

Supplemental Life and Dependent Life Insurance Portability Benefit for Separating Employees Effective 1-1-07



UC employees who participate in the **Supplemental Life Insurance and Dependent Life Insurance Plans**, can elect one of the following options when they leave University employment:

1. Convert their coverage to an individual **Whole Life** policy (guaranteed but more costly), or
2. Elect **Term Life Portability** coverage (also guaranteed but less costly than conversion).

Eligibility Requirements for Term Life Portability:

- Employees must be enrolled in the Supplemental Life (employee paid) benefit.
- Dependent Life benefits may only be “ported” if employee “ports” their Supplemental Life benefits.
- Eligible employees must be **actively at work** (see below) on the date employment terminates and dependents must not be home or hospital confined on the day of termination.
- Employees and dependents may elect Portability if coverage under the UC policy ceases for any reason other than:
 - Non-payment of premium,
 - The UC plan is replaced by another group plan,
 - End of coverage under the UC group plan is due to illness or injury.
- Waiver of Premium is not applicable.

Is a Statement of Health required for Term Life Portability?

Evidence of Insurability is used solely to determine if the applicant is eligible for preferred rates. If evidence of insurability is not submitted or is unsatisfactory, the Standard Rate Table, which is higher than the Preferred Rate Table will be charged. See next page for where to find Rate Chart.

How much Term Life Portability can be Elected?

An amount equal to, or less than, the amount of coverage in effect while an active UC employee. The maximum Portability Benefit amount is \$1 Million – not to exceed 4x the annual salary rate. The minimum amount of coverage is \$20,000.

If I Elect Term Life Portability, will my policy ever end?

Yes. Portability Benefit will reduce to 60% at age 65, 50% at age 70, and terminate at age 80.

Definition of Actively at Work:

“Active Employment” means the employee is actively at work on the date employment terminates, is in an eligible class for the Supplemental Life insurance (see page 18 of the Life Insurance booklet), and performs such work:

- a. at the University’s usual place of business; or
- b. at the location to which the University’s business requires the employee to travel.

Employees are considered in Active Employment if they are actually at work on the day immediately preceding:

1. a weekend (except where one of both of these days are scheduled days of work;

2. holidays (except when such holiday is a scheduled work day);
3. paid vacations;
4. any non-scheduled work day;
5. a paid leave of absence (not to include paid sick leave) approved by the University for which premium payments are made.

How to Enroll in Portability

Start by downloading the Portability Election Form, Health Statement Questionnaire and Rate Chart by clicking here:

Forms: http://atyourservice.ucop.edu/administrators/public/pl_man/port_forms_06.pdf

Rates: http://atyourservice.ucop.edu/administrators/public/pl_man/port_plan_rates_06.pdf

Department Benefits Representative does the following:

1. Section 2 “Group Term Life Insurance Coverage Amounts(s)” (to be completed by employer): Complete self-explanatory data in this Section, sign and date the Certification and provide the phone number of person completing the form. **The Group Contract Number for Supplemental Life and Dependent Life is GO-97000.** Disregard or write “None” in the area titled “Current Optional AD&D Coverage Amount” as the UC Contract does not include this coverage.
2. Section 3 “Assignment Data” (to be completed by employer): The answer to this question “Has this insurance been assigned?” should be “No”. If it is “Yes”, the employee will provide you with that data and a copy of the assignment form. Sign and date the Certification in that section.
3. Give completed Election Form to employee.

The employee does the following:

1. Complete Section 1 and Section 4 (disregard Optional AD&D Coverage section) through Section 8 of the Election Form.
2. If applying for Preferred Rates, complete the Short Form Health Statement Questionnaire.
3. Don’t delay!! Mail completed form(s) along with first premium payment so that it is received by Prudential within 31 days of the Coverage Termination Date shown in Section 2. Mail to:

<p>The Prudential Insurance Company of America Group Life Record Keeping P.O. Box 13676 Philadelphia, PA 19176</p>

4. Employee may call the Prudential Group Life Record-keeping Office at 800-778-3827 with questions.