

# Term Life and Accident Insurance



*Developed for the Employees of  
Board of Regents of the University System of Georgia*



# Life Insurance

## Who Needs Life Insurance?

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You do. Single or married. Buying your first home or preparing for retirement. Raising children or sending them off to college. No matter where you are in life, insurance should be part of your financial plan.

By purchasing this insurance product through your employer, you benefit from:

- Affordable group rates
- Convenient payroll deduction
- Access to knowledgeable service representatives.

## Start with Basic Coverage and Add What You Need

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*Basic Life Insurance Coverage (outlined in your certificate) — Employer-Paid*

- Provided automatically to all eligible employees.
- Life insurance equal to \$25,000.

*Voluntary Life Insurance Coverage — Employee-Paid*

- **For You** — Up to \$1,125,000.
- **For Your Spouse/Unmarried, Dependent Children**  
Spouse — \$250,000/Child(ren) — \$10,000.

## Who Is Eligible For Coverage?

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**You** — If you are an active regular (benefit eligible) employee and work at least 30 hours per week for your employer.

**Your Spouse** — Is eligible whether or not you apply for coverage yourself.

**Your Unmarried, Dependent Children** — At least 14 days old and under age 19 (or under age 26 if they are full-time students), as long as you or your spouse is covered. One low premium will insure all your eligible children, regardless of the number of children you have.

No one may be covered more than once under this plan. If covered as an employee, you can not also be covered as a dependent.

## How Much Coverage Can You Buy?

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**You** — You can select life insurance coverage of 1, 2, 3, 4 or 5 times your salary which has been rounded to the next higher \$1,000. Coverage includes matching Accident Death and Dismemberment insurance up to age 70. The maximum for your voluntary coverage is the lesser of 5 times your annual salary or \$1,125,000 when combined with the Basic maximum benefit amount is \$1,150,000. The guaranteed coverage amount for you is the lesser of 3 times your annual salary or \$1,125,000.

**Your Spouse and Unmarried, Dependent Children** — You may select coverage for your spouse in units of \$10,000 to maximum of \$250,000, not to exceed 100% of your coverage amount. The cost of coverage will be based on your spouse's age. You may select coverage for your unmarried, dependent children \$10,000 of coverage. The guaranteed coverage amount for your spouse is \$30,000. The maximum benefit for children under six months is \$2,000. The guaranteed coverage amount for your child(ren) is \$10,000.

## Guaranteed Coverage

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If you are a new hire and you apply within 31 days after you are eligible to elect coverage for you and your dependents, you are entitled to choose any of the offered amounts of coverage up to the guaranteed coverage amount, as shown on your application, without having to provide evidence of good health.

If you apply for an amount of coverage for yourself greater than the guaranteed coverage amount, coverage in excess of the guaranteed coverage amount will not be issued until the insurance company approves acceptable evidence of good health. Evidence of good health may include a paramedical exam or physician's statement.

If you apply for coverage for yourself or your spouse more than 31 days from the date you become eligible to elect coverage under this plan, the guaranteed coverage amounts will not apply. Coverage will not be issued until the insurance company approves acceptable evidence of good health. Evidence of good health may include a paramedical exam or physician's statement.



## Other Benefit Features

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### ***Accelerated Death Benefit — Terminal Illness — Basic & Voluntary***

If you or your spouse is diagnosed by two unaffiliated physicians as terminally ill with a life expectancy of 12 months or less, the accelerated payment benefit for terminal illness provides for up to 50% of the life insurance coverage amount in force or \$250,000, whichever is less, to be paid to the insured. This benefit will be reduced by benefits payable under the specified disease benefit and is payable only once in the insured's lifetime.

The terminal illness benefit may be taxable. As with all tax matters, an insured should consult with a personal tax advisor to assess the impact of this benefit.

### ***Accelerated Death Benefit — Specified Disease***

If you or your spouse is diagnosed with life threatening cancer, coronary artery disease resulting from heart attack, renal failure, stroke, a specified organ transplant, or AIDS (Acquired Immune Deficiency Syndrome), 25% of the coverage amount in force or \$50,000, whichever is less, will be paid to the insured upon receipt of acceptable medical certification of illness.

The insured will not be eligible for payment if he/she has a pre-existing condition. A pre-existing condition is any condition for which the covered person received medical treatment, care or advice, took prescribed medicines, or consulted a physician during the 12 months prior to the effective date of his or her coverage. This will not apply if the insured does not receive medical treatment, care or advice, take prescribed medicines or consult a physician for 12 months after the coverage effective date, or has been covered under the plan for 24 straight months.

Benefits are payable only once per lifetime and are reduced by any payment under the terminal illness benefit.

**Any benefit paid under an Accelerated Death Benefit will reduce the life insurance death benefit and may be taxable. As with all tax matters, an insured should consult with a personal tax advisor to assess the impact of this**

### ***Annual Enrollment Period***

Each year, during your re-enrollment period, you have the opportunity to enroll in the plan or increase your voluntary coverage. We require no evidence of good health for additional amounts equal to one benefit level increase, subject to the group policy guaranteed coverage amount. We do require evidence of good health for amounts above the guaranteed coverage amount. We also require evidence of good health for those employees who do not currently participate in the plan.

### ***Waiver of Premium - Basic & Voluntary***

***If you become totally disabled*** — To make sure you can keep the life insurance protection you need during a difficult period of your life, this plan provides a *waiver of premium* feature. 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 must continue to pay premiums until 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 24 months, for employees with up to 10 years of service, subject to proof of continuing disability each year. For employees with 10 or more years of service, this benefit will remain in force for as long as you remain disabled, subject to proof of continuing disability each year. If you have 10 or more years of service and have insured your spouse or children, the premium for their coverage is also waived.

## **What Is Not Covered**

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The voluntary portion of your plan will not pay benefits if loss of life is the result of suicide that occurs within the first two years of coverage.

## **When Your Coverage Begins and Ends**

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The date your coverage begins is called its “effective date.” Your employer will let you know the effective date of your coverage. If you are not actively at work on the effective date of coverage, your coverage will not begin until you return to work.

For coverage for your spouse and/or children to be effective, they must not be hospitalized or confined at home under the care of a doctor.

Your coverage cannot be terminated as long as you remain eligible, the premium is paid and the group policy remains in force.

For your spouse and children, coverage ends when your eligibility ends, when their premiums are not paid or when they are no longer eligible.

### **Converting Your Coverage to Permanent Life Insurance**

If group life insurance coverage is reduced or ends for any reason except nonpayment of premiums, you can convert to an individual policy. No medical certification is needed. To convert coverage, 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.

## **Questions?**

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Cigna Group Insurance has courteous, knowledgeable customer service representatives who can assist you with the completion of your enrollment form by calling 1-800-732-1603 toll-free anytime from Monday through Friday, 8 a.m. to 6 p.m. Eastern time. Cigna does not have your coverage election information on file. For specific benefit/account inquiries on what is available under your plan, please contact your Human Resources department.

## **Apply Today**

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In order to apply for coverage, you must complete an application form. Be sure to answer all questions accurately, and indicate how much coverage you wish to have.

### **Payroll Deduction**

You pay your premiums through payroll deduction. The total depends on how much coverage you select, your age and if you buy coverage for your spouse and children.

### **Designating Your Beneficiary**

Your term life benefit will automatically be paid to the first beneficiary listed below who is living at the time of your death if you do not designate a specific beneficiary:

- 1) Your Spouse
- 2) Your Child(ren)
- 3) Your Parents
- 4) Your Siblings
- 5) Your Estate

If you wish to designate different beneficiaries, or to indicate percentages, you may do so on your application. If the listed beneficiary is a trustee or a trust, you will need to indicate the trustee's name, the name of the trust and the date of the trust agreement. The trust document must be presented in order for the claim to be processed.

### **How Your Claims Are Paid**

Your employer has all the forms your beneficiary will need and can provide assistance in completing them.

*This portion of the plan provides life insurance only.*

# Accident Insurance

## Who Needs Personal Accident Insurance?

You do. Accident insurance can help you pay expenses if you are seriously injured or killed in a covered accident. This insurance can help ensure that tragedy doesn't take both an emotional and a financial toll on your family. By purchasing this insurance through your employer, you benefit from:

- Affordable group rates
- Convenient payroll deduction

## Who Is Eligible For Coverage?

**You** – You are eligible for coverage if you are an active, regular, benefits eligible employee of the sponsoring employer scheduled to work 30 or more hours per week.

## How Much Coverage Can You Buy?

**You** – Accident coverage is available in the amounts of 1, 2, 3, 4 or 5 times your salary, subject to a maximum benefit of \$1,150,000 when combined with the Basic Accidental Death and Dismemberment.

## Your Monthly Cost

The cost of this coverage for the employee is included in the cost of the Supplemental Life Insurance coverage. Costs are subject to change.

## Benefit Reductions

When you reach age 67, your benefit will be reduced to 65% of the benefit amount selected. This reduction will also apply if you elect coverage after age 67. At age 70, your coverage will end.

## A Valuable Combination of Benefits

Personal Accident Insurance helps protect you against losses due to accidents. A covered accident is a sudden, unforeseeable, external event, resulting directly and independently of all other causes, in a covered injury or covered loss that occurs while coverage is in force. 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, or 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 upper and lower limbs on one side of the body, or Total paralysis of both lower or upper limbs, or Loss of hand, foot or sight in one eye, or Loss of speech, or Loss of hearing in both ears, or Loss of all four fingers of the same hand	50%
Total paralysis of one upper or lower limb, or Loss of thumb and index finger of the same hand	25%
Coma	1%

*If the same accident causes more than one of these losses, we will pay only one amount, but it will be the largest amount that applies.*

**Loss of a hand or foot** means complete severance through or above the wrist or ankle joint. **Loss of sight** means the total, permanent loss of all vision in the eye. **Loss of speech** means total, permanent and irrecoverable loss of audible communication. **Loss of hearing** means total and permanent loss of the ability to hear any sound in both ears. *Loss of sight, speech and hearing must be irrecoverable by natural, surgical or artificial means.* **Loss of a thumb and index finger or four fingers**, means complete severance through or above the metacarpophalangeal joints (the joints between the fingers and the hand). **Paralysis** means total loss of use, without severance, of a limb. This loss must be determined by a doctor to be complete and not reversible. **Severance** means complete and permanent separation and dismemberment of the limb from the body.

## Benefit for Exposure and 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.

## Additional Benefits

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### **For Comas**

If you have been in a coma for one full month as a result of a covered accident, we will pay a coma benefit, as shown in [A Valuable Combination of Benefits](#). We will make 11 monthly payments, provided you remain in a coma during this period. If you recover, the payments will stop.

If you die while the monthly coma benefit payments are being made, or if you remain in a coma after the 11 monthly payments have been made, you will be entitled to a lump sum payment equal to the full benefit amount.

*Coma means a profound state of unconsciousness which resulted directly and independently from all other causes from a covered accident, and from which the insured is not likely to be aroused through powerful stimulation. This condition must be diagnosed and treated regularly by a physician. Coma does not mean any state of unconsciousness intentionally induced during the course of treatment of a covered injury unless the state of unconsciousness results from the administration of anesthesia in preparation for surgical treatment of that covered accident.*

### **For Wearing a Seatbelt and Protection by an Airbag**

This benefit is payable if you die as a direct result of injuries sustained in a covered accident while driving or riding in an automobile\*, while wearing a properly fastened seatbelt. Your death benefit will be increased by 10% but not more than \$25,000. If you were also positioned in a seat protected by a properly-functioning and properly deployed Supplemental Restraint System\*\* (Airbag), we will increase your death benefit by an additional 5% but not by more than \$5,000.

Verification of the actual use of the seatbelt and that the supplemental restraint system inflated properly on impact at the time of the accident, must be part of an official report of the accident, or be certified, in writing, by the investigating officer(s) and submitted with the claim.

If it is unclear whether you had been wearing a seatbelt or that you were positioned in a seat protected by a properly functioning and properly deployed airbag, the plan will pay a benefit of \$1,000.

*\*Automobile means a self-propelled, private passenger motor vehicle with four or more wheels which is of a type both designed and required to be licensed for use on the highways of any state or country. Automobile includes but is not limited to a sedan, station wagon, sport utility vehicle or a motor vehicle of the pickup, van, motor home or camper type. Automobile does not include a mobile home or any motor vehicle which is used in mass or public transit. \*\*Supplemental Restraint System means an airbag that inflates upon impact for added protection to the head and chest areas.*

### **Changing from the Group Plan to Individual Coverage**

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. Converted policies are subject to certain benefits and limits as outlined in your certificate, should you become insured under the plan.

## What Is Not Covered

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Plan benefits are not payable if an injury or a loss results, directly or indirectly, from or is caused by, self-inflicted injuries or suicide, while sane or insane; any felony or assault committed by the insured; any act of war, declared or undeclared; any active participation in a riot or insurrection; sickness, disease, physical or mental impairment or medical or surgical treatment thereof, or bacterial or viral infection, regardless of how contracted. (This does not include bacterial infection that is the natural and foreseeable result of an accidental external cut or wound, or accidental food poisoning.)

Benefits are also not payable if the loss occurs while the covered person is engaged in the activities of active duty service in the military, navy or air force of any country or international organization (this does not include Reserve or National Guard training, unless it extends beyond 31 days); traveling in an aircraft that is owned, leased or controlled by the sponsoring organization, or any of its subsidiaries or affiliates; bungee jumping; parachuting; skydiving; parasailing; or hang-gliding; nor are benefits payable for flight in, boarding or alighting from an aircraft or any craft designed to fly above the earth's surface; except as: a fare-paying passenger on a regularly scheduled commercial or charter airline, a passenger in a non-scheduled, private aircraft used for pleasure purposes with no commercial intent during the flight, or a passenger in a military aircraft flown by the Air Mobility Command or its foreign equivalent.

## When Your Coverage Begins and Ends

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Current employees can sign up during this enrollment period. New employees have 31 days from the date they become eligible to enroll. Coverage becomes effective on the later of the program's effective date, the date you become eligible, the date we receive your completed enrollment form, or the date you authorize any necessary payroll deductions.

If you are not actively at work, the effective date of your insurance will be deferred until you are actively at work.

Your coverage will continue as long as you remain an eligible employee, pay your premium when due and we agree with your employer to continue this group policy.

*This portion of the plan provides ACCIDENT insurance only. It pays benefits for bodily injury. It does not provide coverage for sickness.*

## ***Notes***

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*This information is a brief description of the important features of the plan. It is not a contract. Terms and conditions of life insurance coverage are set forth in Group Policy No. FLX-980017 on Policy Form TL-004700, issued in Delaware to the Trustee of the Group Insurance Trust for Employers in the Public Administration Industry. Terms and conditions of accident insurance coverage are set forth in Group Policy No. OK-980030 on Policy Form No. GA-00-1000.00, issued in Delaware to the Trustee of the Group Insurance Trust for Employers in the Public Administration Industry. The group policy is subject to the laws of the jurisdiction in which it is issued. The availability of this offer may change. Please keep this material as a reference.*

*Coverage is underwritten by  
Life Insurance Company of North America  
1601 Chestnut Street  
Philadelphia, PA 19192*

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