



The Standard<sup>SM</sup>  
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## Group Additional Life Insurance

FOR EMPLOYEES OF MONTANA UNIVERSITY SYSTEM

Answers to your questions about coverage from Standard Insurance Company



STANDARD INSURANCE COMPANY

## About This Booklet

This booklet is designed to answer some common questions about the group Additional Life insurance coverage being offered by your *employer* to eligible employees. It is not intended to provide a detailed description of the coverage.

If coverage becomes effective and you become insured, you will receive a group insurance certificate 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. Neither the certificate nor the information presented in this booklet 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 booklet. Features of the group Additional Life coverage may vary by state.



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## Group Additional Life Insurance

It's not easy to think about, but what if you suddenly died? Your family could be faced with house payments, unpaid bills, childcare and other expenses just to maintain their current lifestyle. Could your family live without your income? Would your family be able to cover the medical expenses associated with a terminal illness or with burial and funeral expenses?

You make a great investment in your family. You spend time with them. You care for them. You work for them. And if you're not there for them, you want them protected. Your *employer* provides you with a basic amount of Group Life insurance to help protect your loved ones in the event of your death. Since every employee's needs are different, your *employer* also provides you with the opportunity to apply for Additional Life insurance from The Standard.

The advantages to you and your loved ones include:

- **Choice.** You decide how much coverage you need from the range of amounts available.
- **Flexibility.** If your needs change, you can request to change the amount of coverage. Increases in coverage require *evidence of insurability*.
- **Convenience.** With premiums deducted directly from your paycheck, you don't have to worry about mailing monthly payments.
- **Savings.** Typically, group insurance rates are lower than the rates of individual insurance plans, generally providing you with coverage at a lower cost.
- **Peace of Mind.** You can take comfort and satisfaction in knowing that you have done something positive for your family's future.

## Commonly Asked Questions

The following information provides details to give you a better understanding of group Additional Life insurance available from The Standard.

### Am I eligible for this coverage?

To be eligible for this plan:

- You must be insured for basic Group Life coverage with The Standard.
- Enrolled in the Employer's medical plan
- An academic and professional employee with an individual contract under the authority of the Board of Regents which provides for eligibility
- A permanent full-time, part-time or job-share employee of the Employer scheduled to work more than six months in any twelve month period who is Actively At Work at least 20 hours each week
- A temporary employee who is a) regularly scheduled to be Actively At Work 20 hours or more per week for more than six months in a year; or b) Actively At Work at least 20 hours each week for a continuous period of more than six months although not regularly scheduled to do so; or c) covered under a labor union contract which provides for eligibility.
- Your *spouse* or *children* must not be full-time members of the armed forces of any country.

## When does my insurance go into effect?

The effective date of your coverage depends on when you become an eligible *member*, when you apply and whether you are required to provide *evidence of insurability*.

If you are not required to provide *evidence of insurability*, if you apply and agree to pay premiums, your Additional Life coverage becomes effective on:

- The date you become eligible or the date of your Family Status Change if you apply on or before that date;
- The date you apply if you apply within 31 days after you become eligible or within 63 days of your Family Status Change; or
- The July 1 following the date you apply if you apply during the Employer's Annual Enrollment Period.

If you are required to provide *evidence of insurability*, if you apply and agree to pay premiums, your Additional Life coverage becomes effective on the date The Standard approves your *evidence of insurability*.

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 including Dependents Life insurance, your insurance will not become effective until the day after you complete 1 day of *active work* as an eligible employee.

## How much coverage may I get for myself?

### Basic Life Insurance

Montana University System provides eligible employees a choice of \$10,000 or \$20,000 Basic Life and Accidental Death & Dismemberment coverage through The Standard. If you don't enroll for the Basic Life and AD&D coverage, you will automatically be covered for \$20,000. The Basic Life and Accidental Death & Dismemberment plan is fully paid by Montana University System.

### Additional Life Insurance

Eligible employees may elect Additional Life coverage in units of \$25,000, to a maximum of \$200,000.

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

This plan also includes AD&D insurance from The Standard. With Basic Life and AD&D insurance, you or your *beneficiaries* may be eligible to receive an additional amount in the event of death or dismemberment as a result of an accident.

The amount of this *AD&D insurance benefit* for *loss* of life is equal to the amount payable for Basic Life insurance coverage on the date of the accident.

The amount of this *AD&D insurance benefit* for other covered *losses* is a percentage of the amount payable for Basic Life insurance coverage on the date of the accident, as shown below:

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

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 The Standard.

**How much coverage may I get for my spouse and children?**

This plan also includes Dependents Life insurance from The Standard.

Eligible employees may elect one of the following Dependent Life coverage options

*Option A:* . . . . . *Spouse:* \$2,500  
*Child:* \$1,250

*Option B:* . . . . . *Spouse:* \$5,000  
*Child:* \$2,500

*Option C:* . . . . . *Spouse:* \$10,000  
*Child:* \$5,000

*Option D:* . . . . . *Spouse:* \$25,000  
*Child:* \$5,000

The amount of Dependent Life Insurance may not exceed 100 percent of your combined basic Group Life and Additional Life coverage. All late applications and requests for coverage increases will be subject to medical underwriting approval.

## How much coverage do I need?

It can be difficult to determine the amount of insurance you need. Each family has its own unique set of circumstances, combined with needs that may arise with the unexpected loss of life. Use the worksheet below in calculating the amount of life insurance coverage you may need. The final total is the amount of Additional Life insurance you might want to consider applying for to meet your obligations. Once you determine how much coverage you need, complete the Enrollment Form within your enrollment packet and submit it to your human resources department.

Additional Life Insurance Worksheet		
Immediate Needs	You	Your Spouse
Medical and hospital expenses	\$ _____	\$ _____
Funeral/Burial expenses	_____	_____
Loans/Debts requiring payment upon death	_____	_____
Taxes:		
Federal and state income taxes	_____	_____
Property taxes	_____	_____
Federal and state estate taxes	_____	_____
<b>Long Term Needs</b>		
Mortgage	\$ _____	\$ _____
Debts (credit cards, car and student loans, etc.)	_____	_____
Educational/Vocational fund	_____	_____
Childcare expenses	_____	_____
Emergency fund for unforeseen expenses	_____	_____
<b>Income Replacement</b>		
<i>Consider the income needed to support your family and the number of years they will need that support.</i>	\$ _____	\$ _____
<b>Total Income Needs</b>		
<i>Add together all of the above.</i>	\$ _____	\$ _____
<b>Available Resources</b>		
Existing life insurance coverage	\$ _____	\$ _____
Other assets such as 401(k), stocks, bonds, etc.	_____	_____
<b>Total Additional Life Insurance Needed</b>		
<i>Subtract the amount of your available resources from your total income needs.</i>	\$ _____	\$ _____

## How much will the Additional Life coverage cost me?

Use the following rates to determine the monthly premium for your Additional Life coverage:

Age	\$25,000	\$50,000	\$75,000	\$100,000	\$125,000	\$150,000	\$175,000	\$200,000
Under 30	1.43	2.85	4.28	5.70	7.13	8.55	9.98	11.40
30-34	2.00	4.00	6.00	8.00	10.00	12.00	14.00	16.00
35-39	2.25	4.50	6.75	9.00	11.25	13.50	15.75	18.00
40-44	3.10	6.20	9.30	12.40	15.50	18.60	21.70	24.80
45-49	5.30	10.60	15.90	21.20	26.50	31.80	37.10	42.40
50-54	8.03	16.05	24.08	32.10	40.13	48.15	56.18	62.20
55-59	13.43	26.85	40.28	53.70	67.13	80.55	93.98	107.40
60-64	16.50	33.00	49.50	66.00	82.50	99.00	115.50	132.00
65-69	32.50	65.00	97.50	130.00	162.50	195.00	227.50	260.00
70 & over	75.00	150.00	225.00	300.00	375.00	450.00	525.00	600.00

Use the following rates to determine the monthly premium for your *Dependent's* Life coverage:

- Option A: . . . . . \$0.77 monthly per Member electing Option A regardless of the number of insured Dependents
- Option B: . . . . . \$1.54 monthly per Member electing Option B regardless of the number of insured Dependents
- Option C: . . . . . \$3.08 monthly per Member electing Option C regardless of the number of insured Dependents
- Option D: . . . . . \$7.71 monthly per Member electing Option D regardless of the number of insured Dependents

## Will I have to provide information regarding my medical history?

If you apply for or request an increase in insurance more than 31 days after becoming eligible to apply or more than 63 days after a Family Status Change, satisfactory *evidence of insurability* is required. However, the Evidence of Insurability requirement is waived if you apply for any of the following during the Annual Enrollment Period or within 63 days of a Family Status Change (1) \$25,000 of Additional Life Insurance, (2) Option A or Option B Dependents Life Insurance, (3) a one-increment increase of Additional Life Insurance if you are currently insured for this coverage, or (4) a one-increment increase of Dependent's Life Insurance if you are currently insured for this coverage. If Evidence is required you will need to complete and submit a Medical History Statement. In some cases, we may request additional medical information or a physical exam.

*Evidence of insurability* is also required for reinstatement of terminated coverage and for *members* eligible but not insured under prior life insurance plans.

## How do I apply for Additional Life insurance coverage?

To apply for Additional Life insurance, complete the Enrollment Form in your enrollment packet, place it in a confidential envelope and submit it to your human resources department. You can apply at any time, but remember if you apply more than 63 days after becoming eligible, satisfactory *evidence of insurability* is required. Coverage subject to *evidence of insurability* is not effective until approved by The Standard.

### 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?

There are no reductions in insurance due to age.

### What happens if I become totally disabled and can't work?

The Standard will continue your Additional Life insurance without premium payments if you:

- Become *totally disabled* while insured under the *group policy*
- Are under the age of 60
- Complete the *waiting period* of 180 days
- Provide The Standard with 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 75 percent, or a maximum of \$500,000, of your Additional Life insurance coverage 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 Additional 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 Additional 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 Additional Life 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.<sup>1</sup>

<sup>1</sup> This benefit is not available in Illinois, Maryland or Virginia.

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 provision provides an additional benefit in the event that you die as a result of an automobile accident, the Seat Belt Benefit is payable, the automobile is equipped with an Air Bag System that was installed and maintained by the manufacturer and you were seated in a position 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*.

### What are the exclusions?

Additional Life includes an exclusion for death resulting from suicide or other intentionally self-inflicted injury while sane or insane.<sup>2</sup> The amount payable will exclude amounts that have not been continuously in effect for at least two years on the date of death.

*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<sup>3</sup>
- 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, alcohol or drug, unless used or consumed according to the directions of a *physician*
- 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?

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

- The date the last period ends for which a premium was paid for your Additional Life insurance (except if premiums are waived while *totally disabled*, if applicable)
- The date your employment terminates

<sup>2</sup> For Missouri and New Jersey residents, "insane" is not applicable.

<sup>3</sup> For Missouri and New Jersey residents, "insane" is not applicable.

- The date your Group Life insurance ends
- The date the *group policy* terminates
- The date Additional Life insurance terminates under the *group policy*
- The date you cease to be a *member*; however, insurance may continue for limited periods under certain circumstances
- If applicable, the date your *employer* ceases to participate under the *group policy*

Dependents Life coverage for your *spouse* and *children* ends automatically on the earliest of the following:

- Five months after the date you die
- The date your Group Life insurance ends
- The date the Dependents Life insurance terminates under the *group policy*
- The date the last period ends for which a premium was paid for your Dependents Life insurance
- When the *dependent* ceases to be an eligible *dependent*
- For your *spouse*, the date of your divorce or legal separation
- For a *child* who is *disabled*, 90 days after we mail you a request for proof of *disability*, if proof is not given

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

- The date your Group Life insurance ends
- The date your *Waiver of Premium* begins
- The date the AD&D insurance terminates under the *group policy*
- The date the last period ends for which a premium was paid for your AD&D insurance
- For your *dependents*, the date your Dependents Life insurance ends
- The date your employment terminates

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

If your Additional 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. This option is not available in all states and is subject to state variations.

### **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, 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.



Standard Insurance Company  
1100 SW Sixth Avenue  
Portland OR 97204  
[www.standard.com](http://www.standard.com)

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