

Optional Term Life Insurance

Member Coverage

Amount of Coverage	Flat amount in \$10,000 increments. Cannot exceed the lesser of six times the member's annual salary or \$800,000.
Cost of Coverage	Rate based on member's age. Premiums are due for the entire period, even if coverage is effective for only part of the period.
How to Enroll	New Hire - enroll through SEBES before deadline. Late Enrollment - member must complete an <i>Enrollment/Change - Optional Life Insurance</i> form and a <i>Medical History Statement</i> . Both are available online through MOSERS' website.
Eligibility Date	The first day the member is actively employed in a MOSERS-covered position.
Effective Date	Member must first meet the "actively at work" requirement. Coverage is effective the day the form is signed, if the form is signed within 31 days of employment. If after the 31-day eligibility period, coverage is effective on the first day of the next pay period following the date approval is received by MOSERS.
Coverage at Retirement	Up to \$60,000, in \$500 increments (provided the member had that amount of coverage prior to retirement and retires directly from active employment).*

* *MSEP 2000/MSEP 2011 Provision - If a member retires under the "Rule of 80" (or "Rule of 90" under MSEP 2011) and has more than \$60,000 of optional term life insurance in effect prior to retirement, the member may retain all optional term life insurance coverage until the member is age 62. At that time, the member's coverage will automatically reduce to \$60,000.*

- **Waiver of Premiums** - If a member becomes disabled while actively employed, he/she may be eligible to continue life insurance coverage without paying the monthly premium. Eligibility for a waiver of life insurance premium is automatically evaluated when the member files a claim for long-term disability. If the member qualifies for waiver of premium, all premiums will be waived, including those for spouse and/or child(ren) coverage. *Waiver of premiums starting on or after July 1, 2005, will end when the member is eligible for normal retirement.*
- **Transferring Employees** - Members transferring from one state agency to another may keep the same amount of optional life coverage. If the member would like to increase life insurance coverage, the member must provide evidence of insurability. You may verify the member's prior coverage amount on the employer section of our website or contact a benefit counselor.
- **Family Status Change** - In the event of a family status change, the member may be eligible to apply for up to \$30,000 of optional term life insurance coverage (in \$10,000 increments) without proving insurability. The member must submit an *Enrollment/Change - Optional Life Insurance* form and proof of the event within 31 days of the event. More information regarding family status change may be found on page 30 of this manual.
- **Annual Term Life Insurance Review Period Each October** - MOSERS offers an opportunity for active eligible members to increase their optional term life insurance coverage, within the established guidelines, without proving insurability (see page 30). Materials will be placed in members' Document Express located in their secure **Member Homepage** if we have their email address on file.

Spouse Coverage

Amount of Coverage	Flat amount in \$10,000 increments. Cannot exceed the lesser of the member's optional life coverage or \$100,000. If the coverage is more than \$10,000, the spouse must complete a <i>Medical History Statement</i> to prove insurability.
Cost of Coverage	Rate based on member's age. Premiums are due for the entire period, even if coverage is effective for only part of the period.
How to Enroll	New Hire - enroll through SEBES before deadline. Late Enrollment - member must complete an <i>Enrollment/Change - Optional Life Insurance</i> form and a <i>Medical History Statement</i> for spouse. Both are available online through MOSERS' website.
Eligibility Date	The first day the member is actively employed in a MOSERS-covered position or the date the member gets married.
Effective Date	Member must first meet the "actively at work" requirement. Coverage is effective the day the form is signed, if the form is signed within 31 days of employment. If after the 31-day eligibility period, coverage is effective on the first day of the next pay period following the date approval is received by MOSERS.
Coverage at Retirement	Not available through MOSERS. Can convert coverage to an individual policy through Standard Insurance Company. Application must be made within 60 days of member leaving state employment.

- A spouse is defined as the person to whom a member is legally married.
- The member must be enrolled in the optional term life insurance program to purchase spouse coverage.
- The member is automatically the beneficiary of spouse coverage.
- If a new employee's spouse is a full-time member of the armed forces of any country, he/she is not eligible for coverage. When a spouse is discharged, the member has 31 days from the discharge date to apply for coverage without proving insurability. *If a spouse becomes a full-time member of the armed forces of any country, the life insurance coverage will be suspended until he/she is discharged.*
- If the member becomes disabled and qualifies for waiver of premium, all premiums will be waived, including those for spouse coverage. Waiver of premium ends when the member is eligible for normal retirement.
- **Annual Term Life Insurance Review Period:** Spouse coverage **cannot** be increased during the October review period without proving insurability.

If Spouses Both Work for the State

If one spouse leaves state employment, the remaining member may pick up spouse coverage without proving insurability. The coverage amount is limited to the lesser of \$100,000, the amount the former employee had as a member, or the amount the remaining member has. You must let MOSERS know within 31 days of the termination and coverage must be continuous. Make a note on the *Enrollment/Change - Optional Life Insurance* form that it is a transfer and include the terminated member's name and social security or Member ID. Forms submitted after 31 days will require proof of insurability.



Child(ren) Coverage

Amount of Coverage	\$10,000 per child.
Cost of Coverage	\$2.00 per month (regardless of the number of children)
How to Enroll	<p>New Hire - enroll through SEBES before deadline.</p> <p>Firstborn Child - complete an <i>Enrollment/Change - Optional Life Insurance</i> form within 31 days of live birth (can enroll prior to birth).</p> <p>Subsequent Children - automatically enrolled after live birth (contact MOSERS with date of birth). Eligible children may be enrolled at any time without providing evidence of insurability.</p>
Eligibility Date	The first day the member is actively employed in a MOSERS-covered position or the date the member becomes a parent.
Effective Date	Member must first meet the “actively at work” requirement. Coverage is effective the day the form is signed.
Coverage at Retirement	Member must have established dependent life insurance child coverage as an active employee and the coverage must still be in place at the time of retirement. Premium for child coverage is \$2.00 per month, regardless of number of children insured. Must complete <i>Retain/Terminate Dependent Child Life Insurance</i> form at retirement.

- MOSERS no longer requires evidence of insurability for dependent children.
- A child is defined as a member’s child from live birth to age 26. Eligible children also include the following dependents, provided the child is living with the member: stepchildren, grandchildren, adopted children, or children for whom the member is the court-appointed legal guardian.
- The member must have basic life insurance coverage to purchase coverage on eligible child(ren).
- The member is automatically the beneficiary of child coverage.
- If a new employee’s child is a full-time member of the armed forces of any country, he/she is not eligible for coverage. When a dependent child is discharged, the member has 31 days from the discharge date to apply for coverage without proving insurability. *If a child becomes a full-time member of the armed forces, the life insurance coverage will be suspended until he/she is discharged.*
- If the member becomes disabled and qualifies for waiver of premium, all premiums will be waived, including those for child(ren) coverage. Waiver of premiums ends when the member is eligible for normal retirement.
- **Annual Term Life Insurance Review Period:** Does not apply to children - \$10,000 is the only amount available.

If Both Parents Work for the State

Both parents may carry optional term life insurance on eligible child(ren) while working for the state. If one parent has child(ren) coverage and leaves state employment, the other parent can pick up child(ren) coverage. You must let MOSERS know within 31 days of the termination and coverage must be continuous. Make a note on the *Enrollment/Change - Optional Life Insurance* form that this is a transfer and include the terminated member’s name and social security or Member ID.

General Information

Increase Coverage

The Annual Term Life Insurance Review (**for member coverage only**) provides an opportunity for eligible employees to increase their coverage **without** proving insurability. Otherwise, the member must complete the following forms on MOSERS' website:

- *Enrollment/Change - Optional Life Insurance*
- Standard Insurance Company's *Medical History Statement*

The coverage increase become effective on the first day of the next pay period following the date approval is received by MOSERS.

Decrease or Terminate Coverage

The member must complete and submit an *Enrollment/Change - Optional Life Insurance* form. Decreased coverage will become effective the first day of the next pay period following the date the form was signed (if received by MOSERS within 31 days). Otherwise, the decrease will be effective the first day of the next pay period following receipt of the form by MOSERS.

Family Status Change

A family status change is one of the following life events (subject to the actively-at-work provision):

- Member's marriage, divorce, or legal separation
- Birth of the member's child
- Member adopts a child
- Death of the member's spouse or child

In the event of a family status change, the member may be eligible to apply for up to \$30,000 of optional term life insurance coverage (in \$10,000 increments) without proving insurability. To be eligible, the member must complete an *Enrollment/Change - Optional Life Insurance* form and submit to MOSERS within 31 days of the event (with proof document).

Salary Verification Reports

Annually on January 1, coverage amounts and premiums (if applicable) are updated based on the member's:

- Age as of January 1 of that year.
- Salary as of July 1 of the previous year.
- Election during the annual life insurance review period (if applicable).

MOSERS and the Office of Administration will conduct a verification of July salaries reported to MOSERS and the base salaries listed in SAM II. If the salary information does not match, you will receive an electronic error report with instructions to verify the member's salary. Each salary must be verified to ensure that basic life insurance coverage is updated and to prevent incorrect deductions for optional life coverage. It is very important that you provide this information by the requested deadline.

Annual Term Life Insurance Review

Each October, MOSERS offers an opportunity for eligible members to increase their optional term life insurance coverage amount, within the established guidelines, **without** proving insurability. MOSERS will send eligible members **individualized** information to their online Document Express in September. To be eligible, the member must:

- Have optional term life insurance coverage on himself/herself.
- Have less than the maximum amount of coverage (lesser of 6 times his/her annual salary or \$800,000).

*All MOSERS members have access to Document Express if they have a MOSERS password for logging in to their secure **Member Homepage**. Email notifications will be sent when new information is available. If their email address is invalid, they will also receive their information by mail.*

Eligible members may increase coverage by going online and clicking on **Update Now** or logging into their secure **Member Homepage** and clicking on **Annual Optional Term Life Insurance Review**. If the member elects to increase his/her coverage during the update period (to the next \$10,000 threshold), the new amount will become effective on January 1 (of the following year) provided the member meets the actively-at-work provision.

Portability/Conversion of Life Insurance Changes

The Standard Life Insurance Company is responsible for notifying your terminated employees of their portability and conversion rights to continue their life insurance coverage after employment. The Standard receives a file of all terminated employees from MOSERS and sends all members a postcard notifying them of their rights to continue coverage if they are not eligible to continue the coverage as a retiree through MOSERS.

Enrollment/Change - Optional Life Insurance Form

This form may be completed and submitted online through the secure Member Homepage under the Forms menu option.

Enrollment/Change Optional Life Insurance

Member ID: M000000 Name: John X Doe

This online form must be completed by the member.

Your Current Optional Life Coverage

Level of Coverage	Coverage Amount
No current coverage on file.	

Before you begin

Optional life insurance is additional coverage you may elect to purchase on yourself or your eligible dependents, and you may make the premium payments through payroll deduction. Just like your basic coverage, optional life insurance coverage is "term" insurance. This means your insurance has no cash or loan value. If your insurance coverage through the state is terminated or if you cease to pay the required premiums, your beneficiaries will not receive an insurance payment.

This Online Enrollment/Change - Optional Life Insurance form will allow you to enroll, increase, decrease, or terminate coverage for yourself or your eligible dependents. With certain election(s), you may be asked to submit a **Medical History Statement** to determine proof of insurability. Detailed information regarding the life insurance provisions may be found in [MOSERS' Life Insurance Handbook](#).

- Although this form has been incorporated in SEBES, it will still be available as a stand alone form for future enrollments and changes.
- Optional term life insurance coverage not elected within the eligibility period, or spouse coverage in excess of \$10,000, will require proof of insurability.
- If the form is signed after the 31-day eligibility period, coverage is effective on the first day of the next pay period following the date approval is received by MOSERS.
- Premiums are due for the entire period, even if coverage is effective for only part of the period.
- More detailed information may be found in the "Optional Term Life Insurance" section of this manual or the *Basic & Optional Life Insurance Handbook*.
- Family status changes may allow members to add or increase coverage without proving insurability. Proof documents will be required.

Standard Insurance Company's *Medical History Statement*

This form may be completed and submitted online through the secure Member Homepage under the Forms menu option.

The screenshot shows a web form titled "Submit Evidence of Insurability". The form includes a "Required information" section with a list of items to be provided, such as employment details, coverage details, personal identification, medical conditions, and physician information. There is also a "Contact Us" section with a "Medical Underwriting" phone number (1-800-843-7979) and a "FAQ About Evidence of Insurability" link. At the bottom, there is a checkbox for "I have read and agree to the Terms and Consent" and a "Submit" button.

Once the member completes the *Enrollment/Change-Optional Life Insurance* form online, he/she will be provided with a link to the *Medical History Statement* and may choose the paper or the online version of this form from the link. Both versions are available via MOSERS' website under the **Members** Tab.

- The new online version expedites approval and reduces the chance of submitting an incomplete form.
- This form is online on MOSERS' website under the **Forms** section. Some online applications receive instant approval.
- A *Medical History Statement* must be completed when required to submit "evidence of insurability." For example: late enrollment, spouse coverage in excess of \$10,000, or increasing the coverage amount for member or spouse.
- Approval of coverage is not automatic. The applicant must meet the underwriting requirements of Standard Insurance Company to qualify for coverage.
- Paper submissions may take approximately 6-8 weeks for Standard Insurance Company to process the *Medical History Statement*.
- The member will be notified when a decision is made. To check on the status of an application, call Standard at (800) 843-7979.
- If the paper form is incomplete or the member has medical problems, Standard may require additional medical information which will require more time to make a decision.
- If the request is approved by Standard, the coverage will be effective on the first day of the next pay period following the date MOSERS receives approval, provided the member meets the "actively at work" requirements on that date. MOSERS will begin deductions as soon as coverage is approved.