

# Group Voluntary Accidental Death And Dismemberment Insurance

For The University of Alabama System

Answers To Your Questions About Coverage From The Standard



Standard Insurance Company

Group Accidental Death And Dismemberment Insurance





## About This Booklet

This booklet is designed to answer some common questions about the group Voluntary Accidental Death and Dismemberment (AD&D) insurance coverage offered to the eligible employees of The University of Alabama System. It is not intended to provide a detailed description of the coverage.

If coverage becomes effective and you become insured, you will receive a certificate containing a detailed description of the insurance coverage including the definitions, exclusions, limitations, reductions and terminating events. The controlling provisions will be in the group policy. Neither this booklet nor the certificate modify the group policy or the insurance coverage in any way.

## Group Voluntary AD&D Insurance

The time you spend with your family is priceless, and you wouldn't trade those special moments together for anything in the world. But what would happen if you died or lost a limb in an accident? Would your family be financially prepared?

By sponsoring Voluntary AD&D insurance from The Standard, The University of Alabama System offers you an excellent opportunity to help protect your loved ones. With Voluntary AD&D coverage, you or your beneficiaries may receive an AD&D insurance benefit in the event of death or dismemberment as a result of a covered accident.

Advantages of Voluntary AD&D insurance:

**Choice** – You decide how much coverage you need from the range of amounts available.

**Flexibility** – If your needs change, you may request to change the amount of coverage.

**Convenience** – With premiums deducted directly from your paycheck, you don't have to worry about mailing monthly payments.

**Peace of Mind** – You can take comfort and satisfaction in knowing that you have done something positive for your family's future.

### AD&D Benefit Amount

The amount of the AD&D insurance benefit for loss of life<sup>1</sup> is equal to the maximum amount of your Voluntary AD&D insurance in effect on the date of the covered accident. The amount of the AD&D insurance benefit for other covered losses is a percentage of the Voluntary AD&D insurance in effect on the date of the covered accident, as shown below:

Type Of Loss	Percentage Payable
Hand or foot <sup>3</sup>	50%
Sight in one eye	50%
Audible speech	50%
Hearing in both ears	50%
Two or more of the losses listed above	100%
Thumb and index finger of the same hand <sup>2</sup>	25%
Arm	75%
Leg	75%

At no time will more than 100 percent of the available AD&D insurance benefit be paid for all losses resulting from one accident.

<sup>1</sup> Loss of life includes disappearance and accidental exposure to adverse weather conditions. Disappearance must be caused directly by an accident that could have reasonably resulted in death and must occur independently of all other causes continuing for a period of 365 days after the date of the accident despite reasonable search efforts.

<sup>2</sup> This benefit is not payable if Voluntary AD&D insurance benefit is payable for the loss of the entire hand.

<sup>3</sup> This benefit is not payable if Voluntary AD&D insurance benefit is payable for the loss of that arm or leg.





With respect to a hand or foot, loss means the actual and permanent severance from the body at or above the wrist or ankle joint, whether or not surgically reattached. Loss of sight means the entire, uncorrectable and irrecoverable loss of sight. Loss of speech or hearing means the entire, uncorrectable and irrecoverable loss of audible speech or hearing in both ears. Loss of thumb and index finger means the actual and permanent severance from the body of the thumb and index finger on the same hand at or above the metacarpophalangeal joints. Loss of arm means the actual and permanent severance from the body at or below the elbow. Loss of leg means the actual and permanent severance from the body at or above the knee.

## **Voluntary AD&D Insurance Features**

### **Seat Belt Benefit**

This provides an additional AD&D insurance benefit if you die as a result of an automobile accident while properly wearing and using a seat belt. The Standard will pay a Seat Belt Benefit equal to the amount of the AD&D insurance benefit payable for the loss of life, up to a maximum of \$10,000.

### **Air Bag Benefit**

To provide further protection against automobile accidents for which a Seat Belt Benefit is payable, The Standard will pay an Air Bag Benefit equal to the amount of the AD&D insurance benefit payable for the loss of life, up to a maximum of \$5,000. The following requirements must be met at the time of the accident:

- The automobile is equipped with an air bag system installed as original equipment by the automobile manufacturer and the air bag system has received regularly scheduled maintenance or replacement as recommended by the manufacturer
- The air bag system deploys, as evidenced by a police accident report
- You were seated in an air bag protected driver's or passenger's seat

### **Family Benefits Package**

The following Family Benefits Package extends financial assistance to your family members in the event of your accidental death for which an AD&D insurance benefit is payable.

#### **Higher Education Benefit**

The plans for a child's higher education should not end with the death of a parent. The Higher Education Benefit helps to keep those dreams alive by paying an additional amount to your eligible children in the event of your accidental death. To be eligible, your surviving child must register and attend an institution of higher education on a full-time basis within 12 months after your death. The benefit is paid annually for a maximum of four consecutive years beginning on the date of death. The benefit amount is the qualifying tuition expenses incurred per child up to a maximum of \$5,000 per year, or the cumulative total of \$20,000 or 25 percent of the AD&D insurance benefit, whichever is less.

### **Career Adjustment Benefit**

Your surviving spouse may need to make a career adjustment as a result of your accidental death. When this requires additional training, the Career Adjustment Benefit may help make this transition easier. To be eligible, your spouse must register and attend a professional or trade training program within 36 months after your death. The program must be aimed at obtaining employment or an increase in earnings. The benefit amount is the qualifying tuition expenses for training incurred by the surviving spouse within 36 months after the date of death, up to a maximum of \$5,000 per year, or the cumulative total of \$10,000 or 25 percent of the AD&D insurance benefit, whichever is less.

### **Child Care Benefit**

In order to work or obtain training, your surviving spouse may require the assistance of a caregiver to watch over young children. The Child Care Benefit is designed to help cover the cost of providing care for your children under age 13. The amount of the benefit is the qualifying expenses incurred by your spouse within 36 months after the date of your death, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25 percent of the AD&D insurance benefit, whichever is less.

### **Repatriation Benefit**

This provides an additional benefit to help pay for expenses associated with transportation of your body in the case of death. If the place of death is more than 200 miles away from your primary place of residence, The Standard will help pay to return your body to a mortuary near your home. The Standard will reimburse actual expenses up to \$5,000 or 10 percent of the AD&D insurance benefit, whichever is less.





## Additional Benefits

The following benefits are included in the Voluntary AD&D insurance plan.

### Paralysis Benefit

Few people are prepared for the sudden financial loss brought about by an accidental death. Even fewer are ready for the potentially higher cost of living associated with an accident that might result in paralysis. In this situation, you may receive an AD&D insurance benefit equal to the percentage of the Voluntary AD&D coverage in effect on the date of the accident, as shown below:

Type Of Loss	Percentage Payable
Quadriplegia	100%
Hemiplegia	50%
Paraplegia	50%
Uniplegia	25%

Quadriplegia<sup>3</sup> means the permanent, complete and irreversible total paralysis of both upper and lower limbs. Hemiplegia<sup>3</sup> means the permanent, complete and irreversible total paralysis of the upper and lower limb on the same side of the body. Paraplegia<sup>3</sup> means the permanent, complete and irreversible total paralysis of both lower limbs. Uniplegia<sup>3</sup> means the permanent, complete and irreversible total paralysis of one lower or upper limb.

### Public Transportation Benefit

The Public Transportation benefit provides an increased benefit in the event of death as a result of an accident that occurs while you or your insured dependents are riding as a fare-paying passenger on public transportation. In this situation, the amount of the benefit is \$200,000 or 100 percent of the AD&D insurance benefit, whichever is less.

### Common Disaster Benefit

The Common Disaster Benefit provides an additional benefit if both you and your spouse die as a result of the same accident for which AD&D insurance benefits are payable for the loss of both lives. You and your spouse must be insured under the group policy and must both die within 90 days after the accident. The benefit will be paid in equal shares to each surviving child. In the event a common disaster benefit is payable, the benefit amount is the lesser of \$500,000 or the AD&D insurance benefit minus the AD&D insurance benefit payable for the loss of your spouse.

<sup>3</sup> No benefit will be paid for loss of hand or foot if an AD&D benefit is payable for Quadriplegia, Hemiplegia, Paraplegia or Uniplegia involving the same hand or foot.

## Coma Benefit

The Coma Benefit provides a benefit in the event you have an accident, which results in a profound state of mental unconsciousness with no evidence of appropriate responses to stimulation, lasting for at least 30 consecutive days. The benefit is paid monthly and is based on 1% of the Voluntary AD&D Insurance payable for loss of life.

## Human Immunodeficiency Virus (HIV) Benefit

The Human Immunodeficiency Virus (HIV) Benefit provides a benefit equal to 20 percent of the amount of the AD&D Insurance Benefit payable for loss of your life if you sustain an accidental injury in the performance of your occupational duties.

## Commonly Asked Questions

The following information provides details to give you a better understanding of Voluntary AD&D insurance available from The Standard.

### Am I Eligible For This Coverage?

To be eligible for this plan you must meet the active work requirement, and be one of the following:

Employer	Eligible Employee
The University of Alabama System Office	<ul style="list-style-type: none"><li>• An active, regular full-time employee who is regularly working at least 30 hours each week</li><li>• An active, regular part-time employee who is regularly working at least 20 hours each week</li></ul>
The University of Alabama	<ul style="list-style-type: none"><li>• An active, regular full-time employee who is regularly working at least 38.75 hours each week</li><li>• An active, regular part-time employee who is regularly working at least 20 hours each week</li></ul>
The University of Alabama in Huntsville	<ul style="list-style-type: none"><li>• An active, regular full-time employee who is regularly working at least 30 hours each week</li></ul>

You are not eligible if you are a full-time member of the armed forces, a temporary, leased, or seasonal employee or independent contractor.

Provided you become insured, you may also enroll your eligible dependents, including your spouse and dependent children from at least 15 days old up to age 26. For your dependents to be eligible for coverage, they cannot be full-time members of the armed forces of any country.

### What Is The Active Work Requirement?

Active work means performing the material duties of your occupation at your employer's usual place of business. If you do not meet the active work requirement due to sickness, injury or pregnancy on the day before the scheduled effective date of your insurance, you will not become insured until the day you return to active work as an eligible member.





### **What Is The Effective Date Of This Plan?**

If you apply and agree to pay premiums, your Voluntary AD&D coverage becomes effective on the date you become eligible if you apply on or before that date. Otherwise, coverage becomes effective on the date you apply, provided you are eligible on that date.

Voluntary AD&D coverage for your dependent(s), if elected, becomes effective on the later of the date you apply for Voluntary AD&D insurance for your dependents, or the date your Voluntary AD&D insurance becomes effective.

### **How Much Coverage May I Elect?**

You may elect Voluntary AD&D coverage in increments of \$25,000. The minimum amount you may elect is \$25,000. The maximum amount is the lesser of \$500,000, or 10 times your annual earnings, rounded to the next lower multiple of \$25,000, if not already a multiple of \$25,000.

### **Will Insurance Benefits Be Reduced With Age?**

Your insurance will not be reduced because of your age.

### **What Limitations Apply To This Coverage?**

The loss must occur solely and directly by an accident or exposure to the natural elements and independently of all other causes, within 365 days after the accident.



## Is There Voluntary AD&D Coverage Available For Spouses And Children?

If you elect coverage for yourself, you may also elect coverage for your dependents. The coverage amount for each dependent is as follows:

- Spouse only; 50 percent of employee's Voluntary AD&D coverage amount.
- Children only; 15 percent of employee's Voluntary AD&D coverage amount.
- Spouse and children; 40 percent of employee's Voluntary AD&D coverage amount for the spouse and 10 percent of employee's Voluntary AD&D coverage amount for each child.

## How Much Will The Voluntary AD&D Coverage Cost?

Use the following rates to determine the monthly premium paid by an active employee for Voluntary AD&D coverage.

Coverage	Monthly Cost per \$1,000 of Coverage
Employee Only	\$0.014
Family Plan	\$0.019

Premiums for your elected coverage will be deducted directly from your paycheck.

## Employee Only Voluntary AD&D      Family Plan Voluntary AD&D

Coverage Amount	Monthly Deduction	Coverage Amount	Monthly Deduction
\$25,000	\$0.35	\$25,000	\$0.48
\$50,000	\$0.70	\$50,000	\$0.95
\$75,000	\$1.05	\$75,000	\$1.43
\$100,000	\$1.40	\$100,000	\$1.90
\$125,000	\$1.75	\$125,000	\$2.38
\$150,000	\$2.10	\$150,000	\$2.85
\$175,000	\$2.45	\$175,000	\$3.33
\$200,000	\$2.80	\$200,000	\$3.80
\$225,000	\$3.15	\$225,000	\$4.28
\$250,000	\$3.50	\$250,000	\$4.75
\$275,000	\$3.85	\$275,000	\$5.23
\$300,000	\$4.20	\$300,000	\$5.70
\$325,000	\$4.55	\$325,000	\$6.18
\$350,000	\$4.90	\$350,000	\$6.65
\$375,000	\$5.25	\$375,000	\$7.13
\$400,000	\$5.60	\$400,000	\$7.60
\$425,000	\$5.95	\$425,000	\$8.08
\$450,000	\$6.30	\$450,000	\$8.55
\$475,000	\$6.65	\$475,000	\$9.03
\$500,000	\$7.00	\$500,000	\$9.50



## What Exclusions Apply To This Coverage?

AD&D insurance benefits are not payable for death or dismemberment caused or contributed to by:

- War or act of war
- Suicide or other intentionally self-inflicted injury while sane or insane
- Committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot
- Voluntary use or consumption of any poison, chemical compound, alcohol or drug, unless used or consumed according to the directions of a physician
- Sickness or pregnancy existing at the time of the accident or exposure
- Heart attack or stroke
- Medical or surgical treatment or diagnostic procedure for any of the above
- Boarding, leaving or being in or on any kind of aircraft, unless you are a fare paying passenger on a commercial aircraft

## When Does My Coverage End?

Voluntary AD&D insurance ends automatically on the earliest of the following:

- The date you cease to be a member; however, insurance may continue for limited periods under certain circumstances
- The date the group policy terminates
- The date the last period ends for which a premium was paid for your Voluntary AD&D insurance
- For your spouse, the date of your divorce
- For any dependent, the date the dependent ceases to be a dependent
- For a disabled child, 90 days after The Standard requests proof of disability and this is not received
- For Academic employees, the date your contract agreement with your employer terminates.

## How Do I Apply For Voluntary AD&D Insurance Coverage?

To apply for Voluntary AD&D insurance login at [www.standard.com/enroll](http://www.standard.com/enroll). If you are a first time user, follow the simple steps to acquire a login. If you have questions or need to request a paper form, please call 855.757.4714. You can apply at any time, but remember if you apply more than 60 days after becoming eligible, satisfactory evidence of insurability may be required. Coverage subject to evidence of insurability is not effective until approved by The Standard.

## Additional Questions?

If you have any additional questions, please contact us at 1.855.757.4714.



For more than 100 years we have been dedicated to our core purpose: to help people achieve financial security so they can confidently pursue their dreams. We have earned a national reputation for quality products and superior service by always striving to do what is right for our customers.

Headquartered in Portland, Oregon, The Standard is a nationally recognized provider of group Disability, Life, Dental and Vision insurance. We provide insurance to nearly 26,500 groups covering more than 8.4 million employees nationwide.\* Our first group policy, written in 1951 and still in force today, stands as a testament to our commitment to building long-term relationships.

For more information about group Voluntary AD&D insurance from The Standard, contact us at 1.855.757.4714. To learn more about The Standard, visit us at **[www.standard.com](http://www.standard.com)**.

\* As of June 30, 2011, based on internal data developed by Standard Insurance Company.

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