

Kansas Administrative Regulations

Kansas Public Employees Retirement System

Article 7.—Insurance

80-7-1. Annual rate of compensation.

(a) "Annual rate of compensation" as used in K.S.A. 74-4927, and amendments thereto, shall mean either the current annual rate of pay or the amount of compensation the member earned in the last 12 months before the date of the member's death or disability, whichever is higher.

(b) At the time of death or disability, the employer shall certify to the retirement system the current annual rate of pay of the member and the amount of compensation actually earned by the member in the 12-month period immediately preceding the month in which the member's death or disability occurred.

(c) If the member was employed fewer than 12 months at the time of death or disability, the employer shall certify the current annual rate of pay of the member and the amount of compensation actually earned by the member for the period of time during which the employee was actually employed.

(d) If an employer has designated, in writing, certain positions that are filled by employees who from time to time are not actively employed but who are permanent employees who will return to active employment at a date certain, not to exceed 92 days, these employees shall be considered active employees for insurance purposes during this period. No employer may designate any position or employee as provided above more than once in any 12-month period. The annual rate of compensation for these employees shall be certified by the employer at the time any claim for insurance benefits is made. Each member's "annual rate of compensation" during the period the member is not actively employed shall be computed as set forth above. This computation shall be as of the first day of the period in which the employee was so classified.

(e) The annual rate of compensation on or before the date of disability or death for members who are state of Kansas employees shall be based upon the records maintained by the division of personnel of the department of administration.

(f) If a member becomes disabled and subsequently dies without returning to active employment, the "annual rate of compensation" for any death benefits shall be the same compensation that was determined at the time the disability commenced or in the 12-month period immediately preceding the month in which the member's separation from the payroll occurred, whichever is higher. If the member is disabled for five years or more, the compensation shall be adjusted pursuant to K.S.A. 74-4927(2)(C), and amendments thereto.

(g) For the purpose of this regulation, retroactive changes made after the date of death or disability shall be considered in determining the annual rate of compensation. In case of doubt, "annual rate of compensation" shall be determined by the board.

(Authorized by K.S.A. 1997 Supp. 74-4909, as amended by L. 1998, ch. 64, § 27; implementing K.S.A. 1997 Supp. 74-4927, as amended by L. 1998, ch. 201, § 29; effective, E-68-3, Dec. 8, 1967; effective Jan. 1, 1969; amended, E-73-17, July 1, 1973; amended Jan. 1, 1974; amended, E-74-38, July 2, 1974; amended May 1, 1975; amended Sept. 10, 1999.)

***** Authenticated Kansas Administrative Regulation *****