

# Benefit coordinator guide





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Life insurance 101	3
Program overview: active employee	5
Retiree	7
Evidence of insurability (EOI)	9
Beneficiaries	11
Claims	12
Frequently asked questions	13

Life insurance is important to one's financial security. As a vital part of financial plans, it needs to be reviewed regularly. As employees experience changes in life and careers, their goals and protection needs may change.



## Questions?

If you have any issues or questions regarding claims, medical underwriting, beneficiary designations or conversion, contact Securian's Charleston Branch Office at **1-800-203-9515** from 8 a.m.-5 p.m. Monday through Friday or send an email to [LifeBenefits@securian.com](mailto:LifeBenefits@securian.com)

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# Life insurance 101

## What is group term life and AD&D insurance?

Group term life insurance provides a base level of protection that is available for a specified period of time. The benefit would be paid if the insured were to die during that “term.”

Employees can buy optional life increments of insurance at a reasonable cost. There is no cash value buildup. Once one stops paying the premiums, coverage stops (similar to auto insurance). This coverage can be enhanced by personal savings, individual life insurance and Social Security benefits. If a benefit were to be paid to a beneficiary, it is generally paid income tax-free.

Accidental death and dismemberment (AD&D) insurance provides additional financial protection if an insured’s death or dismemberment is due to a covered accident, whether it occurs at work or elsewhere.

## Why is life insurance important?

Life insurance is an essential part of any financial program. Most people buy life insurance to replace income that would be lost at the death of a wage earner. The cash provided by life insurance also helps ensure dependents are not burdened with significant debt.

Life insurance proceeds can be an important tool in helping one’s family pay for final expenses, such as funeral and medical bills, as well as day-to-day financial obligations.

An important feature of life insurance is that generally no income tax is payable on proceeds paid to beneficiaries. Employees who have questions about tax matters should talk to a tax advisor.

This information should not be considered tax advice. Employees should consult a tax advisor regarding their own tax situation.



## Need communication materials from Securian?

Submit your request directly to Securian at:  
[lifebenefits.com/plandesign/peia](https://lifebenefits.com/plandesign/peia)

# Introducing Benefit Scout

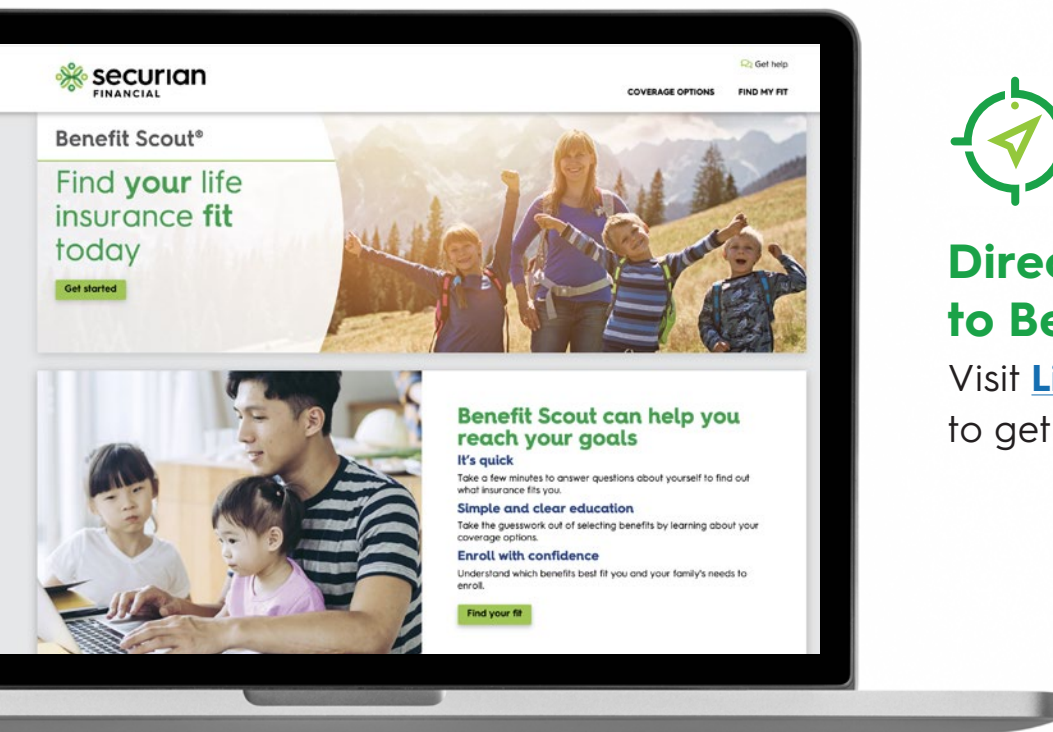
## Helping employees understand their life insurance benefits offered by Securian Financial

Benefit Scout® helps take the guesswork out of selecting life insurance, so employees can confidently make decisions.



### What is Benefit Scout?

A self-service digital experience that engages employees during their decision journey, Benefit Scout guides them step-by-step. It offers education and coverage recommendations, specific to the PEIA benefit plan, to help employees understand which life insurance benefits best fit their needs before they enroll.



## Direct employees to Benefit Scout

Visit [LifeBenefits.com/PEIA](https://LifeBenefits.com/PEIA) to get started

# Group term life insurance and AD&D insurance program overview

## Opportunities to elect guaranteed coverage – no health questions asked!

Guaranteed coverage elections do not require evidence of insurability (EOI), meaning the applicant will not have to answer any medical questions.

### Active employee

**Within the calendar month in which an employee is hired and the two calendar months following the employee's date of hire:**

- **Employee basic life and AD&D:** Elect up to \$10,000 (age dependent)
- **Employee optional term life and AD&D:** Elect up to \$100,000
- **Dependent life and AD&D:** Elect up to \$20,000 spouse / \$10,000 child

**Within the calendar month in which you experience a qualified family status change such as marriage or birth (adoption) and the two calendar months immediately following your qualified family status change, you may elect the following coverage options without answering health questions:**

- **Employee basic life and AD&D:** Elect up to \$10,000 (age dependent)
- **Employee optional term life and AD&D:** Elect up to \$10,000 or increase your current employee optional term life and AD&D insurance one level, not to exceed \$100,000





### Active employee coverage options

An active employee may choose an amount of optional life insurance and AD&D from the following options below:

Coverage type	Coverage options	Additional information																																																																												
Basic term life and AD&D	Under age 65: \$10,000	<ul style="list-style-type: none"> <li>An employee must enroll in basic life insurance in order to enroll in optional life insurance</li> <li>Includes matching AD&amp;D benefit</li> </ul>																																																																												
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	Age 70 or over: \$5,000																																																																													
Optional term life and AD&D	<table border="1"> <thead> <tr> <th></th> <th>Under Age 65</th> <th>Age 65-69</th> <th>Age 70 or over</th> </tr> </thead> <tbody> <tr><td>Plan 1</td><td>\$5,000</td><td>\$3,250</td><td>\$2,250</td></tr> <tr><td>Plan 2</td><td>10,000</td><td>6,500</td><td>4,500</td></tr> <tr><td>Plan 3</td><td>20,000</td><td>13,000</td><td>9,000</td></tr> <tr><td>Plan 4</td><td>30,000</td><td>19,500</td><td>13,500</td></tr> <tr><td>Plan 5</td><td>40,000</td><td>26,000</td><td>18,000</td></tr> <tr><td>Plan 6</td><td>50,000</td><td>32,500</td><td>22,500</td></tr> <tr><td>Plan 7</td><td>60,000</td><td>39,000</td><td>27,000</td></tr> <tr><td>Plan 8</td><td>75,000</td><td>48,750</td><td>33,750</td></tr> <tr><td>Plan 9</td><td>80,000</td><td>52,000</td><td>36,000</td></tr> <tr><td>Plan 10</td><td>100,000</td><td>65,000</td><td>45,000</td></tr> <tr><td>Plan 11</td><td>150,000</td><td>97,500</td><td>67,500</td></tr> <tr><td>Plan 12</td><td>200,000</td><td>130,000</td><td>90,000</td></tr> <tr><td>Plan 13</td><td>250,000</td><td>162,500</td><td>112,500</td></tr> <tr><td>Plan 14</td><td>300,000</td><td>195,000</td><td>135,000</td></tr> <tr><td>Plan 15</td><td>350,000</td><td>227,500</td><td>157,500</td></tr> <tr><td>Plan 16</td><td>400,000</td><td>260,000</td><td>180,000</td></tr> <tr><td>Plan 17</td><td>450,000</td><td>292,500</td><td>202,500</td></tr> <tr><td>Plan 18</td><td>500,000</td><td>325,000</td><td>225,000</td></tr> </tbody> </table>		Under Age 65	Age 65-69	Age 70 or over	Plan 1	\$5,000	\$3,250	\$2,250	Plan 2	10,000	6,500	4,500	Plan 3	20,000	13,000	9,000	Plan 4	30,000	19,500	13,500	Plan 5	40,000	26,000	18,000	Plan 6	50,000	32,500	22,500	Plan 7	60,000	39,000	27,000	Plan 8	75,000	48,750	33,750	Plan 9	80,000	52,000	36,000	Plan 10	100,000	65,000	45,000	Plan 11	150,000	97,500	67,500	Plan 12	200,000	130,000	90,000	Plan 13	250,000	162,500	112,500	Plan 14	300,000	195,000	135,000	Plan 15	350,000	227,500	157,500	Plan 16	400,000	260,000	180,000	Plan 17	450,000	292,500	202,500	Plan 18	500,000	325,000	225,000	<ul style="list-style-type: none"> <li>Includes matching AD&amp;D benefit</li> </ul>
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Dependent life and AD&D	Plan 1: <b>\$5,000</b> spouse/ <b>\$2,000</b> child	<ul style="list-style-type: none"> <li>Children are eligible from live birth to age 26</li> <li>Employee must be enrolled in basic life in order to enroll in dependent life</li> <li>Includes matching AD&amp;D benefit</li> <li>Dependents must be enrolled individually and in the same plan</li> </ul>																																																																												
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Rates increase with age and are subject to change.

## Retiree

**Within the employee’s month of retirement, or within the subsequent two calendar months following the employee’s date of retirement or the date the employee is approved for disability retirement:**

- **Retiree basic life:** All coverage guaranteed
- **Retiree optional life:** All elections equal to or less than the amount of optional term life the retiree had in force as an active employee\*
- **Dependent life:** All elections equal to or less than the amount of optional term life the retiree had in force as an active employee

**Within the month in which the retiree acquires a newly eligible dependent or within the two calendar months following the month in which the retiree acquires the newly eligible dependent:**

- **Dependent life:** \$5,000 spouse / \$2,000 child

Elections made outside of these periods and elections exceeding these amounts require EOI. Applicants previously declined coverage must also provide EOI.

\*As an exception an employee enrolled in option I or option II as an active employee can enroll in the same respective option under the retiree schedule without EOI, even if the election results in a slight increase in their amount of insurance.

### Retiree coverage options

Coverage type	Coverage options	Additional information
Basic term life	Under age 67: <b>\$5,000</b> Age 67 or over: <b>\$2,500</b>	<ul style="list-style-type: none"> <li>• Premiums for basic and optional life are paid by the retiree</li> <li>• All elections for retiree basic coverage must be made during the employee’s month of retirement, or within the subsequent two calendar months immediately following the employee’s date of retirement</li> </ul>
Optional term life	Up to \$150,000	
Dependent life	Plan 1: <b>\$5,000</b> spouse/ <b>\$2,000</b> child Plan 2: <b>\$10,000</b> spouse/ <b>\$4,000</b> child Plan 3: <b>\$15,000</b> spouse/ <b>\$7,500</b> child Plan 4: <b>\$20,000</b> spouse/ <b>\$10,000</b> child Plan 5: <b>\$40,000</b> spouse/ <b>\$15,000</b> child	<ul style="list-style-type: none"> <li>• Children are eligible live birth to age 26</li> </ul>



## Life insurance choices upon retirement

### Coverage for retirees

Retirees may elect to continue their existing basic and optional life insurance coverage within the month of their retirement or two calendar months immediately following their retirement (initial retiree enrollment period). Retirees cannot elect coverage outside of the initial retiree enrollment period.

If a retiree reduces or cancels life insurance coverage, they will not be permitted to increase coverage or re-enroll in the West Virginia PEIA Life Insurance plan. Any amount of coverage requiring EOI will become effective on the first day of the month following the date Securian approves the application.

**Basic term life** – A retired employee may continue or elect basic term life during the initial retiree enrollment period without providing EOI.

The amount of retiree life insurance is determined by the retired employee's age as follows:

- \$5,000 for retirees under age 67
- \$2,500 for retirees age 67 and above

**Optional term life** – A retiree can continue their current amount of coverage (to a maximum of \$150,000) with no EOI.

- Reduce existing coverage – A retiree can reduce their current amount of coverage with no EOI
- Increase existing coverage – A retiree can increase their current coverage up to \$150,000 pending EOI
- EOI will not be required for elections equal to or less than the amount of optional life the retiree had in force as an active employee under the plan immediately prior to their retirement date. Any other election increase will require EOI

**Accidental death and dismemberment** – Coverage does not continue into retirement and terminates the first day of the month following the employee's date of retirement.

### Coverage for dependents

A retiree may choose to increase, reduce, continue or cancel their dependent life insurance coverage for any dependents that were covered under the life insurance plan while they were an active employee. Please note: All dependents must be covered under the same plan.

Optional life insurance cannot be elected or increased outside the initial retiree enrollment period, unless the retiree has a newly eligible dependent. For newly eligible dependents, option 1 can be elected without providing EOI. All other plans require EOI.



## Cost of coverage for retired employees

### How do retirees pay for coverage?

Premiums for basic and optional life are paid by the retiree.

All retiree life insurance is decreasing term coverage, which means that it decreases in value as the retiree ages and the premiums increase. Rates are not guaranteed and are subject to change. The retiree life insurance premiums will be based on the information PEIA received on the retiree's current plan year tobacco affidavit.



# Evidence of insurability (EOI)

## What is EOI and why must an applicant answer health questions?

Health questions help Securian Financial understand an applicant's medical history to determine if they are a good candidate for the insurance they've chosen. While this might sound complicated or even intimidating, it is easy to complete the process.

### 1 Employee elects life insurance

- If an employee chooses insurance greater than the guaranteed issue amount, they will be asked to answer a few health questions.

### 2 Answer health questions

- Applicant answers three health questions and provides their gender, height and weight, nicotine status (if applicable) and physical condition.
  - Questions can be completed online in 5-20 minutes based on the applicant's health history. Login instructions and directions will be mailed to the employee's home address.

Please note it is not necessary to submit the EOI in advance – encourage your employees to wait for the kit.

### 3 Receive a decision

- Applicants may be approved immediately. Up to 60 percent of applicants are instantly approved.<sup>1</sup>
- Occasionally, we need additional information – for most people obtained without a paramedical visit.
  - Additional information may include a supplemental health questionnaire and/or medical records.
  - Once all additional information is received and reviewed by Securian Financial, we will communicate a decision.

If an application is denied, applicants will not lose any existing coverage or any coverage elected that doesn't require health questions.

If an applicant wants to discuss their medical conditions to understand if they disqualify from coverage, direct them to call Securian Financial at **1-800-872-2214**.

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# 99%

**of applicants will not require an in-person exam.<sup>2</sup>**

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## Definitions

**Evidence of insurability (EOI):** Also known as proof of good health or medical underwriting, is the process of answering health questions to determine if applicants are eligible for insurance amount selected.

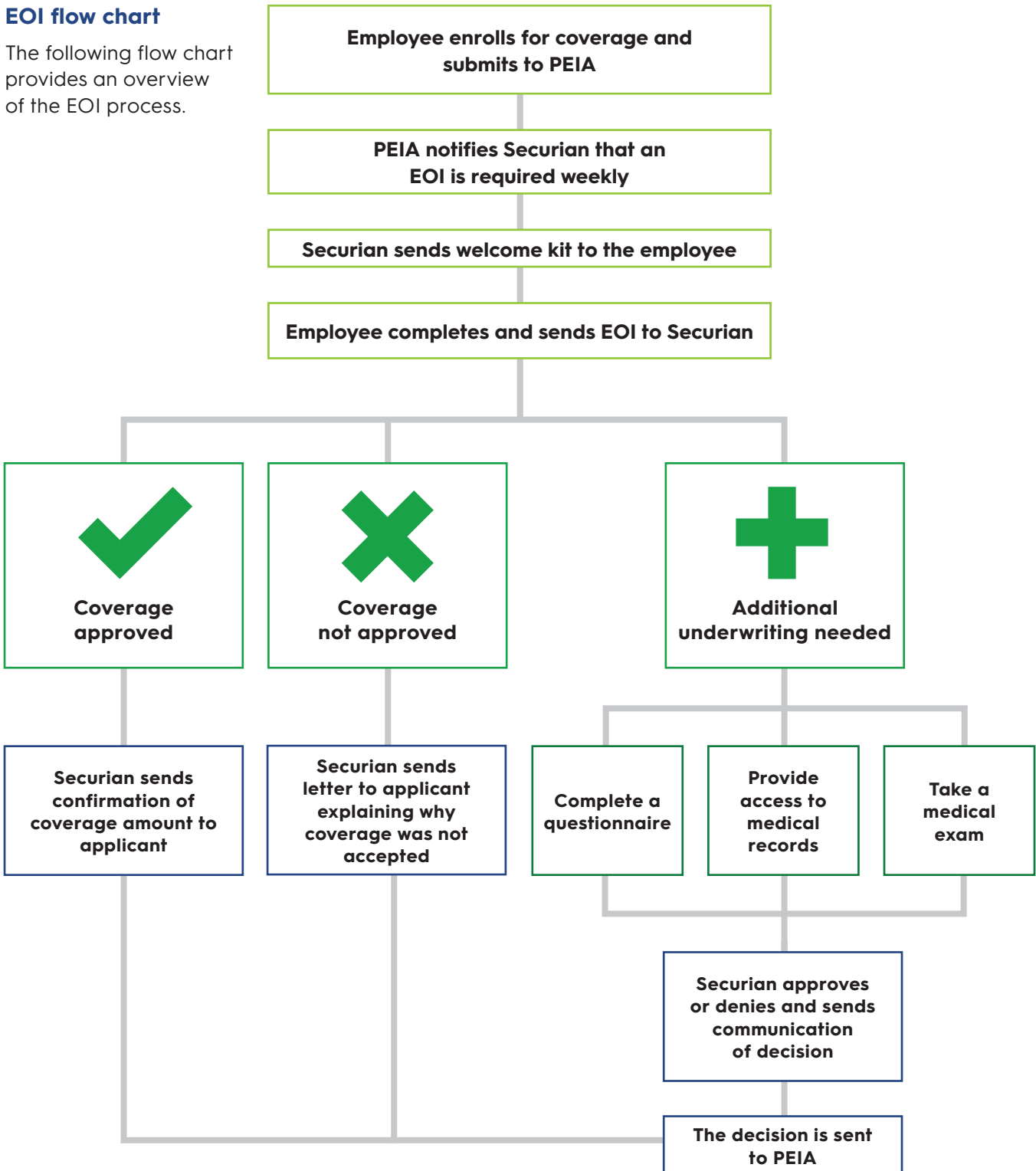
**Guaranteed issue:** Amount of insurance employees can purchase without health questions. This means applicants won't be turned down for medical reasons.

1. Based on Securian Financial's underwriting data. Immediate approval rate may vary by client.

2. Based on 2019 application volume and demographics for our top 200 clients.

### EOI flow chart

The following flow chart provides an overview of the EOI process.



# Beneficiaries

## How to choose a beneficiary

Designating a beneficiary is an important right of life insurance ownership. It lets an employee determine who receives the policy benefits. Under current tax law, life insurance benefits paid to a beneficiary are generally not taxable income. Employees should consult their tax advisor regarding their own tax situation.

### Common terminology

- **Primary beneficiary** – The person or persons named will be the first to receive the proceeds.
- **Contingent (secondary) beneficiary** – Policy benefits will be paid to the contingent (secondary) beneficiary if the primary beneficiary is not living.
- **Irrevocable beneficiary** – Once an irrevocable beneficiary is designated, the insured may not change it without the beneficiary's written permission.
- **Default beneficiary** – If a beneficiary designation is not made, or if there is no named beneficiary alive at the time of the insured's death, benefits will be paid in the following order of priority: employee's lawful spouse, if living; otherwise employee's natural and legally adopted children, if living; otherwise employee's parents, if living; otherwise siblings, if living; otherwise employee's estate.

For dependent term life insurance, the employee is automatically the beneficiary.

## When to update a beneficiary

Active employees and retirees can manage their beneficiaries by going to [peia.wv.gov](http://peia.wv.gov) and selecting "Manage My Benefits."

Employees should update their beneficiary designations when a life event occurs, such as marriage, divorce, birth or adoption of a child, or death.

Employees do not need to update beneficiary designations annually.

## How to designate multiple beneficiaries

After determining whom to select as beneficiaries, an employee may then choose what percentage of the benefit each individual should receive.

### For example:

#### Primary beneficiary

Beneficiary name	Relationship	Share %
Susan Doe	Spouse	100%

#### Contingent beneficiaries

Beneficiary name	Relationship	Share %
Jane Doe	Parent	75%
John Doe	Brother	25%

The proceeds will be paid to Susan Doe. If Susan is not living, then the proceeds will be paid 75 percent to Jane Doe and 25 percent to John Doe.

#### Primary beneficiary

Beneficiary name	Relationship	Share %
The William Doe Revocable Trust Agreement executed on June 1, 1995	Trust	100%

The proceeds will be paid to a formal trust. If the trust is an institution, the address of the institution should be included.

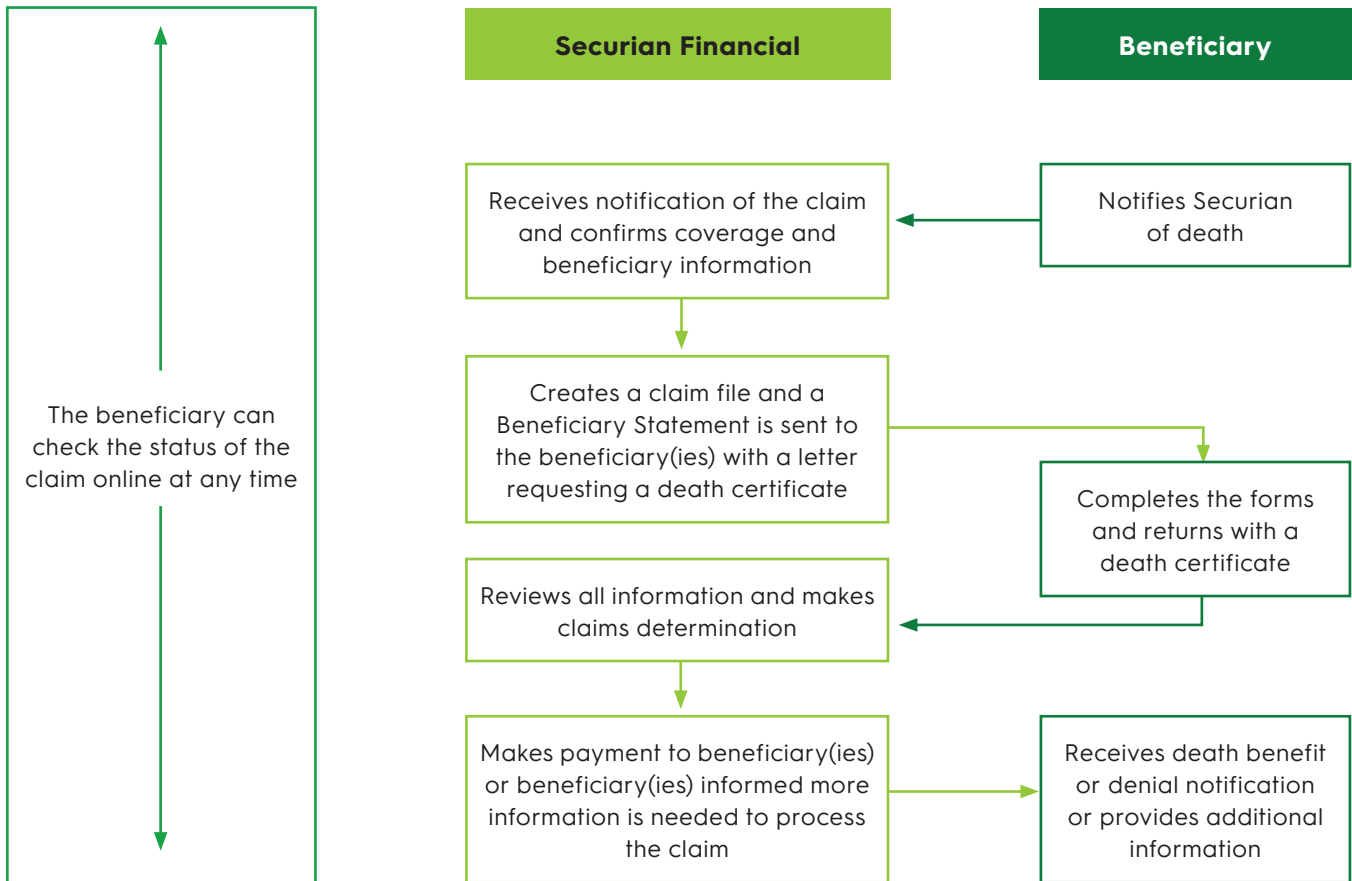


# Claims

## Instructions for filing a claim

Any person or organization can submit a death claim by calling the Charleston Branch Office at **1-800-203-9515**.

## Life claim process for West Virginia PEIA



## Claims questions?

Call the Charleston Branch Office at **1-800-203-9515** from 8 a.m. - 5 p.m. ET

# Frequently asked questions

## How do employees enroll for coverage?

Employees can enroll or make changes to coverage by going to [peia.wv.gov](http://peia.wv.gov) and selecting “Manage My Benefits”.

## Do employees have to wait for open enrollment to enroll or make a change to coverage amounts?

Coverage increases can be made year round but may require EOI, depending on when the coverages are elected and the amounts requested. Decreases never require EOI and can be made anytime throughout the year.

## How much life insurance is needed?

Before buying life insurance, employees should bring together their personal financial information and review their family’s needs. There are a number of factors to consider when determining how much financial protection one should have. These include:

- Any immediate needs at the time of death, such as final illness expenses, burial costs and estate taxes;
- Funds for a readjustment period, to finance a move or to provide time for family members to find a job; and
- Ongoing financial needs, such as monthly bills and expenses, daycare costs, college tuition or retirement.

Our insurance needs calculator helps employees determine how much insurance they may need to sufficiently provide for the well-being of their family.



## Help employees understand their life insurance benefits.

Visit [LifeBenefits.com/PEIA](http://LifeBenefits.com/PEIA) to get started.

## How is tobacco status determined?

Securian refers to the Tobacco Affidavit that is filed with PEIA. If an employee wishes to change their family’s tobacco status, they will need to file a change in status form with PEIA.

## How do active employees and retirees name a beneficiary?

Active employees and retirees can manage their beneficiaries by going to [peia.wv.gov](http://peia.wv.gov) and selecting “Manage My Benefits.”

## When does coverage become effective?

Coverage for newly eligible employees, that does not require EOI, becomes effective on the first day of the month following enrollment. Benefit amounts requiring EOI will not be in effect, nor will the increased premiums be deducted from the employee’s pay, until Securian approves the additional coverage.

An employee currently enrolled in the plan may continue their current coverage level each plan year without EOI. If an election requires EOI, the employee must provide EOI directly to Securian. The increased coverage amount will become effective when all of the following conditions have been met:

1. The employee meets all eligibility requirements; and
2. if required, the employee must apply for the insurance on forms which are approved by Securian; and
3. Securian is satisfied with the EOI

If the employee’s request for increased coverage is denied, the coverage will remain at the previous amount.

### What plan features are included?

Beyond paying a benefit in the event of the employee's death, the West Virginia PEIA term life insurance plan has other important features.

**Waiver of premium** – If an insured person becomes totally disabled before age 60, and remains disabled for nine consecutive months, the life insurance premiums for basic term life insurance may be waived.

**Accelerated death benefit** – An accelerated benefit allows terminally ill employees and dependents enrolled in the program to receive payment of either the full amount or a partial amount of their death benefit prior to death, and the minimum that can be accelerated is \$10,000. A terminal condition is a condition caused by sickness or accident, which directly results in a life expectancy of 12 months or less.

### How do you file a claim?

Filing a claim is as easy as calling the Charleston Branch Office at **1-800-203-9515** from 8 a.m. – 5 p.m. ET.

### How to continue coverage

**Conversion** – If an insured person is no longer eligible for coverage, he/she may continue the group term life insurance coverage by converting the life coverage to an individual insurance policy.

Employees and retirees may convert both the basic and optional term life coverage if applied for within 31 days of termination. Dependent coverage must be converted within 31 days from the date they are no longer an eligible spouse or child. Premiums may be higher than those paid under the group plan. AD&D coverage may not be converted.

For questions regarding their conversion, or to get an application, direct employees to contact Securian's Charleston Branch Office at **1-800-203-9515**.

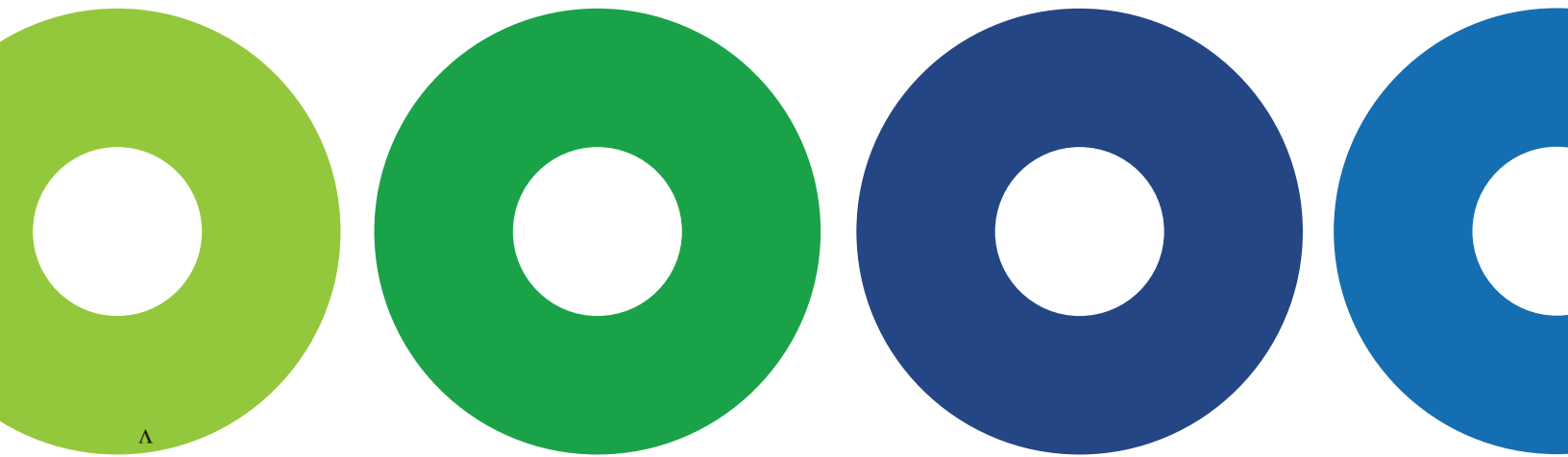


**At Securian Financial,  
we're here for family.  
And we're here because of it.**

Family doesn't have to branch from your tree, but it always shares your roots. Roots woven by common understanding, shared values and mutual respect. Like you, we believe a rewarding life is really about being present in the here and now, and that money isn't the only thing when family is your everything.

Since 1880, we've been here for those who see family as their most valuable asset. Our longevity is a testament to the strength of our company. We've weathered economic ups and downs while staying true to our customers. We're not publicly traded, so we can focus on you and what you care most about.

We believe your financial picture should support the everyday moments as much as the major milestones. That's why our insurance, investment and retirement solutions give you the confidence to focus on what's truly valuable: banking memories with those who matter most.



## Charleston Branch Office contact information

One Bridge Place  
10 Hale Street, 5th Floor  
Charleston, WV 25301

**304-344-1222** or **800-203-9515**

Fax **304-344-1221**

mlcharleston@securian.com

Supply requests can be sent to [LifeBenefits.com/plandesign/PEIA](https://LifeBenefits.com/plandesign/PEIA)

This is a summary of plan provisions related to the insurance policy issued by Minnesota Life Insurance Company to the Public Employees Insurance Agency for the State of West Virginia. In the event of a conflict between this summary and the policy and/or certificate, the policy and/or certificate shall dictate the insurance provisions, exclusions, all limitations and terms of coverage.

Products offered under policy form series number 06-30858.

Securian Financial is the marketing name for Securian Financial Group, Inc., and its affiliates. Minnesota Insurance Company is an affiliate of Securian Financial Group, Inc.



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