

VOLUNTARY TERM LIFE AND VOLUNTARY ACCIDENTAL DEATH & DISMEMBERMENT (AD&D) INSURANCE OVERVIEW

Prepared for the employees of City and Borough of Juneau

Voluntary Term Life and AD&D Insurance Coverage – paid by you

Eligibility	All active, Full-Time Employees of the Employer regularly working a minimum of 15 hours per week.	
Eligibility Waiting Period	You are eligible for benefits on your date of hire.	
Employee	Benefit Amount	Units of \$25,000
	Guaranteed Coverage Amount	\$100,000
	Maximum	The lesser of 7 times salary or \$300,000
	Minimum	\$25,000
	Benefit Reduction Schedule	Benefits will reduce to 65% at age 70; 50% at age 75; 30% at age 80

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 Coverage will Cost per Month*

Age	Employee Cost Per \$1,000
<24	\$0.073
25-29	\$0.073
30-34	\$0.080
35-39	\$0.098
40-44	\$0.155
45-49	\$0.277
50-54	\$0.455
55-59	\$0.724
60-64	\$1.074
65-69	\$1.553
70-74	\$2.212
75-99	\$3.228

*Costs are subject to change.

How Much Your Voluntary Accidental Death & Dismemberment Coverage will Cost per Month

	Cost Per \$1,000
Employee	\$0.03

Cost Calculation Example (based on the Benefit Amount)

	Age	Rate Per \$1,000		Benefit Amount				Estimated Cost
<i>Example Life Costs</i>	33	.08	X	100,000	÷	1,000	=	\$8.00
Input Your Costs			X		÷	1,000	=	
<i>Example AD&D Costs</i>		.03	X	100,000	÷	1,000	=	\$3.00
Input Your Costs			X		÷	1,000	=	
Total Cost								\$11.00

Other Voluntary Life Coverage Features

Accelerated Death Benefit – Terminal Illness

If you are 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 \$300,000, 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 70, subject to proof of continuing disability each year.

Conversion - If group life coverage ends (except due to nonpayment of premium), your employment is terminated, membership in an eligible class is terminated, or insurance coverage is reduced based on attained age, you can convert to an individual non-term policy. To convert, you must apply for the conversion policy and pay the first premium payment within 31 days after your group coverage ends. Dependents may convert their coverage as well. Premiums may change at this time, and terms of coverage will be subject to change.

Portability - If your employment is terminated and you are under age 70, you can continue your employee-paid life insurance on a direct-bill basis. Premiums will increase at this time. Coverage can be continued to age 99, unless the insurance company terminates portability for all insured persons. Refer to your certificate for details.

Exclusions: Voluntary life insurance will not be paid if you commit suicide, while sane or insane, within the first two years of coverage.

Other Voluntary Accidental Death & Dismemberment (AD&D) Insurance Coverage Features

A Valuable Combination of Benefits

Survivors of severe accidents will be paid an additional benefit 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.

Additional Benefits of Voluntary Accidental Death & Dismemberment Insurance

For Wearing a Seatbelt & Protection by an Airbag - Additional 10% benefit but not more than \$25,000 if the covered person dies in an automobile accident while wearing a seatbelt or approved child restraint. We will increase the benefit by an additional 5% but not more than \$10,000 if the insured person was also positioned in a seat protected by a properly-functioning and properly deployed Supplemental Restraint System (Airbag).

For Comas - You will receive 1% of the full benefit amount each month, for up to a maximum of 11 months, if you are in a coma for 30 days or more as a result of a Covered Accident. If the covered person is still in a coma after 11 months, or dies, the full benefit amount will be paid

For Exposure & Disappearance - Benefits are payable if you suffer a covered loss due to unavoidable exposure to the elements as a result of a Covered Accident. If your body is not found within one year of the disappearance, wrecking or sinking of the conveyance in which you were riding, on a trip otherwise covered, it will be presumed that you sustained loss of life as a result of a Covered Accident.

For Furthering Education - If you die in a covered accident, we will pay an extra benefit for each qualified child under age 25 who enrolls in a school of higher learning within one year of your death. We will increase your benefit by 3% or \$3,000, whichever is less, for each qualifying child, each year for 4 consecutive years as long as your child continues his/her education. If there is no qualifying child, we will pay an additional \$1,000 to your beneficiary.

Conversion - If, before you reach age 70, this group coverage is reduced or ends for any reason except non-payment of premium or age, you can convert to an individual policy. No medical certification is needed. To continue coverage, you must apply for the conversion policy and pay the first premium in effect for your age and occupation within 31 days after your group coverage ends. Family members may convert their coverage as long as they have not reached the maximum age limitation. Converted policies are subject to certain benefits and limits as outlined in your certificate, should you become insured under the plan.

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. FLX967908 and Group Policy No. OK969400. 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. The Cigna name, logo, and other Cigna marks are owned by Cigna Intellectual Property, Inc. © Cigna 2017