

Reservist and War Provision Frequently Asked Questions

For over 100 years, our policyholders have trusted Standard Insurance Company to do what's right for their employees in times of need. While so much in the world seems to have changed recently, our commitment to serving our customers remains firm. In this time of uncertainty, our customers can count on us to uphold our tradition of fair claims decisions and compassionate service. This FAQ is provided by The Standard to answer questions about group insurance coverage for employees called up for military active duty, application of the war exclusion and how we will respond in the event of future terrorist attacks.

Q. Will reservists' Group Life and Disability coverage continue after they are activated?

- A. Life and Disability coverage normally ends when employees become full-time members of the military. However, Life and Disability coverage can be continued for activated reservists, subject to continued payment of premiums for the longest leave period allowed under the current group policy.

Generally, employers are not required to continue Life or Disability insurance coverage under state or federal family and medical leave acts (FMLA). However, if employers elect to continue coverage for all employees during FMLA, coverage will continue for activated reservists for the same period of time. For employers subject to the federal FMLA, the leave period can be up to 26 weeks. For employers who are not subject to the federal FMLA, the leave period typically allowed by a state-mandated family or medical leave law has been 90 days.

As leave provisions vary, employers should review their Life and Disability policies for specific leave period provisions. An employer cannot extend the coverage beyond the longest leave period by continuing to pay premiums, even if a reservist's salary continues to be paid. Employers subject to additional legal requirements (i.e., state law) for coverage of reservists may contact their local Employee Benefits Sales and Service Office with coverage continuation questions.

Q. Will reservists' Group Dental coverage continue after they are activated?

- A. To assist employers in complying with USERRA, The Standard's Dental coverage can continue for a period of up to 24 months. Coverage is subject to continued payment of premiums.

Q. Will The Standard allow Life coverage for activated reservists' dependents to continue?

- A. Coverage for an activated reservist's dependents typically ends when the reservist's coverage ends. However, The Standard will allow employers to pay for Life coverage for a currently enrolled reservist's dependents for as long as the reservist remains an employee. A reservist's dependents' Life coverage will end if the reservist does not return to work within 90 days after discharge or for any reason provided in the terms of employers' insurance policies. Coverage is subject to employers' continued payment of premiums.



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- Q. May activated reservists and their dependents convert or port their Group Life coverage?**
- A. When insurance for activated reservists and their dependents ends, both insured employees and their dependents may convert to individual policies. If a policy provides a portability feature and a reservist's employment has ended, please contact The Standard's customer service at 800.378.4668 ext. 6785 for more information regarding portability.
- Q. Will The Standard reinstate discharged reservists' coverage when they return to work?**
- A. Provided reservists return to work within 90 days of discharge, any coverage that was in effect when the reservists left for active duty will be reinstated for both the reservists and their dependents, unless otherwise continued for the dependents. Any coverage requirements (e.g., preexisting condition for Long Term Disability, two-year suicide exclusion for Life, late enrollment penalty for Dental, etc.) that were not fully met when the reservists were activated will continue to apply until the balance of the requirement period is served. Evidence of insurability requirements for late enrollments will also apply.
- Q. Does the war exclusion apply to insured civilians in the U.S., civilians who are traveling abroad or to insured reservists?**
- A. The Standard's Life coverage does not contain a war exclusion. Accidental Death & Dismemberment, Short Term Disability, Long Term Disability and Dental coverages do contain a war exclusion. The Standard will evaluate claims that may be affected by the war exclusion on a case-by-case basis, consistent with our commitment to provide fair claims decisions.
- Q. How will The Standard respond in the event of future terrorist attacks?**
- A. We did not apply the war exclusion to claims related to the tragedy of September 11, 2001. Those events did not appear to be acts of war or the result of substantial armed conflict between military forces, but rather, unexpected and isolated acts of terrorism. Due to the unpredictability of future events, it is not possible to offer a definitive statement as to how the exclusion would be interpreted with respect to further terrorist acts against civilians. That determination is dependent on a number of factors, including, but not limited to, the nature, pattern and frequency of future acts and who sponsored them. For this reason, we will evaluate claims that may be affected by the war exclusion on a case-by-case basis, in a manner consistent with our corporate values and applicable laws.
- Q. Does the U.S. military provide insurance coverage to activated reservists?**
- A. The U.S. military makes \$400,000 of life coverage available to activated reservists. Spouses can be insured for up to \$100,000 and dependent children for up to \$10,000 per child. Dependent coverage must be elected and paid for by the service member. Voluntary dental coverage for reservists' dependents is also available, although dental insurance continued under an employer's plan will serve as primary coverage.