

State of Oregon
Public Employees' Benefit Board Summary Plan Description

Life Insurance

This subsection summarizes the group Optional Life Insurance plan available through PEBB. It is a summary only. For full details, see the Certificate of Insurance on the PEBB Web site. The controlling provisions of the plan are in the group policy issued by Standard Insurance Company. The information presented in this summary and in the Certificate of Insurance in no way modifies that group policy or the insurance coverage.

Eligibility for Coverage

To be eligible for Optional Life insurance, you must be one of the following:

- An active employee of the State of Oregon who is regularly scheduled to work and who meets the terms of eligibility outlined in the PEBB Administrative Rules.
- A retiree of the State of Oregon who:
 - Retired under the employer's retirement plan during the month of December 2001 and whose insurance under the group policy as an active employee terminated on or after January 1, 2002; or
 - Retired under the Employer's retirement plan on or after January 1, 2002, and was insured as an active employee under the group policy on the day before retirement.

The following dependents are eligible for coverage if they meet eligibility requirements of the PEBB Administrative rules:

- Spouse
- Domestic partner
- Your child or your spouse's or domestic partner's child

Employees and dependents who are full-time members of the armed forces of any country are not eligible for coverage.

Amounts of Life Insurance for Active Employees

Basic Life Insurance for Active Employees: \$25,000. Your employer and PEBB pay the premiums for this coverage.

Optional Life Insurance for Active Employees and their Spouse or Domestic Partner:

- Employee: Any multiple of \$20,000, up to \$600,000. You pay the premiums. Newly eligible employees have a guarantee issue choice (medical history not required) of \$20,000 or \$40,000 if enrolled within 60 days of eligibility.
- Spouse or domestic partner: Any multiple of \$20,000, up to \$400,000. You pay the premiums. Newly eligible spouse or domestic partners have a guarantee issue (medical history not required) of \$20,000 if enrolled within 60 days of eligibility

Note: If you are covered as both an employee and a spouse or domestic partner, the combined maximum amount is \$600,000.

Dependent Life Insurance for Spouse or Domestic Partner and Eligible Children of Active Employees: \$5,000. You pay the premiums. The rate is \$1.29 per month to cover all dependents.

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Evidence of Insurability

Evidence of insurability is required when you apply for:

- Any amount of coverage more than 60 days after becoming eligible for the coverage.
- More than the guarantee issue amount of \$40,000 of Employee Optional Life coverage when you are first eligible to apply.
- More than the guarantee issue amount of \$20,000 of Spouse or Domestic Partner Optional Life coverage when you are first eligible to apply.
- An elective increase in coverage.
- Re-application for coverage that has lapsed.
- Re-application after converting coverage to an individual policy.

Coverage during Retirement

If you are insured for life insurance under this program immediately prior to your retirement under the State of Oregon's retirement plan, you may elect to continue up to 50 percent of the total amount of your Employee Basic and Optional Life insurance in effect on the day before your retirement (in increments of \$2,500 not to exceed \$200,000). You must apply for coverage within 60 days after your retirement and agree to pay the cost of coverage.

At age 65 and older, the amount available to you as a retiree decreases to a percentage of the amount determined above, as follows:

<u>Your Age</u>	<u>Percentage</u>
65 – 69	65%
70 – 74	50%
75 or older	35%

Your spouse or domestic partner and any children are not eligible for coverage during your retirement.

Note: If you return to work and become eligible for coverage as an active employee, your retiree coverage will end.

Effective Date of Coverage

Basic Life Insurance for Employees: The day when your PEBB medical or dental coverage becomes effective.

Optional Life Insurance for Employee and Spouse or Domestic Partner:

- **For amounts that do not require evidence of insurability:** The first day of the calendar month following the date you enroll for the coverage.
- **For amounts subject to evidence of insurability:** The first day of the calendar month following the date The Standard approves evidence of insurability.

Dependent Life Insurance for Spouses/Domestic Partners and Children: The first day of the calendar month following the date you enroll for the coverage.

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Actively at Work Requirement

You must meet the Actively at Work Requirement for any coverage or increase in coverage to become effective. If you are incapable of Active Work because of Sickness, Injury or Pregnancy on the day before the scheduled effective date of your insurance or an increase in your insurance, your insurance or increase will not become effective until the day after you complete one full day of Active Work as an eligible Member. Active Work and Actively At Work mean performing the material duties of your own occupation at your Employer's usual place of business.

You will also meet the Active Work requirement if:

1. You were absent from Active Work because of a regularly scheduled day off, holiday, or vacation day;
2. You were Actively At Work on your last scheduled work day before the date of your absence; and
3. You were capable of Active Work.

Additional Benefits

Repatriation Benefit for Employees: If you die while more than 200 miles away from home, The Standard will pay an additional benefit to reimburse the cost to transport your body to a mortuary near your home, up to the lesser of \$5,000 or 10 percent of the life insurance benefit payable for your death. The Standard will pay the benefit to the person who incurs the costs of transportation.

MEDEX Travel Assist Benefit: 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.

<http://www.standard.com/eforms/12092w.pdf>

Designating a Beneficiary

When you enroll for coverage, you should name a beneficiary or beneficiaries to receive death benefits. You may do this online or by completing the appropriate form. Your designation must be dated and delivered to your employer during your lifetime. If you name more than one beneficiary, they will share equally unless you specify otherwise. You may change beneficiaries at any time without the consent of the beneficiary.

If you do not name a beneficiary or your named beneficiary dies before you, The Standard will pay benefits in equal shares to the first surviving of the following: your spouse; your children; your parents; your estate.

You are the beneficiary of benefits paid on the death of your spouse or domestic partner or child.

Payment of Benefits

For amounts less than \$10,000, The Standard issues a check to the beneficiary. The Standard pays amounts of \$10,000 or more to the beneficiary by depositing funds into Standard Secure Access — a no fee, interest-bearing draft account. The 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 interest on the benefit while they consider financial decisions.

Coverage during Total Disability

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If you become totally disabled (as determined by The Standard) while insured as an active employee under the group policy and while under age 60, you may continue your coverage without payment of premium. You must provide The Standard with satisfactory proof of your continuing total disability, and you must remain totally disabled during a six-month waiting period. If The Standard approves your claim, The Standard will refund premiums paid during the waiting period.

So long as you remain totally disabled and eligible for coverage under this provision, you will not be required to pay premiums, and your coverage will continue through your lifetime.

Totally Disabled means you are unable, as a result of sickness or accidental injury, to perform with reasonable continuity the material duties of any gainful occupation for which you are reasonably fitted by education, training and experience.

Accelerated Benefit

If you qualify for continued benefits during total disability and you are terminally ill with a life expectancy of 12 or fewer months, you may be eligible to receive up to 75 percent of your Basic and Optional Life coverage (to a maximum of \$450,000).

This benefit allows you to use the proceeds as you desire. The amount of life insurance payable upon your death is reduced by the accelerated benefit paid and an interest charge. However, 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. If you recover from your condition after receiving this benefit, The Standard will not ask you for a refund.

Continuation of Insurance if Employment Ends (Portability)

If your employment ends you may be eligible to continue your Optional Life coverage. You must apply within 60 days following the date your employment ends.

You may continue any multiple of \$20,000, up to the amount of your Optional Life Insurance in effect on the date your employment ends. If you elect to continue your Optional Life, you also may elect to continue any multiple of \$20,000 of your spouse or domestic partner Optional Life insurance coverage, up to the amount in effect on the date your employment ends. You may not continue coverage under this provision if you are retiring or are totally disabled, or if you convert your coverage to an individual policy.

Coverage continued under this provision will be subject to all terms of the group policy.

Note: If you die, your spouse or domestic partner may continue his or her Optional Life Insurance.

Right to Convert

If your coverage or a dependent's coverage ends or is reduced, you may be eligible to convert the terminated amounts to certain types of individual life insurance policies without providing evidence of insurability. You must apply and pay premiums within 60 days after group coverage ends or is reduced.

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You may not convert coverage amounts for which you have received an accelerated benefit.

Suicide Exclusion

The suicide exclusion applies to Optional Life insurance for yourself and your spouse or domestic partner. If the death results from suicide or other intentionally self-inflicted injury while sane or insane, The Standard will not pay amounts that have not been continuously in effect for at least two years on the date of death.

When Coverage Ends

Your Basic and Optional Life coverage ends automatically on the earliest of the following:

- The date the last period ends for which a premium was paid (except if premiums are waived while you are totally disabled)
- The date you cease to meet the terms of eligibility outlined in PEBB Administrative Rules
- The date you become a full-time member of the armed forces
- The date the group policy ends.

Optional life insurance for your spouse or domestic partner and dependent life insurance ends automatically on the earliest of the following:

- The date you cease to be insured
- Five months after the date you die (no premiums are charged for this period of coverage)
- The date the last period ends for which a premium was paid for the coverage
- The last day of the month in which a dependent loses eligibility under PEBB Administrative Rules
- For a child who is disabled, 90 days after The Standard mails you a request for proof of disability and you do not provide this proof.

Claims

To make a claim, the claimant must submit to The Standard proof that a death or total disability occurred and any other information The Standard may reasonably require in support of the claim. For a claim for continued coverage during total disability, The Standard may have you examined by a specialist of The Standard's choice at reasonable intervals. For death claims, The Standard may have an autopsy performed at The Standard's expense, except where prohibited by law.

The Standard will provide the claimant a written decision on the claim within a reasonable time after The Standard receives the claim. If the claimant does not receive a decision from The Standard within 90 days, the claimant can request a review as if the claim were denied.

If The Standard denies any part of the claim, The Standard will provide the claimant a written notice of denial containing the reasons for the decision, reference to the parts of the group policy supporting the decision, a description of any additional information needed to support the claim, and information on the claimant's right to a review of the decision.

If the claimant wants The Standard to conduct a review of the denial, the claimant:

- Must request the review in writing within 60 days after receiving notice of the denial.
- May include written comments or other items to support the claim.
- May review any non-privileged information that relates to the request for review.

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The Standard will review the claim promptly after receiving the request. The Standard will send the claimant a notice of the final decision within 60 days after receiving the request for review, or within 120 days if special circumstances require an extension. The notice will include the reasons for the decision and will refer to the relevant parts of the group policy that support the decision.

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Premium Rates

Employee Optional Life Insurance Monthly Premium Rates											
Age >	Thru 24	25- 29	30- 34	35- 39	40- 44	45- 49	50- 54	55-59	60-64	65-69	70& up
Rate Per \$10,000 >	\$0.44	\$0.52	\$0.67	\$0.74	\$0.81	\$1.26	\$1.85	\$3.48	\$5.40	\$10.36	\$16.80
AMOUNT											
\$20,000	0.89	1.04	1.33	1.48	1.63	2.52	3.7	6.96	10.8	20.72	33.6
\$40,000	1.78	2.07	2.66	2.96	3.26	5.03	7.4	13.91	21.61	41.44	67.19
\$60,000	2.66	3.11	4	4.44	4.88	7.55	11.1	20.87	32.41	62.16	100.79
\$80,000	3.55	4.14	5.33	5.92	6.51	10.06	14.8	27.82	43.22	82.88	134.38
\$100,000	4.44	5.18	6.66	7.4	8.14	12.58	18.5	34.78	54.02	103.6	167.98
\$120,000	5.33	6.22	7.99	8.88	9.77	15.1	22.2	41.74	64.82	124.32	201.58
\$140,000	6.22	7.25	9.32	10.36	11.4	17.61	25.9	48.69	75.63	145.04	235.17
\$160,000	7.1	8.29	10.66	11.84	13.02	20.13	29.6	55.65	86.43	165.76	268.77
\$180,000	7.99	9.32	11.99	13.32	14.65	22.64	33.3	62.6	97.24	186.48	302.36
\$200,000	8.88	10.36	13.32	14.8	16.28	25.16	37	69.56	108.04	207.2	335.96
\$220,000	9.77	11.4	14.65	16.28	17.91	27.68	40.7	76.52	118.84	227.92	369.56
\$240,000	10.66	12.43	15.98	17.76	19.54	30.19	44.4	83.47	129.65	248.64	403.15
\$260,000	11.54	13.47	17.32	19.24	21.16	32.71	48.1	90.43	140.45	269.36	436.75
\$280,000	12.43	14.5	18.65	20.72	22.79	35.22	51.8	97.38	151.26	290.08	470.34
\$300,000	13.32	15.54	19.98	22.2	24.42	37.74	55.5	104.34	162.06	310.8	503.94
\$320,000	14.21	16.58	21.31	23.68	26.05	40.26	59.2	111.3	172.86	331.52	537.54
\$340,000	15.1	17.61	22.64	25.16	27.68	42.77	62.9	118.25	183.67	352.24	571.13
\$360,000	15.98	18.65	23.98	26.64	29.3	45.29	66.6	125.21	194.47	372.96	604.73
\$380,000	16.87	19.68	25.31	28.12	30.93	47.8	70.3	132.16	205.28	393.68	638.32
\$400,000	17.76	20.72	26.64	29.6	32.56	50.32	74	139.12	216.08	414.4	671.92
\$420,000	18.65	21.76	27.97	31.08	34.19	52.84	77.7	146.08	226.88	435.12	705.52
\$440,000	19.54	22.79	29.3	32.56	35.82	55.35	81.4	153.03	237.69	455.84	739.11
\$460,000	20.42	23.83	30.64	34.04	37.44	57.87	85.1	159.99	248.49	476.56	772.71
\$480,000	21.31	24.86	31.97	35.52	39.07	60.38	88.8	166.94	259.3	497.28	806.3
\$500,000	22.2	25.9	33.3	37	40.7	62.9	92.5	173.9	270.1	518	839.9
\$520,000	23.09	26.94	34.63	38.48	42.33	65.42	96.2	180.86	280.9	538.72	873.5
\$540,000	23.98	27.97	35.96	39.96	43.96	67.93	99.9	187.81	291.71	559.44	907.09
\$560,000	24.86	29.01	37.3	41.44	45.58	70.45	103.6	194.77	302.51	580.16	940.69
\$580,000	25.75	30.04	38.63	42.92	47.21	72.96	107.3	201.72	313.32	600.88	974.28
\$600,000	26.64	31.08	39.96	44.4	48.84	75.48	111	208.68	324.12	621.6	1007.88

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Spouse or Domestic Partner Optional Life Insurance											
Monthly Premium Rates											
Age >	Thru 24	25- 29	30- 34	35- 39	40- 44	45- 49	50- 54	55-59	60-64	65-69	70& up
Rate Per \$10,000 >	\$0.44	\$0.52	\$0.67	\$0.74	\$0.81	\$1.26	\$1.85	\$3.48	\$5.40	\$10.36	\$16.80
AMOUNT											
\$20,000	0.89	1.04	1.33	1.48	1.63	2.52	3.7	6.96	10.8	20.72	33.6
\$40,000	1.78	2.07	2.66	2.96	3.26	5.03	7.4	13.91	21.61	41.44	67.19
\$60,000	2.66	3.11	4	4.44	4.88	7.55	11.1	20.87	32.41	62.16	100.79
\$80,000	3.55	4.14	5.33	5.92	6.51	10.06	14.8	27.82	43.22	82.88	134.38
\$100,000	4.44	5.18	6.66	7.4	8.14	12.58	18.5	34.78	54.02	103.6	167.98
\$120,000	5.33	6.22	7.99	8.88	9.77	15.1	22.2	41.74	64.82	124.32	201.58
\$140,000	6.22	7.25	9.32	10.36	11.4	17.61	25.9	48.69	75.63	145.04	235.17
\$160,000	7.1	8.29	10.66	11.84	13.02	20.13	29.6	55.65	86.43	165.76	268.77
\$180,000	7.99	9.32	11.99	13.32	14.65	22.64	33.3	62.6	97.24	186.48	302.36
\$200,000	8.88	10.36	13.32	14.8	16.28	25.16	37	69.56	108.04	207.2	335.96
\$220,000	9.77	11.4	14.65	16.28	17.91	27.68	40.7	76.52	118.84	227.92	369.56
\$240,000	10.66	12.43	15.98	17.76	19.54	30.19	44.4	83.47	129.65	248.64	403.15
\$260,000	11.54	13.47	17.32	19.24	21.16	32.71	48.1	90.43	140.45	269.36	436.75
\$280,000	12.43	14.5	18.65	20.72	22.79	35.22	51.8	97.38	151.26	290.08	470.34
\$300,000	13.32	15.54	19.98	22.2	24.42	37.74	55.5	104.34	162.06	310.8	503.94
\$320,000	14.21	16.58	21.31	23.68	26.05	40.26	59.2	111.3	172.86	331.52	537.54
\$340,000	15.1	17.61	22.64	25.16	27.68	42.77	62.9	118.25	183.67	352.24	571.13
\$360,000	15.98	18.65	23.98	26.64	29.3	45.29	66.6	125.21	194.47	372.96	604.73
\$380,000	16.87	19.68	25.31	28.12	30.93	47.8	70.3	132.16	205.28	393.68	638.32
\$400,000	17.76	20.72	26.64	29.6	32.56	50.32	74	139.12	216.08	414.4	671.92

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Retiree Life Insurance Monthly Premium Rates							
Age >	55-59	60-64	65-69	70-74	75-79	80-84	85-89
AMOUNT							
10,000	\$4.95	\$6.75	\$13.50	\$22.50	\$33.75	\$51.30	\$73.80
20,000	9.90	13.50	27.00	45.00	67.50	102.60	147.60
30,000	14.85	20.25	40.50	67.50	101.25	153.90	221.40
40,000	19.80	27.00	54.00	90.00	135.00	205.20	295.20
50,000	24.75	33.75	67.50	112.50	168.75	256.50	369.00
60,000	29.70	40.50	81.00	135.00	202.50	307.80	442.80
70,000	34.65	47.25	94.50	157.50	236.25	359.10	516.60
80,000	39.60	54.00	108.00	180.00	270.00	410.40	590.40
90,000	44.55	60.75	121.50	202.50	303.75	461.70	664.20
100,000	49.50	67.50	135.00	225.00	337.50	513.00	738.00
110,000	54.45	74.25	148.50	247.50	371.25	564.30	811.80
120,000	59.40	81.00	162.00	270.00	405.00	615.60	885.60
130,000	64.35	87.75	175.50	292.50	438.75	666.90	959.40
140,000	69.30	94.50	189.00	315.00	472.50	718.20	1033.20
150,000	74.25	101.25	202.50	337.50	506.25	769.50	1107.00
160,000	79.20	108.00	216.00	360.00	540.00	820.80	1180.80
170,000	84.15	114.75	229.50	382.50	573.75	872.10	1254.60
180,000	89.10	121.50	243.00	405.00	607.50	923.40	1328.40
190,000	94.05	128.25	256.50	427.50	641.25	974.70	1402.20
200,000	99.00	135.00	270.00	450.00	675.00	1026.00	1476.00