

# BASIC TERM LIFE INSURANCE OVERVIEW

Prepared for the members of Utah School Employees Association – Class 2

## Basic Term Life – paid by you

<b>Eligibility</b>	Active dues paying Members and Full-Time Active Employees of USEA	
<b>Employee</b>	<b>Benefit Amount and Maximum</b>	\$5,000
	<b>Benefit Reduction Schedule</b>	Benefits will reduce to 65% at age 65 and 50% at age 70.
<b>Spouse*</b>	<b>Spouse is eligible provided that you apply for and are approved for coverage for yourself.</b>	
	<b>Benefit Amount</b>	<b>\$2,200</b>
	<b>Maximum</b>	<b>\$5,000</b>
<b>Dependent Children</b>	<b>Under age 26, as long as you apply for and are approved for coverage for yourself. Premium includes all eligible children.</b>	
	<b>Benefit Amount</b>	\$2,200
	<b>Maximum per child</b>	\$2,200 (Birth to 14 days \$500)

\* For purposes of this summary, wherever the term spouse appears it shall also include domestic partner/partner to a civil union. 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 service representative.

## 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 75% of the Term Life Insurance coverage amount in-force or \$3,750, 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.

**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.

**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.

**When Your Coverage Begins and Ends**

Coverage becomes effective on the later of the program's effective date, 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 premium paid.

**Conversion** - If group life coverage ends (except due to nonpayment of premium), your employment is terminated, membership in an eligible class is terminated, or insurance coverage is reduced based on attained age, you can convert to an individual non-term policy. To convert, you must apply for the conversion policy and pay the first premium payment within 31 days after your group coverage ends. Dependents may convert their coverage as well. Premiums may change at this time, and terms of coverage will be subject to change.

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. FLX-966730. 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. The Cigna name, logo, and other Cigna marks are owned by Cigna Intellectual Property, Inc. © Cigna 2015