

LIFE INSURANCE

Like planning for a long trip, planning for your future means anticipating unforeseen difficulties. Though unpleasant to think about, your death could leave your loved ones with an added financial burden. LSU offers several options to assist you in providing protection and financial security for you and your family.

WHAT IS TERM LIFE INSURANCE COVERAGE?

Term life insurance provides a benefit when you die. The death benefit is equal to the coverage amount in effect at that time and is payable to your beneficiary. Term life insurance covers you for as long as your premium is paid. It does not build cash value to borrow against or to receive upon cancellation of the policy.

HOW MUCH LIFE INSURANCE IS ENOUGH?

To choose the amount of coverage that is right for you and your family, begin by thinking about what your family would need to maintain their lifestyle if they no longer had your income. How long do you wish to provide financial support for your family? Multiply the number of months by what they would need for housing, education, installment debt, and on-going expenses such as food, utilities, etc. From this total, subtract the amount of any coverage you already have in place. The difference is the amount of life insurance you should consider.

WHAT LIFE INSURANCE PLANS ARE AVAILABLE THROUGH LSU?

LSU employees may choose among these life insurance plans:

- LSU Voluntary Life underwritten by ING (group term life)
- Group Benefits Life underwritten by Prudential (group term life)

AM I ELIGIBLE FOR LIFE INSURANCE COVERAGE?

You are eligible if you are a full-time employee and are regularly scheduled to work at least 30 hours per week (75 percent), with an appointment extending beyond 120 days or one semester.

WHEN AND HOW DO I ENROLL?

You may enroll within 30 days of your full-time employment or eligibility. You may also apply as a late applicant (any time beyond your first 30 days of employment), but will be medically underwritten and will have to be approved for coverage.

WHAT IF I DO NOT ENROLL WHEN FIRST ELIGIBLE?

If you do not enroll during your first eligibility period, you may apply for coverage anytime thereafter by providing proof of insurability. If approved, your life insurance will be effective on the date the insurance company approves coverage.

WHAT ARE THE FEATURES OF THE LSU VOLUNTARY LIFE INSURANCE PLANS UNDERWRITTEN BY ING?

Employee Coverage: The Guaranteed Issue Limit is the lesser of \$500,000 or the amount calculated by multiplying your Basic Yearly Earnings by 3 and rounding up to the next higher \$10,000 multiple. As a new employee, you are guaranteed coverage without any medical underwriting if you enroll within your first 30 days of full-time employment. This plan offers a matching Accidental Death & Dismemberment (AD&D) Policy that will terminate at age 70.

Subject to the Guaranteed Issue Limit, you may increase your Life Insurance amount by \$10,000 during each annual enrollment period without proof of good health.

Premiums for this plan are age-rated and will increase in 5 year increments.

You may opt to continue your coverage into retirement at the same rate. Upon reaching age 65 the benefit will reduce 25% and upon reaching age 70 the benefit will reduce another 25%. There are no further reductions after age 70.

Spouses/ Dependents: In order to enroll in this package, you must have elected coverage on yourself. The dependent package offers your spouse up to half of the amount elected by the employee. An amount of \$10,000 is guaranteed issue if enrolled for within the first 30 days of eligibility. Any amount elected over \$10,000 requires Evidence of Insurability and medical underwriting for approval of coverage.

The dependent packages for your child(ren) who are age 6 months or older consists of either a \$5,000 benefit or a \$10,000 benefit. Children ages 14 days to 6 months of age are covered for \$1,000, once they reach the age of 6 months, the higher level of benefit will become effective.

Note: dependent coverage for children will only continue to age 21 or 24 if the dependent is enrolled in school as a full-time student.

Sample Premium Calculation

Employee (age 36)	\$50,000 coverage	50 units x \$0.10	\$5.00
Spouse (age 32)	\$25,000 coverage	25 units x \$0.10	\$2.50
Total Payroll Deduction			\$7.50

For additional information, contact the Benefits Service Center at (225) 578-8200 or e-mail us at benefits@lsu.edu.

WHAT ARE THE FEATURES OF GROUP BENEFITS LIFE UNDERWRITTEN BY PRUDENTIAL?

This term life insurance plan is offered by Group Benefits and is underwritten by Prudential. The state pays half the life insurance premium for the employee or retiree. Your rate is \$0.46/ \$1,000 of coverage. If you are an active employee, your premiums are eligible for tax sheltering under the University's *Tax-Saver Flexible Benefits Plan*. You have the option of enrolling in the Basic Plan (\$5,000 face amount) or Basic Plus Supplemental Plan. Coverage available under the Basic Plus Supplemental Plan is based on 1.5 times the amount of your salary. The maximum coverage available is \$50,000. Either plan includes the option of dependent life insurance for your spouse and eligible children. You pay the entire premium for the dependent life coverage. Accidental death and dismemberment benefits are available through either plan to all active employees and to retirees under age 70.

You are eligible for this plan if you are an active LSU employee appointed at 75 percent paid time or greater for more than 120 days.

Following is a brief summary of coverage options and cost:

Basic Plan

Coverage Your Monthly Premium
Employee \$5,000 \$0.46/\$1,000 of coverage

Dependent
Spouse \$1,000 & Child \$500 \$0.90/month
Or
Spouse \$2,000 & Child \$1,000 \$1.80/month

Basic Plus Supplemental Plan

Coverage Your Monthly Cost
Employee 1.5 x annual salary
(\$50,000 maximum) \$0.46/\$1,000 of coverage
Dependent
Spouse \$2,000 & Child \$1,000 \$1.80/month
Or
Spouse \$4,000 & Child \$2,000 \$3.60/month

Sample Premium Calculation

12-month employee (\$50,000 coverage)	50 x \$0.46	\$23.00/mo.
9-month employee (\$50,000 coverage)	50 x \$0.46	\$23.00
\$23.00 x 12 months, divided by 9 months		\$30.66/month

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