

Basic, Voluntary Term Life & Personal Accident Insurance Overview

Prepared for the Full-Time & Part-time Employees of General Health System



What would happen to your family if you and your income were gone?

- Could they maintain their standard of living?

Three in 10 households carry no life insurance on anyone in the household.

Household Trends in U.S. Life Insurance Ownership. LIMRA, 2010

Half of U.S. households now believe they are underinsured.

Household Trends in U.S. Life Insurance Ownership. LIMRA, 2010

Basic Term Life Insurance Coverage – paid by your employer

Employee - If you are an active, full-time employee and work at least 36 hours per week for your employer, you are eligible for coverage on the first of the month after 12 months of active service.

- Benefit Amount and Maximum – 1x Annual Compensation, to a maximum of \$50,000
- Benefit Reduction Schedule – Benefits will reduce to 65% at age 65, 50% at age 70

Voluntary Term Life Insurance Coverage – paid by you

Employee – If you are an active, full-time employee working at least 36 hours per week or part-time employee working at least 16 or more hours per week for your employer, you are eligible for coverage on the first of the month after 30 days of active service

- Benefit Amount Options:
 - o \$10,000
 - o 1, 2, 3, 4 or 5 times Annual Compensation
 - o 1, 2, 3, 4 or 5 times Annual Compensation plus \$10,000
- Maximum – The lesser of 5 times Annual Compensation rounded to the next higher \$1,000 or \$510,000
- Benefit Reduction Schedule – Providing you are still employed, your benefits will reduce to 65% at age 65, 50% at age 70.
- All new election amounts will be subject to underwriting review, please complete the evidence of insurability form and return to human resources.

Dependent Coverage Available

Your Spouse** — Up to age 70 is eligible provided that you apply for and are approved for coverage for yourself.

- Benefit Amount and Maximum – \$10,000
- Guaranteed Coverage Amount - \$10,000

Your Unmarried, Dependent Children — to Age 26 and primarily supported by the Employee, as long as you apply for, and are approved for coverage for yourself.

- Benefit Amount and Maximum – \$5,000

*Guaranteed Coverage for Voluntary Term Life Insurance Coverage

If you are a new hire and apply for coverage above the Guaranteed Coverage Amount, or if you are applying for coverage 31 days after you or your spouse become eligible, you must fill out a Medical Evidence of Insurability form. All dependent child benefits are guaranteed issue. Guaranteed Coverage Amount is the amount of coverage you can elect without answering any medical questions or taking a health exam

Classes of Eligible Persons

A person may be insured only once under the Basic Life and Accident portion of the Policy even though he or she may be eligible under more than one class. An employee can cover their spouse under the Voluntary Life and Dependent Accident portion of the Policy as an Employee, Spouse. Only one employee can cover the Dependent Child, even though he or she may be eligible under more than one class

*For purposes of this brochure, wherever the term Spouse appears it shall also include Domestic Partner or Civil Union Partner. Your domestic partner is eligible for insurance if he or she meets specific criteria stated in the Group Policy. Additional information is available from your Benefit Services Representative.

How Much Your Life and Accident Coverage will Cost per Pay Period

Age	Voluntary Times Salary Employee Cost Per \$10,000 per pay period	Voluntary Options	Premium Cost Per Pay Period
<30	\$0.41	Optional Employee \$10,000	\$1.37
30-34	\$0.45		
35-39	\$0.53	Voluntary Dependent Coverage	
40-44	\$0.65	Spouse \$10,000 / Child \$5,000	\$1.15
45-49	\$0.98		
50-54	\$1.68		
55-59	\$3.00		
60-64	\$3.62		
65+	\$15.28		

* Costs are subject to change

Cost Calculation Example

	Age	Benefit Elected	Cost Per \$10,000 Per Pay Period		\$10,000 Units (election amount divided by 10,000)		Per Pay Period
Example	33	\$100,000	\$0.45	X	10	=	\$4.50
Yours						=	

Other Coverage Features

Accelerated Death Benefit — Terminal Illness

If you or your spouse is diagnosed by two unaffiliated physicians as terminally ill with a life expectancy of 12 months or less, the benefit for terminal illness provides for up to 50% of the Term Life Insurance coverage amount in force or \$100,000, whichever is less, to be paid to the insured. This benefit is payable only once in the

insured's lifetime, and will reduce the life insurance death benefit.

Continuation for Disability for Employees

Age 60 or over

If your active service ends due to disability, at age 60 or over, your coverage will continue while you are disabled. Benefits will remain in force until the earliest of: the date you are no longer disabled, the date the policy terminates, the date you are Disabled for 12 consecutive months, or the day after the last period for which premiums are paid.

You are considered disabled if, because of injury or sickness, you are unable to perform all the material duties of your Regular Occupation, or you are receiving disability benefits under your Employer's plan.

Extended Death Benefit

The extended death benefit ensures that if you become disabled prior to age 60, and die before it is determined if you qualify for Waiver of Premium, we will pay the life insurance benefit if you remain disabled during that period. If you qualify for this benefit and have insured your spouse or children, their coverage is also extended. No additional premium payment is required for the extended coverage.

Waiver of Premium

If you are totally disabled prior to age 60 and can't work for at least 9 months, you won't need to pay premiums for your coverage while you are disabled, provided the insurance company approves you for this benefit. You are considered totally disabled when you are completely unable to engage in any occupation for wage or profit because of injury or sickness. This benefit will remain in force until age 65, subject to proof of continuing disability each year. If you qualify and have insured your spouse or children, their premium is also waived.

[Rehabilitation During a Period of Disability](#)
[If the insurance company determines that you are a suitable candidate for rehabilitation, the insurance](#)

[company may require you to participate in an assessment and rehabilitation plan, not to exceed 18 months. A rehabilitation plan may consist of educational, vocational or physical rehabilitation or may include modified work or work on a part-time basis. If you refuse such assistance without good cause \(a medical reason preventing participation, in whole or in part, in the rehabilitation plan\), insurance under this plan will end.](#)

Conversion

If group life insurance coverage is reduced or ends for any reason except nonpayment of premiums, you can convert to an individual policy. To convert, you must apply for the conversion policy and pay the first premium payment within 31 days after your group coverage ends. Family members may convert their coverage as well. Converted policies are subject to certain benefits and limits as outlined in the conversion brochure which may be requested as needed. Premiums may change at this time.

Portability

This plan allows you to continue all of your voluntary coverage if you leave your employer. Premiums may change at this time. Just pay your premiums directly to the insurance company. Coverage may be continued for you and your spouse until age 70. Coverage may also be continued for your children.

Exclusions

Voluntary life insurance will not be paid if loss of life is the result of suicide that occurs within the first two years of coverage. The suicide exclusion applies from the effective date of any additional benefits or increases in Life Insurance Benefits.

Personal Accident Insurance Coverage

Basic Personal Accident Insurance Coverage – paid by your employer

Employee - If you are an active, full-time employee and work at least 36 hours per week for your employer, you are eligible for coverage on the first of the month after 12 months of active service

- Benefit Amount and Maximum – 1X Annual Compensation rounded to the nearest \$1,000 if not already a multiple, to a maximum of \$50,000
- Benefit Reduction Schedule – Benefits will reduce to 65% at age 65, 50% at age 70.

Voluntary Personal Accident Insurance Coverage – paid by you

Employee - If you are an active, full-time employee working at least 36 hours per week or a part-time employee and work at least 16 hours per week for your employer, you are eligible for coverage on the first of the month after 30 days of active service.

The Benefit Option for Personal Accident coverage will match the Voluntary Life Option you elect.

- Benefit Amount Options:
 - o \$10,000
 - o 1, 2, 3, 4 or 5 times Annual Compensation
 - o 1, 2, 3, 4 or 5 times Annual Compensation plus \$10,000
- Maximum – 5x Annual Compensation rounded to the nearest \$1,000 if not already a multiple, to a maximum of \$500,000
- Benefit Reduction Schedule – Providing you are still employed, your benefits will reduce to 65% at age 65, 50% 70.

Dependent Coverage Available

Your Spouse* — Up to age 70 is eligible provided that you apply for and are approved for coverage for yourself.

- Benefit Amount and Maximum – \$10,000

Your Unmarried, Dependent Children — To age 26 if primarily supported by you, as long as you apply for and are approved for coverage for yourself.

- Benefit Amount and Maximum – \$5,000

You may need to request changes to your existing coverage if, in the future, you no longer have dependents who qualify for coverage. We will refund premium if you do not notify us of this and it is determined at the time of a claim that premium has been overpaid.

Classes of Eligible Persons

A person may be insured only once under the Basic Life and Accident portion of the Policy even though he or she may be eligible under more than one class. An employee can cover their spouse under the Voluntary Life and Dependent Accident portion of the Policy as an Employee, Spouse. Only one employee can cover the Dependent Child, even though he or she may be eligible under more than one class

*For purposes of this brochure, wherever the term Spouse appears it shall also include Domestic Partner or Civil Union Partner. Your domestic partner is eligible for insurance if he or she meets specific criteria stated in the Group Policy. Additional information is available from your Benefit Services Representative.

How Much Your Coverage will Cost per Month

The cost of the voluntary insurance is paid by you. Indicate your choice, or your decision not to elect coverage, on your enrollment form. The pay period costs are included in the Voluntary Life Cost Summary. Costs are subject to change.

A Valuable Combination of Benefits

To help survivors of severe accidents adjust to new living circumstances, we will pay benefits according to the chart below.

If, within 365 days of a covered accident, bodily injuries result in:	We will pay this % of the benefit amount:
Loss of life	100%
Total paralysis of upper and lower limbs, or Loss of any combination of two: hands, feet or eyesight, or Loss of speech and hearing in both ears	100%
Total paralysis of both lower or upper limbs	75%
Total paralysis of upper and lower limbs on one side of the body, or Loss of hand, foot or sight in one eye, or Loss of speech or loss of hearing in both ears, or	50%



Severance and Reattachment of one hand or foot	
Total paralysis of one upper or lower limb, or Loss of all four fingers of the same hand, or Loss of thumb and index finger of the same hand	25%
Loss of all toes of the same foot	20%

Only one benefit (the largest) will be paid for losses from the same accident.

Additional Benefits of Personal Accident Insurance

For Wearing a Seatbelt & Protection by an Airbag

Additional benefit but not more than \$10,000 if the covered person dies in an automobile accident while wearing a seatbelt or approved child restraint. We will increase the benefit by an additional but not more than \$5,000 if the insured person was also positioned in a seat protected by a properly-functioning and properly deployed Supplemental Restraint System (Airbag).

For Comas

1% of full benefit amount, for up to 11 months, if you, your spouse, or your children are in a coma for 30 days or more as a result of a covered accident. If the covered person is still in a coma after 11 months, or dies, the full benefit amount will be paid.

For Exposure & Disappearance

Benefits are payable if you or an insured family member suffer a covered loss due to unavoidable exposure to the elements as a result of a covered accident.

If your or an insured family member's body is not found within one year of the disappearance, wrecking or sinking of the conveyance in which you or an insured family member were riding, on a trip otherwise covered, it will be presumed that you sustained loss of life as a result of a covered accident.

What is Not Covered

Self-inflicted injuries or suicide while sane or insane; commission or attempt to commit a felony or an assault; any act of war, declared or undeclared; any active participation in a riot, insurrection or terrorist act; bungee jumping; parachuting; skydiving; parasailing; hang-gliding; sickness, disease, physical or mental impairment, or surgical or medical treatment

thereof, or bacterial or viral infection; voluntarily using any drug, narcotic, poison, gas or fumes except one prescribed by a licensed physician and taken as prescribed; while operating any type of vehicle while under the influence of alcohol or any drug, narcotic or other intoxicant including any prescribed drug for which the covered person has been provided a written warning against operating a vehicle while taking it; while the covered person is engaged in the activities of active duty service in the military, navy or air force of any country or international organization (this does not include Reserve or National Guard training, unless it extends beyond 31 days); traveling in an aircraft that is owned, leased or controlled by the sponsoring organization or any of its subsidiaries or affiliates; air travel, except as a passenger on a regularly scheduled commercial airline or in an aircraft being used by the Air Mobility Command or its foreign equivalent; being flown by the covered person or in which the covered person is a member of the crew.

When Your Coverage Begins and Ends

Coverage becomes effective on the later of the program's effective date, [the date of any change, addition or increase in benefits](#), the date you become eligible, the date we receive your completed enrollment form, or the date you authorize any necessary payroll deductions. Your coverage will not begin unless you are actively at work on the effective date. Dependent coverage will not begin for any dependent who on the effective date is hospital or home confined; receiving chemotherapy or radiation treatment; or disabled and under the care of a physician. Coverage will continue while you and your dependents remain eligible, the group policy is in force, and required premiums are paid.

Conversion

If, before you reach age 70, this group coverage is reduced or ends for any reason except non-payment of premium or age, you can convert to an individual policy. No medical certification is needed. To continue coverage, you must apply for the conversion policy and pay the first premium in effect for your age and occupation within 31 days after your group

coverage ends. Family members may convert their coverage as long as they have not reached the maximum age limitation. Converted policies are subject to certain benefits and limits as outlined in your certificate, should you become insured under the plan.

This information is a brief description of the important features of the plan. It is not a contract. Terms and conditions of coverage are set forth in Group Policy No. **FLX965041** and Group Policy No. **OK966642**. Please refer to your Certificate of Insurance or Summary Plan Description for more detailed information. Coverage is underwritten by Life Insurance Company of North America, a Cigna company. "Cigna" and the Tree of Life logo are registered service marks of Cigna Intellectual Property, Inc. © Cigna 2013

