Financial Wellness
LUNCH & LEARN SERIES
INTRODUCTION TO
IU Life, Accident, & Disability Insurance Plans

Eric Stoner, Sr. Group Insurance Specialist, IU Human Resources
Today We’ll Talk About

- Voluntary Supplemental Life and Accident Coverage
- Voluntary Long-Term Disability (LTD) Coverage
- Voluntary Critical Illness
- Enrollment & Eligibility
- Policy Portability & Conversion
- Lessons Learned
Before We Get Started...

Today we’ll be talking specifically about the following IU-sponsored insurance plans:

- Supplemental Life insurance for **full-time faculty & staff**
- Long-Term Disability coverage for **full-time faculty & staff**
- Supplemental AD&D coverage for **full-time faculty & staff, and medical and optometry residents**
- Critical Illness coverage for **full-time faculty & staff, and medical and optometry residents**

If you aren’t a member of these groups...you can visit the IU Benefits website at hr.iu.edu/benefits to learn about the plans available to you.
SECTION I

VOLUNTARY LIFE & ACCIDENT INSURANCE PLANS
Supplemental Life Insurance

Supplemental Employee Life

- **Coverage Options**: 1 – 4 times salary up to Guaranteed Issue or Maximum Coverage amount
- Employee pays full premium through **after-tax** payroll deductions:
  - Premium calculated by age and amount of coverage
Supplemental Life Insurance

Supplemental Dependent Life

• Employee **must** be enrolled in Supplemental Employee Life

• **Spouse Life:** $10K, $20K, $30K, or $45K

• **Child Life:** $10K for each eligible child

• Employee pays full premium through **after-tax** payroll deductions
  
  – Premiums are flat figures based on coverage selected ($2 - $9 per month)
Supplemental AD&D Insurance

Accidental Death & Dismemberment (AD&D)

• Claims administered by The Standard

• Coverage Options:
  – Employee Only or Employee & Family (spouse and children through age 25)
  – Eleven coverage levels from $30,000 to $500,000

• Employee pays full premium through pre-tax payroll deductions:
  – Premium calculated by coverage level
SECTION II

VOLUNTARY LONG-TERM DISABILITY (LTD) INSURANCE
Long-Term Disability (LTD)

**Terminology**

**Benefit Waiting Period** = The amount of time an employee must wait after becoming disabled before payment would be considered

- Example: You became disabled on January 1, 2022. If you elected the 180-day waiting period, you must wait 180 days (or until July 1, 2022) before any benefits would be payable.

**Annuity Contribution Benefit** (optional)

- Additional benefit to help save for retirement while on LTD
- Benefit becomes payable on accepted LTD claims after 24 months
- Monthly benefit is 10% of your pre-disability earnings, not to exceed $5,000
Long-Term Disability (LTD)

Benefits & Premiums

• Benefit = **60% of your pre-disability earnings** (up to a max payment of $10,000 monthly)

• Payments are **issued monthly** after the benefit waiting period has been satisfied

• Employee pays full premium through **after-tax** payroll deductions
  - This allows monthly disability payments to be tax free
  - Premiums based on age and salary level
Long-Term Disability (LTD)

Benefits Continued

• Employees may be eligible for LTD benefits if working reduced hours resulting in reduced income

• LTD benefits can continue until the employee is no longer disabled or until the employee reaches the maximum benefit period
  – Maximum benefit period determined by age and when disability begins

• LTD plan also includes mental health disability benefits, subject to a 24-month maximum

<table>
<thead>
<tr>
<th>Age</th>
<th>Maximum Benefit Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 60</td>
<td>To age 65</td>
</tr>
<tr>
<td>60 – 65</td>
<td>5 years</td>
</tr>
<tr>
<td>66</td>
<td>4 years</td>
</tr>
<tr>
<td>67</td>
<td>3 ½ years</td>
</tr>
<tr>
<td>68</td>
<td>3 years</td>
</tr>
<tr>
<td>69</td>
<td>2 ½ years</td>
</tr>
<tr>
<td>70</td>
<td>2 years</td>
</tr>
<tr>
<td>71</td>
<td>1 ¾ years</td>
</tr>
<tr>
<td>72</td>
<td>1 ½ years</td>
</tr>
<tr>
<td>73</td>
<td>1 ¼ years</td>
</tr>
<tr>
<td>74 or older</td>
<td>1 year</td>
</tr>
</tbody>
</table>
Long-Term Disability (LTD) Plan Options

**Plan A** – 180 day waiting period

**Plan B** – 90 day waiting period

**Plan C** – 180 day waiting period with annuity contribution benefit

**Plan D** – 90 day waiting period with annuity contribution benefit
SECTION III

NEW IN 2024: CRITICAL ILLNESS INSURANCE
Critical Illness Insurance

What is critical illness insurance?

Cash benefit for a serious illness:

- **Pays you directly**, so you can choose how to spend the money
- **Pays you for what happens**, regardless of your other coverage
- Payable if initially diagnosed while covered

**Use Benefit for** (not all inclusive):

- Deductibles/coinsurance from health insurance claims
- Groceries
- Rent / Mortgage
- Personal Care items
- Alternative or Recovery care
- Lost wages
Critical Illness Insurance

Coverage & Premiums

• Claims administered by The Standard

• Coverage Options:
  – Employee only: $10K - $50K
  – Spouse: $5K - $25K (no more than 50% of employee)
    – IU spouses are not eligible (can elect for themselves as employees only)
  – Child(ren): automatically covered at 50% of employee’s coverage amount

• Employee pays full premium through after-tax payroll deductions:
  – Premiums based on employee’s age and amount elected
What is a Critical Illness?

You must be diagnosed with one of these conditions.

- Heart Attack
- Severe Coronary Artery Disease with Recommendation of Bypass Surgery
- Stroke
- Cancer
- Carcinoma in Situ
- End-Stage Renal Failure
- Major Organ Failure
- Coma
- Paralysis
- Benign Brain Tumor
- Occupational Hepatitis
- Occupational HIV
- Amyotrophic Lateral Sclerosis (ALS)
- Advanced Alzheimer’s Disease
- Advanced Multiple Sclerosis
- Advanced Parkinson’s Disease
- Bone Marrow Transplant
- Loss of Sight
- Loss of Hearing
- Loss of Speech
- 22 Childhood Diseases
## Benefit Payout Amounts

<table>
<thead>
<tr>
<th>Covered Condition</th>
<th>Coverage Percentage</th>
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<tbody>
<tr>
<td>Cancer</td>
<td>100%</td>
</tr>
<tr>
<td>Non-Invasive Cancer</td>
<td>25%</td>
</tr>
<tr>
<td>End-Stage Renal (Kidney) Failure</td>
<td>100%</td>
</tr>
<tr>
<td>Major Organ Failure</td>
<td>100%</td>
</tr>
<tr>
<td>Heart Attack (Myocardial Infarction)</td>
<td>100%</td>
</tr>
<tr>
<td>Severe Coronary Artery Disease with Recommendation of Bypass Surgery</td>
<td>25%</td>
</tr>
<tr>
<td>Stroke</td>
<td>100%</td>
</tr>
<tr>
<td>Coma</td>
<td>100%</td>
</tr>
<tr>
<td>Paralysis</td>
<td>100%</td>
</tr>
<tr>
<td>Loss of Sight</td>
<td>100%</td>
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<tr>
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</table>

You must be diagnosed with one of these specific conditions to be considered eligible for benefit payout.
$100 Wellness Incentive

Available each plan year for you and your covered spouse and children:

• Get one of 22 eligible health screenings at provider of your choice

• No waiting period

• Simple one step claim process – log in to standard.com or submit paper form to The Standard

• You will receive a check directly from The Standard

Covered Screenings:
(not all inclusive)

• Complete Blood Count (CBC)
• Comprehensive Metabolic Panel (CMP)
• COVID-19 testing
• Electrocardiogram (EKG)
• Hemoglobin A1C
• Lipid panel
• Mammogram or pap smear
• Mental health assessment
• Prostate specific (PSA) test
• Colonoscopy
Employee Supplemental Life

Enroll within 30 days of hire into eligible position

• Employee Supplemental Life must be enrolled in for Supplemental Dependent Life

• **Evidence of Insurability required** for:
  – Enrollment/changes after initial 30-day period
  – Enrollment in the Maximum Coverage option at any time

• Name/change beneficiaries or lower coverage level at any time by submitting an [Optional Benefit Change](#) request through the Employee Center at One.IU

*Evidence of Insurability = “proof of good health”, medical statement must be provided to The Standard for review before enrollment is permitted.*
Dependent Supplemental Life

Enroll at any time

- Employees enrolled in Employee Supplemental Life eligible for Spouse and/or Child Supplemental Life

- **Enroll, change, or terminate coverage** at any time by submitting an [Optional Benefit Change](#) request through the Employee Center at One.IU
Long-Term Disability (LTD)

Enroll within 30 days of hire into eligible position

• **Evidence of Insurability required** for:
  – Enrollment/changes after initial 30-day period
  – Electing a new coverage option with shorter benefit waiting period
  – Electing a new coverage option that adds the Annuity Contribution Benefit

• **Enroll** or **change coverage** after initial 30-day enrollment period using [Enrollment/Change Form](#)

• **Waive coverage** at any time by submitting an [Optional Benefit Change](#) request through the Employee Center at One.IU
Supplemental AD&D Insurance

Enroll within 30 days of hire into eligible position

• After initial 30-day enrollment period, you can only enroll in/change coverage:
  – During Open Enrollment each fall
  – Within 30 days of an IRS-qualifying life event (e.g., marriage, birth, etc.)

• **Name/change beneficiaries** any time by submitting an Optional Benefit Change request through the Employee Center at One.IU
Critical Illness

Enroll within 30 days of hire into eligible position

• After initial 30-day enrollment period, you can only enroll in/change coverage:
  – During Open Enrollment each fall
  – Within 30 days of an IRS-qualifying life event (e.g., marriage, birth, etc.)
Benefit Changes & Naming Beneficiaries

1. Select **Employee Center** task in [one.iu.edu](http://one.iu.edu)

2. Select the **Benefit Details** tile

3. Select the **Optional Benefit Change** tile
Options Upon Separation from IU

- **Supplemental Life & Long-Term Disability**: Options to convert or port to individual policies without proof of good health.
  - Cannot convert LTD to an individual policy if separating due to retirement
  - **Port** current coverage to an individual **term life policy** up to $300,000 maximum.
  - **Convert** current coverage to an individual **whole life policy**.

- **Supplemental AD&D**: Convert to an individual policy if under age 70.
  - Covered dependents also have option to convert to individual policy when they cease to be eligible for any reason except age.

- **Critical Illness**: Convert to an individual policy if under age 80 at the same rates.

  Must have been enrolled in desired coverage level for **last consecutive 12 months**.
  All conversion/portability applications and any applicable premiums must be submitted directly to The Standard **within 31 days of separation**.
Lessons Learned

• Review your **current insurance needs** and ensure your current elections are in line
• Review/update your **beneficiary information** in the Employee Center regularly
• Upon terminating employment or retiring, you may be eligible to convert coverages to individual policies
• You may want to consult with a personal insurance agent or financial advisor to **ensure you are adequately insured**
• You may desire to purchase coverages outside of the university
Contact IU

IU Human Resources

AskHR Customer Care:
askhr@iu.edu
812-856-1234
THANK YOU!

QUESTIONS?

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