

3.540 RCUH Group Life Insurance

I. Policy

It is the policy of the RCUH to provide group life insurance (GLI) benefits to eligible employees, along with the information necessary to enroll. Life insurance offers the employees' beneficiary/beneficiaries important financial protection in the event an employee suffers death.

This policy provides an overview of the RCUH GLI policy. The detailed terms and conditions applicable to eligibility requirements and other plan provisions are contained in the specific plan documents. These are subject to change; therefore, plan administration is governed by the current provider contractor and plan administration document.

II. Responsibilities

A. RCUH Employee

1. Initial enrollment for eligible employees is automatic.
2. Contact RCUH Human Resources to file a claim for life insurance.

B. Principal Investigator

1. Cost of this benefit is provided from the project. See [RCUH Fringe Benefit Schedule](#) for the cost.

III. Applications

This policy applies to regular-status employees who are working 75% FTE or more.

III. Details of Policy

A. Benefit Coverage

1. The RCUH provides employees with GLI benefits through The Standard Insurance Company. GLI benefits will be offered to all eligible employees as follows:
 - a. Employees will receive two (2) times annual salary not to exceed \$600,000 (default option)
 - b. For employees age 70 years or older, there is a GLI benefit reduction. See the [Benefits at a Glance](#) brochure for more information.

B. Imputed Income Tax

1. The Internal Revenue Service (IRS) Code states that any life insurance coverage in excess of \$50,000 provided by an employer, regardless of who pays the premium, is subject to taxation in accordance with its [imputed income tax table](#).

2. Employees may opt to decrease their life insurance maximum benefit to reduce or avoid “imputed income”. Employees who later wish to increase their coverage will be required to complete a medical questionnaire (subject to review and approval by The Standard Insurance Company). The reduced options include:
 - a. Two (2) times annual earnings not to exceed \$200,000
 - b. Two (2) times annual earnings not to exceed \$100,000
 - c. Two (2) times annual earnings not to exceed \$50,000 (not subject to imputed income)

C. Other GLI Features and Services

1. MEDEX Travel Assist: Helps with emergencies when traveling more than 100 miles from home or internationally for trips of up to 180 days. Benefits include pre-trip assistance, medical assistance services, travel assistance services, legal assistance services, emergency transportation services, and personal security services. The benefit covers eligible employees and their family members. Coordination of these services must be made through MEDEX (e.g., no claims for reimbursement will be accepted if services were coordinated through other means). See the MEDEX Travel Assist brochure for additional information.
2. Accelerated Benefit: 75% to \$500,000 with 12-month life expectancy.
3. Repatriation Benefit: This benefit provides an additional benefit to help pay for the expenses incurred by the transport of an insured employee’s remains when the employee dies more than 200 miles from home.

D. Participation in Group Life Insurance Is Automatic

1. Participation in the base benefit begins automatically on the first day of the month following the employee’s date of hire.
2. The employee must be actively at work for any new coverage to take effect. If the employee is not actively at work, the new coverage will be deferred until the first day the employee
 - a. Is actively at work (the employee will be considered actively at work on each day of a regular paid vacation or on a regular non-working day if he/she is not then disabled and could have been engaged in active work had it been a workday, and he/she was actively at work on the last preceding regular workday); and
 - b. Meets all other requirements needed to effect the coverage.

E. Enrollment and Changes

1. Initial Enrollment: Eligible employees are covered automatically in the default coverage option. New hires will be required to access the Electronic Hiring System (EHS) to designate their beneficiary/beneficiaries and to confirm their benefit coverage amounts.
2. Changes to Beneficiaries: Employees must complete the RCUH Group Life Insurance Beneficiary Form (Form B-5L) to make changes to previously

designated beneficiary/beneficiaries. Changes to beneficiaries can be made at any time.

3. Changes to Maximum Benefit Coverage: Employees wishing to change their maximum benefit amounts can do so only during the annual open enrollment period.

F. Continuation During Periods of Ineligibility Due to No Work Status – If the employee takes an unpaid leave (other than workers' compensation or family leave) for the entire pay period from the 1st through the 15th of the month or longer, the GLI will be automatically terminated since deductions are taken from that pay period of the month.

GLI benefits may continue if the employee is placed on workers' compensation status or family leave status or qualifies for long-term disability insurance (LTDI) payments. In order for the employee to qualify for continued GLI while receiving LTDI benefits, the employee must have been eligible for GLI coverage on the day prior to the commencement of LTDI benefits.

G. Termination of Insurance

The employee's GLI will end automatically on the earliest of the following dates:

1. The date the policy terminates; or
2. The date the employee ceases to be a member of an eligible class; or
3. The date the employee's eligible class is eliminated; or
4. The date the employee enters the armed forces, other than for reserve duty of thirty (30) days or less; or
5. The first day of the month prior to or following a period of leave without pay for more than one pay period.

However, other terms of the policy may grant the employee the right to extend all or part of the coverage under the policy as provided below. The terms of the policy may also grant the employee the right to convert this group coverage to an individual policy upon termination of the group coverage.

H. Reinstatement of Insurance – If an employee's GLI coverage is cancelled, the employee may become insured again as a new member. However, the following will apply:

1. If the insurance ends because the employee ceases to be a member, and if the employee becomes a member again within six (6) months, the employee shall be reinstated with coverage on the first day of the month following the date the employee returns to the eligible class.

I. Cost of GLI Benefit Is Paid for by the Project – The premium is paid in full by the project from which the employee's salary is paid. See RCUH Fringe Benefits Schedule for the cost of the group life insurance.

J. Group Life Insurance Plan Management – The RCUH provides employees with life insurance through [The Standard Insurance Company](#). This policy statement provides an overview of the RCUH's life insurance policy. The actual administrative terms and

conditions and eligibility specifications are outlined in the group certificate of insurance and group policy document. Employees may request a copy from the RCUH Human Resources department. It is important to consider this policy as merely an overview of the actual terms and conditions of a specific provider contract.

- K. GLI Benefit Plan Is Subject to Change or Termination** – The RCUH may change its group certificate of insurance/group policy and/or benefit provider. This policy may be modified or terminated at the discretion of the RCUH Board of Directors or Executive Director.

IV. Procedures

- A. Procedures for Initial Enrollment** – Eligible employees are enrolled automatically in the GLI benefit.
- B. Procedures for Filing a Life Insurance Claim** – Employee must contact RCUH Human Resources for the claim forms.

VI. Contact

RCUH Benefits: (808) 956-6979

rcuh_benefits@rcuh.com

VII. Relevant Documents

[RCUH Group Life Insurance Beneficiary Form \(Form B-5L\)](#)

[RCUH Fringe Benefit Schedule](#)

[Imputed Income Tax Table](#)

[Benefits at a Glance](#)

[MEDEX Travel Assist brochure](#)

[The Standard Insurance Company](#)

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