



# Group Term Life and AD&D Insurance

for Employees of the University of Texas System

EFFECTIVE SEPTEMBER 1, 2016



**BlueCross BlueShield of Texas**

**UT** Benefits  
THE UNIVERSITY OF TEXAS SYSTEM

## **BASIC LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)**

- \$40,000 of basic life and AD&D insurance for all benefits-eligible, active employees. For questions on eligibility, please refer to the Office of Employee Benefits Active Employee webpage or contact your institution Benefits Office.
- The University of Texas System pays 100 percent of the premium for basic life and AD&D.

## **VOLUNTARY LIFE**

- You may choose an amount equal to 1 to 10 times your annual compensation up to a maximum of \$2,000,000.
- \$10,000 for your spouse. You may also elect an additional \$15,000 or \$40,000 of coverage.
- \$10,000 for each eligible child.
- You pay 100 percent of the premium for the voluntary life.

## **VOLUNTARY AD&D**

- You may elect an amount in increments of \$10,000 up to a maximum of either \$2,000,000 or 10 times your annual compensation, whichever is less.
- You may elect spouse coverage in increments of \$10,000 up to a maximum of either \$1,000,000 or 50 percent of your voluntary AD&D amount, whichever is less.
- You may elect \$10,000 of child coverage.
- You pay 100 percent of the premium for the voluntary AD&D.

## **ELIGIBILITY AND ENROLLMENT**

Eligible employees may enroll for voluntary benefits. If you are eligible and you do not apply during the initial enrollment period or within 31 days of your eligibility date, you must wait until the next annual enrollment period or a qualified change in family status event to elect voluntary benefits.

Evidence of insurability satisfactory to us will be required for amounts above the guarantee issue and for applicants who did not enroll during the initial enrollment period (or when they were first eligible to do so).

You cannot be insured as an employee and also as a dependent. If both you and your spouse are covered as employees under the voluntary life benefit, only one may enroll for coverage on dependent children.

**Deferred Effective Date:** You must be actively at work on the date your life insurance becomes effective. If you are not actively at work on the date coverage would otherwise become effective, the effective date of your coverage will be the day you return to work. If a covered spouse or child is hospital confined on the date their coverage would become effective, coverage will become effective when they are no longer so confined.

## **GUARANTEE ISSUE**

- Employees and dependents who enroll for voluntary Life within 31 days of becoming eligible will have a guarantee issue amount.
- Employees: 3 times annual compensation
- Spouses: \$10,000
- Children: \$10,000

## **ACCELERATED DEATH BENEFIT**

Your coverage includes an accelerated death benefit equal

to 50 percent of your life insurance amount. The accelerated death benefit is payable if we receive written proof, acceptable to us, that you are terminally ill with fewer than 24 months to live. The accelerated death benefit reduces the life insurance benefit that is paid upon the insured's death.

## **WAIVER OF PREMIUM**

Waiver of premium is available for your voluntary life insurance. You must be continuously totally disabled from any occupation for six months and under age 60 to apply. Premiums may be waived for your voluntary life insurance until you reach retirement, age 65 or are no longer disabled, whichever occurs first.

## **VOLUNTARY LIFE INSURANCE SUICIDE EXCLUSION**

Voluntary life insurance benefits, including waiver of premium, will not be available for a loss caused by suicide or attempted suicide within two years after the insured's effective date of coverage.

## **CONVERSION**

The conversion privilege allows you and your covered dependents to convert your life insurance coverage to an individual whole life policy if your coverage, or any portion of it, terminates.

## **PORTABILITY**

The portability option allows non-retirees to continue life insurance on themselves and their dependents upon termination of employment.

## **SEAT BELT BENEFIT**

We will pay your beneficiary an additional 10 percent of your life coverage amount, up to \$10,000, if you lose your life as a result of a covered automobile accident and your seat belt was in use and properly fastened at the time of the accident.

## **AIR BAG BENEFIT**

We will pay your beneficiary an additional 5 percent of your AD&D coverage amount, up to \$25,000, if you lose your life as a result of a covered automobile accident while your seat belt was properly fastened and your seat's air bag properly inflated upon impact.

## **REPATRIATION BENEFIT**

We will reimburse your beneficiary for actual costs up to \$5,000 for the preparation and return of your remains if you lose your life as a result of a covered accident more than 75 miles away from your principal residence.

## **COMA BENEFIT**

We will pay 1 percent of your AD&D coverage amount, up to \$1,000 per month for a maximum of 11 months, if you become comatose as a result of a covered accident within 31 days of the accident and remain comatose for more than 31 days.

## **EDUCATION BENEFIT**

If you lose your life as a result of a covered accident, we will pay an additional amount equal to 5 percent of your AD&D coverage amount up to \$7,500 per year for a maximum of four years to your dependent child who is enrolled in a school of higher learning.



### BRAIN DAMAGE BENEFIT

We will pay 100 percent of your AD&D coverage amount, up to \$25,000, if you sustain brain damage as a result of a covered injury within 30 days of the injury, the brain damage continues for 12 consecutive months, and you were hospitalized for at least 7 days within the first 30 days following the injury.

### PUBLIC CONVEYANCE BENEFIT

We will pay your beneficiary an additional 100 percent of your AD&D coverage amount, up to \$150,000, if you lose your life as a result of an accident that occurs while you are a fare-paying passenger on a non-chartered public conveyance that transports passengers for hire and is regulated by the government.

### COMMON DISASTER BENEFIT

If you and your spouse are covered for voluntary AD&D and lose your lives as the result of the same accident, or separate accidents that occur within 24 hours, the spouse benefit amount will be increased to 100 percent of your voluntary AD&D amount, not to exceed a combined \$1,000,000. For this benefit to be payable, both deaths must occur within 365 days of the accident(s) and you have to be survived by at least one dependent child.

### CHILD CARE CENTER BENEFIT

If you lose your life as a result of a covered accident, we will pay an additional amount equal to 3 percent of your voluntary AD&D coverage amount up to \$5,000 per year for a maximum of 5 years to your covered dependent child who is enrolled in a legally licensed child care center.

### INCREASED DEPENDENT CHILD BENEFIT

The voluntary AD&D benefit amount will be increased to 50 percent of your voluntary AD&D amount, up to \$20,000, if your covered dependent child suffers a loss of limb, sight, or speech and hearing as a result of an accidental bodily injury.

### FELONIOUS ASSAULT BENEFIT

We will pay your beneficiary an additional amount equal to 25 percent of your voluntary AD&D benefit if you lose your life while working for UT System or while you are on UT System property and your death is the result of a robbery, kidnapping or felonious assault by someone other than a UT System employee or a member of your family or household.

### REHABILITATION BENEFIT

If you suffer an accidental loss for which benefits are payable, we will reimburse you for actual costs, up to \$10,000, for rehabilitation expenses you incur within the first 2 years following the accidental loss.

### SPOUSE TRAINING BENEFIT

If you lose your life in a covered accident while both you and your spouse are covered for voluntary AD&D and your surviving spouse enrolls for retraining or refresher classes needed for employment within 1 year of your death, we will reimburse your surviving spouse for those classes up to \$5,000.

### MEDICAL CONTINUATION PREMIUM REIMBURSEMENT BENEFIT

If you lose your life in a covered accident while both you and a dependent are covered for both voluntary AD&D and the medical insurance plan offered by UT System, we will reimburse each eligible survivor for medical insurance premium in an amount up to 3 percent of your voluntary AD&D coverage amount, not to exceed \$4,500 per year for up to 3 years. The eligible survivor must elect to continue medical coverage under UT System's medical plan as permitted by COBRA.

### AD&D EXCLUSIONS

AD&D benefits are not payable for any loss that, directly or indirectly, results in any way from, or is contributed to by, any of the following:

- any disease or infirmity of the mind or body, and any medical or surgical treatment thereof or any infection, except a pus-forming infection of an accidental cut or wound
- suicide, attempted suicide or intentionally self-inflicted injuries while sane or insane
- war, declared or undeclared, whether or not a member of any armed forces
- commission of, participation in or an attempt to commit a felony
- intoxication or being under the influence of any drug, gas or fumes, poison or other controlled substance, unless as prescribed by a licensed physician and used in the manner prescribed
- an accident that occurs while you are serving on full-time active duty for more than 30 days in any armed forces.

The information in this brochure is only a summary of the life insurance offered. Read your certificate for details and limitations of coverage. (policy series DN1-504-UT and DN2-504-UT-AD)

## Who are you protecting? Do you have a beneficiary?



When you designate a beneficiary, YOU control who receives your life insurance benefits—and whose financial future you protect.

**Make your intentions clear and designate your beneficiary today!**

- Log in to the **My UT Benefits** system at [utsystem.edu/myutbenefits](https://utsystem.edu/myutbenefits). This is the same system you use to make insurance changes during the July Annual Enrollment Period. Find the "Beneficiaries" section in the "Personal Information" tab. Then click the "Online Beneficiary Designations" link.
- If you have any questions or need further assistance, call (866) 628-2606.

**PREMIUM COST SUMMARY (AS OF SEPTEMBER 1, 2016)**

Voluntary Life Monthly Rates per \$1,000		
AGE	EMPLOYEE	SPOUSE (FOR \$15,000 OR \$40,000 SPOUSE COVERAGE PLANS)
Under 25	\$0.037	\$0.053
25 - 29	.037	.054
30 - 34	.037	.057
35 - 39	.047	.072
40 - 44	.063	.101
45 - 49	.097	.154
50 - 54	.150	.241
55 - 59	.233	.376
60 - 64	.364	.574
65 - 69	.650	.857
70 - 74	.752	1.167
75 - 79	.932	1.446
80+	1.634	2.536

Premiums for voluntary life will increase in accordance with the applicable rate table as your age increases.

Voluntary AD&D Monthly Rates per \$1,000	
Employee	\$.014
Spouse	.014
Child(ren)	.014

  

Dependent Life (Spouse and each dependent child) Monthly Rate per Family Unit	
\$10,000	\$2.87

**EXAMPLE:**

The calculations below show how to determine your cost based on the following assumptions: An employee age 38 wants to purchase \$100,000 of voluntary life insurance and \$100,000 of voluntary AD&D insurance. You can determine your own cost by using the same formula.

**1. Employee purchases \$100,000 of voluntary life insurance**

Voluntary Life Insurance		Voluntary Life Monthly Cost per \$1,000		Monthly Deductions
\$100,000	x	\$.047	÷ 1,000	= \$4.70

**2. Employee purchases \$100,000 of voluntary AD&D insurance**

Voluntary AD&D Insurance		Voluntary AD&D Monthly Cost per \$1,000		Monthly Deductions
\$100,000	x	\$.014	÷ 1,000	= \$1.40

**3. Total monthly deduction**

Voluntary Life Insurance		Voluntary AD&D Insurance		Total
\$4.70	+	\$1.40	=	\$6.10

These premium cost charts are for informational purposes only; your total premium may be slightly higher or lower due to rounding.

**For more information or to learn how to enroll, please call your Local Benefits Office or Blue Cross and Blue Shield of Texas ancillary products at: 1-866-628-2606**

For employee use only. For illustrative purposes only. May not be available in all jurisdictions. Coverage may be subject to limitations, exclusions and other coverage conditions contained in the issued policy. Please consult the policy for the actual terms of coverage.