

Kipp New Jersey - Full Time

Your Summary of Group Life and AD&D Ultra® Benefits

Basic and Supplemental Term Life

Basic and Supplemental Accidental Death and Personal Loss Coverage (AD&D Ultra®)

Coverage Effective Date: **07/01/2014**

Your Group Life Insurance Benefits

Protecting your greatest asset - your family

Am I eligible for Coverage?

You qualify - if you are an active full-time employee working **at least 30 hours a week**. If you are a new hire or have not been previously covered by your employer's plan, you may need to complete a probationary or waiting period before your coverage begins.

When does my coverage begin?

Your coverage up to the Guaranteed Issue Amounts will begin on **07/01/2014**, if you are actively at work.*

The "Guaranteed Issue Amount" is the most coverage you can get without having to provide proof of good health, known as "EOI".

*Please consult your Booklet-Certificate for additional information.

Coverage that requires proof of good health will begin after Aetna reviews and approves your "EOI" form.

You will have to provide proof of good health (EOI) for amounts over the "Guaranteed Issue Amounts". If Aetna does not approve your Evidence of Insurability (EOI) form, your coverage will be limited to the "Guaranteed Issue Amount". If you enroll late, you will need to provide proof of good health and be approved by Aetna to get *any* coverage.

How much coverage does my Employer provide?

Employer Paid - Term Life

Your employer pays for a benefit in the amount of:

- **You: 1.5** times your basic annual earnings rounded to the next higher \$1,000 to a maximum of \$200,000

Life insurance provides your loved ones with financial protection if you die. It can help pay your final expenses like funeral and burial; everyday living expenses like mortgage or rent, car payments and groceries; future expenses like college tuition payments.

Employer Paid - AD&D Ultra®

Your employer pays for a benefit in the amount of:

- **You: 1.5** times your basic annual earnings rounded to the next higher \$1,000 to a maximum of \$200,000

AD&D Ultra provides additional financial protection for the unexpected. AD&D Ultra pays a benefit if you are dismembered as the result of an accident, or an additional benefit to your life insurance benefit if you die as the result of an accident. It will also provide benefits for accidental; loss of eyesight, hearing or speech, loss of a limb, loss of limb use due to paralysis, disfiguring third-degree burns, or coma. Your basic coverage may begin to reduce when you reach a certain age.

Can I buy more coverage and how much will it cost?

You can buy additional coverage called Supplemental Life insurance for yourself. You can purchase Supplemental AD&D Ultra® coverage for yourself.

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Supplemental Life Coverage

	Coverage Amounts	Guaranteed Issue Amounts
You	Increments of \$10,000 up to a maximum* of \$500,000 (not to exceed 5X your salary)	The lesser of \$150,000 and 3X your basic annual earnings

*Please consult your Booklet-Certificate for additional information.

Monthly Rates for Term Life Insurance (rate per \$1,000)

Age	Employee
<19	\$0.058
20-24	\$0.076
25-29	\$0.051
30-34	\$0.064
35-39	\$0.094
40-44	\$0.131
45-49	\$0.161
50-54	\$0.308
55-59	\$0.362
60-64	\$0.594
65-69	\$0.921
70-74	\$1.703
75+	\$3.393

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Supplemental AD&D Ultra® Coverage

Coverage Amounts		Supplemental AD&D Monthly Rates
You	Equal to Optional Life Insurance	Employee rate is \$0.018 per \$1,000 of coverage.

Employee must buy Supplemental Life to buy Supplemental AD&D.

Reductions that apply to Life Insurance

Your coverage will reduce as you age.

Your coverage will reduce as follows:

At age 65 your coverage will reduce by 35% of the original amount.
 At age 70 your coverage will reduce by 50% of the original amount.

What additional features should I know about?

Waiver of Premium Provision for Permanently and Totally Disabled Employees

If you are unable to work at any reasonable job (any which you are suited to perform due to education, training or experience), you may be eligible to have your life insurance coverage extended at no cost.

Accelerated Death Benefit Provision

(Included in all Aetna Life Insurance plans)

You may be eligible to receive up to 75% of your (combined basic and supplemental) life insurance coverage if diagnosed with a terminal or serious medical condition.

AD&D Ultra® Features

A benefit is paid to your surviving spouse/domestic partner or dependent children if you die in an accident.

Seatbelt/airbag benefits: If you die from a motor vehicle accident while wearing a seatbelt, a benefit is paid. An added benefit is paid if an airbag inflated.

Educational benefit: For your spouse and each eligible dependent child under 23.

Childcare Benefit: For each dependent child under 13 to help pay for childcare.

Repatriation of Mortal Remains: If you die in an accident 200 miles or more from home, a benefit will be paid to transport the body to your hometown funeral home.

Conversion

If your coverage ends or is reduced, you can convert your term life policy to a Whole Life Policy.

You may convert your basic and/or supplemental coverage into a Whole Life Policy with rates based on your age at that time by paying premiums directly to Aetna. Whole life insurance is generally more expensive than term insurance so a change in your premium may apply. You will have 31 days to convert your coverage without answering any medical questions.

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Portability

If you leave your employer, you can take your term life plan with you.

You have an additional option to conversion. You can continue your basic and/or supplemental life insurance as a term policy by paying premiums directly to Aetna. Term insurance is generally less expensive than Whole Life insurance but your rates will increase as you reach higher age bands. You will have 31 days to convert or port your coverage without answering any medical questions.

Aetna Life Essentials[®] (Included in all Aetna Life Insurance plans)

Legal: Create a will, living will, health care directive or a durable/financial power of attorney.

Financial: Financial planning to help your beneficiaries maximize their life/AD&D Ultra payment.

Emotional: Master-level social workers provide emotional support in the event of an advanced illness or disabling condition.

Physical: Save on gym memberships, fitness equipment, eyeglasses, contact lenses and hearing aids.

Funeral Planning and Concierge Services

24/7/365 Advisory Assistance with funeral planning issues.

Premium calculation example

Example: 44 year old, \$100,000 benefit, paid bi-weekly		Calculation:
Step 1:	Benefit ÷ 1,000 = # \$1,000 Units \$100000/1000 = \$100	Benefit _____ ÷ 1,000 = _____ # Units
Step 2:	Units x Age-banded rate = Monthly Premium 100 x 0.131 (44 year old rate) = \$13.10 per month	# Units _____ x _____ Age-banded rate = \$ _____ Premium per month
Step 3:	Monthly Premium x 12 = Annual Premium ÷ # Pay periods = Bi-weekly Premium \$13.10 x 12 = \$157.20/26 = \$6.05 Bi-weekly Premium	Monthly Premium _____ x 12 = _____ Annual Premium ÷ _____ # Pay periods = \$ _____ Payroll Deduction