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OREGON EDUCATORS
OEBB
BENEFIT BOARD

Group Basic Life Insurance

FOR EMPLOYEES PARTICIPATING IN OEBB PLANS

Answers to your questions about coverage from Standard Insurance Company



STANDARD INSURANCE COMPANY

About This Brochure

This brochure and the accompanying Oregon Educators Benefit Board (OEBB) Coverage Highlights are designed to answer some common questions about the group Basic Life insurance coverage being offered by your *employer* to eligible employees through the Oregon Educators Benefit Board Group Policy. These materials are 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 or the accompanying Coverage Highlights 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.



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Group Basic Life Insurance

Your *employer* may elect to provide Basic Life insurance to all eligible employees or limit coverage to certain classes of eligible employees. Your *employer* decides whether or not you must contribute toward the cost of your Basic Life coverage.

Commonly Asked Questions

The following information provides details to give you a better understanding of group Basic 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 Basic Life insurance:

- You must be an active employee of an *employer* participating in the OEGB Basic 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 Basic 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 until age 65, provided the *employer* elects coverage for early retirees.

Please see your human resources representative for additional information on the definition of *member* and becoming eligible for OEGB Basic Life coverage.

When does my insurance go into effect?

The effective date of your coverage depends on when you become an eligible employee and when you complete your *eligibility waiting period*, if any.

Your employer may pay the entire cost of your Basic Life insurance or you may be required to contribute toward the cost of Basic Life coverage. Regardless, if your employer elects Basic Life coverage for your classification, all eligible employees in your classification will be required to participate and make any required premium contributions.

Please see the Oregon Educators Benefit Board Coverage Highlights applicable for your *employer's* plan for additional information about when your insurance goes into effect. Contact your human resources representative to determine the length of your *eligibility waiting period*, if any. (The *eligibility waiting period* is the period of time you must meet the definition of a *member* under the *group policy* before you become eligible for insurance.)

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, 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 do I get?

Your employer elects the amount of Basic Life coverage provided to employees in your classification. Please see the Oregon Educators Benefit Board Coverage Highlights applicable for your *employer's* plan for additional information about your coverage amount.

What are annual earnings?

If your Basic Life insurance amount is based on *annual earnings*, your *annual earnings* are your annual rate of earnings from your *employer* and include:

- Salary
- Shift differential pay
- Pay for coaching, mentoring and other extra duties you perform on an on-going basis and included by the *employer* in your annual salary
- Contributions you make through a salary reduction agreement with your *employer* to an IRC Section 401(k), 403(b), 408(k), 408(p) or 457 deferred compensation arrangement, or an executive nonqualified deferred compensation arrangement
- Amounts contributed to fringe benefits according to salary reduction agreements under an IRC Section 125 plan

Annual earnings exclude bonuses, commissions, overtime pay, your *employer's* contribution to a deferred compensation arrangement or pension plan or any other extra compensation. They are based on your earnings in effect on the last full day of *active work*. Please contact your human resources representative for additional information regarding what is included in *annual earnings*.

Is Accidental Death and Dismemberment (AD&D) coverage also included?

Basic AD&D insurance will be included if your employer elects Basic AD&D insurance for employees in your classification. With Basic AD&D insurance, you or your *beneficiaries* may be eligible to receive an additional amount of coverage, if death or dismemberment occurs as a result of an accident.

The amount of the *AD&D insurance benefit* for *loss of life* is determined by your *employer*. The amount of the *AD&D insurance benefit* for other covered *losses* is a percentage of the amount payable for *loss of life*, as shown below:

Loss	Percentage Payable
One hand or one foot	50%
Sight in one eye, speech or hearing in both ears	50%
Two or more <i>losses</i> listed above	100%
Thumb and index finger on the same hand	25%
Quadriplegia	100%
Hemiplegia	50%
Paraplegia	75%
Coma.	1% for up to 100 months

The *loss* must occur due to an accident and independently of all other causes, within 365 days after the accident. *Loss of life* must be evidenced by a certified copy of the death certificate. All other *losses* must be certified by a *physician* in the appropriate specialty as determined by us.

Please see the Oregon Educators Benefit Board Coverage Highlights applicable for your *employer's* plan for additional information about any Basic *AD&D Insurance benefits* your *employer* has selected for *loss of life*.

How are benefits paid?

For amounts 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 will not reduce as you get older. However, coverage for an early retiree will terminate when the retiree becomes 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 Basic 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 or are no longer *totally disabled*.

The *Waiver of Premium* provision does not apply to AD&D insurance.

What happens if I become terminally ill?

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

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 at that time even if interest charges on the accelerated amount would have exhausted the remaining benefits over time.

Are there any other benefits with Basic 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.¹

The Standard will provide Beneficiary Financial Counseling services to *beneficiaries* receiving Life insurance benefits and to employees receiving an Accelerated Benefit. This benefit 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.

The AD&D coverage includes the following additional benefits when an *AD&D insurance benefit* is payable:

- **Seat Belt Benefit.** The *Seat Belt Benefit* provision provides an additional benefit in the event you die as a result of an *automobile* accident and you were properly wearing and using a *seat belt system*.
- **Air Bag Benefit.** The *Air Bag Benefit* provides an additional benefit in the event you die as a result of an automobile accident for which a *Seat Belt Benefit* is payable and the automobile is equipped with an *air bag system* which deployed as evidenced by a police accident report and you were seated in the driver's or passenger's seat intended to be protected by the *air bag system*.
- **Family Benefits Package.** The Family Benefits Package includes the *Child Care Benefit*, *Higher Education Benefit* and *Career Adjustment Benefit*. It provides your eligible family members with additional financial help for childcare, college or career training.
- **Occupational Assault.** The *Occupational Assault* provision provides an additional benefit if you suffer death or dismemberment as a result of an act of workplace physical violence that is punishable by law.
- **Public Transportation.** The *Public Transportation* provision provides an additional benefit in the event of death as a result of an accident that occurs while you are riding as a fare-paying passenger on *public transportation*.
- **Adaptive Home and Vehicle Benefit.** The *Adaptive Home and Vehicle Benefit* provision provides an additional benefit if you suffer a covered loss as a result of an accident, and within 2 years after the accident you pay to have your principal residence or automobile adapted to reasonably accommodate your loss.

What are the exclusions?

There are no exclusions for Basic Life insurance.

AD&D insurance benefits are not payable for death or dismemberment caused or contributed to by:

- *War* or act of *war*, declared or undeclared, whether civil or international, and any substantial armed conflict between organized forces of a military nature
- Suicide or other intentionally self-inflicted *injury* while sane or insane
- Committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot

¹Provided through an agreement with MEDEX® Assistance Corporation.

- Voluntary use or consumption of any poison, chemical compound or drug, unless used or consumed according to the directions of a *physician*
- Being under the influence of intoxicating liquor, as defined by the laws of Oregon
- Sickness or pregnancy existing at the time of the accident
- Heart attack or stroke
- Medical or surgical treatment for any of the above

When does coverage end?

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

- The date the last period ends for which a premium was paid for your Basic Life insurance (except if premiums are waived while *totally disabled*)
- The last day of the calendar month in which your employment terminates (unless you are covered as an early retiree)
- The date the *group policy* terminates
- The date your *employer* terminates Basic Life coverage for employees in your classification
- 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*

Basic AD&D insurance will automatically end on the earliest of the following:

- The date your Basic Life insurance ends
- The date your *Waiver of Premium* begins
- The date your *employer* terminates Basic AD&D coverage for employees in your classification
- The date the last period ends for which a premium was paid for your AD&D insurance

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

If your Basic 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. AD&D coverage may not be converted under this provision.

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.

About Standard Insurance Company

Standard Insurance Company has earned a solid reputation for its quality products, expert resources, superior service, steady growth, innovation and strong financial performance. Founded in 1906 and located in Portland, Oregon, The Standard is a leader in the group disability and life insurance market, while also offering individual disability, group dental and retirement plans for groups and individuals.



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