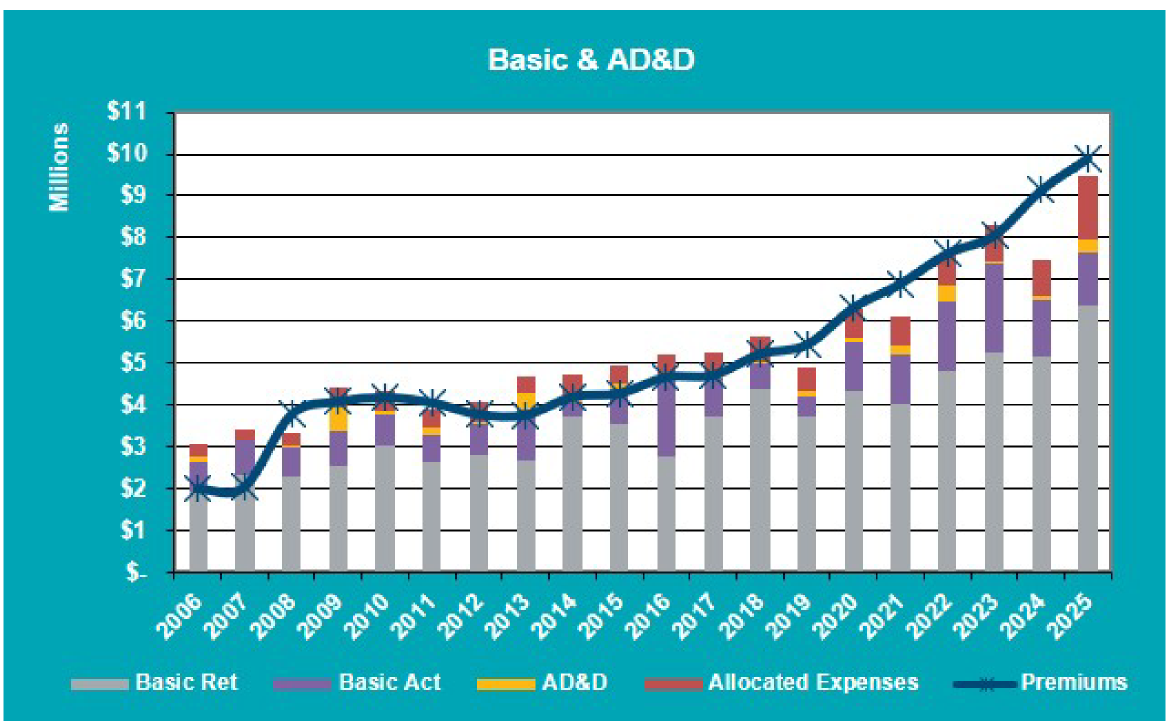
Monthly per $1,000	State Active Basic	State Retiree Basic	Teacher Active Basic	Teacher Retiree Basic	PLDs Active & Retiree Basic
FYE 2007	$0.30		$0.22		$0.46
FYE 2008	$0.13	$0.43	$0.11	ADC	$0.46
FYE 2010	$0.13	$0.43	$0.11	ADC	$0.46
FYE 2012	$0.13	$0.43	$0.11	ADC	$0.46
FYE 2014	$0.15	$0.48	$0.11	ADC	$0.46
FYE 2016	$0.15	$0.52	$0.11	ADC	$0.46
FYE 2018	$0.20	$0.56	$0.11	ADC	$0.46
FYE 2020	$0.20	$0.63	$0.11	ADC	$0.46
FYE 2022	$0.20	$0.72	$0.11	ADC	$0.48
FYE 2024	$0.20	$0.78	$0.11	ADC	$0.50
FYE 2025	$0.20	$0.78	$0.11	ADC	$0.50
FYE 2026	$0.26	$0.78	$0.13	ADC	$0.52

*

SECTION II — HISTORICAL SUMMARY

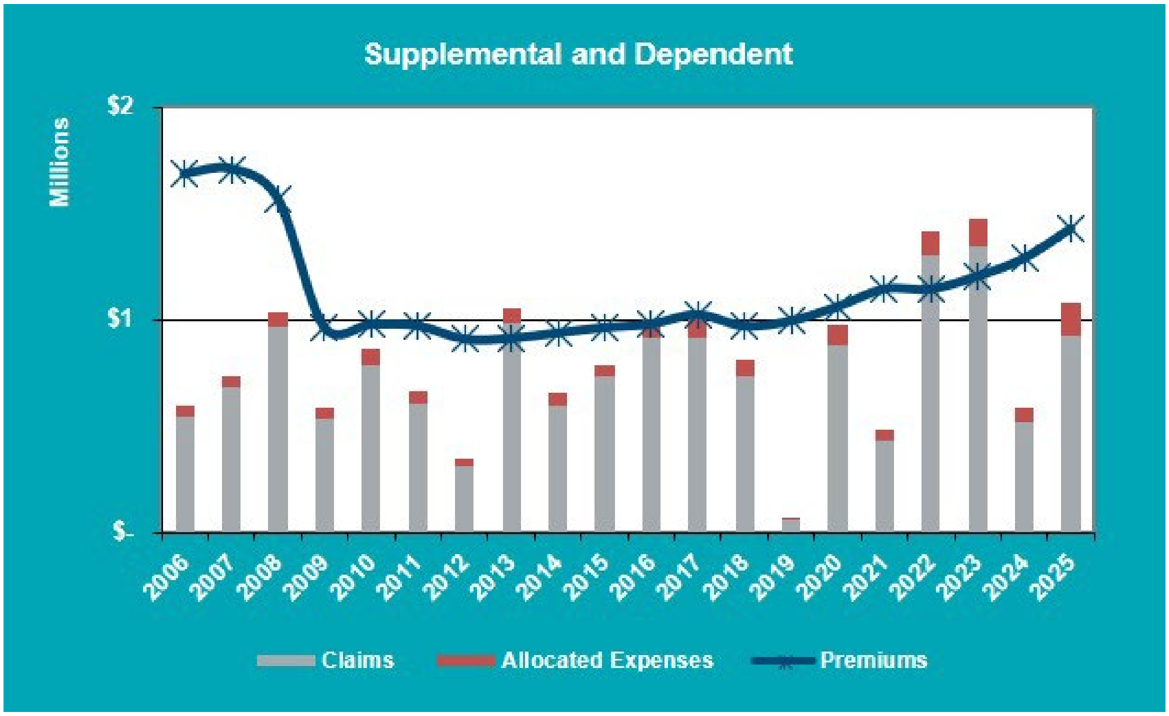
Contribution Year	Teacher Retiree ADC	Contribution Year	Teacher Retiree ADC
FYE 2008	$2,394,002	FYE 2019	$3,546,978
FYE 2009	$2,507,718	FYE 2020	$4,478,090
FYE 2010	$3,222,106	FYE 2021	$4,601,233
FYE 2011	$3,375,156	FYE 2022	$4,592,850
FYE 2012	$3,804,356	FYE 2023	$4,726,664
FYE 2013	$3,985,063	FYE 2024	$4,859,254
FYE 2014	$4,196,485	FYE 2025	$4,992,883
FYE 2015	$4,343,362	FYE 2026	$5,048,951
FYE 2016	$3,160,319	FYE 2027	$5,187,797
FYE 2017	$3,270,928	FYE 2028	$4,635,459
FYE 2018	$3,459,442	FYE 2029	$4,762,935

The chart below shows the historical premiums and claims for State Employees for Basic Active Life Insurance, Accidental Death and Dismemberment (AD&D), Basic Retiree Life Insurance, and expenses.

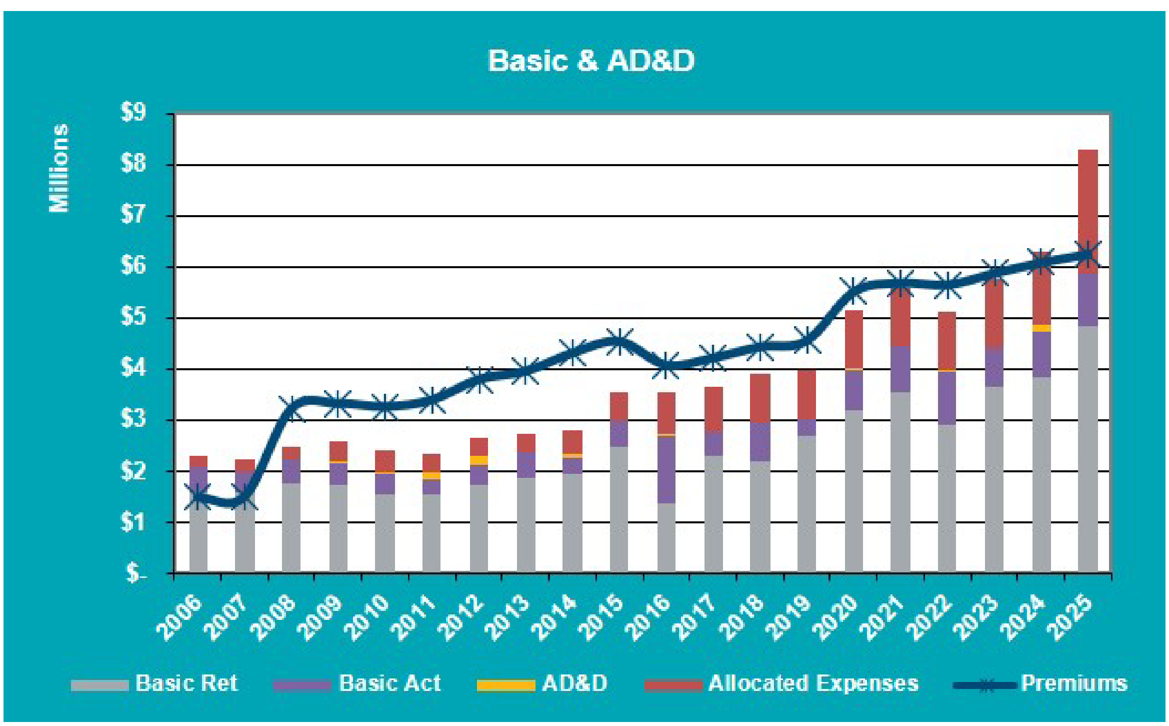


SECTION II — HISTORICAL SUMMARY

The chart below shows the historical premiums and claims for State Employees for Supplemental and Dependent Life Insurance and expenses.

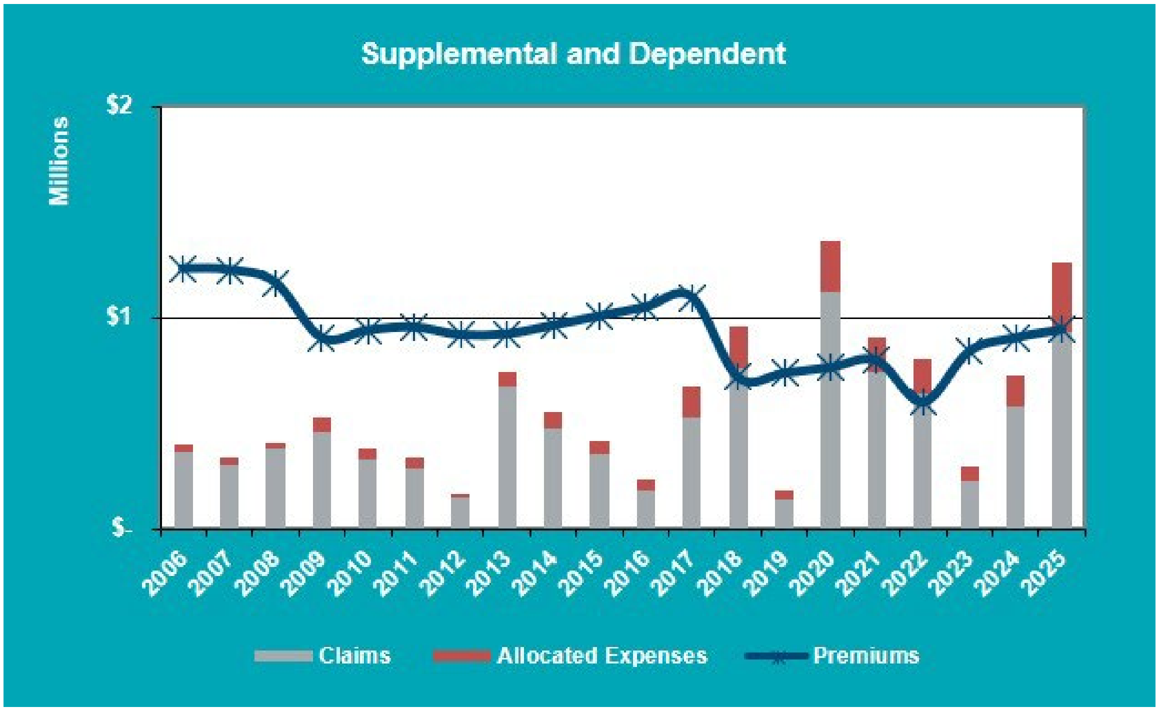


The chart below shows the historical premiums and claims for Teachers for Basic Active Life Insurance, AD&D, Basic Retiree Life Insurance, and expenses.

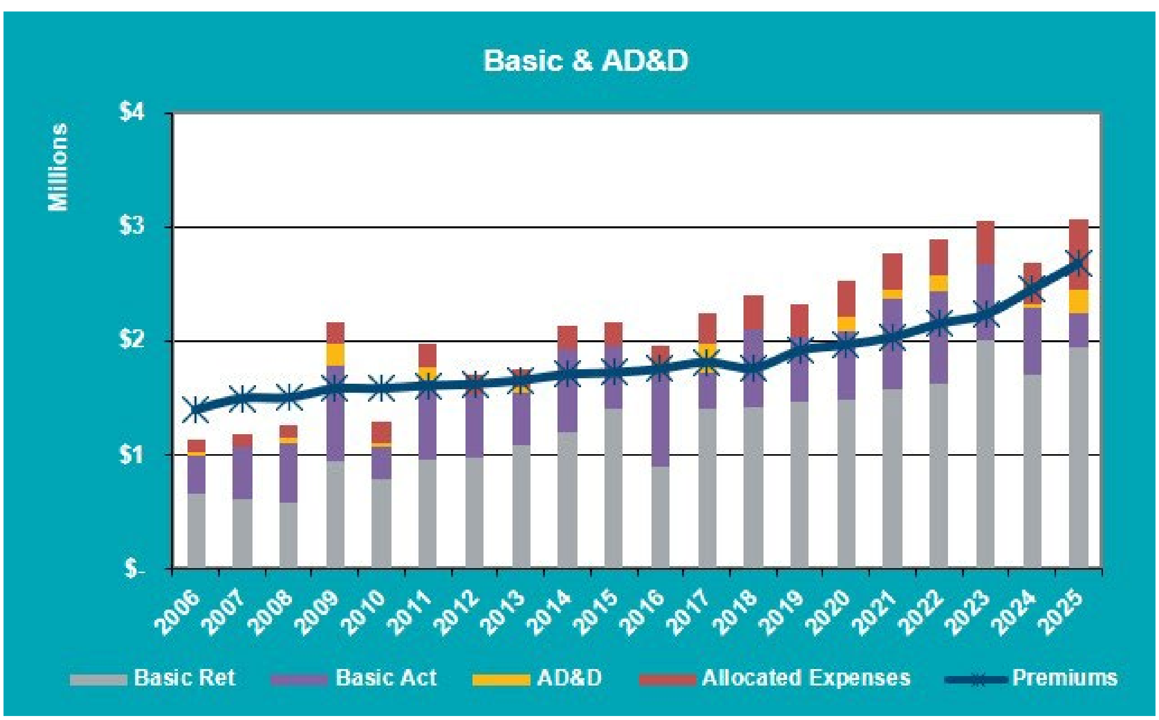


SECTION II — HISTORICAL SUMMARY

The chart below shows the historical premiums and claims for Teachers for Supplemental and Dependent Life Insurance and expenses.

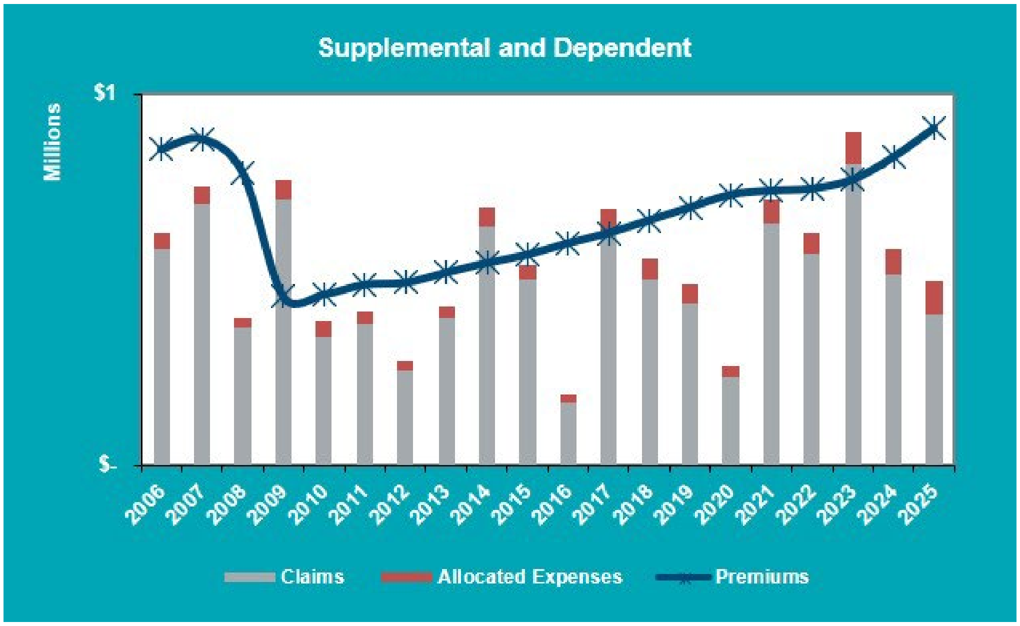


The chart below shows the historical premiums and claims for PLD employees for Basic Active Life Insurance, AD&D, Basic Retiree Life Insurance, and expenses.



SECTION II — HISTORICAL SUMMARY

The chart below shows the historical premiums and claims for PLD employees for Supplemental and Dependent Life Insurance and expenses.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

The premiums used for the Group Life Insurance benefits were last adjusted for the Fiscal Year ending 2026, developed from the 2024 experience study. For this study, we reviewed the premiums collected vs. the claims paid for the State, Teacher, and PLD Program life insurance benefits since 2007, and show projected claims and premiums for the next 10 years.

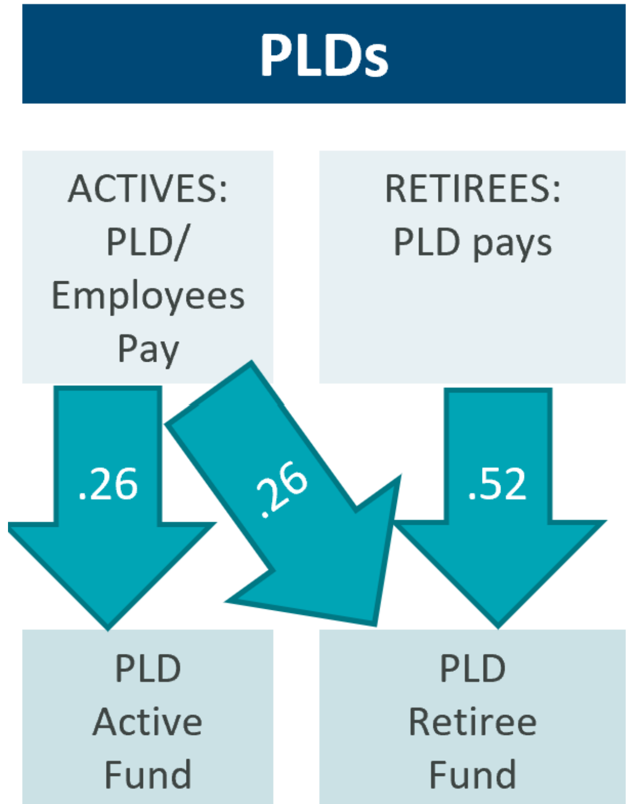
The fundamental principle underlying our analysis is that the cost of benefits should be related to the period in which benefits are earned. For active employees and dependents, the cost of coverage should be equal to the claims expected to be paid from the plan plus any expenses. If the premiums are expected to be less than claims, an increase in premiums is recommended.

To apply the fundamental principle to retirees, however, requires that the cost of coverage for a benefit that will be paid after retirement be funded during the active working life of participants (the period in which benefits are earned), rather than after retirement (the period of benefit distribution). The cost of retiree benefits is represented as the Actuarially Determined Contribution (ADC) calculated under the provisions of GASB Statements 74 and 75 and is the sum of two components: the normal cost and the amortization of the Unfunded Actuarial Liability (UAL). The *normal cost* is the annual amount which would be sufficient to fund the substantive plan benefits (net of contributions on the retiree's behalf) if it were paid from each employee's entry into the Plan until termination or retirement. The *actuarial liability* represents the portion of the value of the projected benefit at retirement that is allocated to service earned prior to the valuation date. The UAL represents the excess of the actuarial liability over plan assets and is amortized as a level percent of pay over a period not to exceed 30 years. If premiums are expected to be less than the ADC, a premium increase is indicated.

Due to the implementation of GASB 74/75, the State has established separate asset funds to pay for active benefits and retiree benefits.

For PLD funding, the same monthly premium rate of $0.52 per $1,000 of coverage (recommended to increase to $0.54 in FY28 based on the 2024 Premium Study) is paid on behalf of actives and retirees. For retirees, all of that goes into the Retiree Fund. The active PLD premium of $0.52 monthly per $1,000 of coverage is currently allocated as $0.26 to the Active fund and $0.26 to the Retiree Fund. The graphic below illustrates this allocation.

SECTION III — PREMIUM PROJECTIONS AND SCENARIOS



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

The chart below shows the current and recommended scheduled premium rates. Only PLD rates are recommended to change.

Rate Schedule - Monthly Rates Per $1,000 of Coverage

	Current Rates			Rates for Fiscal Year 2028		
	State	**Teacher**	**PLD**	**State**	**Teacher**	**PLD**
Active Basic	$ 0.26	$ 0.13	$ 0.52	$ 0.26	$ 0.13	$ 0.54
Retiree Basic	$ 0.78	ADC		$ 0.78	ADC	
Supplemental						
Age <= 34	$ 0.04	$ 0.02	$ 0.04	$ 0.04	$ 0.02	$ 0.04
35-44	$ 0.04	$ 0.02	$ 0.07	$ 0.04	$ 0.02	$ 0.07
45-49	$ 0.08	$ 0.04	$ 0.11	$ 0.08	$ 0.04	$ 0.11
50-54	$ 0.14	$ 0.09	$ 0.15	$ 0.14	$ 0.09	$ 0.15
55-59	$ 0.22	$ 0.15	$ 0.30	$ 0.22	$ 0.15	$ 0.30
60-64	$ 0.32	$ 0.22	$ 0.43	$ 0.32	$ 0.22	$ 0.43
65 plus	$ 0.44	$ 0.28	$ 0.87	$ 0.44	$ 0.28	$ 0.87
Dependent A	$ 1.93	$ 1.93	$ 1.93	$ 1.93	$ 1.93	$ 1.93
Dependent B	$ 3.40	$ 3.40	$ 3.40	$ 3.40	$ 3.40	$ 3.40

SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

ONE-TIME ASSET TRANSFER

Since 2021, Active claims in the financials have been higher than seen in the life insurance data, while Retiree claims have been lower. MainePERS staff determined this was due to a logic error in the current V3 PAS system, which dates back to a 2016 change in GASB standards requiring separation of Active and Retiree members into separate GLI trusts. In particular, claims related to pension applications converted for V3, disability retirees, and certain PLD retirees who did not participate in a defined benefit plan were affected.

This has been corrected going forward, but in order to correct the asset deficiencies that have developed in the active trusts as a result of this, **we recommend a one-time transfer of assets from each retiree trust into the respective active trust to account for claims to individuals that would have been treated as retirees when developing premium rates.** The transfer amounts are calculated on the following pages.

SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

The following exhibits details the amounts that we are recommending be transferred from the retiree to the active trust for each respective group (State, Teachers, and PLDs). In developing these recommended transfer amounts, we have based our analysis solely on the individual claims data for each year to determine the percentage of claims that were attributable to the active trust or retiree trust. We then applied this percentage to the total claims in the financials for Active Basic, Dependent, AD&D, and Retiree Basic life insurance to determine the total claims that should have been allocated to each trust historically. Actual investment returns were used to estimate the difference in investment earnings resulting from the misallocation of claims.

One-Time Asset Transfer Amounts - Actual Investment Return for Retiree Funds						
	State Actives					
Fiscal Year Ending	Claims - Financials	Claims - Data	Difference	Annual Investment Return	Cumulative Return to 6/30/2026	Value at 6/30/2026
2021	$2,500,845	$1,762,903	$737,942	-14.34%	146.84%	$1,083,611
2022	$4,461,447	$3,284,569	$1,176,878	11.41%	171.43%	$2,017,480
2023	$5,037,059	$3,438,849	$1,598,210	14.65%	153.87%	$2,459,149
2024	$3,750,182	$1,906,191	$1,843,991	13.38%	134.21%	$2,474,794
2025	$4,407,356	$2,395,007	$2,012,349	18.37%	118.37%	$2,381,975
Total	$20,156,889	$12,787,519	$7,369,370			$10,417,009

SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

One-Time Asset Transfer Amounts - Actual Investment Return for Retiree Funds						
	Teacher Actives					
Fiscal Year Ending	Claims - Financials	Claims - Data	Difference	Investment Return	Cumulative Return to 6/30/2026	Value at 6/30/2026
2021	$2,647,742	$1,598,254	$1,049,488	-14.36%	146.92%	$1,541,908
2022	$2,215,615	$1,608,150	$607,465	11.51%	171.55%	$1,042,085
2023	$1,684,660	$930,181	$754,479	14.54%	153.85%	$1,160,738
2024	$2,660,577	$1,570,490	$1,090,087	13.38%	134.31%	$1,464,126
2025	$3,001,465	$1,970,219	$1,031,246	18.46%	118.46%	$1,221,656
Total	$12,210,059	$7,677,294	$4,532,765			$6,430,513

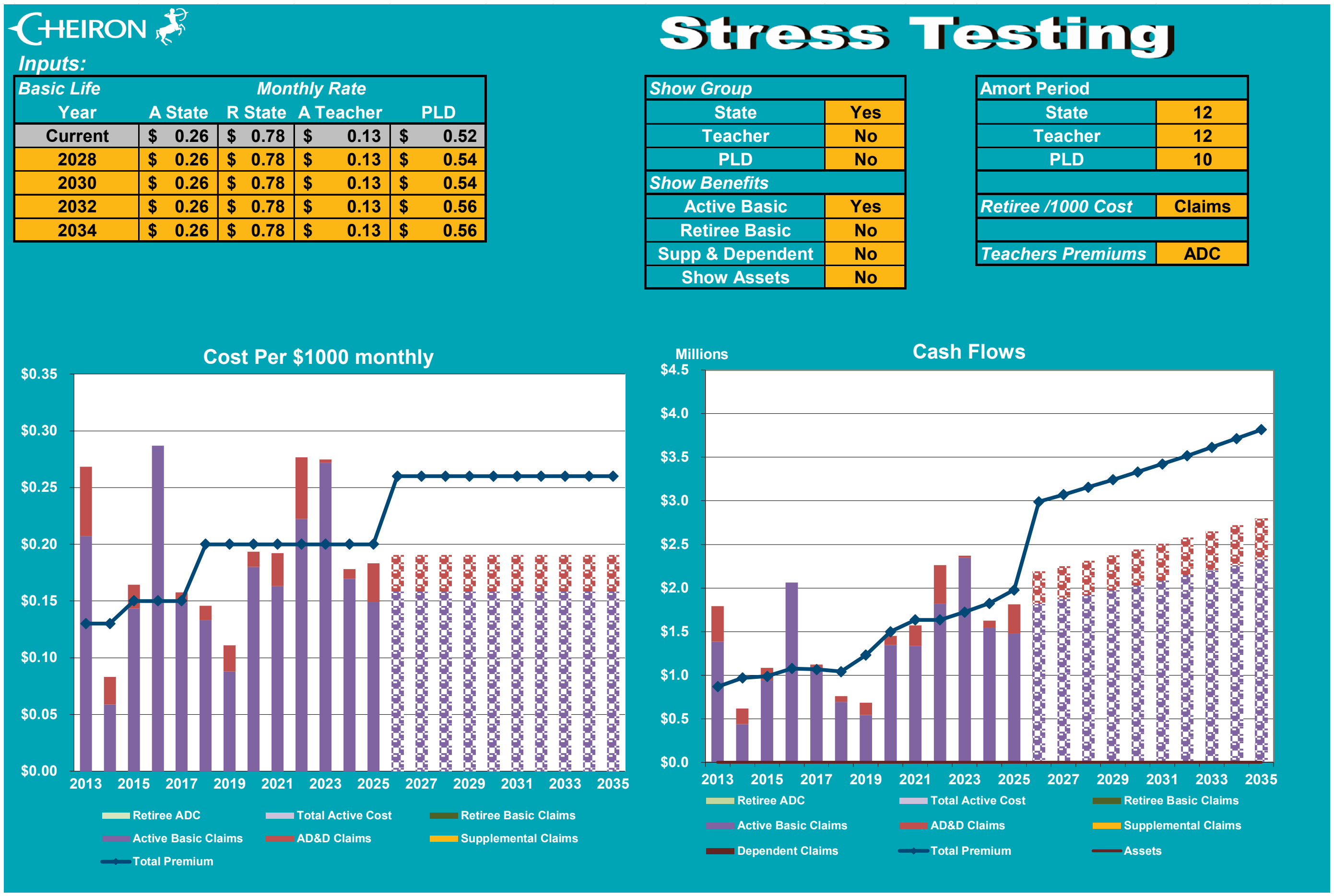
One-Time Asset Transfer Amounts - Actual Investment Return for Retiree Funds						
	Participating Local District Actives					
Fiscal Year Ending	Claims - Financials	Claims - Data	Difference	Investment Return	Cumulative Return to 6/30/2026	Value at 6/30/2026
2021	$1,976,676	$1,495,601	$481,075	-14.24%	146.72%	$705,829
2022	$2,254,515	$1,480,688	$773,827	11.32%	171.08%	$1,323,863
2023	$2,223,206	$1,429,526	$793,680	14.51%	153.68%	$1,219,753
2024	$1,816,180	$1,093,351	$722,829	13.34%	134.21%	$970,109
2025	$1,869,783	$894,974	$974,809	18.42%	118.42%	$1,154,340
Total	$10,140,360	$6,394,140	$3,746,220			$5,373,894

SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

STATE EMPLOYEES: ACTIVE LIFE INSURANCE (BASIC AND AD&D)

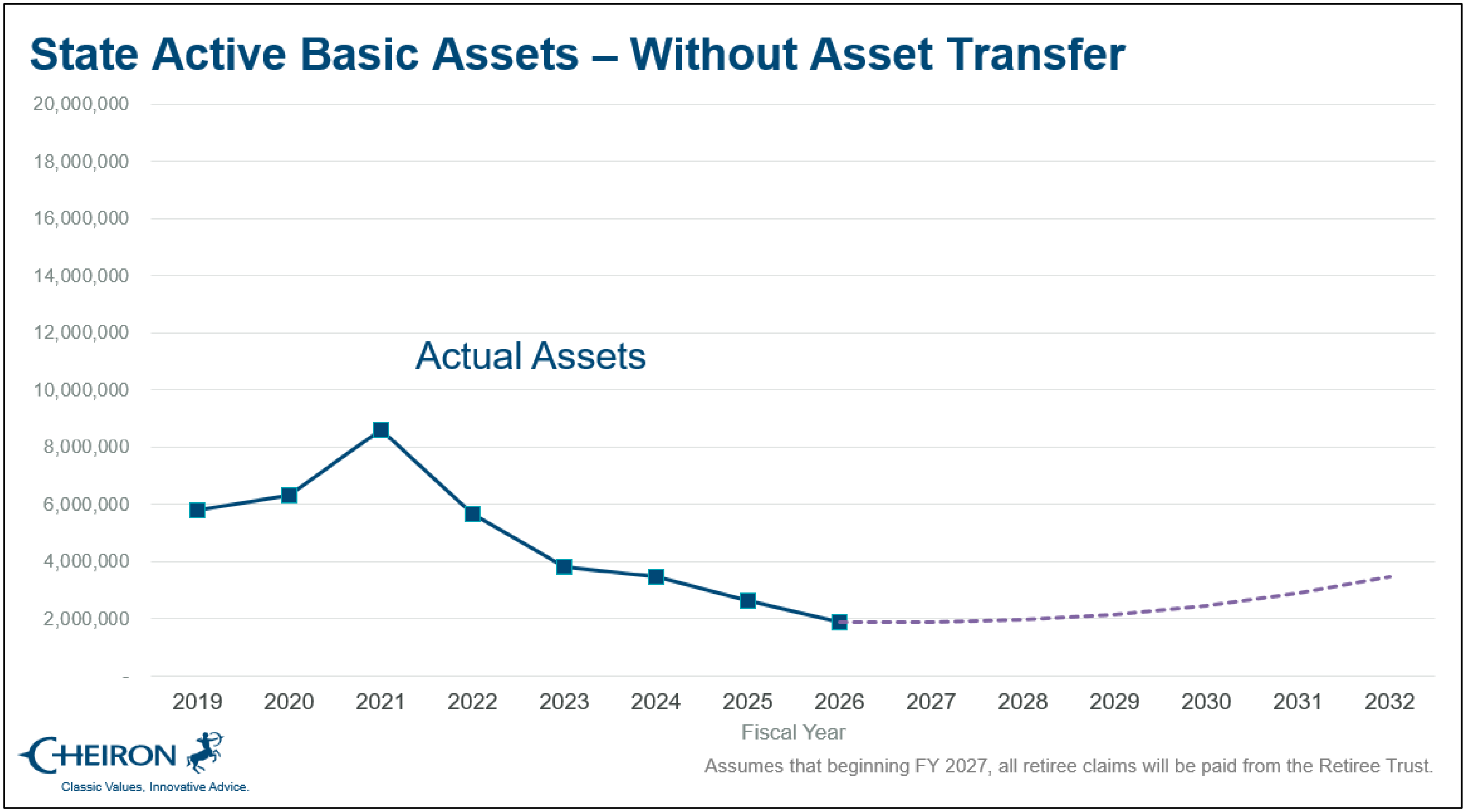
Current Premium Rate: $0.26 monthly per $1,000 of coverage.

The current rate of $0.26 monthly per $1,000 of coverage which became effective in 2026 based on the results of the 2024 Premium Study. No further changes in premium are required at this time.



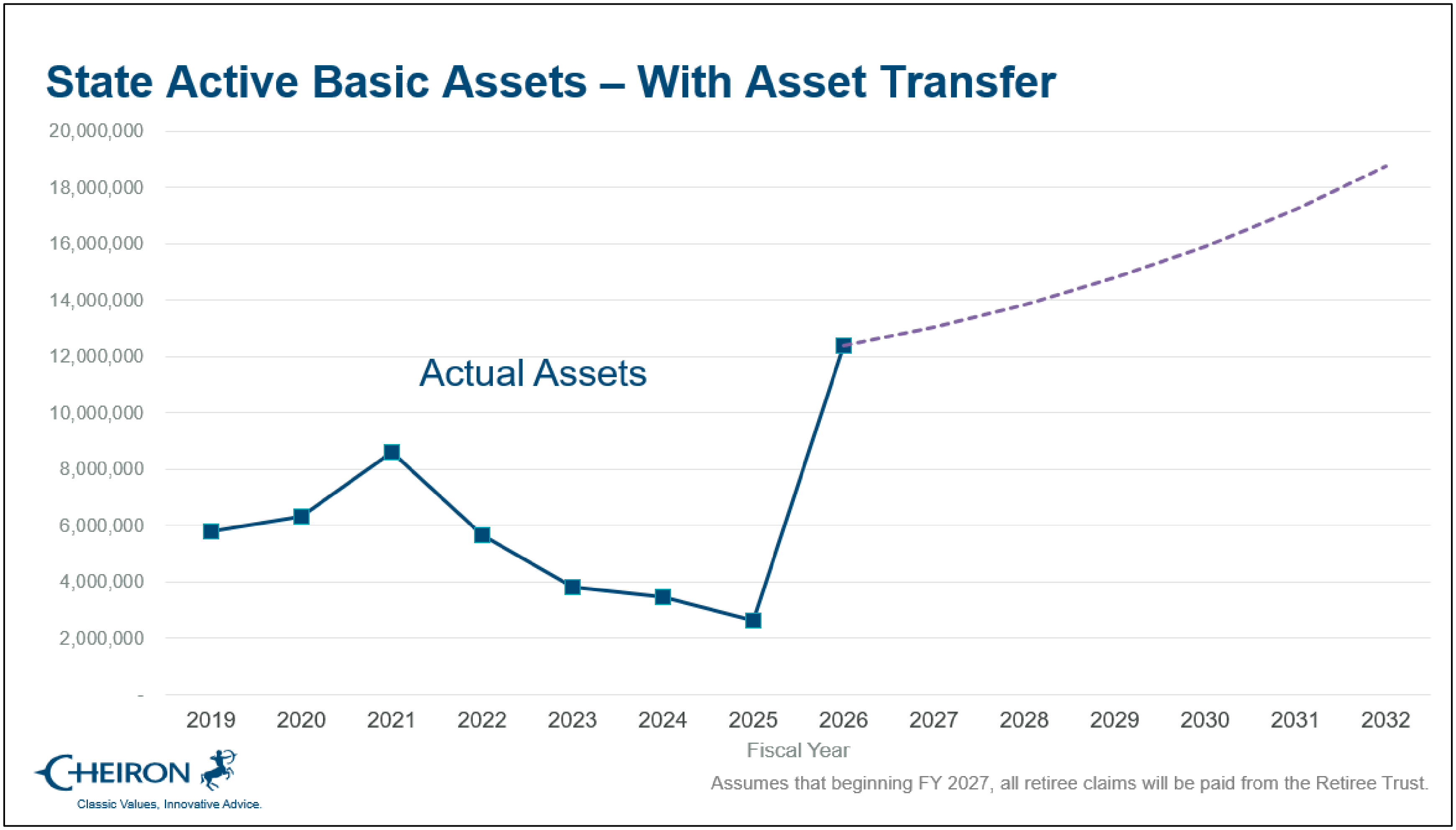
SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected State Assets for Active Group Life Insurance if no asset transfer occurs.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected State Assets for Active Group Life Insurance if an asset transfer is made with full adjustment for investment earnings.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

STATE: BASIC RETIREE LIFE INSURANCE

The current rate of $0.78 monthly per $1,000 of coverage which became effective in 2024 based on the results of the 2020 Premium Study is sufficient to pay off the Unfunded Actuarial Liability in 12 years (by 2038), the funding target established by the Board. No further changes in premium are required at this time.

CHEIRON

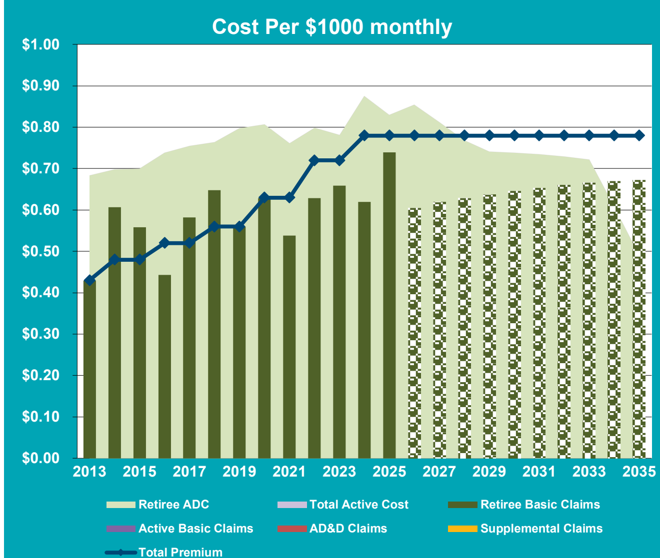
Stress Testing

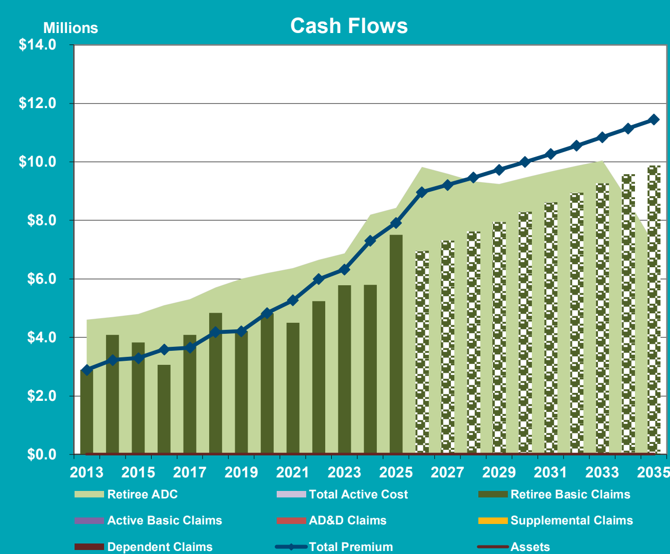
Inputs:

Basic Life	*Monthly Rate*			
Year	A State	R State	A Teacher	PLD
Current	$ 0.26	$ 0.78	$ 0.13	$ 0.52
2028	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2030	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2032	$ 0.26	$ 0.78	$ 0.13	$ 0.56
2034	$ 0.26	$ 0.78	$ 0.13	$ 0.56

Show Group	
State	Yes
Teacher	No
PLD	No
Show Benefits	
Active Basic	No
Retiree Basic	Yes
Supp & Dependent	No
Show Assets	No

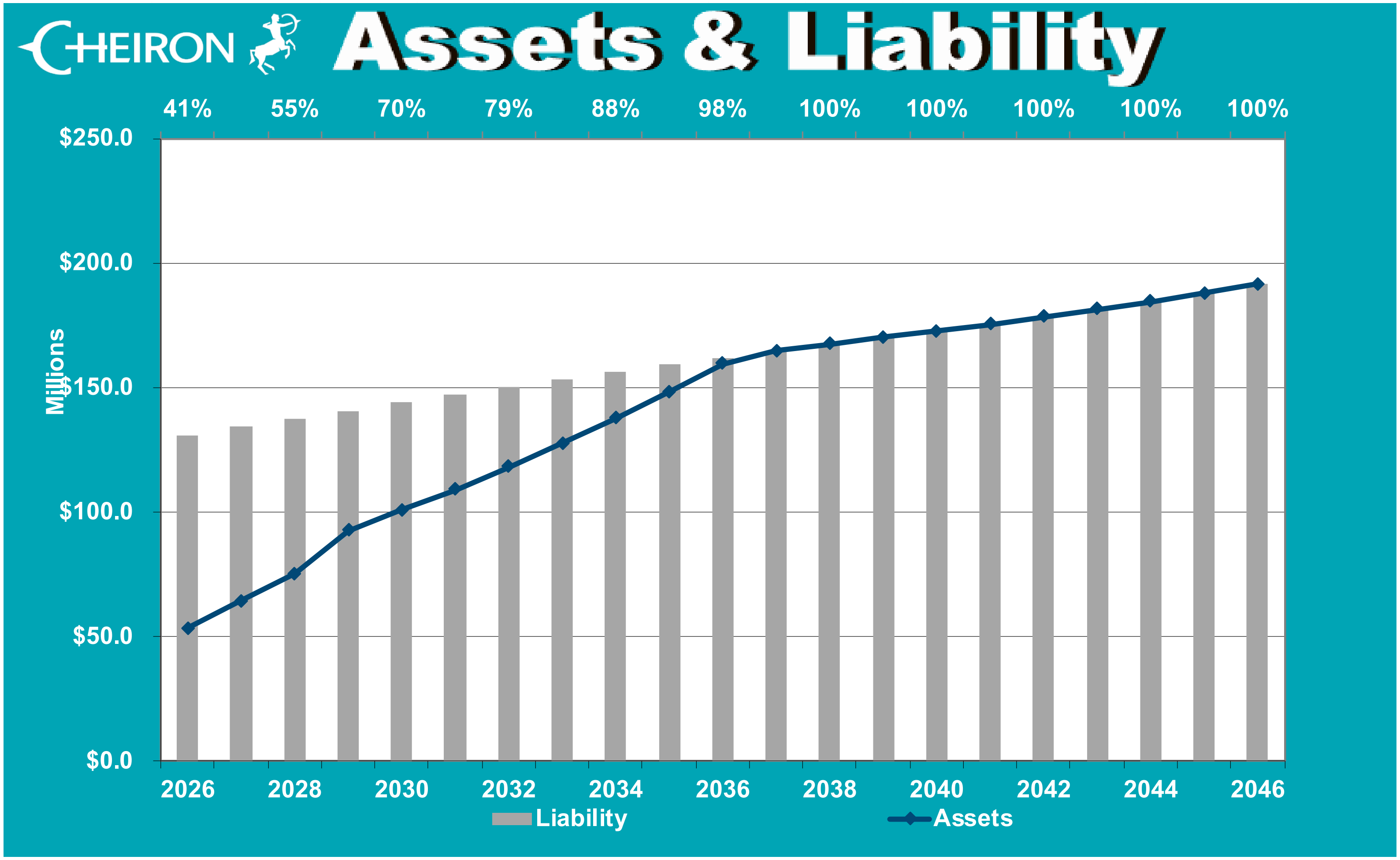
Amort Period	
State	12
Teacher	12
PLD	10
Retiree /1000 Cost	Claims
Teachers Premiums	ADC





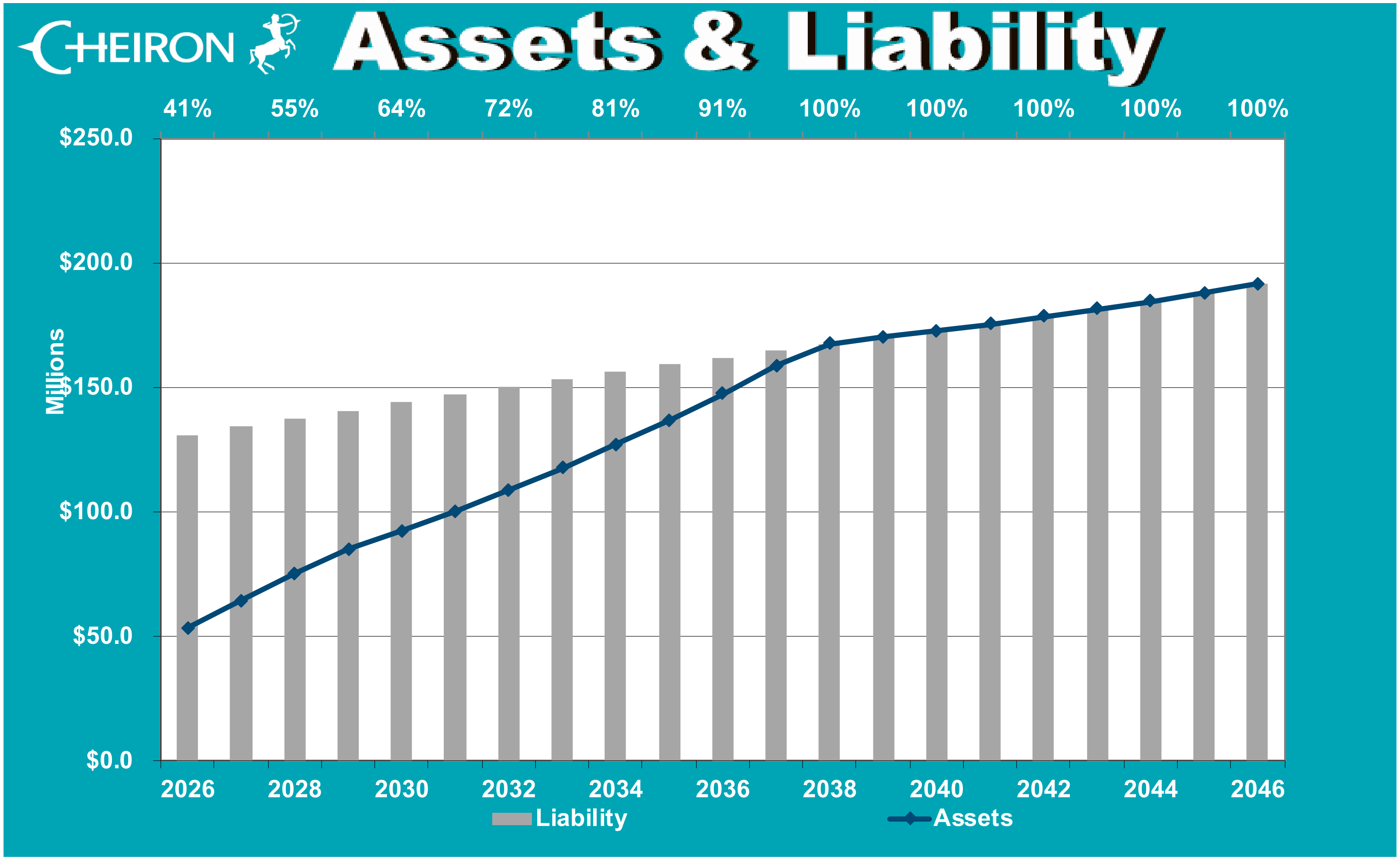
SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected State Assets and Liabilities for Retiree Group Life Insurance under the current premium rate of $0.78 monthly per $1,000 of coverage without increases. The chart below shows the projection prior to any asset transfers.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected State Assets and Liabilities for Retiree Group Life Insurance under the current premium rate of $0.78 monthly per $1,000 of coverage without increases. The chart below shows the projection assuming the asset transfer with full adjustment for investment earnings.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

TEACHERS: BASIC ACTIVE LIFE INSURANCE AND AD&D

Current rate of $0.13 monthly per $1,000 of coverage which became effective in 2026 based on the results of the 2024 Premium Study. No further changes in premium are required at this time.

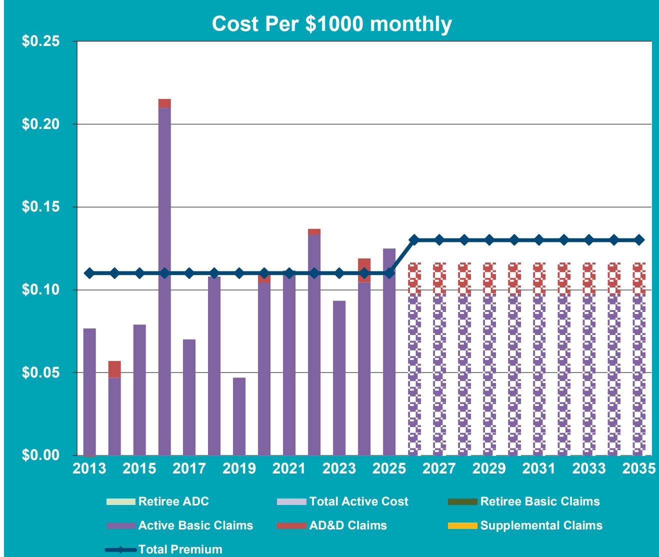
Stress Testing

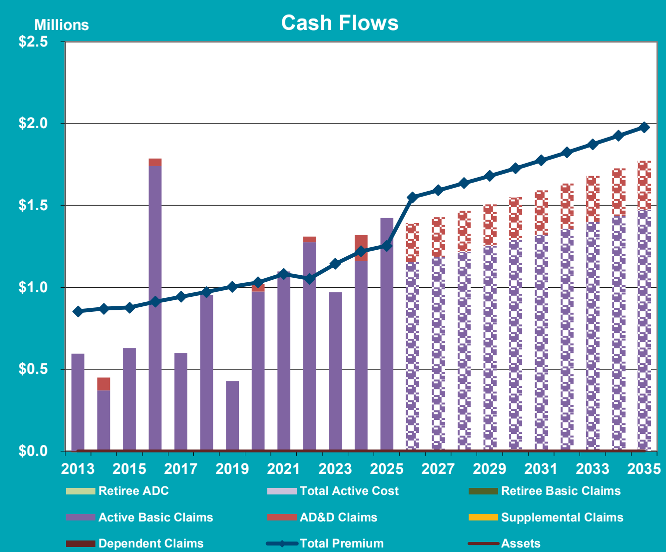
Inputs:

Basic Life		*Monthly Rate*		
Year	A State	R State	A Teacher	PLD
Current	$ 0.26	$ 0.78	$ 0.13	$ 0.52
2028	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2030	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2032	$ 0.26	$ 0.78	$ 0.13	$ 0.56
2034	$ 0.26	$ 0.78	$ 0.13	$ 0.56

Show Group	
State	No
Teacher	Yes
PLD	No
Show Benefits	
Active Basic	Yes
Retiree Basic	No
Supp & Dependent	No
Show Assets	No

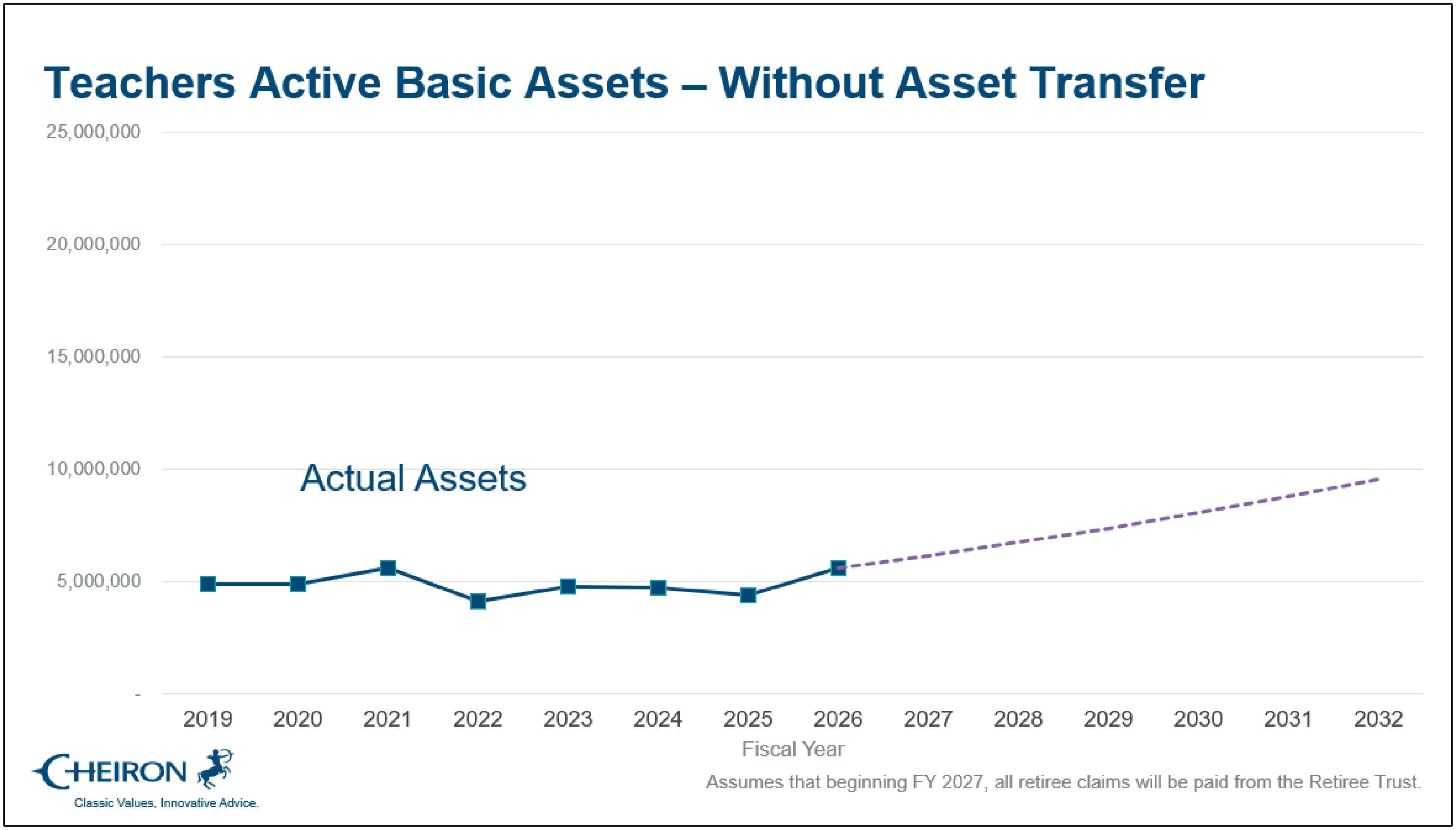
Amort Period	
State	12
Teacher	12
PLD	10
Retiree /1000 Cost	Claims
Teachers Premiums	ADC





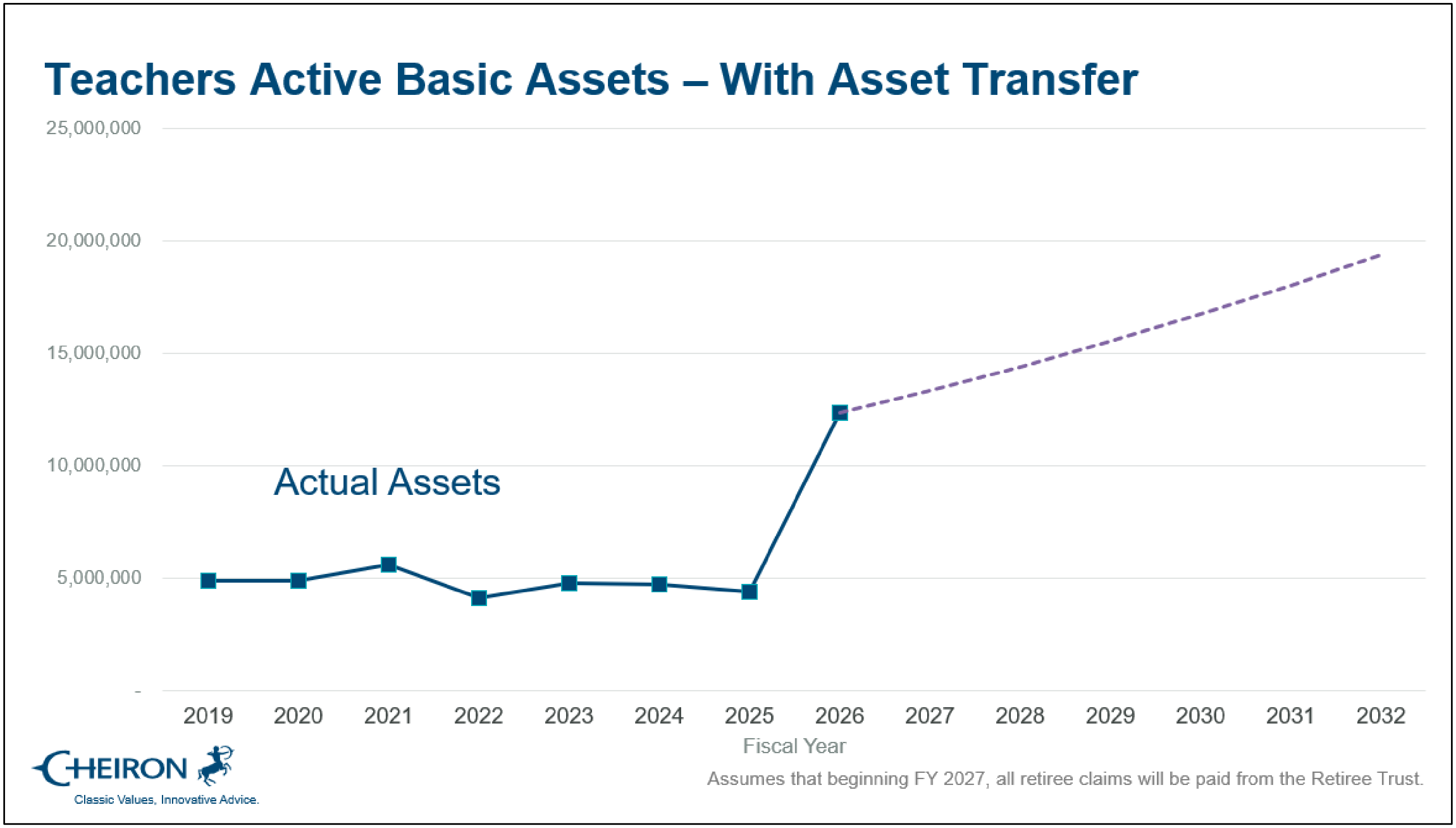
SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected Teachers Assets for Active Group Life Insurance if no asset transfer occurs.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected Teachers Assets for Active Group Life Insurance if an asset transfer is made with full adjustment for investment earnings.

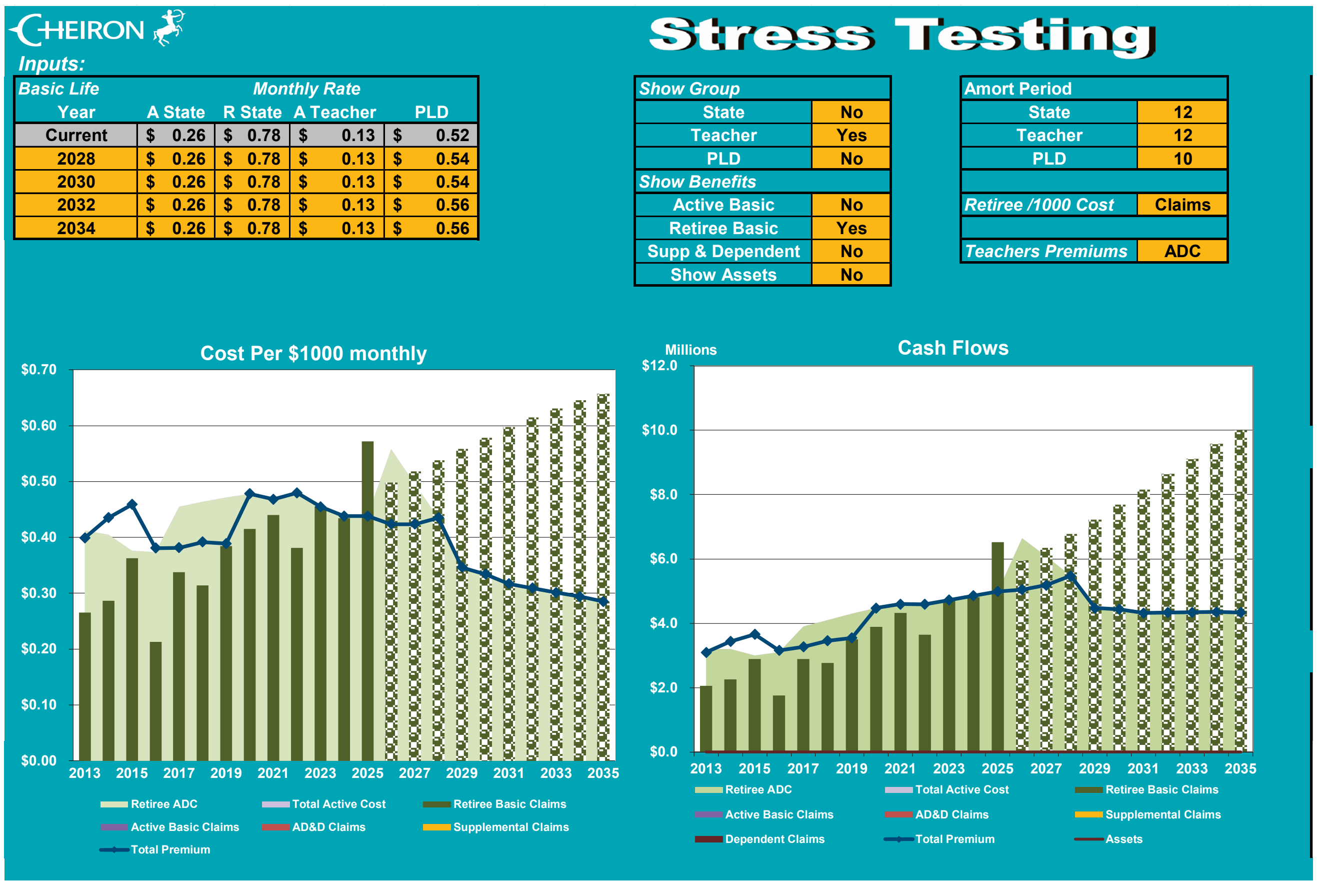


SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

TEACHERS: BASIC RETIREE LIFE INSURANCE

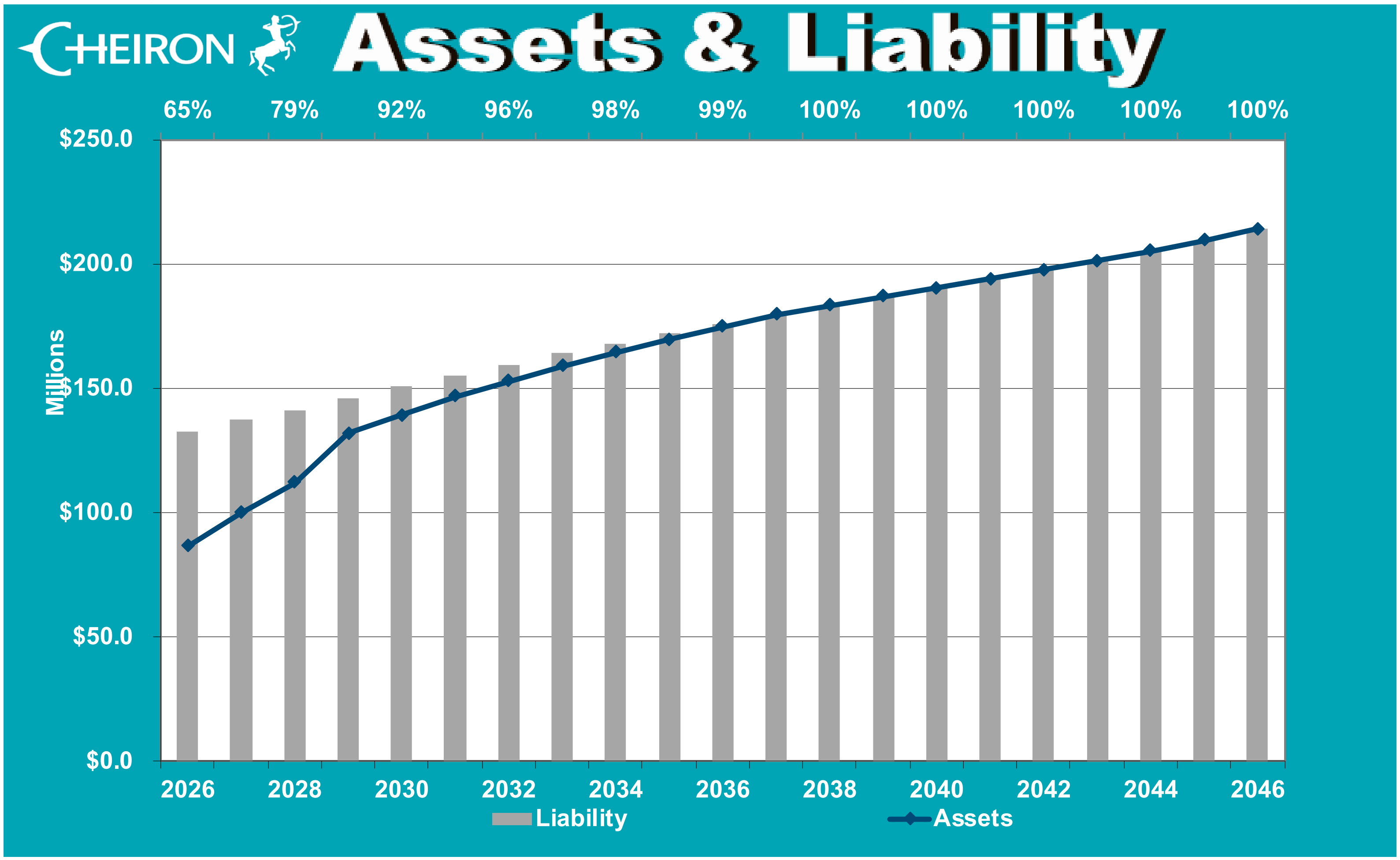
The premiums for the Teachers' Basic Retiree Life Insurance benefit are paid by the State as the dollar amount of each year's ADC. This benefit is not funded using a rate per $1,000 of coverage. This funding method is appropriate for funding the benefits, and a change is not indicated at this time.

This chart shows projected cost, historic and projected cash flows, and retiree ADC on a Fiscal Year basis.



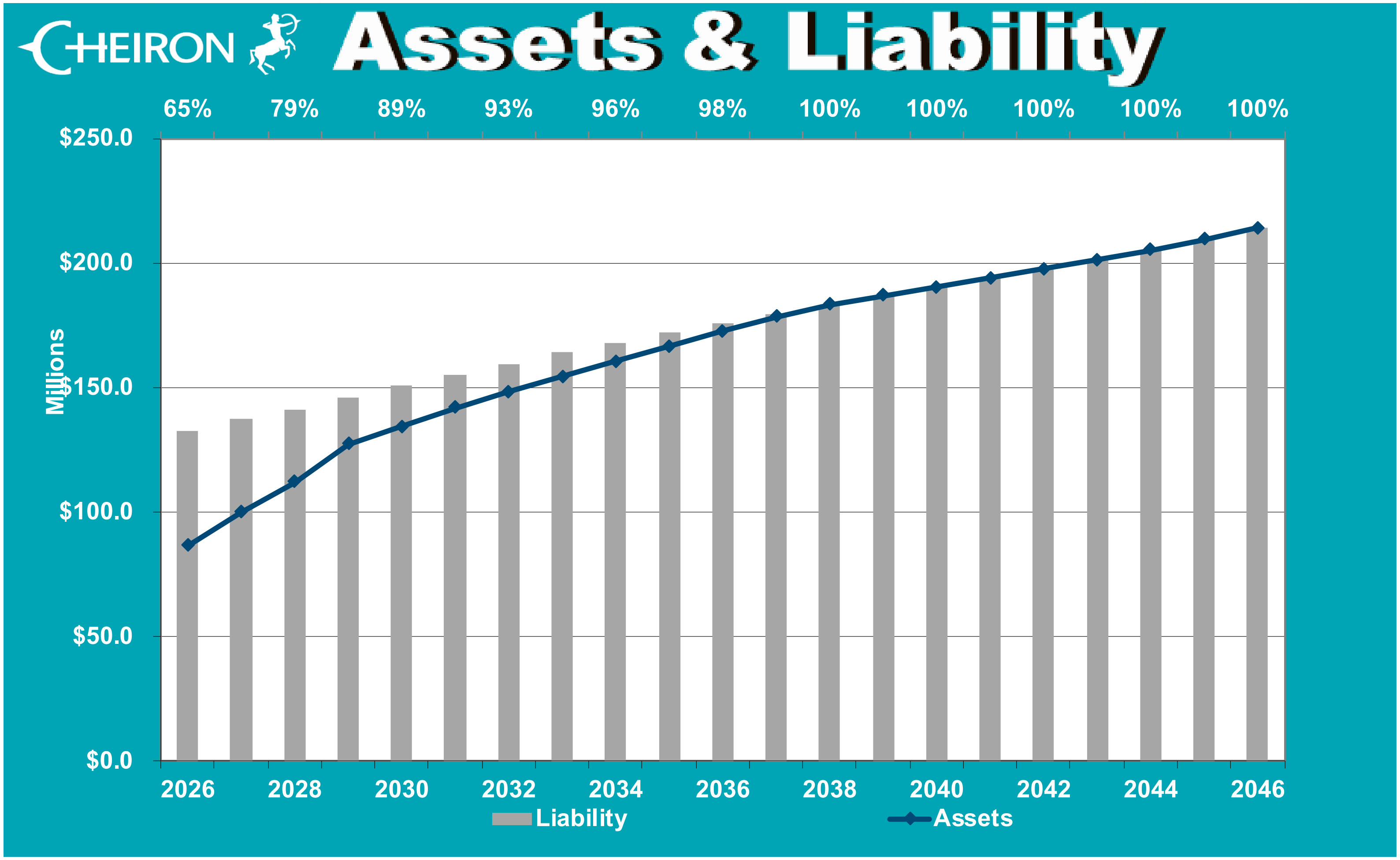
SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected Teacher Assets and Liabilities for Retiree Group Life Insurance under the current method of funding the ADC. The chart below shows the projection prior to any asset transfers.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

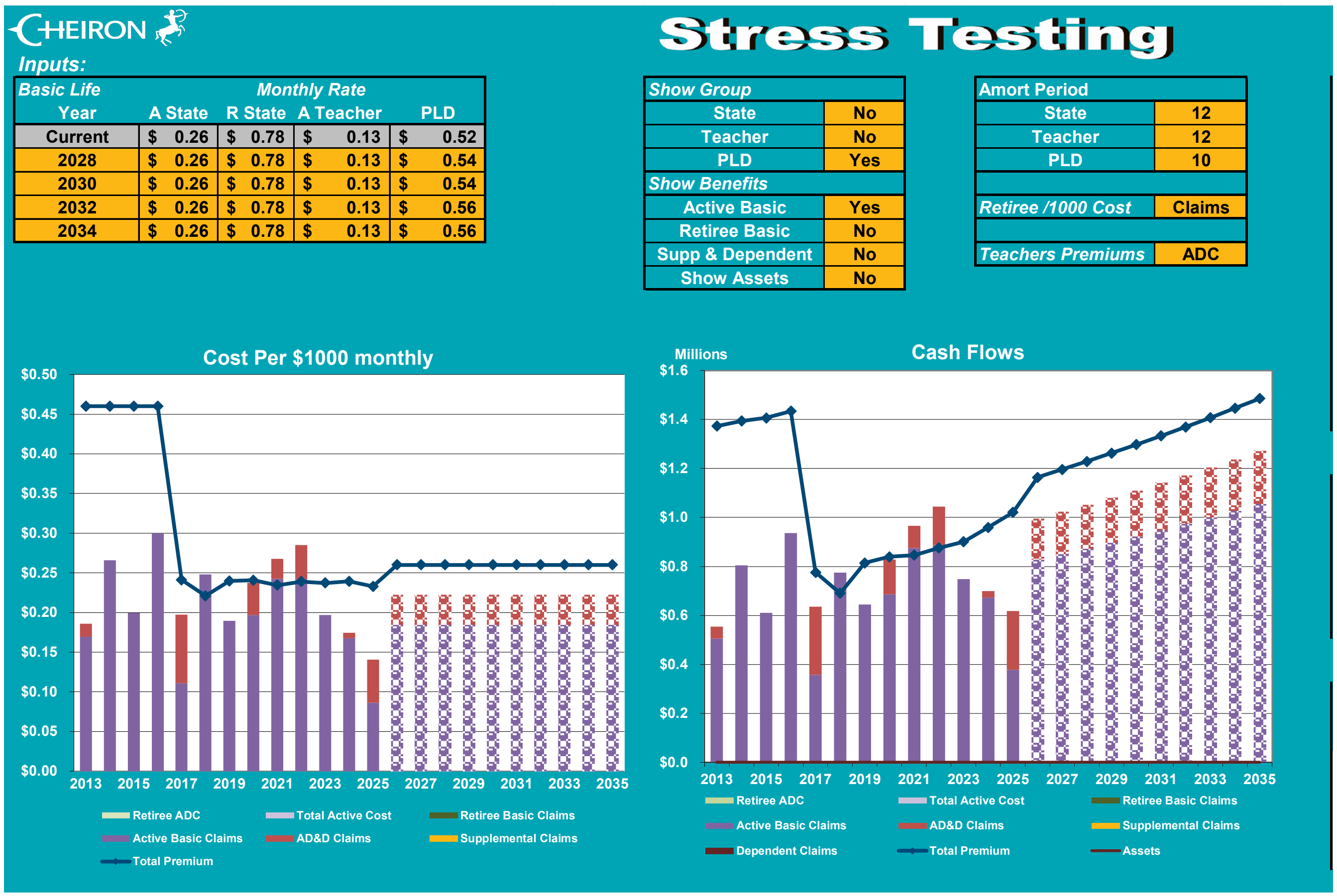
This chart displays the projected Teachers Assets and Liabilities for Retiree Group Life Insurance under the current method of funding the ADC. The chart below shows the projection assuming the asset transfer with full adjustment for investment earnings.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

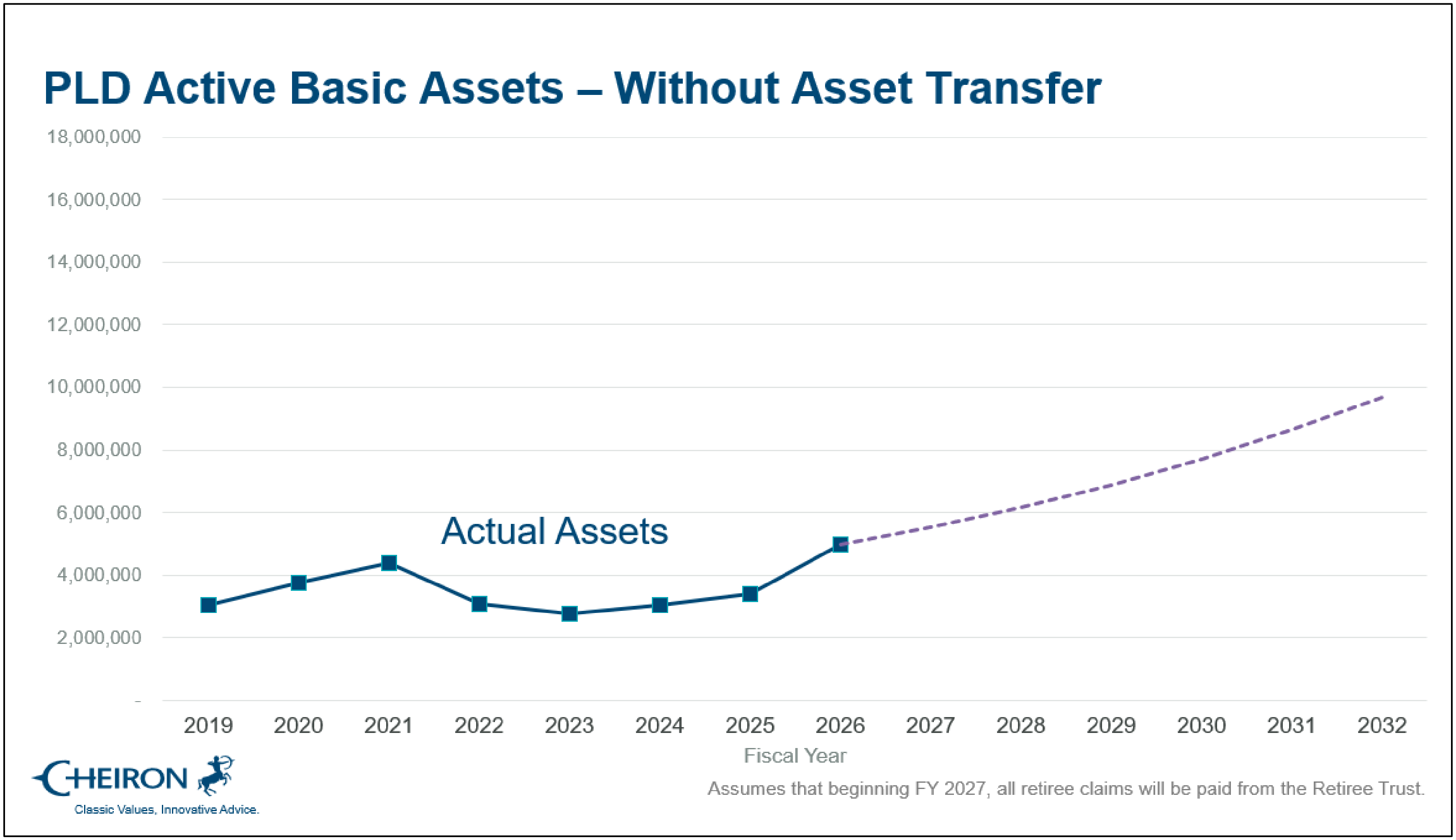
PLD: Basic Active Life Insurance and AD&D

Beginning in FYE 2026, the overall rate increased from $0.50 to $0.52 per $1,000 of coverage based on the results of the 2024 premium study with the active fund allocation being increased from $0.24 to $0.26. In the 2024 premium study, we indicated that an increase to $0.54 would likely be needed for 2028 in order to meet the target of fully funding the retiree liabilities by 2036. The $0.26 allocated for the active trust continues to be sufficient, and the remaining amount is recommended to be allocated to the retiree trust.



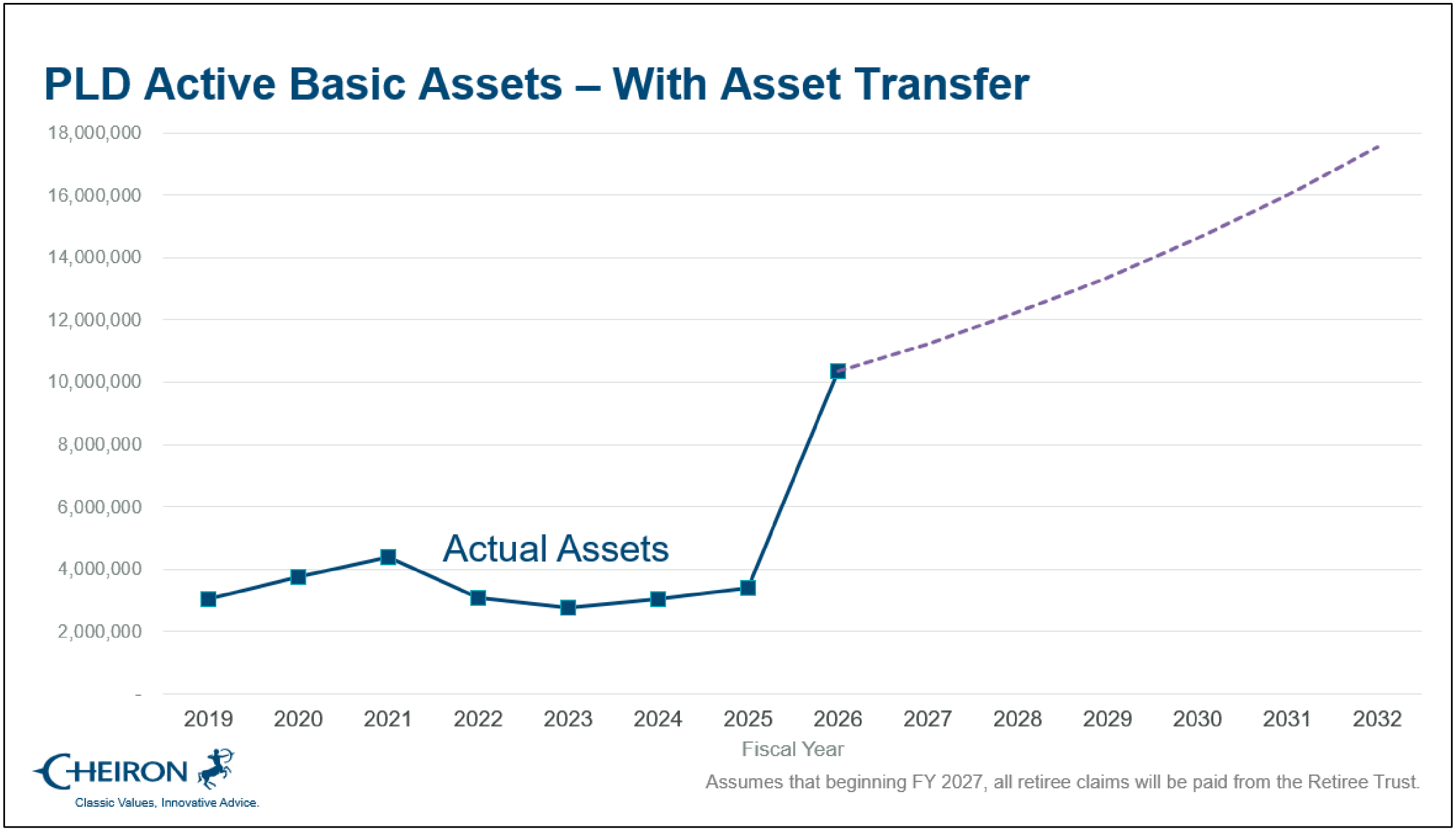
SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected PLD Assets for Active Group Life Insurance if no asset transfer occurs.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected PLD Assets for Active Group Life Insurance if an asset transfer is made with full adjustment for investment earnings.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

PLD: BASIC RETIREE LIFE INSURANCE

Beginning in FYE 2026, the overall rate increased from $0.50 to $0.52 per $1,000 of coverage based on the results of the 2024 premium study with the active fund allocation being increased from $0.24 to $0.26 also in 2026. In the 2024 premium study, we indicated that an increase to $0.54 would likely be needed for 2028 in order to meet the target of fully funding the retiree liabilities by 2036. We still recommend this increase and an additional increase to $0.56 is projected beginning in 2032 (but will be confirmed in the next premium study). Any increases would go solely to the retiree trust.

CHEIRON

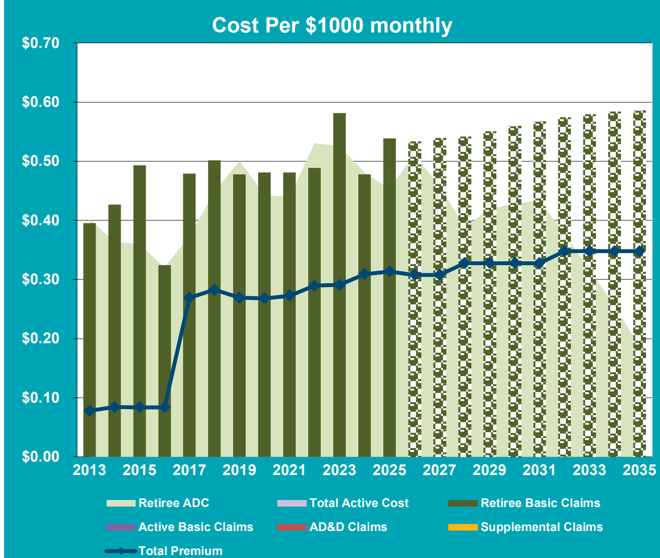
Stress Testing

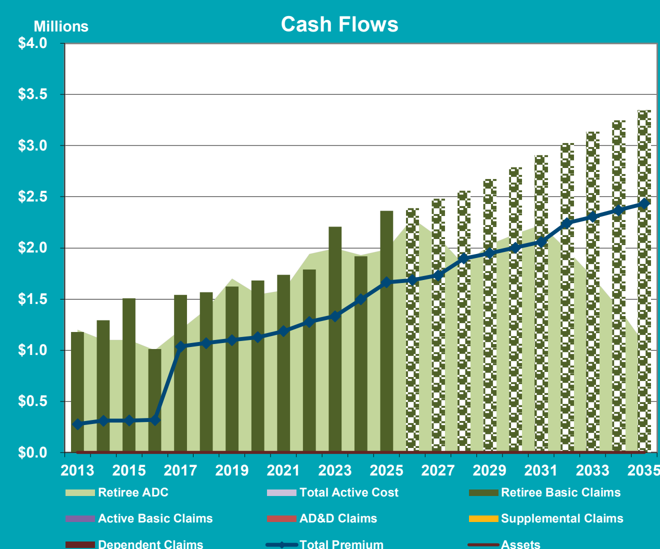
Inputs:

Basic Life		*Monthly Rate*		
Year	A State	R State	A Teacher	PLD
Current	$ 0.26	$ 0.78	$ 0.13	$ 0.52
2028	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2030	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2032	$ 0.26	$ 0.78	$ 0.13	$ 0.56
2034	$ 0.26	$ 0.78	$ 0.13	$ 0.56

Show Group	
State	No
Teacher	No
PLD	Yes
Show Benefits	
Active Basic	No
Retiree Basic	Yes
Supp & Dependent	No
Show Assets	No

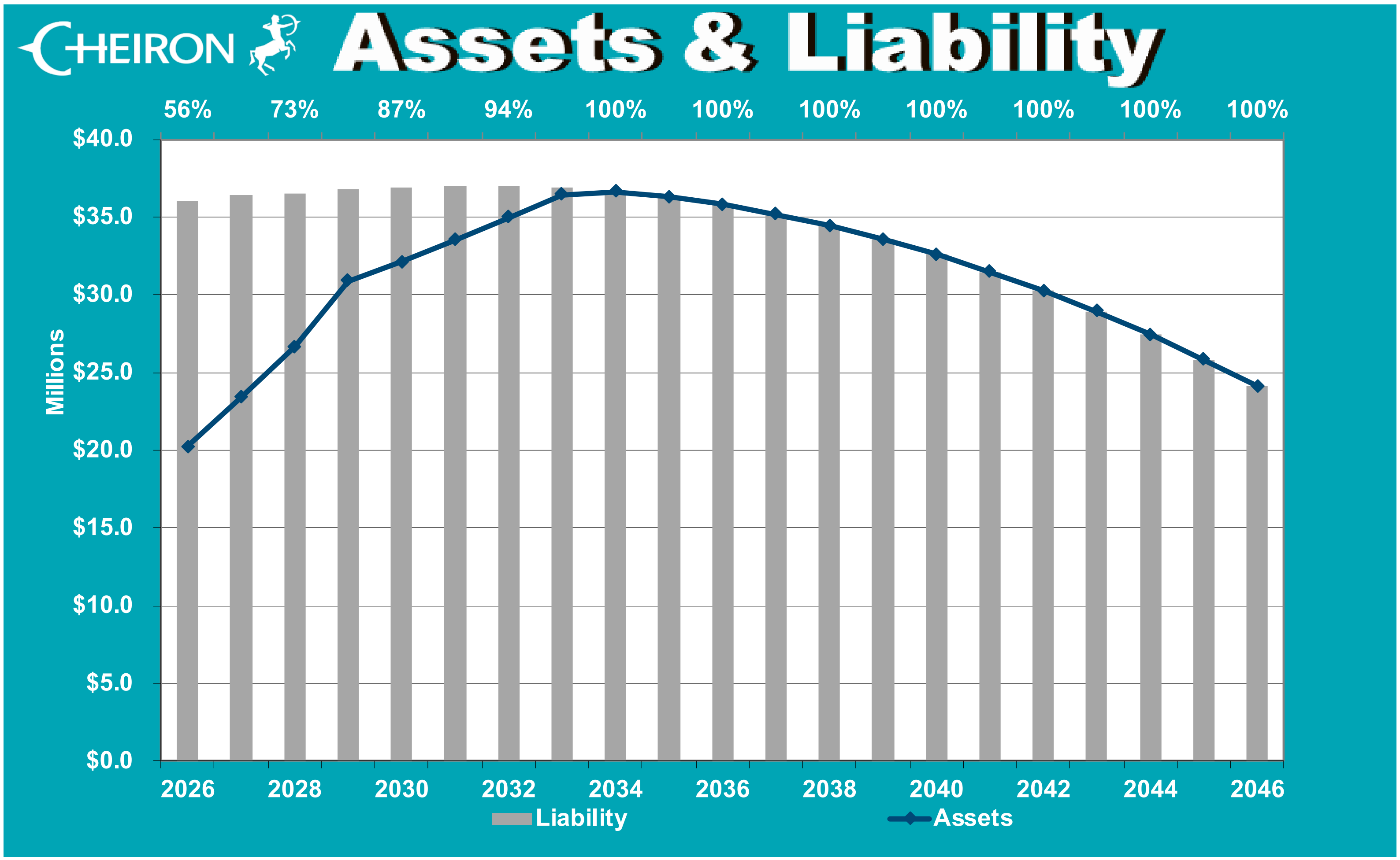
Amort Period	
State	12
Teacher	12
PLD	10
Retiree /1000 Cost	Claims
Teachers Premiums	ADC





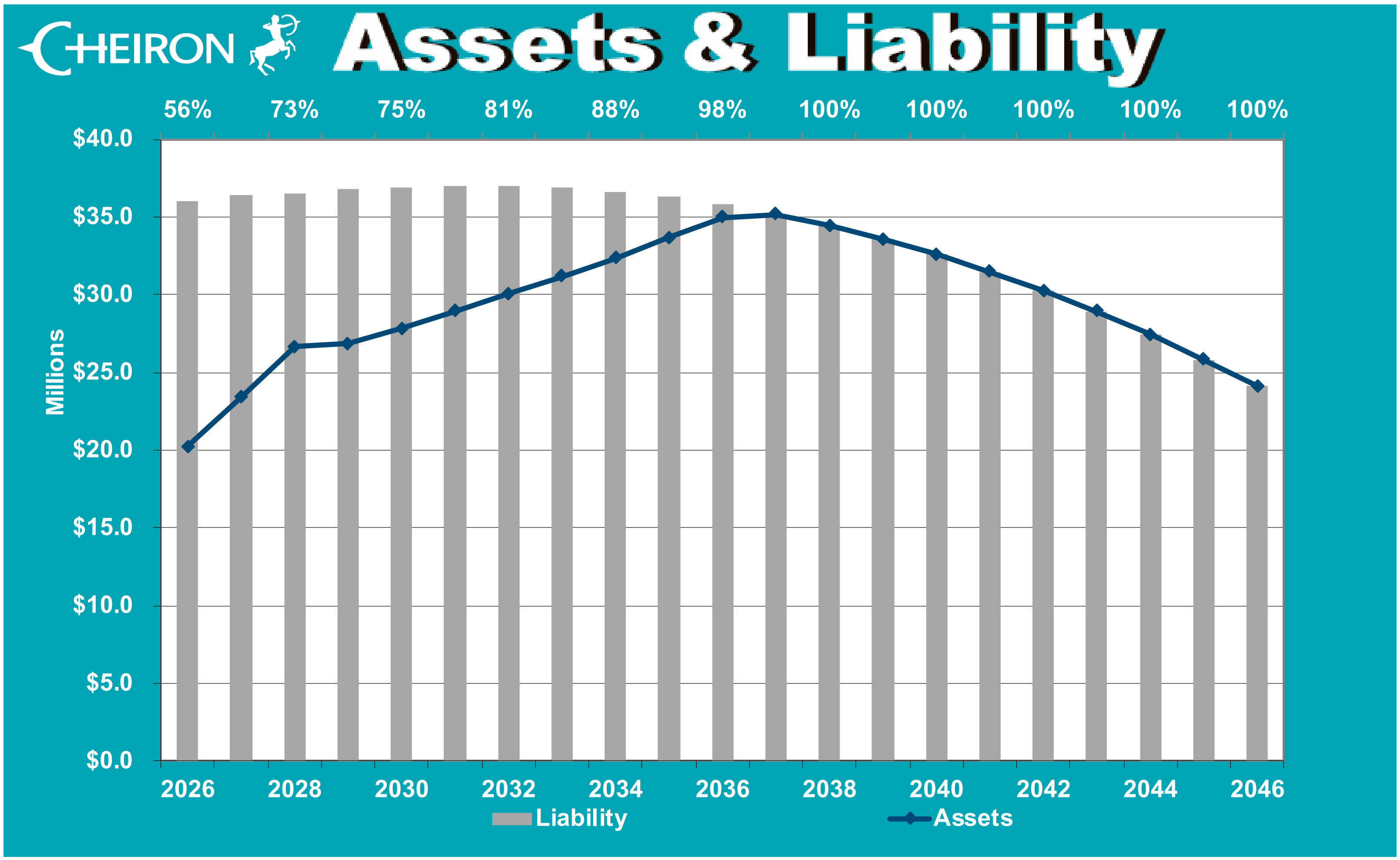
SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected PLD Assets and Liabilities for the post-retirement life insurance benefit with premium rates of \$0.52 monthly per \$1,000 of coverage for current retirees (\$0.26 of active premium allocated to Retiree Fund), increasing in 2028 to \$0.54 (\$0.26 of active premium allocated to Retiree Fund) and in 2032 to \$0.56 (\$0.26 of active premium allocated to Retiree Fund). The chart below shows the projection prior to any asset transfers.



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

This chart displays the projected PLD Assets and Liabilities for the post-retirement life insurance benefit with premium rates of $0.52 monthly per $1,000 of coverage for current retirees ($0.26 of active premium allocated to Retiree Fund), increasing in 2028 to $0.54 ($0.26 of active premium allocated to Retiree Fund) and in 2032 to $0.56 ($0.26 of active premium allocated to Retiree Fund). The chart below shows the projection assuming the asset transfer with full adjustment for investment earnings..



SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

STATE ACTIVE SUPPLEMENTAL AND DEPENDENT LIFE INSURANCE

The current supplemental and dependent rates are appropriate for funding the benefits, and a change is not indicated at this time.

This chart shows premium and cost on a monthly basis per $1,000 of coverage, historic and projected cash flows on a Fiscal Year basis, for the current rates.

CHEIRON

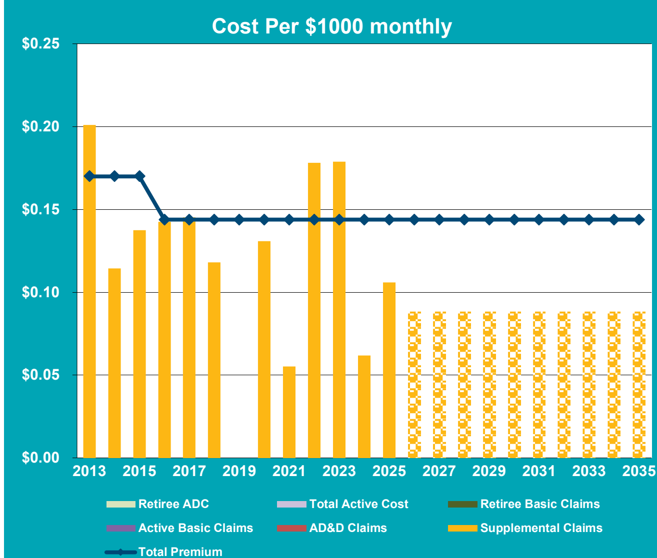
Stress Testing

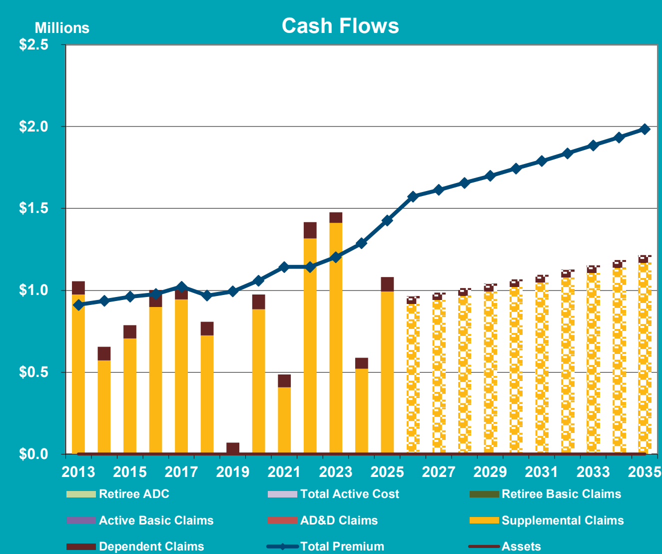
Inputs:

Basic Life	*Monthly Rate*			
Year	A State	R State	A Teacher	PLD
Current	$ 0.26	$ 0.78	$ 0.13	$ 0.52
2028	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2030	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2032	$ 0.26	$ 0.78	$ 0.13	$ 0.56
2034	$ 0.26	$ 0.78	$ 0.13	$ 0.56

Show Group	
State	Yes
Teacher	No
PLD	No
Show Benefits	
Active Basic	No
Retiree Basic	No
Supp & Dependent	Yes
Show Assets	No

Amort Period	
State	12
Teacher	12
PLD	10
Retiree /1000 Cost	Claims
Teachers Premiums	ADC





SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

TEACHER ACTIVE SUPPLEMENTAL AND DEPENDENT LIFE INSURANCE

The current supplemental and dependent rates are appropriate for funding the benefits, and a change is not indicated at this time.

This chart shows premium and cost on a monthly basis per $1,000 of coverage, historic and projected cash flows on a Fiscal Year basis, for the current rates.

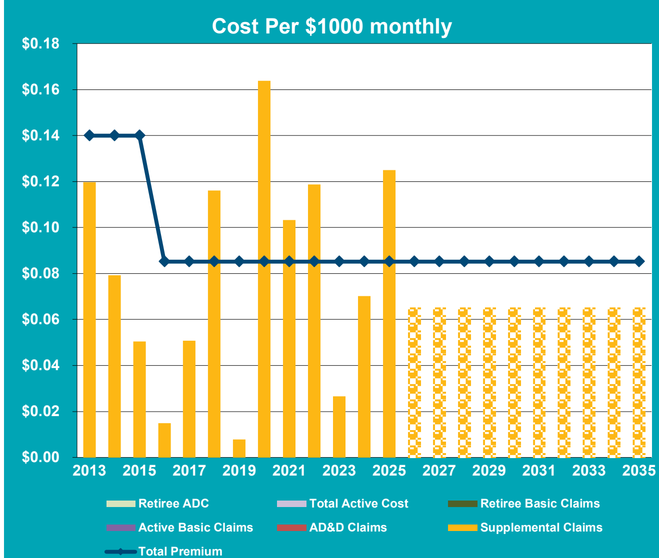
Stress Testing

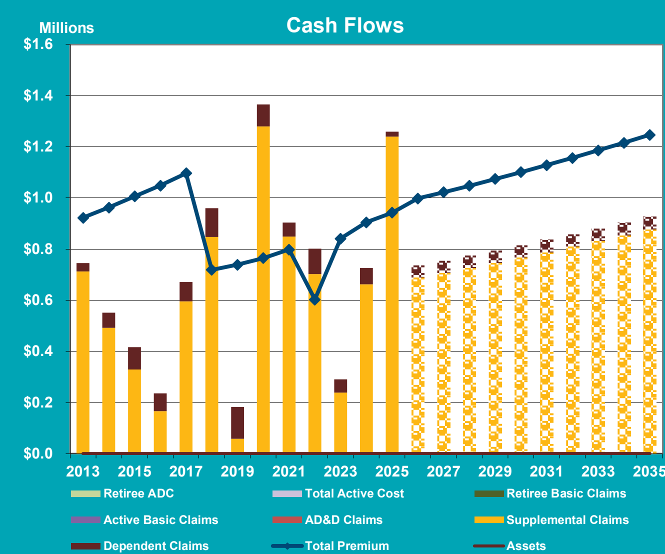
Inputs:

Basic Life	*Monthly Rate*			
Year	A State	R State	A Teacher	PLD
Current	$ 0.26	$ 0.78	$ 0.13	$ 0.52
2028	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2030	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2032	$ 0.26	$ 0.78	$ 0.13	$ 0.56
2034	$ 0.26	$ 0.78	$ 0.13	$ 0.56

Show Group	
State	No
Teacher	Yes
PLD	No
Show Benefits	
Active Basic	No
Retiree Basic	No
Supp & Dependent	Yes
Show Assets	No

Amort Period	
State	12
Teacher	12
PLD	10
Retiree /1000 Cost	Claims
Teachers Premiums	ADC





SECTION III — PREMIUM PROJECTIONS AND SCENARIOS

PLD ACTIVE SUPPLEMENTAL AND DEPENDENT LIFE INSURANCE

The current supplemental and dependent rates are appropriate for funding the benefits, and a change is not indicated at this time.

This chart shows premium and cost on a monthly basis per $1,000 of coverage, historic and projected cash flows on a Fiscal Year basis, for the current rates.

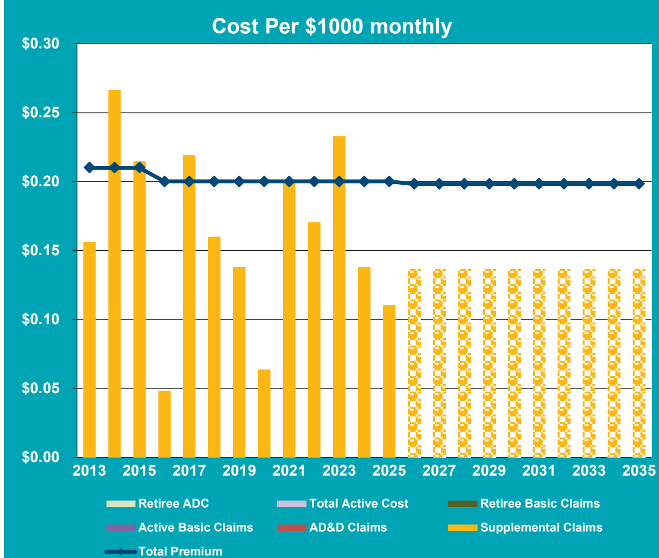
CHEIRON **Stress Testing**

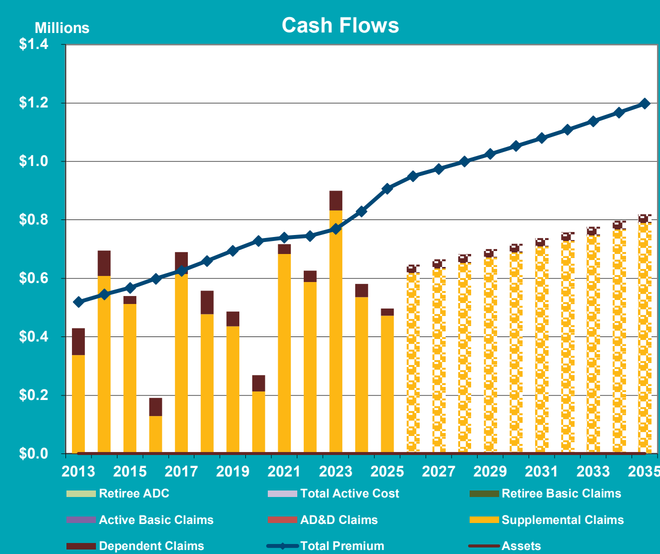
Inputs:

Basic Life	*Monthly Rate*			
Year	A State	R State	A Teacher	PLD
Current	$ 0.26	$ 0.78	$ 0.13	$ 0.52
2028	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2030	$ 0.26	$ 0.78	$ 0.13	$ 0.54
2032	$ 0.26	$ 0.78	$ 0.13	$ 0.56
2034	$ 0.26	$ 0.78	$ 0.13	$ 0.56

Show Group	
State	No
Teacher	No
PLD	Yes
Show Benefits	
Active Basic	No
Retiree Basic	No
Supp & Dependent	Yes
Show Assets	No

Amort Period	
State	12
Teacher	12
PLD	10
Retiree /1000 Cost	Claims
Teachers Premiums	ADC





SECTION IV — IMPACT ON CONTRIBUTIONS

The following tables show the impact on contributions for the recommended PLD increase in the monthly rate proposed based on the following amounts of Insurance in Force.

	Insurance in Force in 2026		
FYE (6/30)	State	Teachers	PLDs
Active Basic	$ 932,486,000	$ 967,012,000	$ 363,136,208
Active Sup	$ 864,222,000	$ 879,831,000	$ 377,465,000
Active Dep A	$ 4,350,000	$ 5,665,000	$ 2,925,000
Active Dep B	$ 15,020,000	$ 17,620,000	$ 9,230,000
Retiree Basic	$ 206,121,650	$ 196,986,785	$ 81,573,377

	PLD Basic - Increase monthly rate schedule by $0.02 in 2028 and an additional $0.02 in 2032		
FYE (6/30)	Current	Proposed	Difference
2026	$2,851,300	$2,851,300	$0
2027	$2,929,711	$2,929,711	$0
2028	$3,010,278	$3,126,058	$115,780
2029	$3,093,060	$3,212,024	$118,964
2030	$3,178,120	$3,300,355	$122,235
2031	$3,265,518	$3,391,115	$125,597
2032	$3,355,320	$3,613,421	$258,102
2033	$3,447,591	$3,712,790	$265,199
2034	$3,542,400	$3,814,892	$272,492
2035	$3,639,816	$3,919,801	$279,986

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Participant Data as of June 30, 2024

ACTIVE MEMBER DATA				
Group	Count	Average Age	Average Service	Average Salary
State	11,734	47.4	11.2	$ 68,074
Teachers	15,214	46.5	13.2	60,899
Judges	62	59.1	14.0	153,161
Legislators	43	67.0	5.6	13,884
PLD	5,362	48.4	9.7	63,403
TOTAL	32,415	47.2	11.9	64,024

Note that Legislators are subject to eight-year term limits for each house. Therefore, it is assumed that no active Legislators will reach the 10 years of service required to be eligible for retiree life benefits. However, they are included in the counts for the above exhibit because they are included in the expected remaining service life.

NON-ACTIVE MEMBER DATA			
Group	Count	Average Age	Average Benefit[1]
State	8,794	74.0	$ 19,853
Teachers	7,978	75.4	22,033
Judges	58	76.8	49,012
Legislators	12	79.9	5,824
PLD	2,957	73.5	20,193
TOTAL	19,799	74.5	20,859

1 Ultimate benefit (40% of initial base benefit)

Participant Data as of June 30, 2025

Group	Active Basic	Retiree Basic	Supplemental	Dependent A	Dependent B
State[1]	12,238	8,777	4,771	870	1,502
Teachers	15,239	8,074	6,100	1,133	1,762
PLDs	5,412	3,131	2,471	585	923
TOTAL	32,889	19,982	13,342	2,588	4,187

1 State Group including Judges and Legislators

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Economic Assumptions

VALUATION DATE:

June 30, 2025, for the purposes of measuring active life insurance. June 30, 2024, for the purposes of measuring retiree life insurance cost.

INVESTMENT RETURN AND DISCOUNT RATE:

6.50% per year

COST-OF-LIVING INCREASES IN LIFE BENEFITS:

N/A. Unlike pension benefits, life insurance benefits do not increase with Cost-of-Living.

PREMIUM EXPENSE AND CONVERSION ASSUMPTION:

To reflect administrative expenses and conversion expenses associated with the distribution of benefits, the following loads have been added to the liabilities, normal cost, and benefit payments.

Expense Load

State Employees, Judges, and Legislators: 10.40%
Teachers: 19.17%
PLDs: 10.34%

Conversion Load

State Employees, Judges, and Legislators: 2.28%
Teachers: 2.27%
PLDs: 1.30%

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

RATES OF SALARY INCREASE:

Experience-based sample rates by service including both merit scale increase and yearly increase:

Service	State	Teachers	Legislators	Judges	PLD
0	11.74%	14.31%	2.75%	3.00%	12.51%
5	6.60	6.35	2.75	3.00	4.81
10	5.47	5.32	2.75	3.00	4.29
15	4.29	4.55	2.75	3.00	4.03
20	4.19	3.78	2.75	3.00	3.52
25	4.03	3.26	2.75	3.00	3.01
30	4.03	3.01	2.75	3.00	2.75
35+	3.26	2.75	2.75	3.00	2.75

Demographic Assumptions

RATES OF TERMINATION:

Experience-based sample rates by service:

Service	State	Teachers	State Special Employees
0	29.00%	20.00%	26.50%
5	9.00	8.25	8.75
10	5.75	5.00	5.00
15	4.00	3.50	3.25
20	3.00	2.75	3.00
25	2.50	2.75	2.50

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Service	PLDs Regular	PLDs Special
0	29.5%	18.00%
1	22.0	14.35
2	15.5	10.25
3	14.0	9.3
4	11.0	7.0
5	10.0	6.9
10	5.5	4.0
15	4.5	3.0
20	4.0	3.0
25	4.0	0.0

Experience-based sample rates by age:

Age	Judges
25	7%
30	6
35	5
40	4
45	3
50	2
55	1

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

RATES OF MORTALITY:

Experience-based sample deaths per 10,000 members by age: All values shown are for 2026, before generational projection.

State and Teacher Healthy Annuitant

	State Employees		Teachers	
Age	Male	Female	Male	Female
50	32	28	12	7
55	46	34	24	18
60	70	45	41	26
65	100	63	68	38
70	151	105	111	65
75	262	195	200	126
80	486	375	388	260
85	899	733	771	686
90	1,651	1,342	1,461	1,302
95	2,685	2,208	2,524	2,280

Rates for State Employees are based on 112.7% and 117.3% of the 2016 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, respectively, for males and females.

Rates for Teachers are based on the 2016 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table adjusted as follows:

- 109.9% for males
- 98% of the rates for females prior to age 82, and 125% of the rates for females on and after age 82

Rates are projected generationally using the published IRS Adjusted MP-2021 scale.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

State and Teacher Healthy Active Employees*

	State Employees		Teachers	
Age	Male	Female	Male	Female
20	4	1	2	1
25	5	1	3	1
30	7	2	3	2
35	8	3	5	2
40	11	5	6	4
45	14	6	8	5
50	18	9	11	7
55	26	13	17	10
60	41	21	27	16
65	59	31	42	26

*For State Regular and Teachers, 5% of deaths assumed to arise out of and in the course of employment, for State Special, 20% of deaths are assumed to arise out of and in the course of employment.

Rates for State Employees are based on 119.9% and 101.0% of the 2016 Public Plan General Benefits-Weighted Employee Mortality Table, respectively, for males and females. Recommended rates for Teachers are based on 102.2% and 101.5% of the 2016 Public Plan Teacher Benefits-Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the MP-2021 model as described in the healthy annuitant mortality.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

PLD Healthy Annuitant

Age	Male	Female
50	32	28
55	46	34
60	70	45
65	100	63
70	151	105
75	262	195
80	486	375
85	899	733
90	1,651	1,342
95	2,685	2,208

Rates are based on 112.7% and 117.3% of the 2016 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, respectively, for males and females. The recommended rates are projected generationally using the published IRS-Adjusted MP-2021 scale.

PLD Healthy Active Employees*

Age	Male	Female
20	4	1
25	5	1
30	7	2
35	8	3
40	11	5
45	14	6
50	18	9
55	26	13
60	41	21
65	59	31

* 5% of deaths assumed to arise out of and in the course of employment

Rates are based on 119.9% and 101.0% of the 2016 Public Plan General Benefits-Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the MP-2021 scale as described in the healthy annuitant mortality.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Disabled Mortality

	State and PLDs		Teachers	
Age	Male	Female	Male	Female
25	42	13	39	12
30	40	22	37	20
35	44	34	41	32
40	56	47	52	44
45	75	62	70	57
50	99	89	92	82
55	146	137	136	127
60	229	217	212	201
65	275	235	255	218
70	315	273	293	253

Rates for the State and PLDs are based on 114.5% and 127.7% of the 2016 Public Plan Non-Safety Benefits-Weighted Disabled Retiree Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the MP-2021 scale described in the healthy annuitant mortality.

Rates for Teachers are based on 106.3% and 118.2% of the 2016 Public Plan Non-Safety Benefits-Weighted Disabled Retiree Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the MP-2021 model as described in the healthy annuitant mortality.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Contingent Survivor Mortality

	State, Teachers, PLD	
Age	Male	Female
45	57	27
50	75	30
55	84	43
60	103	64
65	130	91
70	180	135
75	293	216
80	520	377
85	915	691
90	1,601	1,251

Rates for Contingent Survivors are based on 98.8% and 110.6% of the 2016 Public Plan Contingent Survivor Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the MP-2021 model as described in the healthy annuitant mortality.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

RATES OF RETIREMENT:

Teachers and State Regular Plans

	State Regular Employees			Teachers		
Age	NRA 60	NRA 62	NRA 65	NRA 60	NRA 62	NRA 65
57	4%	3.5%	N/A	4%	3%	N/A
59	26	4	N/A	20	5	N/A
60	21	4.5	4%	27.5	8.5	2%
61	21	35	2	21	28	2
62	21	29	5	23	26.8	2
63	20	19	8	25.5	21	2
64	22	20	20	30	24.5	5
65	22	23	26	37.5	30.5	30
70	23	25	25	31	25	29
75	100	100	100	35	20	29
80	100	100	100	100	100	100

In the case of State Regular and Teacher employees, NRA 60 (Tier 1) refers to those who had accrued at least 10 years of service by July 1, 1993. NRA 62 (Tier 2) refers to those who had not accrued at least 10 years of service by July 1, 1993 or were hired after that date but had five years of service by July 1, 2011. NRA 65 (Tier 3) refers to those who did not have five years of service by July 1, 2011. Rates are only applied for early retirement when the member is at least age 57.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

State Special Plans

Members of the 1998 Special Plan are assumed to retire at rates that vary by age and whether service is less than 25 years or not. Sample rates are as follows:

	1998 Special Plan Retirement	
Age	Service < 25	Service >= 25
50	0%	8%
55	21	27
57	13	27
60	21	36
62	22	36
65	21	32
67	38	55
70	50	50
75	100	100

Members of the 25 & Out Plan are assumed to retire at rates that vary by service. With 100% retirement assumed by age 75. Sample rates are as follows:

Service	Rate
<25	Same as State Regular
25	30%
30	17
32	33
35	33
38+	100

Members of the Fire Marshals Plan are assumed to vary by service with 100% retirement by age 75. Rates are only applied when the member is at least age 50.

Service	Rate
<20	0%
20	30
25	17
27	33
30	33
33+	100

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Judges

Age	NRA 62	NRA 65
62	10%	NA
63	25	NA
64	40	NA
65	30	20
66	35	25
67	25	25
68	20	20
69	35	40
70	25	15
71	15	30
72	25	65
73-74	15	15
75+	100	100

In the case of judicial employees, NRA 60 refers to those who had accrued at least 10 years of service by July 1, 1993 – there are no longer active members in this group. NRA 62 refers to those who had not accrued at least 10 years of service by July 1, 1993 or were hired after that date but had five years of service by July 1, 2011. NRA 65 refers to those who did not have five years of service by July 1, 2011.

Note that all retirement rates are only applied once the member is eligible to retire regardless of years of service.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

PLD Regular

Age	NRA 60	NRA 65
45	N/A	N/A
50	N/A	N/A
55	N/A	N/A
60	15%	3%
65	30	24
70	25	22
75	100	100

In the case of PLD employees, NRA 60 refers to those who were hired prior to July 1, 2014, and Tier 2NRA 65 refers to those who were hired on or after July 1, 2014.

PLD Special

Service	Plan 1	Plans 2-4
20	60%	25%
21	60	25
22	45	25
23	35	30
24	40	20
25	35	50
26	40	32
27	25	30
28	25	30
29	25	40
30	23	23
31	25	25
32	20	20
33	25	25
34	25	25
35	35	35
36-37	50	50
38+	100	100

Note that all retirement rates are only applied once the member is eligible to retire, so those in 25-year Plans are not assumed to retire at 20 years of service. For Special Plan retirements with less than 20 years of service, we assume 25% retire. We assume 100% retirement at age 75.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

RATES OF DISABILITY:

Experience-based sample disablements per 10,000 members by service:

Age	State Regular	State Special	Teachers	Judges & Legislators	PLDs Regular	PLDs Special
25	1.3	25	1.0	0.0	0.9	2.0
30	1.5	30	1.1	0.0	1.0	2.5
35	6.1	35	1.1	0.0	1.5	3.8
40	9.9	40	1.5	0.0	3.3	12.3
45	12.2	45	3.0	0.0	10.3	21.0
50	16.1	50	6.4	0.0	14.5	35.5
55	25.0	55	21.3	0.0	20.3	60.0
60	38.4	60	21.4	0.0	28.8	70.0

Rationale for Assumptions

The recommended assumptions were adopted by the Board of Trustees at their March 12, 2026, meeting for all Programs except the Consolidated PLD Plan, for which the recommended assumptions were adopted by the Board of Trustees at their May 14, 2026, meeting. The demographic assumptions adopted are based on an experience study covering the period from July 1, 2020 through June 30, 2025.

Other Assumptions (Unique to this Valuation)

Conversion Charges

Apply to the cost of Active Group Life Insurance, and not Retiree Group Life Insurance.

Form of Benefit Payment

Lump Sum

Mortality Projections Cashflows shown in Section III

The static tables of the above mortality assumptions were used, projected to the year 2026, and adjusted by factors of 1.0 for State, Teachers, and PLDs.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

Child Assumption for Dependent Insurance

We made an assumption for the number of eligible children covered under dependent insurance, based on the sample employee's age. Employees are assumed to have zero children prior to age 24, one child from ages 24-27, two children from ages 28-46, one child from ages 47-50, and no children after age 50. Child mortality was assumed to be one half of the mortality at age 15.

Probability of AD&D

Probability of receiving AD&D insurance was assumed to be 10% of mortality for healthy employees for all three groups.

Participation for Future Retirees

100% of those currently enrolled.

Additional Disclosures regarding Models Used

ProVal: Cheiron utilizes ProVal, an actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate the liabilities, normal costs, and projected benefit payments. We have relied on WinTech as the developer of ProVal. We have reviewed ProVal and have a basic understanding of it and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in the assumptions or output of ProVal that would affect this study.

Experience Study Tools: We have used Cheiron's Excel-based experience study tools to measure the actual versus expected experience before and after recommended assumption changes. We have not identified any material inconsistencies in the assumptions or output of the experience study tools that would affect this study.

Actuarial Cost Method

To be consistent with past analyses and with the Pension Plan funding, the individual entry age normal method is used to determine liabilities. Under this funding method, a normal cost rate is calculated for each member. This rate is determined by taking the value, as of age at entry into the Plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age of his expected future salary. The normal cost for each member is the product of annual salary and the normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

APPENDIX A — PARTICIPANT DATA, ASSUMPTIONS, AND METHODS

The actuarial liability is defined as the present value of future benefits, less the present value of future normal costs. The UAL is the total of the actuarial liability for all members, less the value of the System's assets.

The discount rate used reflects the long term funding policy to fully fund the benefits on an actuarial basis by FY 2038 for State and Teachers and by FY 2036 for PLDs.

To amortize the UAL, we used an amortization period to the beginning of FY 2038 for State and Teacher employees and to the beginning of FY 2036 for PLD employees. Amortization payments are calculated using a level percent of pay with a 2.75% annual increase in payroll assumed and a discount rate of 6.50%.

Asset Valuation Method

Figures were reported by MainePERS without audit or change. Assets as of June 30, 2026 used for this premium study.

Assumption Changes Implemented for Premium Study

The demographic assumptions were updated based on the most recent experience study as described earlier.

APPENDIX B — SUMMARY OF KEY PLAN PROVISIONS

ACTIVE EMPLOYEES

Membership

Actively at Work and a member of an Eligible Class, as defined in the Certificate of Coverage.

Basic Life Insurance

One times Annual Base Compensation, rounded to the next highest $1,000.

Basic AD&D Insurance

One times Annual Base Compensation, rounded to the next highest $1,000. See Schedule of Benefits in Certificate of Coverage for benefits by injury.

Supplemental Life Insurance

One, two, or three times Basic Life Insurance Amount.

Dependent Life Insurance

Option A:	$5,000 for spouse, $1,000 for dependent children under age six months, $5,000 for dependent children over age six months but under age 19, except for full-time, unmarried students under age 22
Option B:	$10,000 for spouse, $2,500 for dependent children under age six months, $5,000 for dependent children over age six months but under age 19, except for full-time, unmarried students under age 22

Employee Contributions

State Employees:	None for Basic; employee pays full premium for Supplemental and Dependent
Teachers:	Cost for Basic split between employer and employee, depending on employer; employee pays full premium for Supplemental and Dependent
PLDs:	Cost for Basic split between employer and employee, depending on employer; employee generally pays full premium for Supplemental and Dependent (with certain PLD employers paying these premiums for their employees)
Judges:	None for Basic; employee pays full premium for Supplemental and Dependent
Legislators:	None for Basic; employee pays full premium for Supplemental and Dependent

APPENDIX B — SUMMARY OF KEY PLAN PROVISIONS

Portability and Conversion

Discontinued coverage may be ported to another group term product or converted to an individual policy. MainePERS is charged a fee for those active employees who convert to an individual policy upon termination from employment. Conversion charges are considered a cost of active, not retiree group life insurance.

RETIRED EMPLOYEES

Membership

Service Retirement:	A retiree must have participated in the group life insurance program for at least 10 years and possess coverage just prior to retirement
Disability Retirement:	An employee must have participated in the group life insurance program immediately prior to disablement

Basic Insurance

Average final compensation calculated for retirement purposes

Amount of Insurance for a Retiree

Service Retirement:	The Basic Insurance will be reduced by 15% per year until the amount equal to the greater of (a) 40% of the initial Basic Insurance, or (b) $2,500.
Disability Retirement:	The amount of basic life insurance in force prior to retirement will be continued until normal retirement age. At normal retirement age, the amount of insurance will be reduced as for service retirement.

Retiree Contributions

State Employees:	None
Teachers:	None
PLDs:	PLD must pay $0.52 per month per $1,000 of base benefit, based on the coverage amounts declining from 100% to 40%.
Judges:	None
Legislators:	None

Normal Retirement Age

The specified age, the years of service requirement, or any age and years of service combination at which a participant may become eligible for unreduced service retirement benefits.

Discontinued Coverages at Retirement

- Supplemental Life
- Accidental Death and Dismemberment
- Dependent Life

Portability and Conversion

Does not apply.