

New Contract Highlights

Group Term Life

1. **Waiver of Premium.** The definition for Waiver of Premium has been expanded to apply upon transfer of coverage between carriers. USABLE Life will now extend coverage to employees who have not completed the waiting period or have not been approved for Waiver by another carrier. These participants will not lose coverage due to a transfer of carriers.
2. **Portability.** Portability is now available on all Life products for the employee and spouse products at the group's request. In addition, the employee is no longer required to be insured one year before they can apply for portability. There is an additional fee for this benefit. There is no portability for AD&D coverage. Basic life portability is available to those groups with more than 300 employees enrolled.
3. **Accelerated Death Benefit.** Several enhancements have been made to the Accelerated Death Benefit:
 - a. Increased the percentage of the death benefit available to 75%;
 - b. Increased the maximum death benefit available to \$250,000;
 - c. Removed all cost to the insured for this benefit;
 - d. The minimum purchased death benefit amount has been reduced to \$10,000; and
 - e. In order to be eligible for payment, death must be expected to occur within 12 months, rather than 6 months.
4. **Suicide.** The suicide exclusion for the employee and dependents has been removed from the Basic Life plans.

Accidental Death & Dismemberment

1. The accidental dismemberment schedule has been enhanced as follows:

Loss	Payment Schedule
Loss of Life	100% of the AD&D amount
Loss of Two or More Members*	100% of the AD&D amount
Loss of One Member*	50% of the AD&D amount
Loss of Thumb and Index Finger of the Same Hand (new)	25% of the AD&D amount

*Member means hand, foot, sight, speech, or hearing.

Accidental Death & Dismemberment (cont'd)

2. Standard riders are priced and included as part of all Life contracts. Optional riders are available and will be rated when requested. Please see below:

Standard AD&D Riders

Exposure & Disappearance benefit
Seat Belt/Air Bag Benefit
Coma Benefit
Repatriation Benefit

Optional AD&D Riders

Common Carrier benefit
Child Care Center Benefit
HIV Benefit
Special Education Benefit
Spouse Training Benefit
Paralysis Benefit
Felonious Assault Benefit

Short Term Disability

1. **Weekly Salary**. The definition of salary has been expanded to include or exclude bonuses and commissions.
2. **Other Sources of Income**. The capability to include or remove offsets when calculating the weekly benefit has been added.
3. **Waiver of Premium**. If you are disabled more than 90 days, future premiums will be waived.

Long Term Disability

1. **Monthly Earnings**. The definition of salary has been expanded to include or exclude bonuses and commissions.
2. **Definition of Disability**. The definition of disability for disability due to occupation and earnings has been enhanced to include contagious diseases for certain industries.
3. **Survivor Benefit**. The requirement that LTD be in force for 180 days before the survivor benefit pays has been removed.
4. **New Optional Benefits**. The following benefits have been added as optional benefits and must be requested at time of rating:
 - a. *Education Benefit*. This benefit will pay an additional benefit for the children of the insured, who are students of higher learning, after 6 months of monthly payments.
 - b. *Medical/COBRA premium*. If the insured is earning less than 20% of their pre-disability earnings and receiving monthly disability payments, this benefit will pay up to \$500/month towards the insured's medical or COBRA medical coverage.

For Group and Voluntary Group Contract Language

1. **Contract language among** all group contracts remains consistent wherever possible. For example: 1) Eligibility; 2) Waiver; and 3) General Insurance Provisions.
2. **Self-Administration Agreements**. Groups who self administer their benefits will no longer need to sign a separate Self-Administration Agreement. This will now be included in the master contract where appropriate.

If you have questions regarding the new products, please contact James Wilkerson at (800)648-0271 ext. 8914.