

# Group Basic Life Insurance

For Employees Participating In OEGB Plans





## About This Brochure

This brochure is 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 (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 (The Standard) 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.

## 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 prior to 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 OEGB 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 OEBB Coverage Highlights applicable for your employer's plan for additional information about your coverage amount.

## **How much coverage do I get for my spouse/domestic partner and children?**

This plan also includes Dependents Life insurance from The Standard, if your employer elects to provide Dependents Life insurance with the Basic Life coverage.

Eligible employees may receive a flat amount of coverage for a spouse/ domestic partner and each eligible child. For additional details, please contact your employer.

## **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 ongoing 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:

Type Of Loss	Percentage Payable
One hand or one foot	50%
Sight in one eye, speech or hearing in both ears	50%
Two or more losses listed above	100%
Thumb and index finger on the same hand	25%*
Quadriplegia	100%
Hemiplegia	50%
Paraplegia	75%
Coma	1% of the AD&D amount per month for up to 100 months

\* This benefit is not payable if an AD&D insurance benefit is payable for the loss of the entire hand

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 OEBC 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 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 active eligible employees will not reduce as the employee gets older. However, Basic 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 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, are no longer totally disabled or fail to cooperate or provide continued satisfactory proof of total disability.

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 up to 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, 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 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.

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.

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 two 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
- 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 Basic Life insurance terminates under the group policy
- 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 under the OEGB group Life insurance plan
- 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
- The date AD&D insurance terminates under the group policy

### **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.



OEBB has chosen Standard Insurance Company to provide Group Basic 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 Group Basic Life insurance in a time of need. Talk with your human resources representative for more information about Group Basic Life insurance from The Standard.

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