

Employee Life Insurance Overview

Oakland University provides company-paid Basic Life insurance, which provides payment to your beneficiaries in the event of your passing.

Basic (employer-paid) benefit: One times your basic annual pay to a maximum of \$250,000.

You may purchase Voluntary Life insurance (employee-paid) in addition to the Basic Life provided by OU.

Voluntary (employee-paid) benefit: Choice of \$50,000, \$100,000, \$150,000 or \$200,000.

You may change your Voluntary Life election at open enrollment:

- **Currently enrolled employees:** May increase their coverage up to \$100,000 without submitting Evidence of Insurability (EOI). Employees must submit EOI for any increase over \$100,000 and approval from Aetna is required.
- **Not currently enrolled employees:** Must submit EOI for any amount of coverage and approval from Aetna is required.

What is EOI?

EOI stands for Evidence of Insurability. Insurance companies use this to confirm that you are in good health. It is an application process in which you provide information on the condition of your or your dependents health in order to obtain coverage.

IMPORTANT NOTES

- You must be actively at work for your Life insurance to take effect.
- Basic and Voluntary Life benefits reduce the first of the month after you reach age 65, 70, and 75:
 - ♦ At age 65, benefits reduce to 67% of the principal amount
 - ♦ At age 70, benefits reduce to 45% of the principal amount
 - ♦ At age 75, benefits reduce to 30% of the principal amount
- Life benefits terminate when employment ends.

Voluntary Employee Life rates vary based on your age. Rates change on the first of the month following your birthday if you enter into a new age band. See the below chart of the Voluntary Employee Life rates:

| Employee Age | Employee Rate Per \$1,000 | Employee Voluntary Life Options and Monthly Cost | | | |
|---|---------------------------|--|------------------------|-------------------------|-------------------------|
| | | Option #1 \$50,000 | Option #2 \$100,000 | Option #3 \$150,000 | Option #4 \$200,000 |
| <29 | 0.050 | \$2.50 | \$5.00 | \$7.50 | \$10.00 |
| 30-34 | 0.060 | \$3.00 | \$6.00 | \$9.00 | \$12.00 |
| 35-39 | 0.080 | \$4.00 | \$8.00 | \$12.00 | \$16.00 |
| 40-44 | 0.130 | \$6.50 | \$13.00 | \$19.50 | \$26.00 |
| 45-49 | 0.210 | \$10.50 | \$21.00 | \$31.50 | \$42.00 |
| 50-54 | 0.330 | \$16.50 | \$33.00 | \$49.50 | \$66.00 |
| 55-59 | 0.510 | \$25.50 | \$51.00 | \$76.50 | \$102.00 |
| 60-64 | 0.770 | \$38.50 | \$77.00 | \$115.50 | \$154.00 |
| Employee benefits reduce to 67% at age 65; 45% at age 70; and 30% at age 75 | | | | | |
| 65-69 | 1.190 | (\$33,500) \$39.87 | (\$67,000) \$79.73 | (\$100,500) \$119.60 | (\$134,000) \$159.46 |
| 70-74 | 3.000 | (\$22,500) \$67.50 | (\$45,000) \$135.00 | (\$67,500) \$202.50 | (\$90,000) \$270.00 |
| 75+ | 3.000 | (\$15,000) \$45.00 | (\$30,000) \$90.00 | (\$45,000) \$135.00 | (\$60,000) \$180.00 |

Coverage effective dates and increases in coverage may be delayed if you and/or your dependents are disabled on the date coverage is scheduled to take effect. Review the carrier certificate/benefit booklet for details.

Dependent Life Insurance Overview

Voluntary Dependent Life insurance provides coverage on the lives of your spouse or Other Eligible Adult (OEA) and eligible dependent children. Voluntary Dependent Life insurance is 100% employee-paid.

You can elect Voluntary Life insurance on your spouse/OEA and/or child(ren) only if you have elected Voluntary Employee Life insurance.

Spouse/OEA Voluntary benefit: Choice of \$5,000 or \$20,000

Dependent Child(ren) Voluntary benefit: \$4,000

You may change your Spouse/OEA Voluntary Life election at open enrollment:

- **Currently enrolled Spouses/OEAs:** May increase their coverage to \$20,000 without submitting EOI.
- **Not currently enrolled Spouses/OEAs:** Must submit EOI for any amount of coverage and approval from Aetna is required.

IMPORTANT NOTES

- Voluntary Spouse/OEA Life benefits reduce the first of the month after your spouse/OEA reaches age 65, to 67% of the principal amount.
- Voluntary Spouse/OEA Life benefits terminate the earlier of age 70 or when employment ends.

Voluntary spouse/OEA rates vary based on your spouse/OEA's age. Rates change on the first of the month following the birthday that they enter into a new age band.

Eligible Dependents

Under this benefit, your spouse, your OEA and your unmarried children are considered to be your eligible dependents. Children are covered from live birth to the last day of the month in which the child turns age 19, or age 26 if they are full-time students. The definition of children also includes legally adopted children, stepchildren who live with you and children for whom you are the legal guardian, who are living with you and are dependent on you for support.

Spouses/OEAs that work at OU are not eligible for coverage under the Spouse Life benefit. If both the employee and Spouse/OEA work at OU, their eligible children may only be covered under one policy.

| Spouse/OEA Age | Spouse/OEA Rate Per \$1,000 | Spouse/OEA Voluntary Life Options and Monthly Cost | |
|---|--------------------------------|--|-----------------------|
| | | Option #1 | Option #2 |
| | | \$5,000 | \$20,000 |
| <29 | 0.050 | \$0.25 | \$1.00 |
| 30-34 | 0.060 | \$0.30 | \$1.20 |
| 35-39 | 0.080 | \$0.40 | \$1.60 |
| 40-44 | 0.130 | \$0.65 | \$2.60 |
| 45-49 | 0.210 | \$1.05 | \$4.20 |
| 50-54 | 0.330 | \$1.65 | \$6.60 |
| 55-59 | 0.510 | \$2.55 | \$10.20 |
| 60-64 | 0.770 | \$3.85 | \$15.40 |
| Spouse benefits reduce to 67% at age 65 and terminate at age 70 | | | |
| 65-69 | 1.190 | (\$3,350) \$3.99 | (\$13,400) \$15.95 |
| 70+ | N/A | N/A | N/A |

The Child Voluntary Life rate is \$0.40 per child per month for \$4,000 of coverage.