

# Life Insurance

## Basic Life Insurance

PEIA offers active employees under age 65 a basic \$10,000 decreasing term life insurance policy with accidental death and dismemberment (AD&D) benefits. The value of this policy drops to \$5,000 at retirement and to \$2,500 at age 67. Accidental death and dismemberment (AD&D) benefits are not included with the policy after retirement.

For active employees, the value of the basic life insurance policy reduces to \$6,500 at age 65 and to \$5,000 at age 70. Remember, this reduction schedule is for employees who are still actively at work at age 65 and above.

Employees may enroll for basic, optional, and dependent life insurance, even if they choose not to take any health insurance through PEIA. Members must enroll for basic life insurance before they can elect any of the optional life insurance coverages.

To enroll for basic life insurance, an employee can elect to enroll on line at [www.wvpeia.com](http://www.wvpeia.com) and select Manage My Benefits or by completing an enrollment form. If an employee elects to complete an enrollment form, the employee must complete and sign a basic life insurance enrollment form and submit it to their benefit coordinator. The benefit coordinator completes the Agency Section at the bottom of the form, keeps a copy of the form in the employee's personnel file, and forwards the original copy of the form to PEIA. By signing this form, the benefit coordinator verifies that the employee meets all eligibility requirements and qualifies for benefits.

See the Forms Section for a sample of the basic life insurance form and instructions for completing it.

## Optional Life Insurance

PEIA offers active employees up to \$500,000 of optional life insurance. There are 18 plans available. This is also decreasing term coverage. Premiums for optional life insurance are paid by the employee. The charts on the next page show the amounts of life insurance available by the employee's age.

## Active Employee Life Insurance Options

	Plan I	Plan II	Plan III	Plan IV	Plan V	Plan VI	Plan VII	Plan VIII	Plan IX
<b>Option Code</b>	<b>100</b>	<b>200</b>	<b>300</b>	<b>400</b>	<b>500</b>	<b>600</b>	<b>650</b>	<b>700</b>	<b>750</b>
Employee's Age	Amount of Coverage								
Under 65	\$5,000	\$10,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000	\$75,000	\$80,000
65-69	\$3,250	\$6,500	\$13,000	\$19,500	\$26,000	\$32,500	\$39,000	\$48,750	\$52,000
70 & Above	\$2,250	\$4,500	\$9,000	\$13,500	\$18,000	\$22,500	\$27,000	\$33,750	\$36,000

	Plan X	Plan XI	Plan XII	Plan XIII	Plan XIV	Plan XV	Plan XVI	Plan XVII	Plan XVIII
<b>Option Code</b>	<b>800</b>	<b>900</b>	<b>950</b>	<b>951</b>	<b>952</b>	<b>953</b>	<b>954</b>	<b>955</b>	<b>956</b>
Employee's Age	Amount of Coverage								
Under 65	\$100,000	\$150,000	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000	\$450,000	\$500,000
65-69	\$65,000	\$97,500	\$130,000	\$162,500	\$195,000	\$227,500	\$260,000	\$292,500	\$325,000
70 & Above	\$45,000	\$67,500	\$90,000	\$112,500	\$135,000	\$157,500	\$180,000	\$202,500	\$225,000

To enroll for optional life insurance, an employee can elect to enroll for coverage on line at [www.wvpeia.com](http://www.wvpeia.com) and select Manage My Benefits or by completing an enrollment form. If an employee elects to complete an enrollment form, the employee must complete and sign an optional life insurance enrollment form and submit it to their benefit coordinator. The benefit coordinator completes the Agency Section at the bottom of the form, keeps a copy of the form in the employee's personnel file, and forwards the original copy of the form to PEIA. By signing this form, the benefit coordinator verifies that the employee meets all eligibility requirements and qualifies for benefits.

### Increasing Optional Life Insurance Coverage

Active employees may enroll for or increase their optional life insurance at any time by going to [www.wvpeia.com](http://www.wvpeia.com) and selecting Manage My Benefits or by completing an enrollment form. If an employee applies and is approved for additional insurance coverage, Minnesota Life will notify the employee. The benefit coordinator will be notified through Minnesota Life's LifeBenefits website at [www.lifebenefits.com](http://www.lifebenefits.com), and the

change will be reflected on the PEIA Early Warning Report for that agency found in the Reports section of the Web Contributions System at [www.wvpeia.com](http://www.wvpeia.com).

To increase the amount of optional life insurance, the employee should use the Manage My Benefits system at [www.wvpeia.com](http://www.wvpeia.com). The employee simply logs in, chooses “Manage My Optional Life Insurance,” makes his or her selections, and finalizes the choices. He or she may receive an Evidence of Insurability packet to complete and return to Minnesota Life prior to the increase being approved or denied.

If the employee cannot use the online system, the employee must complete and sign the Optional Life Insurance Enrollment form. The benefit coordinator completes the bottom portion of the enrollment form and forwards the form to PEIA for processing. Minnesota Life may mail an Evidence of Insurability packet to the employee for them to complete health information online or by paper form before the application is approved or denied.

### Dependent Life Insurance (Employee-paid)

PEIA offers five dependent life insurance plans. Premiums for dependent life insurance are paid by the employee. The following chart shows the amounts of dependent life insurance available.

<b>Dependent Life Insurance</b>		
	<b>Who is Covered?</b>	<b>Amount of Coverage</b>
<b>Dependent Plan 1</b>	Spouse	\$5,000
	Each Child	\$2,000
<b>Dependent Plan 2</b>	Spouse	\$10,000
	Each Child	\$4,000
<b>Dependent Plan 3</b>	Spouse	\$15,000
	Each Child	\$7,500
<b>Dependent Plan 4</b>	Spouse	\$20,000
	Each Child	\$10,000
<b>Dependent Plan 5</b>	Spouse	\$40,000
	Each Child	\$15,000

To enroll for dependent life insurance, the employee should use the Manage My Benefits system at [www.wvpeia.com](http://www.wvpeia.com). The employee simply logs in, chooses “Manage My Optional Life Insurance,” makes his or her selections, and finalizes the choices. He or she may receive an Evidence of Insurability packet to complete and return to Minnesota Life prior to the coverage being approved or denied..

If the employee cannot use the online system, the employee must complete and sign the Optional Life Insurance Enrollment form. The benefit coordinator completes the

bottom portion of the enrollment form and forwards the form to PEIA for processing. By signing this form, the benefit coordinator verifies that the employee meets all eligibility requirements and qualifies for benefits. Minnesota Life may mail an Evidence of Insurability packet to the employee for completion prior to approving or denying the coverage.

The employee is the beneficiary of the dependent life insurance policy.

### Increasing Dependent Life Insurance Coverage

Active employees may enroll for or increase their dependent life insurance at any time by completing an enrollment form. Minnesota Life may send the employee an Evidence of Insurability packet to complete before approving or denying the increased coverage. If an employee is approved for additional coverage, the Benefit Coordinator will be notified by Minnesota Life's LifeBenefits Extra website at [www.lifebenefits.com](http://www.lifebenefits.com), and the change will be reflected on the PEIA Early Warning Report for that agency found in the Reports section of the Web Contributions System at [www.wvpeia.com](http://www.wvpeia.com).

### Accidental Death and Dismemberment (AD&D) Benefits

The basic, optional, and dependent life insurance policies for active employees have an AD&D benefit provided. If an employee or covered dependent dies as the result of a covered accident, the life insurance policies will pay double their face value.

If the employee or a covered dependent suffers dismemberment as a result of a covered accident, benefits are also payable. In the case of dismemberment, simply follow the directions under "Filing Life Insurance Claims" to submit a claim. Please note there are limitations.

See the life insurance booklet for full details of these benefits.

## Retiree Benefits

### Retiree Basic Life Insurance

PEIA offers retired employees a basic decreasing term life insurance policy. Accidental death and dismemberment (AD&D) benefits are not included with the policy after retirement.

### Retiree Optional Life Insurance

PEIA offers retired employees up to \$150,000 of optional life insurance as of January 1, 2003. There are 10 plans available. This is also decreasing term coverage. **Retired employees may not enroll for or increase their life insurance after retirement.**

Premiums for optional life insurance are paid by the retired employee. The charts below show the amounts of life insurance available by the retired employee's age.

	<b>Plan I</b>	<b>Plan II</b>	<b>Plan III</b>	<b>Plan IV</b>	<b>Plan V</b>
<b>Option Code</b>	<b>100</b>	<b>200</b>	<b>250</b>	<b>300</b>	<b>400</b>
<b>Retiree's Age</b>	Amount of Coverage				
<b>under 65</b>	\$5,000	\$10,000	\$15,000	\$20,000	\$30,000
<b>65 - 69</b>	\$3,250	\$6,500	\$9,750	\$13,000	\$19,500
<b>70 &amp; above</b>	\$2,500	\$5,000	\$7,500	\$10,000	\$15,000

	<b>Plan VI</b>	<b>Plan VII</b>	<b>Plan VIII</b>	<b>Plan IX</b>	<b>Plan X</b>
<b>Option Code</b>	<b>500</b>	<b>600</b>	<b>700</b>	<b>800</b>	<b>900</b>
<b>Retiree's Age</b>	Amount of Coverage				
<b>under 65</b>	\$40,000	\$50,000	\$75,000	\$100,000	\$150,000
<b>65 - 69</b>	\$26,000	\$32,500	\$48,750	\$65,000	\$97,500
<b>70 &amp; above</b>	\$20,000	\$25,000	\$37,500	\$50,000	\$75,000

### Retiree Dependent Life Insurance

PEIA offers retired employees five dependent life insurance plans. Premiums for dependent life insurance are paid by the retiree. Coverage must be elected during the initial enrollment period at retirement. Coverage cannot be elected or increased after retirement, unless the retiree acquires a newly eligible dependent. The following chart shows the amounts of dependent life insurance available.

<b>Dependent Life Insurance</b>		
	<b>Who is Covered?</b>	<b>Amount of Coverage</b>
<b>Dependent Plan 1</b>	Spouse	\$5,000
	Each Child	\$2,000
<b>Dependent Plan 2</b>	Spouse	\$10,000
	Each Child	\$4,000
<b>Dependent Plan 3</b>	Spouse	\$15,000
	Each Child	\$7,500
<b>Dependent Plan 4</b>	Spouse	\$20,000
	Each Child	\$10,000
<b>Dependent Plan 5</b>	Spouse	\$40,000
	Each Child	\$15,000

## Filing Life Insurance Claims

The process of filing a life insurance claim begins when the employer is notified of the insured's death. The benefit coordinator should then do the following:

1. Contact Minnesota Life in one of three ways:
  - a. By telephone at 800-203-9515
  - b. By e-mail at [mnlifecharleston@securian.com](mailto:mnlifecharleston@securian.com)
  - c. By filing an E-Claim on LifeBenefits Extra at [www.lifebenefits.com](http://www.lifebenefits.com).
  - d. By mail, by completing the Notice of Death form and sending the form to Minnesota Life at P. O. Box 3742, Charleston, WV 25337-3742. The following information will be provided by the Benefit Coordinator: name of employee or retired employee, their social security number, name of the deceased, date of their passing, contact information for their next of kin.
2. Minnesota Life will request the insured's beneficiary designation from PEIA.
3. Once PEIA has provided the beneficiary information to Minnesota Life, the insurance carrier will forward the Beneficiary Statement to the designated beneficiary(ies) for completion.
4. The beneficiary must complete the Beneficiary Statement and send it, along with a court-certified Death Certificate to Minnesota Life. If the claim is for an active employee and was the result of an accidental death, it is helpful if the beneficiary can supply any newspaper clippings, Medical Examiner's report, or other proof of the accident along with the claim form.

## Designating Beneficiaries

The employee may indicate the individual, individuals, or entity to receive the proceeds of the benefits under the life insurance plan. **Funeral homes or funeral directors may not be named as a beneficiary in the state of West Virginia.**

The employee may designate more than one person as the beneficiary, and may indicate the portion of the proceeds for each beneficiary by listing the beneficiary and the percentage of proceeds each beneficiary is to receive. If no percentage is listed, the proceeds will be divided equally among all beneficiaries. If a beneficiary has died, the remaining beneficiaries will share the portion that would have been paid to the deceased beneficiary.

Beneficiary information is privileged, and may not be shared with anyone other than the policyholder. Employees who call PEIA to inquire about their beneficiaries will be mailed a Beneficiary Request form. A copy of this form is included in the Forms sections of this manual. PEIA will reply to the employee in writing. Policyholders may also access their beneficiary information online in the Manage My Benefits section at

[www.wvpeia.com](http://www.wvpeia.com). We strongly recommend that you not provide this information over the telephone.

## Living Benefit Option

PEIA provides a living benefit option or accelerated death benefit for policyholders who become terminally ill. If a member becomes terminally ill while insured under the life insurance provision or while the life insurance is being continued under the disability waiver of premium, the member may apply for the Living Benefit Option. This election is allowed only once in a lifetime. The member may receive up to fifty percent (50%) of the amount of his or her optional or dependent group life. Benefits not paid in advance will remain with the plan and will be paid to the beneficiary upon the member's death.

Living Benefits are not payable if:

- (a) the Optional life insurance amount is less than \$10,000; the \$10,000 limit does not apply to dependent coverage.
- (b) the life insurance carrier receives a certified copy of a court order directing it to pay all or a portion of the life insurance to a third party;

### Applying for the Living Benefit

To file a claim under the Living Benefit option follow the process outlined under "Filing Life Insurance Claims."

If the Living Benefit is approved, payment will be made to the policyholder.