

## LIFE INSURANCE EMPLOYER-PROVIDED

*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 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.

### 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 enroll or cancel their employer-provided life insurance coverage during the calendar year when a Permitted Election Change Event occurs. Proof of insurability is required to enroll for 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 employer-provided 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 dependent's date of birth. 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 coincide with the earlier of: 1) the date of placement for adoption, or 2) the date of entry of an order granting legal guardianship or custody of the child. Placement generally means when the adoptive parents have taken legal responsibility for the child. Premiums will begin on the first day of the month following the event. 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 or Legal Separation

Coverage changes due to a Nebraska divorce will be effective the first day of the month following the date the divorce decree is entered. Coverage changes due to a Nebraska legal separation will be effective the first day of the month following the date of the court order or separation agreement.

Coverage changes due to an Iowa divorce will be effective the first day of the month following the date the divorce decree is final. Coverage changes due to an Iowa legal separation will be effective the first day of the month following the date of the court order or separation agreement.

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 employer-provided 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 employer-provided life insurance coverage during the leave. Upon return from active duty, the employee may re-enroll for life insurance coverage without proof of insurability. The employee must provide appropriate documentation to support the date military service ended.

## Annual NUFlex Enrollment

Employees may enroll or cancel the employer-provided life insurance coverage during the annual NUFlex enrollment.

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

An employee must be "active at work" in order for the employer-provided 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

The university provides term life insurance coverage equal to one times your annual budgeted salary up to a maximum of \$120,000, rounded up to the nearest \$100 through the Assurity Life Insurance company. Coverage amounts are reduced for employees age 70 and over; contact your Campus Benefits Office for coverage amounts and premiums.

Employer-provided life insurance is based on your budgeted salary as of Jan. 1 of each year.

Employer-provided coverage amounts that exceed \$50,000 is subject to imputed income.

## Proof of Insurability

Enrolling for 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.

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 life insurance employer-provided premium will be suspended during the period of disability. You may keep your life insurance employer-provided coverage for up to 6 months after the disability begins while waiting for the waiver of premium approval. The university will continue to pay the life insurance employer-provided premium as long as you are in a pay status. Once you are no longer in a pay status, 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 life insurance employer-provided 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 life insurance employer-provided 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.

## 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.

## 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 62 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 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 |

## Life Insurance Policy

### Life Insurance Forms

- [Statement of Health Form](#)
- [Standard Beneficiary Designation Form](#)
- [Trust Beneficiary Designation Form](#)