



# Supplemental Life Insurance

... for purchase by OCEA members

2017

## About Supplemental Life Insurance

Supplemental Life Insurance is an optional benefit that can provide additional life insurance coverage for you and your dependents. Supplemental life, available only to OCEA members, has great benefits and low rates.

The plan includes a life insurance benefit and an Accidental Death and Dismemberment (AD&D) benefit. As an OCEA member, you may elect a level of coverage at one, two, or three times your base annual salary (BAS), subject to maximum benefits shown on the *Schedule of Benefits*. Also provided at no additional cost are an \$8,000 burial benefit and a 12-month living benefit. The policy has no cash value.

An OCEA member may enroll in the Supplemental Life Insurance Plan within the first 31 days of membership (for one times BAS up to \$60,000 coverage) with no health evidence of insurability required. Also, an OCEA member may enroll at any time throughout the year, subject to approval of evidence of insurability by Standard Insurance. Benefits begin to decrease at age 65 as shown on the *Reduction Schedule*.

## Dependent Supplemental Life Insurance

In addition to insuring your own life, you may also insure the lives of your spouse and your children. The maximum benefit will be a percentage of the amount you elect for yourself as shown on the *Schedule of Benefits*.

If you are currently enrolled in the Supplemental Life Insurance Plan and have no dependent life coverage then any dependent(s) coverage requests must be approved by The Standard. Evidence of Insurability is required if you apply outside of the initial eligibility period, unless due to family status change. Evidence of Insurability for dependents is required if they had been previously eligible but not applied for coverage. New dependents have 31 days for their initial election.

Family status change includes: Marriage, divorce, birth, adoption, death or loss of coverage.

You have **31 days** within which to submit your enrollment form with changes, plus supporting documentation (marriage certificate, birth certificate, etc.), if you have a family status change.

Your unmarried child from live birth through age 26 may be eligible to be covered under the supplemental dependent life if the member is enrolled in the supplemental life Group Policy.

It is the sole responsibility of the employee to notify OCEA in writing when a dependent ceases to be eligible for coverage. Payroll deductions will continue until written notification is received at OCEA's Headquarters.

## Eligibility and Beginning of Coverage

For all of OCEA's supplemental benefits plans, the effective date of coverage will be determined by OCEA. Where appropriate, OCEA will notify you of your effective date. Also, limitations on eligibility (as well as other limitations) may apply. For more specific information on eligibility, coverage dates, and other matters, see the *Enrollment Guidelines* section of this guide. For further information, contact OCEA at (714) 835-3355.

Among other things, you must be an "active" employee (actually at work) on the date you enroll in the plan and on the date coverage would otherwise become effective. (If you are on a leave of absence, you are not an "active" employee.)

If you are on a leave of absence for a non-disability reason, the following rules apply depending on how long you have been on leave:

- **Leave of absence up to one year:** Both H&W and buy-up life insurance amounts you had before your leave of absence will remain in force during the first year. When you return to active employment your deductions for any buy-up amounts will be reinstated.
- **Leave of absence greater than one year:** After one year your life insurance coverages will be canceled. When you return to active employment you will be eligible to enroll in both the H&W and buy-up plans. Provided enrollment is made timely, buy-up amounts include guarantee issue levels, and Evidence of Insurability is required for amounts in excess of guarantee issue. Late enrollment requires Evidence of Insurability for all amounts.

## Schedule of Benefits

You may select from the following three available coverage amounts:

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1. An amount equal to the lesser of (a) your base annual salary or (b) \$60,000.
2. An amount equal to the lesser of (a) twice your base annual salary or (b) \$120,000.
3. An amount equal to the lesser of (a) three times your base annual salary or (b) \$180,000.

Example: If your base annual salary is \$64,000, and you choose "1" above, your coverage amount is \$60,000.

The following chart summarizes the above and also shows coverage amounts for your spouse and children.

For	Coverage Amounts
<b>You</b>	1x your BAS* (up to \$60,000 coverage) 2x your BAS* (up to \$120,000 coverage) 3x your BAS* (up to \$180,000 coverage)
<b>Your Spouse</b>	50% of the amount of your coverage
<b>Your Children</b>	10% of the amount of your coverage for children from birth to 26 years

\* BAS=base annual salary. For a definition of "base annual salary," see the third page of this insert.

## Reduction Schedule

If you are an active employee and age 65 or more, your benefit will be reduced. See the chart below for the percentage of death benefit payable to your beneficiary.

Age	% of Original Benefit Payable
65 and over, but under 70	65%
70 and over, but under 75	45%
75 and over	30%

## Naming a Beneficiary

It is important that you name a beneficiary of your supplemental life insurance at the time of enrollment. You may name any one or more persons or entities as your beneficiary. In the event you name more than one person or entity as a beneficiary, they will share the benefit equally unless you indicate otherwise. You may change your beneficiary at any time by notifying OCEA of the change in writing.

## Insurance During Disability

Coverage may be continued without further payment, provided (a) you are under age 60, and (b) you satisfy the disability criteria. Proof must be provided within 12 months following the end of your active employment.

## "Living Benefit" Option

The living benefit allows you the opportunity while living and under age 60 to receive 75% of your life insurance coverage should you be diagnosed with a terminal illness with a life expectancy of twelve months or less. The minimum amount that can be requested is \$5,000 or 10% of your insurance, whichever is greater.

Upon your death, your beneficiary will receive any remaining benefit.

## Evidence of Insurability Requirements

You (and your dependents, if applicable) will be required to fulfill evidence of insurability requirements if you do any of the following:

- Enroll in the plan after your first 31 days as an OCEA member; or
- Select an amount greater than your base annual salary; or
- Increase the amount of your coverage after the initial 31 days of your OCEA membership.

## Burial Benefit

An additional burial benefit in the amount of \$8,000 is available at no extra cost to OCEA members who enroll in the supplemental life insurance plan. The benefit is payable to the beneficiary in the event of your death from any cause.

## How to File a Claim

Contact OCEA at (714) 835-3355 to request claim forms.

## Base Annual Salary

Your base annual salary (BAS) is the annual equivalent (rounded up to the next even thousand-dollar amount) of your base weekly, biweekly, semi-monthly, or monthly salary for your normal work schedule. This excludes overtime, bonuses, or any other special form of compensation.

## Conversion of Life Insurance

### Employee

If your life insurance coverage ceases because (a) your employment ends, or (b) your classification changes, you may convert to an individual policy.

You must apply for the policy within 31 days after your life insurance ceases. Evidence of insurability is not required.

If your life insurance has been in effect for at least five years and the plan ends or the plan ceases to include your classification of employees, you may convert to an individual policy on the same basis as above.

The converted policy will be limited to the lesser of (a) the amount of life insurance you have under the Supplemental Life Insurance Plan, less any amount of life insurance you become eligible for under another group policy within 31 days after the plan ends, or (b) \$2,000.

## Dependents

Your dependent's life insurance may be converted to an individual policy if:

- your employment ceases,
- you die,
- you cease to be in an eligible class,
- the dependent marries, or
- the dependent reaches any applicable age limit.

The policy can be in any form then in use by the insurance company, except term insurance. The policy will not contain disability or supplementary benefits. The dependent must apply for the policy within 31 days after the coverage ends. Evidence of Insurability is not required.

The premium for the policy will be based on your dependent's age, class of risk, and the form and amount of the policy.

If your dependent's life insurance has been in effect for at least three years, and the plan ends or the plan ceases to include your classification of employees, your dependent may convert to an individual policy on the same basis as above.

The converted policy will be limited to the lesser of (a) the amount of life insurance your dependent becomes eligible for under another group policy within 31 days after the plan ends, or (b) \$2,000.

**Another great benefit of OCEA membership!**

**Orange County Employees Association Health & Welfare Trust**

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These materials are for comparison purposes only. Plan participants will receive Summary Plan Descriptions, the terms of which shall prevail in the event of any conflict with these materials. Each plan is subject to modification at any time. (2017)



# Voluntary Accidental Death & Dismemberment Insurance

2017

Additional accidental death and dismemberment coverage may be purchased in addition to that included in the Supplemental Life Insurance Plan. Coverage amounts are either \$50,000, \$75,000, or \$100,000, based on your gross biweekly salary as shown in the *Cost of Coverage* chart below. Coverage is not available to extra-help employees.

An OCEA member may enroll in the AD&D plan at any time during the year.

For all of OCEA's supplemental benefits plans, the effective date of coverage will be determined by OCEA. Where appropriate, OCEA will notify you of your effective date. Also, limitations on eligibility (as well as other limitations) may apply. For more specific information on eligibility, coverage dates, and other matters, see the *Enrollment Guidelines* section of this guide. For further information, contact OCEA at (714) 835-3355.

## Eligibility and Beginning of Coverage

Among other things, you must be an "active" employee (actually at work) on the date you enroll in the plan and on the date coverage would otherwise become effective. (If you are on a leave of absence, you are not an "active" employee.)

If you are on a leave of absence for a non-disability reason, the following rules apply depending on how long you have been on leave:

- **Leave of absence up to one year:** Any amount of Voluntary Accidental Death & Dismemberment insurance you had before your leave of absence will remain in force during the first year. When you return to active employment your deductions for this coverage will be reinstated.
- **Leave of absence greater than one year:** After one year your Voluntary Accidental Death & Dismemberment insurance coverages will be canceled. When you return to active employment you will be eligible to re-enroll in the plan again.

## Cost of Coverage for Voluntary AD&D Insurance

	Benefit Coverage	Twice-Monthly Deduction
Biweekly Salaries less than \$1,500	\$50,000	\$1.63
Biweekly Salaries \$1,500 to \$1,999.99	\$75,000	\$2.44
Biweekly Salaries \$2,000 and over	\$100,000	\$3.25

Another great benefit of OCEA membership!