

VOLUNTARY LIFE INSURANCE

The life insurance plan provides term life insurance coverage (no cash value) that is payable in the event of an employee death, thus giving the family or beneficiary financial protection.

Eligibility

Faculty and staff are eligible for group life insurance coverage if they are employed in a "Regular" position with an FTE of .5 or greater or employed in a "Temporary" position for more than six months with an FTE of .5 or greater.

Initial Enrollment

Employees must enroll for coverage within 31 days of the date of hire or benefits eligibility date (date the employee satisfies the criteria to be benefits-eligible). The 31 day period is not based on the employee's effective date of coverage.

Enrollment after the initial 31-day period is limited to the annual NUFlex enrollment or when a Permitted Election Change Event occurs.

Life insurance premiums are based on the employee's age and tobacco/nicotine use. In order to determine the life insurance premium, the employee must complete the Tobacco/Nicotine Designation which is located on the Benefits Enrollment Form. If the employee does not designate a tobacco/nicotine status, voluntary life insurance coverage will be based on the tobacco/nicotine premium.

Employees may elect coverage Options 2-3 (\$25,000 - \$50,000) without proof of insurability. Coverage Options 4-11 (\$75,000 - \$500,000) require proof of insurability.

Tobacco/Nicotine Status Designation

Employees should initially designate their tobacco/nicotine status by completing the Benefits Enrollment Form. The Benefits Change Form should be used to change a tobacco/nicotine designation as a result of a Permitted Election Change Event.

Assurity Life Insurance has the right to investigate each death claim. **If there is evidence of tobacco or nicotine use after the employee responded "No", (not used any form of tobacco or nicotine within the last 12 months) and/or any material misrepresentation made by the employee, including their smoking history, the employee's life insurance benefit payment may be voided pursuant to the policy's Incontestable Clause.** The 12 month period is calculated from the date you made and/or signed the Tobacco/Nicotine designation.

Effective Date of Coverage

Coverage is effective on the first day of the month following the employee's date of hire or eligibility.

Coverage for employees hired on the first day of the month will be effective on the first day of the month. Coverage for employees hired on the first working day of the month will be effective on the actual date of hire (if first working day is Jan. 5, coverage will be effective Jan. 5).

Employees must be “active at work” on the effective date of coverage.

Change in Status Guidelines

Employees may change their voluntary life insurance coverage and/or tobacco/nicotine designation during the calendar year when a Permitted Election Change Event occurs. Proof of insurability is required to increase coverage due to a Permitted Election Change Event.

Employees must make changes in coverage within 31 days of the Permitted Election Change Event.

Listed below are several Permitted Election Change Events that may allow an employee to initiate a midyear life insurance coverage change.

- Change in legal marital status
- Change in number of dependent children
- Change in employment status or work schedule that results in a gain or loss of coverage eligibility
- Change in coverage under spouse’s employer’s benefits plan, if substantial

Coverage Effective Date as a Result of a Permitted Election Change Event

Coverage changes due to a Permitted Election Change Event are generally effective on the first day of the month following the date of the change. However, changes that occur on the first day of the month will be effective immediately. The employee must provide appropriate documentation to verify the Permitted Election Change Event.

Birth of a Dependent Child

Coverage changes due to a birth of a child will be effective on the first day of the month following the date of the child’s date of birth. Coverage changes due to a child born on the first day of the month will be effective immediately. The employee must provide appropriate documentation to verify the Permitted Election Change Event.

Adoption or Legal Guardianship

Coverage changes due to a dependent child who is added as a result of adoption or legal guardianship will be effective on the first day of the month following the date of the child’s adoption or legal guardianship. Coverage changes due to an adoption or attainment of legal guardianship which occurs on the first day of the month will be effective immediately. The employee must provide appropriate documentation to verify the Permitted Election Change Event.

Marriage

Coverage changes due to marriage will be effective on the first day of the month following the date of

marriage. Changes for a marriage occurring on the first day of the month will be effective immediately. The employee must provide appropriate documentation to verify the Permitted Election Change Event.

Divorce, Legal Separation or Annulment

Coverage changes due to a divorce, legal separation or annulment will be effective on the first day of the month following issuance of a court decree, the actual date of divorce (six-month period following the court decree), or, in cases of legal separation, date of the court order or separation agreement. There is no waiting period in Iowa so the change in status will be effective on the first day of the month following the date of the final court decree. The employee must provide appropriate documentation to verify the Permitted Election Change Event.

Termination of Coverage

Coverage terminates on the last day of the month following the date of termination or date the employee is no longer eligible for coverage. If the date of termination or employee's coverage ineligibility is the last day of the month, coverage will terminate immediately.

Leave of Absence

Employees may continue voluntary life insurance coverage while on an approved leave of absence for up to two years. The employee should contact the Campus Benefits Office to establish the direct bill premium payment process.

Active Military Duty Leave of Absence

An employee who commences a leave of absence for active duty in the military may cancel voluntary life insurance coverage during the leave. Upon return from active duty, the employee may re-enroll for life insurance coverage, not to exceed the amount of coverage enrolled for prior to the leave, without proof of insurability. The employee must provide appropriate documentation to support the date military service ended.

Annual NUFlex Enrollment

Employees may change a voluntary life insurance coverage option and/or tobacco/nicotine designation during the annual NUFlex enrollment. To maintain the integrity of the life insurance program and corresponding premiums, employees will be required to redesignate their tobacco/nicotine status every year.

Proof of insurability is required to increase coverage during the annual NUFlex enrollment.

An employee must be "active at work" in order for the new or increased voluntary life insurance coverage to be effective.

Assurity Life Insurance Overview



Assurity Life Insurance Company's origins are rooted in a century-long legacy of providing long-term security to policyholders that has earned generations of customers' confidence and trust.

Assurity Life serves customers across the nation, offering disability income, critical illness and life insurance, annuities and specialty insurance plans through our representatives, worksite distribution and direct mail. Pension and investment management services are available through Assurity Advisors Inc., a subsidiary of Assurity Life.

With assets exceeding \$2 billion, Assurity Life has built a reputation for "best in class" service and sound, conservative business practices with a disciplined approach to financial management. Headquartered in Lincoln, Neb., Assurity Life has earned a high rating from A.M. Best Company, the insurance industry's leading independent analyst.

We're proud of our history of integrity, financial accountability...and helping people through difficult times.

Visit the [Assurity Life Insurance](#) Home Page

Group Identification Number

- G00406

Benefits Summary

Voluntary life insurance coverage (term - no cash value) is available and payable in the event of an employee death, thus giving the family or beneficiary financial protection.

Each voluntary life insurance option includes varying amounts of coverage with premiums based on the employee's age and tobacco/nicotine use. Coverage amounts are reduced for employees age 70 and over. Premiums are withheld on an after-tax basis, i.e., subject to state and federal income taxes and Social Security.

Option	Coverage Amount
1	No Coverage
2	\$25,000

3	50,000
4	75,000
5	100,000
6	150,000
7	200,000
8	250,000
9	300,000
10	400,000
11	500,000

Proof of Insurability

New hires or newly eligible employees applying for coverage requiring proof of insurability must complete a Statement of Health form. If all requested underwriting requirements are not completed within 90 days from the effective date of coverage, the application will be denied. The employee must wait until the next annual NUFlex enrollment to reapply for coverage.

Increasing coverage at the annual NUFlex enrollment requires the completion of a Statement of Health form. If all underwriting requirements are not completed by Mar. 1, applications will be denied and the employee must wait until the next annual NUFlex enrollment to reapply for coverage.

Voluntary life insurance premiums for the total amount of coverage elected will be withheld beginning on the effective date of coverage. If coverage is denied, the employee should receive a premium refund up to the Guaranteed Issue Limit (\$50,000) or the amount of coverage enrolled for prior to the requested coverage increase.

Any expense incurred for additional medical information as a result of the proof of insurability request will be paid by Assurity Life Insurance.

Beneficiary Designation

Employees should initially complete the Benefits Enrollment Form to designate a life insurance Primary Beneficiary. If desired, (but not necessary) a Contingent Beneficiary may be designated. Any subsequent designation change should be made by completing an Assurity Life Insurance beneficiary designation form. Beneficiary designation forms may be found on the University of Nebraska benefits webpage.

Waiver of Premium

Employees who become disabled prior to age 60 and are disabled for a minimum of 6 months and unable to work may apply for a waiver of premium. If approved, the voluntary life insurance premium

will be suspended during the period of disability. You may keep your voluntary life insurance coverage for up to 6 months after the disability begins while waiting for the waiver of premium approval. Your Campus Benefits Office should be contacted to establish the direct bill premium payment process. If you do not meet the definition of total disability after the 6 month period (waiver of premium denied), your voluntary life insurance coverage will be terminated as of their last day of work. If that happens, you will lose your right to convert coverage since your conversion privilege runs for no more than 90 days after the voluntary life insurance ends.

If there is any question about whether or not you do not meet the definition of total disability (waiver of premium approved), you should convert your coverage. Otherwise, you run the risk of not being able to convert the coverage if you do not meet the total disability definition.

If the waiver of premium does not apply due to the age 60 limitation, you may continue the life insurance coverage as a retiree as long as you satisfy the eligibility requirements.

Life Insurance for a Retired Employee

Eligibility for University of Nebraska retirement life insurance includes the following:

- Employees age 55 and older with 10 years of service.
- Employees age 65 and older with no service requirements.
- An employee may be approved for disability retirement if he or she has obtained a Social Security Disability Award *or* if the group long term disability insurance company has approved long term disability benefits. University administration may also approve a disability retirement in certain situations. In addition, disability retirements for academic/administrative staff and faculty must be approved by the Board of Regents.

Retirees may continue life insurance coverage subject to the following limitations:

- Employees retiring between ages 55-65 may continue up to \$25,000 of term life insurance coverage. The amount of coverage elected may not exceed the amount of coverage (includes both the employer-provided and voluntary life insurance coverage) the retiree was enrolled for prior to retirement.
- The term life insurance coverage reduces to \$5,000 on Jan. 1 following the retiree's attainment of age 65.
- All term life insurance coverage will end on Dec. 31 following the retiree's 75th birthday.
- Coverage amounts exceeding the maximum limit may be continued by converting the additional coverage to a whole life policy. The premium for the whole life policy is based on the coverage amount and the retiree's age at time of conversion. The retiree should contact Assurity Life Insurance for insurance conversion information.

Premiums for Dependent Life Insurance include the following:

- Age 55-65 \$5,000 \$1.75
 \$15,000 \$2.50
 \$25,000 \$5.00

- Age 65-70 \$5,000 \$9.50
- Age 70-75 \$5,000 \$18.05

Conversion of Coverage

Life insurance coverage may be converted to an individual whole life policy upon termination of employment or ineligibility. A Notice of Right of Conversion of Your Group Life Insurance Policy form will be forwarded to each employee within 31 days of the termination or date the employee is no longer eligible. If death occurs during the 31 day conversion period, life insurance benefits will be paid to the beneficiary.

Premium/Price Tag Information

Life Insurance Policy

Life Insurance Forms

- [Life Insurance Tobacco/Nicotine Designation Change Form](#)
- [Statement of Health Form](#)
- [Standard Beneficiary Designation Form](#)
- [Trust Beneficiary Designation Form](#)