

Group Optional Life Insurance

For Employees Participating In OEGB Plans



Standard Insurance Company
Group Optional Life Insurance





About This Brochure

This brochure is designed to answer some common questions about the group Optional Life insurance coverage being offered by your *employer* to eligible employees through the Oregon Educators Benefit Board (OEBB) Group Policy. It is not intended to provide a detailed description of the coverage.

If you become insured, a group insurance certificate will be made available to you, containing a detailed description of the insurance coverage including the definitions, exclusions, limitations, reductions and terminating events. The controlling provisions will be in the *group policy* issued by Standard Insurance Company to OEBB. Neither the certificate nor the information presented in this brochure modifies the *group policy* or the insurance coverage in any way. If you have additional questions, please contact your human resources representative.

Please note that defined terms and provisions from the *group policy* are italicized in this brochure.

Group Optional Life Insurance

It's not easy to think about, but what if you suddenly died? Your family could be faced with house payments, unpaid bills, child care and other expenses just to maintain their current lifestyle. Could your family live without your income? Would your family be able to cover the medical expenses associated with a terminal illness or with burial and funeral expenses?

You make a great investment in your family. You spend time with them. You care for them. You work for them. And if you're not there for them, you want them protected. Since every employee's needs are different, your *employer* provides you with the opportunity to apply for Optional Life insurance from The Standard.

The advantages to you and your loved ones include:

Choice – You decide how much coverage you need from the range of amounts available.

Flexibility – If your needs change, you can request to change the amount of coverage. Increases in coverage may require *evidence of insurability*.

Convenience – With premiums deducted directly from your paycheck, you don't have to worry about mailing monthly payments.

Peace of Mind – You can take comfort and satisfaction in knowing that you have done something positive for your family's future.

Commonly Asked Questions

The following information provides details to give you a better understanding of group Optional Life insurance available from The Standard. Written in non-technical language, this is not intended as a complete description of the coverage.

Am I eligible for this coverage?

To be eligible for Optional Life insurance:

- You must be an active employee of an *employer* participating in the OEGB life insurance *group policy*.
- You must meet other eligibility requirements, included in the *member* definition of the *group policy* and as required and determined by OEGB.
- Your *employer* must have elected to make Optional Life coverage available to employees in your classification.
- You must not be a full-time member of the armed forces of any country.

Note: Early retirees who meet OEGB eligibility requirements may participate in the plan prior to age 65, provided the employer elects coverage for early retirees. Early retirees must apply to continue coverage within 60 days following retirement; otherwise, coverage will not be continued.

Please see your human resources representative for additional information on the definition of a *member*.





If you become insured and your *employer* elects to make Dependents Life insurance available to employees in your classification, you also may enroll your eligible *dependents*, including your *spouse/domestic partner* and *children* who are eligible under the terms of OAR 111-010-0015.

When does my insurance go into effect?

The effective date of your coverage depends on when you become an eligible employee, when you complete your *eligibility waiting period*, if any, when you apply, and whether you are required to provide *evidence of insurability*.

Contact your human resources representative to determine the length of your *eligibility waiting period*, if any.

Coverage will be effective on the first day of the calendar month following the later of (a) the date you become an eligible employee and complete any *eligibility waiting period*, and (b) the date you apply, provided you apply prior to or within 31 days after becoming eligible and have served any *eligibility waiting period*, if required. If you do not apply within 31 days after becoming eligible, you may only apply during an OEBB *annual enrollment period* or with a Qualified Status Change as provided under OAR 111-040-0400. In both situations you may be required to submit satisfactory *evidence of insurability*.

For insurance applied for during an OEBB *annual enrollment period*, assuming the *active work* requirement is met, insurance becomes effective the later of (a) the first day of the plan year following the date you apply, and (b) the first day of the calendar month following the date The Standard approves your *evidence of insurability*, if required. For insurance applied for due to a *family status change*, assuming the *active work* requirement is met, insurance becomes effective the first day of the calendar month following the latest of (a) the date you apply, (b) the date of the *family status change*, and (c) the date The Standard approves your *evidence of insurability*, if required.

In every case, you must meet the *active work* requirement before your insurance becomes effective.

What is the active work requirement?

Active work means performing with reasonable continuity, the material duties of your own occupation at your *employer's* usual place of business. You must be capable of *active work* on the day before the scheduled effective date of your insurance or your insurance will not become effective as scheduled. If you are not *actively at work* on the day before the scheduled effective date of insurance (including Dependents Life insurance), your insurance will not become effective until the day after you complete one full day of *active work* as an eligible employee.

How much coverage may I get for myself?

Eligible employees may elect Optional Life coverage in units of \$10,000, to a maximum of \$500,000.*

If you want to become insured for an amount of Optional Life in excess of the *guarantee issue amount* of \$100,000, the excess will be subject to medical underwriting approval.

How much coverage may I get for my spouse/domestic partner and children?

This plan also includes Dependents Life insurance from The Standard, if your *employer* elects to make Dependents Life Insurance available to employees in your classification.

Eligible employees may elect Dependents Life coverage for a *spouse/domestic partner* in units of \$10,000 to a maximum of \$500,000, but not to exceed 100 percent of your Optional Life coverage. (Please note, your *employer* may limit the amounts available to employees in your classification.)

If you elect an amount for your *spouse/domestic partner* greater than the *guarantee issue amount* of \$30,000, the excess will be subject to medical underwriting approval. All late applications and requests for coverage increases also will require medical underwriting approval (unless you apply for coverage, not to exceed the *guarantee issue amount*, with a Qualified Status Change as provided under OAR 111-040-0400).

You may elect Dependents Life coverage for your eligible *children* in units of \$2,000 to a maximum of \$10,000, but not to exceed 100 percent of your Optional Life coverage. (Please note, your employer may limit the amounts available to employees in your classification.)

All late applications and requests for coverage increases will be subject to medical underwriting approval (unless you apply for coverage with a Qualified Status Change as provided under OAR 111-040-0400).



* Your *employer* may elect to limit the amounts available to the employees in your classification.

How much coverage do I need?

It can be difficult to determine the amount of insurance you need. Each family has its own unique set of circumstances, combined with needs that may arise with the unexpected loss of life. Use the worksheet below in calculating the amount of life insurance coverage you may need. The final total is the amount of Optional Life insurance you might want to consider applying for to meet your obligations.

Life Insurance Worksheet		
	You	Your Spouse/ Domestic Partner
Immediate Needs		
Medical and hospital expenses	\$ _____	\$ _____
Funeral/burial expenses	_____	_____
Loans/debts requiring payment upon death	_____	_____
Taxes		
Federal and state income taxes	_____	_____
Property taxes	_____	_____
Federal and state estate taxes	_____	_____
Long Term Needs		
Mortgage	\$ _____	\$ _____
Debts (credit cards, car and student loans, etc.)	_____	_____
Educational/vocational fund	_____	_____
Childcare expenses	_____	_____
Emergency fund for unforeseen expenses	_____	_____
Income Replacement		
<i>Consider the income needed to support your family and the number of years that support is needed.</i>	\$ _____	\$ _____
Total Income Needs		
<i>Add all of the above.</i>	\$ _____	\$ _____
Available Resources		
Existing life insurance coverage	\$ _____	\$ _____
Other assets such as 401(k), stocks, bonds, etc.	_____	_____
Total Optional Life Insurance Needed		
<i>Subtract the amount of your total available resources from your total income needs.</i>	\$ _____	\$ _____



How much will the Optional Life and Dependents Life coverage cost me?

Use the following rates to determine the monthly premium for your Optional Life coverage:

Employee age on October 1	Non-Tobacco Rate per \$10,000 of coverage	Tobacco Rate* per \$10,000 of coverage
Age 24 and under	\$0.40	\$0.57
Age 25 through 29	\$0.45	\$0.64
Age 30 through 34	\$0.50	\$0.80
Age 35 through 39	\$0.70	\$1.00
Age 40 through 44	\$1.00	\$1.42
Age 45 through 49	\$1.50	\$2.12
Age 50 through 54	\$2.30	\$3.24
Age 55 through 59	\$4.30	\$5.93
Age 60 through 64	\$6.60	\$9.04
Age 65 through 69	\$12.70	\$17.02
Age 70 through 74	\$14.80	\$20.60
Age 75 and above	\$20.60	\$26.40

*Tobacco rates are for members who have used tobacco products during the last 12 months.

To calculate your monthly premium:

$$\begin{array}{c}
 \$ \underline{\hspace{2cm}} \div \$10,000 = \underline{\hspace{2cm}} \times \$ \underline{\hspace{2cm}} = \$ \underline{\hspace{2cm}} \\
 \text{Amount of Optional} \qquad \qquad \qquad \text{Premium Rate} \qquad \qquad \qquad \text{Your monthly cost} \\
 \text{Life elected for self} \qquad \qquad \qquad \text{from above chart}
 \end{array}$$

Use the following rates to determine the monthly premium for your *spouse/ domestic partner's* Dependents Life coverage:

Spouse/Domestic Partner age on October 1	Non-Tobacco Rate per \$10,000 of coverage	Tobacco Rate* per \$10,000 of coverage
Age 24 and under	\$0.52	\$0.75
Age 25 through 29	\$0.62	\$0.89
Age 30 through 34	\$0.83	\$1.19
Age 35 through 39	\$0.94	\$1.36
Age 40 through 44	\$1.15	\$1.66
Age 45 through 49	\$1.78	\$2.52
Age 50 through 54	\$2.62	\$3.71
Age 55 through 59	\$4.72	\$6.53
Age 60 through 64	\$7.13	\$9.78
Age 65 through 69	\$13.63	\$18.29
Age 70 through 74	\$16.34	\$21.46
Age 75 and above	\$37.74	\$48.38

*Tobacco rates are for spouse/domestic partners who have used tobacco products during the last 12 months.

To calculate the monthly premium for your *spouse/domestic partner*:

$$\frac{\$ \text{Amount of Dependents Life elected for spouse/ domestic partner}}{\$10,000} = \text{Premium Rate from above chart} \times \$ \text{Premium Rate} = \$ \text{Your monthly cost}$$

To calculate the monthly premium for *children* (regardless of the number of *children* covered):

$$\frac{\$ \text{Amount of Dependents Life elected for children}}{\$2,000} = \text{Premium Rate} \times \$ \text{Premium Rate } \$0.10 = \$ \text{Your monthly cost}$$

Will I have to provide information regarding my medical history?

If you apply for insurance prior to or within 31 days of becoming eligible to apply and meet the *active work* requirement, you will automatically qualify for up to a set amount of insurance coverage called the *guarantee issue amount*. This means that you (or your *spouse/domestic partner*, if applicable) will not have to answer medical questions to purchase coverage up to this amount. The *guarantee issue amount* for your Optional Life insurance is \$100,000. The *guarantee issue amount* for your Dependents Life insurance is \$30,000.

If you apply more than 31 days after becoming eligible to apply or if you determine that you need more insurance than the *guarantee issue amount*, satisfactory *evidence of insurability* is required. You (or your *dependent*) will need to complete and submit a Medical History Statement. In some cases, we may request additional medical information or a physical exam.

Note: If you are an active employee, *evidence of insurability* will not be required for the following amounts of coverage (unless coverage is limited because *evidence of insurability* was submitted to us previously and was not approved or if *evidence of insurability* is required under the reinstatement provisions of the *group policy*):

- If you become insured for Optional Life and later wish to increase your coverage, you may increase your Optional Life insurance amount by up to \$20,000 without submitting *evidence of insurability*, provided you apply during an OEGB *annual enrollment period*. However, you still will be required to submit *evidence of insurability* if the total amount of your Optional Life is to exceed the *guarantee issue amount*.
- You and your *dependents* may become insured for up to the *guarantee issue amounts* if you apply for such amount(s) with a Qualified Status Change as provided under OAR 111-040-0400.

How do I apply for Optional Life and Dependents Life insurance coverage?

You may apply for Optional Life and Dependents Life insurance at **myoebb.org**. If you do not apply within 31 days after becoming eligible to enroll, you may only apply during an OEGB *annual enrollment period* or with a Qualified Status Change as provided under OAR 111-040-0400. Remember that if you apply more than 31 days after becoming eligible, satisfactory *evidence of insurability* may be required. Coverage subject to *evidence of insurability* is not effective until approved by The Standard.

How are benefits paid?

For policy benefits of less than \$25,000, The Standard issues a check to each designated *beneficiary*. The Standard pays amounts of \$25,000 or more to each designated *beneficiary* by depositing funds into Standard Secure Access — a convenient, no fee, interest-bearing draft account.

With Standard Secure Access, each *beneficiary* receives a personalized checkbook and has complete control of the account. *Beneficiaries* can write checks as needed or for the full amount. This arrangement allows *beneficiaries* to earn competitive interest rates on their benefits while they take the necessary time to consider financial decisions and evaluate their choices.

Will insurance benefits be reduced as I grow older?

Coverage for an active eligible employee will not reduce as the employee gets older. However, Optional Life insurance coverage for an early retiree will terminate shortly prior to the retiree becoming 65 years of age.

What happens if I become totally disabled and can't work?

Under the *Waiver of Premium* provision, The Standard will continue your Optional Life insurance and Dependents Life insurance without premium payments if you:

- Become *totally disabled* while insured under the *group policy* as an active employee under age 60
- Complete the *waiting period* of 180 days
- Provide The Standard with satisfactory proof of *total disability*



This coverage ends when you reach age 65, are no longer *totally disabled*, or fail to cooperate or provide continued satisfactory proof of total disability.

What happens if I become terminally ill?

Under the *Accelerated Benefit* provision, you may be eligible to receive up to 90 percent (subject to a maximum of \$500,000 when combined with any Basic Life insurance) of your Life insurance coverage if you become terminally ill, have a life expectancy of less than 12 months and meet other eligibility requirements, including having a minimum of \$10,000 in Life insurance.

This benefit allows you to use the proceeds as you desire — whether to cover medical expenses or to maintain your quality of life. The amount of Life insurance payable upon your death is reduced by the *Accelerated Benefit* paid and an interest charge. However, to help protect your *beneficiaries*, The Standard will pay at least 10 percent of the original Life coverage amount on your death even if interest charges on the accelerated amount would have exhausted the remaining benefits over time.

Are there any other benefits with Optional Life insurance coverage from The Standard?

The Standard pays an additional benefit, the *Repatriation Benefit*, if you die more than 200 miles from your primary place of residence. The Standard will pay for expenses, up to a benefit maximum, incurred to transport your body to a mortuary near your primary place of residence.

The Standard includes a travel assistance program that provides a full range of 24-hour medical, legal and travel assistance services to you and your dependents when you travel more than 100 miles from home or in a foreign country.*

The Standard will provide Beneficiary Financial Counseling services to beneficiaries receiving life insurance benefits and to employees receiving an Accelerated Benefit. This service provides unlimited access to a certified financial planner, who can provide a range of services from answering questions to providing a complete financial plan. The service also provides self-help information that can assist individuals with finding a financial planner in their area and help them understand different types of investments.

What are the exclusions?

Optional Life and Dependents Life include an exclusion for death resulting from suicide or other intentionally self-inflicted injury while sane or insane. The amount payable will exclude amounts that have not been continuously in effect for at least two years on the date of your or your *dependent's* death.

When does coverage end?

Optional Life coverage ends automatically on the earliest of the following:

- The date the last period ends for which a premium was paid for your Optional Life insurance (except if premiums are waived while *totally disabled*, if applicable)

- The last day of the calendar month in which your employment terminates (unless you are covered as an early retiree)
- The date your *employer* terminates Optional Life coverage for employees in your classification
- The date the *group policy* terminates
- The date Optional Life insurance terminates under the *group policy*
- The last day of the calendar month in which you cease to be an eligible employee; however, insurance may continue for limited periods under certain circumstances
- The date your *employer* ceases to participate under the *group policy*

Dependents Life coverage for your *spouse/domestic partner* and *children* ends automatically on the earliest of the following:

- Five months after the date you die (no premium is charged during this five-month period)
- The date your Optional Life insurance ends
- The date the *group policy* terminates
- The date the Dependents Life insurance terminates under the *group policy*
- The date the last period ends for which a premium was paid for your Dependents Life insurance
- The last day of the calendar month in which the *dependent* ceases to be an eligible *dependent*
- For your *spouse*, the last day of the calendar month in which you are divorced, unless coverage is required under the terms of a court-ordered separation
- For your *domestic partner*, the last day of the calendar month in which your *domestic partner* relationship is terminated
- For a *child* who is *disabled*, 90 days after we mail you a request for proof of *disability*, if proof is not given

If my Life insurance ends or is reduced, may I convert to an individual policy?

If your Optional Life or Dependents Life insurance from The Standard ends or is reduced for any reason other than failure to pay premiums, you may be able to convert the terminated coverage to certain types of individual life insurance policies without providing *evidence of insurability*. You must apply for conversion and pay the required premium within 31 days after group coverage ends or is reduced.

May I buy group life coverage after I leave my employer?

If your insurance ends because your employment terminates, you may be eligible to buy group life insurance from The Standard through the *Portability* provision, assuming you meet the eligibility requirements. Please see your human resources representative for additional information.

What if I have additional questions?

If you have any additional questions, please contact your human resources representative.





OEBB has chosen Standard Insurance Company to provide group Optional Life coverage to eligible employees of participating *employers*. The Standard has earned a solid reputation for its quality products, superior customer service, expert resources, steady growth, innovation and strong financial performance. Founded in 1906 and located in Portland, Oregon, The Standard has developed a national presence in the employee benefits industry, providing customers with group and individual disability insurance and retirement plans, and group life and dental insurance.

Just as others count on you, you can count on The Standard for Optional Life insurance in a time of need. Talk with your human resources representative for more information about group Optional Life insurance from The Standard.

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