



## Group Universal Life (GUL) & Accidental Death & Dismemberment (AD&D) Plan Frequently Asked Questions (FAQs)

**Important:** For more information, visit the SBO website at [de.gov/statewidebenefits](https://de.gov/statewidebenefits).

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### GUL and AD&D Defined

#### **(1) What is Group Universal Life (GUL) Insurance?**

Every person has a different need when it comes to insurance protection. By answering a few simple questions, you can determine how the GUL program meets your needs and get a quote to see how the cost fits your budget. As your personal and financial obligations grow and/or change, so does the need for life insurance protection. GUL provides employees with life insurance protection to help secure the future for those who financially depend on you.

## **(2) What is Accidental Death & Dismemberment (AD&D) coverage?**

AD&D insurance pays benefits in addition to GUL insurance in the event of the insured's accidental death or dismemberment and is often referred to as *double indemnity* insurance. Employees enrolled in the GUL plan are automatically provided with AD&D coverage to age 70, unless you become totally disabled and approved for the premium waiver benefit (AD&D coverage will terminate upon the commencement of the premium waiver benefit). The amount of AD&D coverage payable is based on the type of loss and the amount of insurance you have in effect at the time of the injury and/or accident. The amount of insurance payable excludes *additional* contributions, if applicable, to the *optional* Cash Value Account. Visit the SBO website for more information on the AD&D benefit.

## **Eligibility**

### **(3) Who is eligible to enroll for coverage?**

#### **Employee**

You are eligible to enroll in the plan if you are a permanent full-time employee (regularly scheduled to work at least 30 hours per week or 130 hours per month), permanent part-time employee (regularly scheduled to work less than 130 hours per month, but a minimum of 15 hours per week), limited term as well as elected and/or appointed State official, including Board Member.

Note: Each benefit eligible employee may elect Dependent Term Life coverage.

#### **Spouse**

Your legal spouse.

#### **Dependent Child(ren)**

View the [Dependent Child\(ren\) Eligibility](#) document.

## **Enrollment & Beneficiary Designations**

### **(4) What is Benefit Scout®?**

Benefit Scout®, Securian's online benefits decision-support tool - can help you make your life insurance selections with confidence and find your right fit. **The online tool for GUL is available within Securian's portal.**

### **(5) How do I enroll or make changes to my coverage in the GUL & AD&D Plan?**

Securian Financial sends a communication about the plan to the homes of newly hired benefit eligible active employees. Note: Enrollment records for this plan are solely maintained by Securian Financial. Eligible employees who do *not* enroll in this plan will have no state sponsored life insurance coverage.

To enroll or make changes –

1. Visit the SBO website at [de.gov/statewidebenefits](https://de.gov/statewidebenefits), select your group and then select Life Insurance.

2. Under "I WANT TO..." select "Enroll or Make Changes" and follow the simple steps.

**(6) When will coverage become effective?**

Coverage not requiring proof of good health will become effective the first of the month following 90 calendar days of continuous employment. Coverage requiring medical underwriting (proof of good health) will be effective the first of the month following completion of the 90 calendar day waiting period (for new hires and newly eligible employees) and approval from Securian Financial.

**(7) Can benefit eligible active employees enroll and/or make changes to their current coverage after the initial 90 calendar eligibility period expires?**

Yes, benefit eligible active employees may apply for enrollment and/or make coverage changes at any time after the exhaustion of the initial eligibility period by following the instructions in Q&A (4) and by providing Securian Financial with proof of good health. Employees enrolled in the GUL and AD&D plan who experience a family status change (marriage, birth or adoption) should follow the instructions in Q&A (8) below.

**(8) What happens if I experience a family status change (qualifying event)?**

Enrolled employees who experience a family status change (marriage, birth or adoption) may increase their coverage by one level up to three times annual base pay up to \$200,000 without providing proof of good health to Securian Financial if you apply within 31 calendar days of the life event. If you experience a family status change and you are already enrolled at a level of three times or greater, you must provide proof of good health to Securian Financial to increase your coverage amount.

**(9) How do I designate a beneficiary or make a beneficiary change?**

Designating a beneficiary is important because it allows you to determine who receives the proceeds from your GUL & AD&D policy in the event of your death. If no beneficiary is designated, proceeds are paid according to a policy default as follows: spouse, child(ren), parents and estate. You may view or make changes to a current beneficiary designation by following the instructions in Q&A (5). Employees without internet access can complete the paper designation form available on the SBO website. It is highly recommended that you review your beneficiary designations at least every five years.

**(10) How will my beneficiary(ies) know that I am enrolled in this program?**

You must communicate your enrollment in the GUL and AD&D program to your beneficiary(ies) and let them know where your Certificate of Coverage is stored. Beneficiary(ies) may also contact Securian Financial at [lifebenefits@securian.com](mailto:lifebenefits@securian.com) or by

telephone at 1-877-215-1489 between the hours of 8:00 a.m. and 7:00 p.m. (ET), Monday through Friday for enrollment information.

## **Coverage**

### **(11) What coverage options are available to newly eligible employees?**

Benefit eligible active employees may purchase one to six times base annual salary up to \$350,000.

During your initial 90 calendar day eligibility period, benefit eligible active employees may purchase one, two or three times annual base pay up to \$200,000 without providing proof of good health or you may also purchase four, five or six times annual base pay up to \$350,000 with proof of good health. Your GUL and AD&D coverage will be based on your "Highest Ever Salary". This means that if in the future, your base annual salary increases, your coverage will automatically be increased appropriately up to \$350,000. Subsequently, if your base annual salary decreases (i.e., you change your position from full-time to part-time), your GUL and AD&D coverage amount will not decrease. Eligible employees also have the option of purchasing the maximum guarantee issue amount of \$200,000. Employees who have chosen to purchase the \$200,000 coverage option are not eligible for automatic coverage increases as a result of salary changes.

### **(12) What is the Accelerated Benefit and how does it work?**

An accelerated benefit allows terminally ill GUL enrollees to receive payment of either the full amount or a partial amount of their death benefit *prior* to death. An accelerated payment will not include AD&D and the minimum that can be accelerated is \$10,000. The primary insured may also choose to accelerate a portion of the death benefit, providing the remaining amount is at least \$25,000. To access this benefit, please complete the Notice of Claim for Accelerated Benefit form displayed on the SBO website. A terminal condition is a condition caused by sickness or accident which directly results in a life expectancy of twelve months or less.

### **(13) What happens to my coverage if I become disabled?**

The State of Delaware's Group Universal Life (GUL) insurance plan includes an important feature to protect disabled employees, called a Premium Waiver benefit. If you become totally disabled while enrolled in the GUL plan, the face amount of your GUL coverage will remain unchanged and you will not be billed for your (employee only) insurance premium for as long as you are deemed totally disabled or until you attain age 65, whichever occurs first. If you cease to be totally disabled prior to age 65, or if you fail to give proof of your continued disability when requested by Securian Financial, you may continue your coverage if you promptly resume paying the applicable premium for the coverage. More information on this valuable benefit is displayed on the SBO website.

Dependent Term Life coverage may be converted to individual coverage if applied for within 31 calendar days of your approval for Premium Waiver by Securian Financial.

## **Cash Value Account**

### **(14) What is a *Cash Value Account* and how does it work?**

Whether your plans include a college education for your child(ren) or a supplemental retirement income, funding a cash value account is a tool that can help you accumulate the savings you want. The cash value account consists of **additional** premium you choose to pay into your GUL policy. The additional premium grows at a minimum rate of minimum rate of four percent. A three percent administrative charge is deducted from each contribution into the cash value account. You may also make lump sum contributions, start, stop or change your contributions at any time.

### **(15) Can I access the premium in my Cash Value Account?**

Yes, through policy loans or cash withdrawals. Loans are available at a low net rate of two percent. You may make partial withdrawals of at least \$100 from your cash value account.

## **Coverage Costs**

### **(16) What are the monthly GUL & AD&D Rates?**

Plan rates are located on the SBO website at [de.gov/statewidebenefits](http://de.gov/statewidebenefits), select your group and then select Life Insurance.

### **(17) Who is responsible for the cost of coverage?**

Enrolled individuals are responsible for the total cost of coverage. Employees employed in a benefit eligible active position must have their premiums deducted through the convenience of bi-weekly payroll deductions. If you are no longer employed in a benefit eligible active position, you will be placed in Securian Financial's direct bill system. The first direct bill premium statement issued by Securian Financial will reflect a three month (quarterly) period. The frequency of future direct bill premium statements can be changed to an annual, semi-annual or monthly basis.

### **(18) What happens to my insurance if I take an unpaid leave of absence?**

After six continuous pay periods without a payroll deduction, Securian Financial will automatically send a quarterly bill to your home for continued premium payments. If you know that you will be on an extended leave of absence, please contact Securian Financial at 1-877-215-1489 or by email at [lifebenefits@securian.com](mailto:lifebenefits@securian.com) as soon as possible to make premium paying arrangements. When you return from leave, you will automatically be placed back on the State of Delaware's premium deduction file for future payroll deductions.

## No Longer Employed in an Benefit Eligible Position – Continuation Options (Portability/Conversion)

### **(19) What happens to my coverage when I retire, terminate employment or am no longer employed in a benefit eligible position with the State of Delaware?**

GUL enrollees who are no longer employed in a benefit eligible position may take advantage of a continuation option shown below, based on your date of hire into a benefit eligible position:

#### **Hired prior to July 1, 2015**

**Portability** – If you leave or retire from a benefit eligible position, you will be able to port (take with you) 50 percent of your GUL coverage amount and all Dependent Term Life coverage in effect as of your last day of employment. Monthly “ported” GUL and AD&D rates effective July 1, 2018 are displayed on the SBO website.

**Conversion** – You may convert the remaining 50 percent of your GUL coverage amount (based on attained age) into an individual policy, if applied for within 31 days of employment termination or retirement from a benefit eligible position. Dependent Term Life can be converted to individual policies once eligibility expires or upon the approval of premium waiver for the employee. Converted rates are higher than ported rates.

#### **Hired on or after July 1, 2015**

**Portability** – If you leave or retire from a benefit eligible position, you will be able to port (take with you) 100 percent of your GUL coverage amount and all Dependent Term Life coverage in effect as of your last day of employment. Monthly “ported” GUL and AD&D rates for benefit eligible employees hired or rehired on or after July 1, 2018 are displayed on the SBO website.

Please note: Applies to employees hired, transferred or rehired into a benefit eligible position as of July 1, 2015.

**Conversion** – You can also convert 100 percent of your GUL coverage (based on attained age) into an individual policy if applied for within 31 days of employment termination or retirement from a benefit eligible position. Dependent Term Life can be converted to individual policies once eligibility expires or upon the approval of premium waiver for the employee. Converted rates are higher than ported rates.

For more information regarding the portability or conversion provisions, please contact Securian directly at 1-877-215-1489 or by email at [lifebenefits@securian.com](mailto:lifebenefits@securian.com).



**(20) How can I access Securian Financial’s system when I retire, terminate employment or am no longer employed in a benefit eligible position with the State of Delaware?**

GUL enrollees who are no longer employed in a benefit eligible position may access Securian Financial’s website through the SBO website and follow the instructions.

*Note: Access to State of Delaware Employee Self Service is not available upon separation of employment.*

## **Filing a Death Claim**

**(21) How is a death claim filed?**

A Beneficiary Statement form is posted on the SBO website that can be downloaded, completed and returned directly to Securian for processing. Securian Financial’s mailing address is referenced on the form.

## **Modified Endowment Contract (MEC)**

**(22) What is a Modified Endowment Contract (MEC)?**

A MEC is an insurance contract for which the “premiums” plus voluntary contributions to a Cash Value Account exceed a limit calculated in accordance with IRC Section 7702A. Access Securian Financial’s website through SBO’s website for more detailed information regarding a MEC status. If you have additional questions, please contact Securian Financial directly at [lifebenefits@securian.com](mailto:lifebenefits@securian.com) or by telephone at 1-877-215-1489 between the hours of 8:00 a.m. and 7:00 p.m. (ET), Monday through Friday.

## **Other Services**

**(23) What are Lifestyle Benefits?**

All active State of Delaware and Delaware Solid Waste Authority (DSWA) employees, their spouses and dependent children 18 years of age or older, have automatic access to legal, financial and grief resources; travel assistance; and legacy planning resources at no cost. **Enrollment in the GUL plan is not required in order to access these resources.** To learn more - visit the SBO website, select your group and then select Life Insurance. Under "INFORMATION" choose "Lifestyle Benefits."

**(24) What is Beneficiary Financial Counseling?**

Beneficiaries who receive at least \$25,000 in policy benefits may choose to receive independent beneficiary financial counseling services from PricewaterhouseCoopers LLP (PwC). PwC does not sell investments or other financial products and no information will be given to PwC without the beneficiary(ies) consent. Financial counseling services are designed to help beneficiaries understand and address financial decisions at a difficult time. Access information is provided with claims payment. Visit the SBO website for more information.

## **Contact Information**

### **(25) Who do I contact if I have questions?**

You may contact Securian Financial directly at [lifebenefits@securian.com](mailto:lifebenefits@securian.com) or by telephone at 1-877-215-1489 between the hours of 8:00 a.m. and 7:00 p.m. (ET), Monday through Friday. You may also contact the SBO Customer Service Team by telephone at 1-800-489-8933 between the hours of 8:00 am and 4f:30 pm (ET), Monday through Friday, or by email at [benefits@delaware.gov](mailto:benefits@delaware.gov).