

Life and AD&D Insurance Overview

Prepared for
The University of Massachusetts
Medical School



Life and AD&D Insurance Coverage – provided by your employer

Eligibility – All Salaried Faculty Members at the rank of Assistant Professor or above or Senior Administrators of University of Massachusetts Medical School who are budgeted to work 20 hours per week or more.

- Benefit Amount – \$50,000

Voluntary Term Life and AD&D Insurance Coverage

Eligibility – All Salaried Faculty Members at the rank of Assistant Professor or above or Senior Administrators of University of Massachusetts Medical School who are budgeted to work 20 hours per week or more.

- Benefit Amount – Units of \$50,000
- Guaranteed Coverage Amount – \$500,000
- Maximum – \$1,000,000

Your Spouse

- Benefit Amount – Units of \$50,000
- Guaranteed Coverage Amount - \$50,000
- Maximum – \$300,000, not to exceed 100% of the employee's Basic Life and Voluntary Life Insurance Amount

Your Unmarried, Dependent Children — Under age 26

- Benefit Amount – \$10,000

Spouses or Dependents cannot be covered more than once under this plan.

Guaranteed Coverage for Voluntary Term Life Insurance Coverage

Guaranteed Coverage Amount is the amount of coverage you can elect without answering any medical questions or taking a health exam. Guaranteed Coverage is only available during Initial Enrollment and other times as approved. If you apply for coverage that is above the Guaranteed Coverage Amount, or if you are applying for coverage after 31 days after you become eligible, you must fill out a Medical Evidence of Insurability form. All dependent child benefits are guaranteed issue.

How Much Your Voluntary Life and AD&D Coverage will Cost per Month

Age	Employee and Spouse Cost Per \$1,000*
<29	\$0.08
30-34	\$0.102
35-39	\$0.111
40-44	\$0.12
45-49	\$0.165
50-54	\$0.237
55-59	\$0.417
60-64	\$0.624
65-69	\$1.173
70-99	\$1.884
Child Cost Per \$1,000	\$0.10

* Rates are combination of Vol. Life and Vol. AD&D rates

Costs are subject to change

Cost Calculation Example for Vol. Life and AD&D

	Age	Monthly Cost per \$1,000		Benefit				Monthly Cost
Example	42	.12	X	100,000	÷	1,000	=	\$12.00
Yours			X		÷	1,000	=	

Other Coverage Features

Accelerated Death Benefit — Terminal Illness for Basic and Voluntary Life

If you or your spouse is diagnosed by two unaffiliated physicians as terminally ill with a life expectancy of 12 months or less, the benefit for terminal illness provides for up to 75% of the Term Life Insurance coverage amount in force or \$500,000, whichever is less, to be paid to the insured. This benefit is payable only once in the insured's lifetime, and will reduce the life insurance death benefit.

Continuation for Disability for Employees Age 60 or over

If your active service ends due to disability, at age 60 or over, your coverage will continue while you are disabled. Benefits will remain in force until the earliest of: the date you are no longer disabled, the date the policy terminates, the date you are Disabled for 12 consecutive months, or the day after the last period for which premiums are paid.

You are considered disabled if, because of injury or sickness, you are unable to perform all the material duties of your Regular Occupation, or you are receiving disability benefits under your Employer's plan.

Extended Death Benefit

The extended death benefit ensures that if you become disabled prior to age 60, and die before it is determined if you qualify for Waiver of Premium, we will pay the life insurance benefit if you remain disabled during that period. If you qualify for this benefit and have insured your spouse or children, their coverage is also extended. No additional premium payment is required for the extended coverage.

Waiver of Premium

If you are totally disabled prior to age 60 and can't work for at least 9 months, you won't need to pay premiums for your coverage while you are disabled, provided the insurance company approves you for this benefit. You are considered totally disabled when you are completely unable to engage in any occupation for wage or profit because of injury or sickness. This benefit will remain in force until age 65, subject to proof of continuing disability each year. If you qualify and have insured your spouse or children, their premium is also waived.

Rehabilitation During a Period of Disability

If the insurance company determines that you are a suitable candidate for rehabilitation, the insurance company may require you to participate in an assessment and rehabilitation plan, not to exceed 18 months. A rehabilitation plan may consist of educational, vocational or physical rehabilitation or may include modified work or work on a part-time basis. If you refuse such assistance without good cause (a medical reason preventing participation, in whole or in part, in the rehabilitation plan), insurance under this plan will end.

Conversion

If group life insurance coverage is reduced or ends for any reason except nonpayment of premiums, you can convert to an individual policy. To convert, you must apply for the conversion policy and pay the first premium payment within 31 days after your group coverage ends. Family members may convert their coverage as well. Converted policies are subject to certain benefits and limits as outlined in the conversion brochure which may be requested as needed. Premiums may change at this time.

Portability

This plan allows you to continue all of your coverage if you leave your employer. Premiums may change at this time. Just pay your premiums directly to the insurance company. Coverage may be continued for you and your spouse until age 70. Coverage may also be continued for your children.

Exclusions

Voluntary life insurance will not be paid if loss of life is the result of suicide that occurs within the first two years of coverage.

A Valuable Combination of Benefits

To help survivors of severe accidents adjust to new living circumstances, we will pay benefits according to the chart below.

If, within 365 days of a covered accident, bodily injuries result in:	We will pay this % of the benefit amount:
Loss of life	100%
Total paralysis of upper and lower limbs, or Loss of any combination of two: hands, feet or eyesight, or Loss of speech and hearing in both ears	100%
Total paralysis of both lower or upper limbs	75%
Total paralysis of upper and lower limbs on one side of the body, or Loss of hand, foot or sight in one eye, or Loss of speech or loss of hearing in both ears, or Severance and Reattachment of one hand or foot	50%
Total paralysis of one upper or lower limb, or Loss of all four fingers of the same hand, or Loss of thumb and index finger of the same hand	25%
Loss of all toes of the same foot	20%

Only one benefit (the largest) will be paid for losses from the same accident.

This information is a brief description of the important features of the plan. It is not a contract. Terms and conditions of coverage are set forth in Group Policy No. FLX-966366 and Group Policy No. OK-967900. Please refer to your Certificate of Insurance or Summary Plan Description for more detailed information. Coverage is underwritten by Life Insurance Company of North America, a Cigna company. "Cigna" and the Tree of Life logo are registered service marks of Cigna Intellectual Property, Inc. © Cigna 2014

Long-term Disability Insurance Overview

Prepared for
The University of Massachusetts
Medical School



Long-term Disability Insurance Coverage – provided by you and your employer

Eligibility – All Salaried Faculty Members at the rank of Assistant Professor or above or Senior Administrators of University of Massachusetts Medical School who are budgeted to work 20 hours per week or more.

Monthly Benefit – This plan offers two levels of coverage: (1) an employer-paid basic benefit which pays 55% of your covered monthly earnings — up to \$15,000 per month and (2) an employee-paid optional level, which allows you to change the percentage of your monthly benefit amount to 65% of your monthly covered earnings — up to \$15,000 per month. Your benefit amount will be reduced by any amounts payable to you by any of the sources listed under the “Effects of Other Income Benefits” section.

Definition of Disability – Disability means that, solely because of injury or sickness, you are unable to perform the material duties of your regular occupation and you are unable to earn 80% or more of your indexed earnings from working in your regular occupation. We will require proof of earnings and continued disability.

Elimination Period – You must be disabled for 180 days before benefits may be payable.

Cost-of-Living Adjustment (COLA) – Once you have received disability benefits for 12 consecutive months, we will increase your benefit each year, by 3% or the percentage increase in the Consumer’s Price Index for Urban Wage Earners (CPI-W), if lower. We will continue these increases until the benefit period ends, whichever is earlier.

Benefit Duration – Once you qualify for benefits under this plan, you continue to receive them until the end of the benefit period shown below, or until you no longer qualify for benefits, whichever occurs first.

Your benefit period begins on the first day after you complete your elimination period. And, should you remain disabled, your benefits continue according to one of the following schedules, depending on your age at the time you become disabled.

The later of your SSNRA* or the duration listed below. (*SSNRA means the Social Security Normal Retirement Age in effect under the Social Security Act on the Policy Effective Date.*)

Age at Disability	Age 62 or younger	63	64	65	66	67	68	69+
Duration of Payments (months)	To age 65 or the date the 42 nd monthly benefit is payable, if later	36	30	24	21	18	15	12

Termination of Disability Benefits

Your benefits will terminate on the earliest of any of the following dates: the date the insurance company determines you are no longer disabled; the date you earn from any occupation more than the percentage of indexed earnings as defined in your definition of disability; the date the maximum benefit period ends; the date you cease to get appropriate care; the date you die; the date you refuse to participate without good cause in all required phases of the rehabilitation plan; the date you fail to cooperate with us in the administration of the claim. Benefits may be resumed if you begin to cooperate in the rehabilitation plan within 30 days of the date benefits terminated.

Buy-Up Cost – The monthly cost of this coverage is \$0.10 per \$100 of monthly covered earnings. *Costs are subject to change.*

Effects of Other Income Benefits – The disability benefit provided by this plan is a total benefit; that is, it will be reduced by any disability benefits payable on behalf of you or your dependents, or a qualified third party on behalf of you or your dependents, whether or not you are actually receiving them.

Other income sources that may reduce your benefits under this plan include:

- Any Social Security disability or retirement benefits you or any third party receive (or are assumed to receive) on your own behalf; or which your dependents receive (or are assumed to receive) because of your entitlement to such benefits.
- Benefits payable by a Canadian and/or Quebec provincial pension plan.
- Amounts payable under the Railroad Retirement Act.
- Amounts payable under local, state, provincial or federal government disability or retirement plan or law as it pertains to the employer.
- Employer-paid portion of company retirement plan benefits.
- Amounts payable by company sponsored sick leave or salary continuation plan.
- Amounts payable by any franchise or group insurance or similar plan.
- Benefits payable under work-loss provisions of any mandatory “no fault” auto insurance.
- Any amounts paid on account of loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise, where a third party may be liable, regardless of whether liability is determined.
- Amounts payable under any workers’ compensation (including temporary or permanent disability benefits), occupational disease, and unemployment compensation. This includes damages, compromises or settlements paid in place of such benefits, whether or not liability is admitted.

Income sources that **WILL NOT** reduce your benefits under this plan are:

- Benefits paid by personal, individual disability income policies.
- Individual deferred compensation agreements.
- Employee savings plans, including thrift plans, stock options or stock bonuses.
- Individual retirement funds, such as IRA or 401(k) plans.
- Profit-sharing, investment or other retirement or savings plans maintained in addition to an employer-sponsored pension plan.

This information is a brief description of the important features of the plan. It is not a contract. Terms and conditions of insurance are set forth in Group Policy No. FLK-960846. Please refer to your Certificate of Insurance or Summary Plan Description for more detailed information. Coverage is underwritten by Life Insurance Company of North America, a Cigna company. “Cigna” and the Tree of Life logo are registered service marks of Cigna Intellectual Property, Inc. © Cigna 2013