

Life and AD&D Insurance Introduction



Life Insurance

While no amount of income can compensate for the death of a family member, it is comforting to know that survivors are able to meet family financial obligations through a sound life insurance program.

Your BENEFlex life insurance program includes:

- Basic Employee Term Life
- Optional Employee Term Life
- Optional Dependent Term Life (Spouse)
- Optional Dependent Term Life (Child[ren])
- Optional Family Term Life

Pinellas County Schools provides Basic Employee Life insurance coverage—through The Standard Insurance Company (The Standard)—of one times your annual base salary, rounded up to the next \$1,000, with minimum coverage of \$15,000. For example:

Annual salary	Basic coverage is:
\$12,000	\$15,000 <i>(minimum \$15,000 coverage)</i>
\$25,000	\$25,000 <i>(one times your annual base salary)</i>
\$27,750	\$28,000 <i>(rounded up to next \$1,000)</i>

Optional Term Life coverage provides options of up to \$500,000 for you and \$100,000 for your spouse.

Life insurance coverage is issued by The Standard.

AD&D Insurance

Each year, more than 95,000 Americans lose their lives to accidents, the fourth leading cause of death in this country. For workers under age 38—when they are at their peak earning years for establishing a comfortable standard of living—accidents are the leading cause of death.

Even if you are extremely careful and safety-conscious—on the job, on the road, at home, or on vacation—you cannot always control the circumstances that could place you in danger of an accident. Furthermore, it is very difficult to evaluate in advance the extent to which an accident could affect your family’s financial security.

The Accidental Death & Dismemberment (AD&D) Plan may help you and your family deal with some of the financial consequences of an accident.

Your AD&D insurance includes:

- Basic Employee AD&D of \$2,000
- Optional AD&D for you, or you and your family

More Information...

The Life and AD&D plans’ main provisions, range of benefits, and affordable group premium rates are outlined over the next several pages. Read them carefully before deciding whether this plan is right for you and your family.

AD&D insurance coverage is issued by The Standard.



Life and AD&D Insurance

Life Insurance—Employee

Covers	Employee
Amount of Coverage¹	Basic Employee Term Life: One times your annual base salary, rounded up to the next \$1,000 with a minimum benefit of \$15,000 and maximum benefit of \$200,000 Optional Employee Term Life: \$10,000 minimum, up to \$200,000 in \$10,000 increments, or \$250,000 up to \$500,000 maximum in \$50,000 increments
Cost	Basic Employee Term Life: None Optional Employee Term Life: Age based, see the rate schedule on page 6, premiums are based on your age as of January 1
Actively at Work	Yes
Medical Evidence	Basic Employee Term Life: Health questions not required Optional Employee Term Life: Medical history questionnaire required; new hires may select up to \$100,000 with no questions during the initial new hire enrollment period only

Life Insurance—Dependents

Optional Family Term Life

Covers	Spouse and eligible children (see page 67 for eligibility requirements)
Amount of Coverage	\$5,000/dependent
Cost	See rate schedule on page 6
Board Contribution	You may not use
Actively at Work	Yes
Medical Evidence	Spouse: No health questions required Child(ren): No health questions required

Optional Dependent Term Life (Spouse and/or Child[ren])

Covers	Spouse² and/or child(ren)
Amount of Coverage	Spouse: \$10,000 increments up to the \$100,000 maximum.* Child(ren): \$2,000 increments up to the \$10,000 maximum
Cost	See rate schedule on page 6; premiums for spouse coverage are based on the individual's age as of January 1
Board Contribution	You may not use
Actively at Work	Yes
Medical Evidence	Spouse: Medical history questionnaire required Child(ren): No health questions required

Beneficiaries must be listed on the Enrollment and Change form and may be changed at any time by submitting a new Enrollment and Change form online.

¹ Amounts of employer-provided insurance in excess of \$50,000 are subject to taxation under Section 79 of the Internal Revenue Code. The tax is based on the value of the coverage as determined by rates established in the Internal Revenue Code.

² Optional spouse coverage may be written without employee

* The total amount of spouse coverage cannot exceed the employee's total life insurance coverage (basic plus any optional employee life).

Life and AD&D Insurance



Accidental Death & Dismemberment Insurance

Basic Employee AD&D

Covers	Employee
Amount of Coverage	\$2,000
Cost	None

Optional AD&D—Employee Only

Covers	Employee
Amount of Coverage	\$50,000, \$100,000, \$200,000, or \$300,000
Cost	See rate schedule on page 6
Board Contribution	You may use

Optional AD&D—Employee and Family

Covers	Employee and Family
Amount of Coverage	Employee: \$50,000, \$100,000, \$200,000, or \$300,000 Spouse only: 50% of employee's coverage Child(ren) only: 15% of employee's coverage Spouse and Child(ren): 40% and 10%, respectively, of employee's coverage
Cost	See rate schedule on page 6
Board Contribution	You may use



Life and AD&D Insurance

Life Insurance—Employee

Employee Term Life Insurance

Basic Employee Term Life

Pinellas County Schools offers Basic Term Life insurance *at no cost to you*. No evidence of good health is required, and you are automatically enrolled. Coverage amounts in excess of \$50,000 are subject to taxation under Section 79 of the Internal Revenue Code.

Optional Employee Term Life

Pinellas County Schools offers you the opportunity to enroll in a group **Optional Term Life** insurance plan. You pay the cost of this optional coverage.

Eligibility to Participate

You must be an active, full-time employee working at least 30 hours per week or a job-share employee at Pinellas County Schools.

Coverage Amounts

Basic Employee Term Life: You are automatically enrolled for an amount equal to one times your annual base salary, rounded to the next higher \$1,000, up to a maximum of \$200,000. Your guaranteed minimum amount of coverage is \$15,000.

Optional Employee Term Life: You may purchase up to \$200,000 of coverage in increments of \$10,000 or \$250,000, up to a maximum of \$500,000 in increments of \$50,000.

Reduction/Termination of Coverage

At age 70, your coverage will be reduced to 65% of your amount before age 70. At age 75, your coverage will be reduced to 45% of your amount before age 70. At age 80, your coverage will be reduced to 30% of your amount before age 70. This coverage will end on termination of employment, but you may convert to an individual life insurance policy through The Standard.

Accelerated Benefit Option

If you provide satisfactory proof that you are terminally ill with a life expectancy of 12 months or less, you may elect to receive up to 75% of your combined Basic and Optional Employee Term Life while still living, up to a maximum of \$500,000. This benefit is only available once and is payable in a lump sum or 12 monthly installments. The death benefit payable to your beneficiary will be reduced by the amount you elect under this option.

Premium Continuation

If you are totally disabled and wish to continue your life insurance, contact Risk Management and Insurance at 727-588-6197.

Guaranteed Coverage/Medical Evidence Requirements (Optional Employee Term Life Only)

New Hires: Certain coverage is available without providing evidence of good health. If you enroll within 31 days of your date of eligibility, your guaranteed coverage amount is \$100,000. You must provide evidence of good health for coverage amounts greater than \$100,000.

Current Employees: If you enroll or change your coverage at any time you must provide evidence of good health for all amounts.

Portability: If your employment ends, you may receive similar Optional Term Life coverage under the portability provision, provided you are less than age 65. You will be advised of the cost of this coverage.

Imputed Income

Federal regulations require payment of income and Social Security taxes on the value of your total life insurance (basic plus optional coverage you purchase) in excess of \$50,000. This value is known as "imputed income." To determine the value of your total insurance coverage that is more than \$50,000, the IRS uses a table that is based in part on your age. As you get older, the value of your life insurance increases.

Life and AD&D Insurance

Life Insurance—Employee (continued) and Dependents



As a result, older employees with a high amount of life insurance will have more imputed income (and correspondingly more to pay in taxes) than younger employees.

If you are subject to imputed income, the value of this additional amount, as determined by the IRS, will be added to your W-2 statement and taxed as ordinary income.

Although imputed income tax applies only to the value of School Board-paid life insurance over \$50,000, it is important to have enough protection for your family. Remember, too, that additional life insurance for you under BENEFlex is offered at competitive rates: and any payroll deductions you may be required to make are with tax-free dollars.

Life Insurance for Your Dependents

Pinellas County Schools offers you the opportunity to enroll your dependents in two group Optional Term Life insurance plans. You pay the cost of this optional coverage. (The Board Contribution cannot be used, and the premium is deducted on an after-tax basis.)

Dependents are your legally married spouse (not separated or divorced) and eligible children beginning at live birth up to the end of the calendar year in which they reach age 26. Eligible children include your legally adopted children, stepchildren, and foster children who depend on you for support. If your spouse or dependent child is confined for medical care or treatment at home or elsewhere, coverage will begin when confinement ends. **If your spouse is an employee, or a Pinellas County Schools retiree, he/she cannot be covered as a dependent.** Spouse coverage will terminate at age 70. If your employment ends, your spouse and dependent children may receive similar Optional Dependent Term Life coverage under the portability provision. You must purchase portable group life insurance coverage for yourself in order to purchase any other insurance for your dependents. You will be advised of the cost of this coverage.

Optional Family Term Life

Eligibility to Participate

You do not need to be enrolled in Optional Employee Term Life for your spouse and dependent children to enroll in Optional Family Term Life. Optional Family Term Life is a package plan that covers all dependents for one premium amount.

Coverage Amounts

You may enroll your spouse and dependent children for coverage in the amount of \$5,000 for each dependent. Optional Family Term Life coverage has one premium rate that covers your spouse and/or all eligible children.

Guaranteed Coverage/Medical Evidence Requirements

Coverage amounts for spouse and child(ren) are guaranteed and not subject to evidence of good health. In addition, you may only enroll your eligible dependents in this plan during Annual Enrollment or within 31 days of a qualifying life event.

Optional Dependent Term Life (Spouse and/or Child)

Eligibility to Participate

You may enroll your spouse in Optional Dependent Term Life, regardless of your enrollment status in Optional Employee Term Life. You may elect this option for your spouse, your children, or both spouse and children.



Life and AD&D Insurance Dependents (continued) and AD&D Insurance

Coverage Amounts

Spouse: You may enroll your spouse for coverage in increments of \$10,000 up to a maximum of \$100,000.*

Children: You may enroll your dependent children for coverage in increments of \$2,000, up to a maximum of \$10,000. Optional Dependent Term Life coverage has one premium rate that covers all eligible children.

Medical Evidence Requirements

Your spouse must provide evidence of good health satisfactory to The Standard for all coverage amounts. Coverage amounts for child(ren) are guaranteed.

* The total amount of spouse coverage cannot exceed the employee's total life insurance coverage (basic plus any optional employee life).

Living Benefit Option

If your spouse provides satisfactory proof that he/she is terminally ill with a life expectancy of 12 months or less, he or she may elect to receive up to 75% of his or her term life benefit while still living, up to a maximum of \$75,000. This benefit is only available once and is payable in a lump sum or 12 monthly installments. The death benefit payable to the beneficiary will be reduced by the amount he or she elects under this option.

AD&D Insurance

Pinellas County Schools offers you basic Employee Accidental Death & Dismemberment (AD&D) insurance *at no cost to you*. You are automatically enrolled for a coverage amount of \$2,000.

In addition, Pinellas County Schools offers you and your dependents the opportunity to enroll in a group Optional AD&D insurance plan. Optional AD&D provides a benefit for loss of life and certain injuries resulting from a covered accident. Loss of life benefits are paid in addition to Optional Employee and Dependent Term Life. You pay the cost of this optional coverage and you may use the Board Contribution to pay for this coverage. Premium deductions are taken out on a pre-tax basis.

Eligibility to Participate

You must be an active, full-time employee working at least 30 hours per week or a job-share employee at Pinellas County Schools to enroll for Optional AD&D. Your dependents are eligible if you are enrolled in Optional AD&D. You do not need to provide evidence of good health to enroll in Optional AD&D.

Coverage Amounts

You are automatically enrolled for a coverage amount of \$2,000.

You may enroll for Optional AD&D in a coverage amount of \$50,000, \$100,000, \$200,000, or \$300,000.

Coverage for your spouse and dependent children is as follows:

- **Spouse Only:** 50% of your coverage amount.
- **Children Only:** 15% of your coverage amount for each child, not to exceed your coverage amount.
- **Spouse and Children:** 40% of your coverage amount for your spouse and 10% of your coverage amount for each child.

Reduction/Termination of Coverage

At age 70, your coverage will be reduced to 65% of your amount before age 70. At age 75, coverage will be reduced to 45% of your amount before age 70. At age 80, your coverage will be reduced to 30% of your amount before age 70. This coverage will end on your termination of employment or retirement. Spouse coverage will terminate at age 70.

Life and AD&D Insurance

AD&D Insurance



Standard Benefits

Benefits are paid at certain percentages of your coverage amount for specific accidental losses as indicated below (no more than 100% of your coverage amount is payable for all losses due to the same accident):

Accidental Losses	Benefits
Life.....	100%
Sight in both eyes.....	100%
Both hands or both feet.....	100%
One hand and one foot.....	100%
One hand or one foot and sight in one eye	100%
Speech and hearing in both ears.....	100%
Quadriplegia.....	100%
Paraplegia.....	75%
Hemiplegia.....	50%
One hand or one foot.....	50%
Sight in one eye.....	50%
Speech.....	50%
Hearing in both ears	50%
Thumb and index finger on the same hand.....	25%

Seat Belt Benefit

The plan pays an additional benefit equal to the amount of the AD&D benefit for the loss of life, up to a maximum of \$10,000.

Air Bag Benefit

The plan pays an additional benefit equal to the amount of the AD&D benefit for the loss of life, up to a maximum of \$5,000 (only payable if a seat belt benefit is paid), if an accidental death occurs while you or your covered dependent is riding in an automobile equipped with an air bag system, and you or your covered dependent is wearing a seat belt in the prescribed manner.

Loss Due to Coma

The plan pays 1% of the coverage amount for each month you or your covered dependent remains in a coma that results from a covered accident. The coma must be total, continuous, permanent, begin within 365 days of the accident, and last for at least 21 days. This benefit is payable for up to 11 months while you or your covered dependent remains in a coma.

Occupational Assault Benefit

The plan provides an additional benefit if a member suffers a covered loss by an act of physical violence while actively at work. Lesser of \$25,000 or 50% of the AD&D benefit.

Career Adjustment Benefit

The plan reimburses tuition expenses incurred by the spouse within 36 months from date of member's death. The maximum benefit is \$5,000 per year not to exceed a cumulative total of the lesser of \$10,000 or 25% of AD&D life benefit.

Higher Education Benefit

The plan reimburses tuition expenses incurred by a child within 12 months of the member's death. The maximum benefit is \$5,000 per year for four years not to exceed a cumulative total of the lesser of \$20,000 or 25% of the AD&D benefit.

Child Care Benefit

The plan reimburses child care expenses incurred within 36 months from date of member's death. The maximum benefit is \$5,000 per year not to exceed a cumulative total of the lesser of \$10,000 or 25% of AD&D life benefit.



Life and AD&D Insurance

AD&D Insurance

Disappearance

The plan allows an AD&D benefit to be paid if loss of life is due to a disappearance reasonably resulting from an accident and the disappearance continues for 365 days.

Exposure

The plan allows an AD&D benefit to be paid if loss is due to accidental exposure to adverse weather conditions.

Common Accident Benefit

The plan pays 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. The benefit will be paid in equal shares to each surviving child. In the event a common disaster benefit is payable, the amount is the lesser of \$500,000 or the amount of the AD&D insurance benefit payable for the loss of the employee's life minus the spouse's life.

Exclusions

You are not covered for a loss caused or contributed to by:

1. War or act of war
2. Suicide or intentional self-inflicted injury, while sane or insane
3. Committing or attempting to commit assault or a felony, or actively participating in a riot or violent disorder
4. Voluntary use of poison, chemical compounds, alcohol, or drugs unless consumed according to the directions of a physician
5. Sickness or pregnancy existing at the time of the accident
6. Medical or surgical treatment or diagnostic procedure for any of the above
7. Heart attack or stroke
8. Boarding, leaving or being in or on any kind of aircraft, unless the employee is a fare-paying passenger on a commercial aircraft

Life Insurance Certificate of Coverage Insured by The Standard Insurance Company

A Certificate of Coverage, which includes the entire plan provisions, exclusions, and limitations, is available on the Risk Management and Insurance Department website (www.pcsb.org/risk-benefits) or by contacting the Risk Management and Insurance Department directly.

Policy #755556

Basic Employee Term Life, Basic AD&D, Optional Employee Term Life, Optional Dependent Term Life, and Optional AD&D coverages are underwritten by The Standard Insurance Company. This section is intended to be a summary of your benefits and does not include all plan provisions, exclusions and limitations. If there is a discrepancy between this document and the Group Contract/Booklet-Certificate issued by The Standard Insurance Company, the terms of the Group Contract will govern. Contract provisions may vary by state. Contract series 83500. IFS A108213 Ed. 8/05