

University of Wisconsin System
Accidental Death & Dismemberment Insurance
Zurich-American Policy GTU8364005
<http://www.uwsa.edu/hr/benefits/ins/ladd.htm>

EMPLOYER MANUAL, REV. 1/2008

Subject	Page
TABLE OF CONTENTS	1
CERTIFICATE of INSURANCE	1
ELIGIBILITY	2
EFFECTIVE DATE OF COVERAGE	2
PROCESSING GUIDELINES	2
Application Processing	2
Beneficiary Change	2
Name Change	2
PERSONNEL STATUS CHANGES	2
Re-employment at UW	2
Leave of Absence or Layoff	2
Transfers	2
Unclassified Employees with 9-Mo. Academic Year Appts	3
PREMIUMS	3
FAMILY PLAN	3
Insuring Domestic Partners	3
Adding Dependents	4
TERMINATION GUIDELINES	4
Cancellation	4
Loss of Eligibility	4
DESCRIPTION OF PLAN	4
Benefit Schedule	4
Principal Sum Benefit	4
Coverage Reduction at Age 70	4
Exposure and Disappearance	5
Exclusions and Limitations	5
ENHANCED BENEFITS	5
Travel Assistant	5
Permanent and Total Disability	5
Surviving Spouse Benefit	5
Common Disaster Benefit	6
Education and Training Benefits	6
Seatbelt Benefit	6
Air Ambulance Coverage	6
Pilot Coverage	6
Reserve/National Guard Coverage	7
Retiree Continuation	7
Conversion	7
Survivor's Coverage Option upon Death of Employee	8
CLAIMS PROCESSING	8
Death Claim	8
Disability Claim	8
Education/Training Benefit Claim	8
ASSIGNMENT OF INSURANCE	8
FORMS	9

CERTIFICATE OF INSURANCE

Advise participants to visit <http://www.uwsa.edu/hr/benefits/ins/laddcert.pdf> to view and print the Certificate. In the event an employee is without web access, the benefits office shall print a copy for that individual. The employee's copy of the enrollment application and payroll deduction are proof of insurance participation.

ELIGIBILITY

Active University of Wisconsin System employees who are eligible for State of Wisconsin Group Health Insurance are eligible to enroll in the AD&D Plan. Rehired annuitants receiving a Wisconsin Retirement System benefit are not eligible to enroll.

Eligible employees have a continuous open enrollment opportunity except while on a leave of absence or layoff.

EFFECTIVE DATE OF INSURANCE

- Enrollment becomes effective on or after the first of the month depending upon when the benefits office receives the application. Effective Date Examples:
 - An employee hired July 7, submits an application on August 6. The AD&D insurance coverage is effective September 1.
 - An employee hired July 7, submits an application on August 1. The AD&D insurance coverage is effective August 1.
- Coverage is not effective prior to the employee's date of employment.
- Decrease or increase in coverage becomes effective on or after the first of the month depending upon when the benefits office receives the application and change form. See the examples above.
- The employee may select a future date to change coverage amounts.

PROCESSING GUIDELINES

Application

Employees enroll using fill able Enrollment/Change Form UWS1245, <http://www.bussvc.wisc.edu/ecbs/add-application-uws-1245.pdf>

Beneficiary Change

Benefits will be paid in accordance with an established standard sequence as referenced in the certificate, unless otherwise stated in the Beneficiary Designation section on the fill able Enrollment/Change Form UWS1245, <http://www.bussvc.wisc.edu/ecbs/add-application-uws-1245.pdf>. The beneficiary change is effective on the date the form is received by the campus benefits office.

Standard sequence does not include a domestic partner or his/her children. Therefore, it is important that the employee file a beneficiary designation form if he or she wishes benefits be paid to a domestic partner or his/her children.

Name Change

Employees complete an Enrollment/Change Form UWS1245 <http://www.bussvc.wisc.edu/ecbs/add-application-uws-1245.pdf> to record a name change.

PERSONNEL STATUS CHANGES

Re-employment at UW System, Over 30-day Break

Employees may re-enroll for coverage upon rehire. In the event of re-employment, employees are not eligible for backdated coverage.

Leave of Absence or Layoff

Employees have two options regarding payment of premiums while on an approved leave of absence or temporary layoff:

- 1.) Continue to prepay the appropriate premium for coverage for up to thirty-six (36) months during the course of the leave of absence.
- 2.) Allow their coverage to lapse during the absence. Upon return to work, the employee may re-enroll.

Transfers

Employees who transfer to the UW System from other agencies must meet eligibility requirements and complete an enrollment application. Employees enrolled in AD&D and transfer within the UW System ought to complete a new AD&D application to ensure that payroll deductions and coverage continue.

Unclassified Employees with 9-Month Academic Year Appointments

Employees with recurring academic year appointments will have multiple deductions taken from their June 1 pay checks in order to provide continuous coverage during the summer. Premium deduction will resume on the October 1 pay check and reapplication is not necessary.

Enrolled employees on fixed, terminal appointments do not have automatic May multiple deductions. Campus benefits staff must identify employees who are expected to return for the fall semester and manually enter May multiple deductions into the payroll deduction system. This will provide continuous coverage over the summer months. If there is no lapse in coverage, deductions will resume in the fall and reapplication is not necessary.

PREMIUMS

Employee coverage: \$.029 per \$1,000 of coverage
Family Plan coverage: \$.044 per \$1,000 of coverage

TABLE OF MONTHLY PREMIUMS		
Principal Sum	Employee Only	Employee & Family
25,000	\$ 0.73	\$ 1.10
50,000	\$ 1.45	\$ 2.20
100,000	\$ 2.90	\$ 4.40
150,000	\$ 4.35	\$ 6.60
200,000	\$ 5.80	\$ 8.80
250,000*	\$ 7.25	\$ 11.00

*Selected coverage levels in excess of \$200,000 must not exceed 10 times the annual projected salary of the employee.

The monthly premium for pilot coverage is \$.55 per \$10,000, in addition to the basic monthly premium.

The monthly premium for air ambulance coverage is \$1.00 per \$10,000 in addition to the basic monthly premium.

Premiums are deducted from each monthly payroll for unclassified employees and from each "A" biweekly for classified employees. Premiums pay for coverage one month in advance.

The employee pays the total cost of the insurance; there is no University contribution.

Premium Collection:

No deduction for a partial month's coverage.

An Insured who terminates employment during the month will pay for the full month.

Decreases or cancellations are effective at the end of the period for which premiums have already been paid (at the higher level of coverage).

FAMILY PLAN

Dependents eligible for coverage under the policy when Family Plan is selected include:

- Spouse or domestic partner (defined as 'covered spouse' in the certificate),
 - If the insured and his or her covered spouse/domestic partner are employed by the university system and both are insured under this policy, only one may select the Family Plan.
- Dependent children are those who rely on the insured employee or covered spouse for more than 50% of their support, are dependents of the employee or covered spouse for federal income tax purposes and are either (a) less than age 20 or (b) less than age 25 if full-time students. This may include stepchildren, legally adopted children, children placed for adoption or grandchildren.

Insuring Domestic Partners

An employee applying to cover his or her domestic partner in the Family Plan must complete a valid Affidavit of Domestic Partnership (UWS-50, <http://www.uwsa.edu/hr/benefits/ins/uws50.pdf>) attesting to the relationship.

Adding Dependents

Active employees may add dependent coverage at any time except during a leave of absence or lay off. (See Effective Date of Insurance on Page 2.) Retirees who opt for continuation coverage may not add dependent coverage.

TERMINATION GUIDELINES

Cancellation

Employees may cancel the insurance coverage by completing the Enrollment/Change Form. The effective date of cancellation is the end of the month for which the premium was paid.

Loss of Eligibility

Employees who cease to be eligible for coverage due to a change or termination of employment or because of non-payment of premium will have their coverage terminate at the end of the month for which the premium payment was paid.

Dependent children lose eligibility at the end of the month in which they turn age 20 or at the end of the month in which they turn age 25, if full-time students. Further, a dependent child's coverage ends the first premium due date after losing eligibility in events such as marriage, end of school or end of support dependency.

A divorced spouse loses coverage at the end of the month in which the divorce is final.

A domestic partner loses coverage at the end of the month in which the partnership is dissolved as stated on the Affidavit of Termination of Domestic Partnership Form UWS-51 (<http://www.uwsa.edu/hr/benefits/ins/uws51.pdf>.)

The employee notifies the campus benefits office if a dependent becomes ineligible or events necessitate moving from family to single coverage. When there are no longer family members to insure, the employee cancels the Family Plan via the Enrollment/Change Form. A change to single coverage begins the first of the month following the date the campus benefit office's receipt of the Enrollment/Change form. Or coverage begins on the first of the month if received on the first.

If applicable, refunds for the difference in cost between single and family rates are limited to a maximum of twelve months when an employee does not cancel coverage for ineligible dependents. Refund checks for less than \$4.00 are not processed.

DESCRIPTION OF PLAN

Worldwide, 24-hour accident protection excluding corporate owned or leased aircraft H-1.

Benefit Schedule

The death or covered loss must occur within 365 days of the accident.

Principal Sum Benefit

Employee: 100% of Principal Sum.

Spouse, covered under the Family Plan:

- o 50% of Principal Sum, if no dependent children at time of loss.
- o 45% of Principal Sum, if there are dependent children at time of loss.

Children, covered under the Family Plan:

- o 20% of Principal Sum, if no covered spouse at time of loss, to a maximum of \$37,500.
- o 10% of Principal Sum, if there is a covered spouse at time of loss, to a maximum of \$25,000.

Coverage Reduction at Age 70

<u>Age 70-74</u>	65% of Principal Sum provided prior to age 70.
<u>Age 75-79</u>	45% of Principal Sum provided prior to age 70.
<u>Age 80-84</u>	30% of Principal Sum provided prior to age 70.
<u>Age 85 +</u>	15% of Principal Sum provided prior to age 70.

Loss of:

- Life Principal Sum
- Both hands or both feet or sight of both eyes Principal Sum

- One hand and one foot Principal Sum
- One hand or foot plus sight of one eye Principal Sum
- Sight of both eyes Principal Sum
- Speech and hearing Principal Sum
- One hand; one foot; or sight of one eye One-half Principal Sum
- Speech or hearing One-half Principal Sum
- Thumb and index finger of same hand One-quarter Principal Sum

Loss of Use:

- Four limbs Principal Sum
- Three limbs 3/4 Principal Sum
- Two limbs 2/3 Principal Sum
- One limb 1/2 Principal Sum

Loss means:

- For a foot or hand, actual severance through or above an ankle or wrist joint;
- Actual severance through or above the metacarpophalangeal joint of a thumb or index finger;
- Total and permanent loss of sight;
- Total and permanent loss of speech;
- Total and permanent loss of hearing.

Loss of Use means total paralysis of a limb or limbs, which is determined by the company's medical authority to be permanent, complete and irreversible.

Exposure and Disappearance

Loss of life resulting from exposure to the weather and occurring within a year of an accident is covered. In the event that a covered person is not found within one year from the date of disappearance, wrecking or sinking of a conveyance (covered under the terms of the policy) in which she or he was riding, it will be presumed that the covered person sustained loss of life as a result of injury.

Exclusions and Limitations

- A loss shall not be a Covered Loss if it is caused by, contributed to, or resulted from:
 - Suicide, attempted suicide, or a purposeful self-inflicted wound;
 - War or any act of war, declared or undeclared;
 - A covered person's involvement in any type of active military service;
 - Illness, disease or infection;
 - Pregnancy, including childbirth, but not including complications thereof;
 - Travel or flight in an aircraft except to the extent stated in the certificate;
 - Skydiving, parasailing, hang-gliding, bungee-jumping, or any similar activity; or
 - The covered person's participation in the commission or attempted commission of any felony or assault.
- No benefits will be paid for a Covered Loss contributed to, either directly or indirectly, by a covered person's intoxication:
 - A covered person will be conclusively presumed to be intoxicated if the level of alcohol in his/her blood exceeds the amount at which a person is presumed, under the law of the locale in which the accident occurred, to be intoxicated if operating a motor vehicle.
 - An autopsy report from a licensed medical examiner, law enforcement officer reports, or similar items shall be considered proof of the covered person's intoxication.
- Under the influence of any controlled substance, unless such controlled substance was prescribed by a physician and taken in accordance with the prescribed dosage.
- Other exclusions or limitations as described in the contract.

ENHANCED BENEFITS

Travel Assist, <http://www.uwsa.edu/hr/benefits/ins/laddqref.pdf>

- Comprehensive, world travel service when employees and covered family members travel 100 miles or more away from their residence, whether on *vacation* or *business travel*.

- Transport or service must be pre-authorized through Zurich Travel Assist prior to the transport or service. To contact medical, personal, informational or legal resources employees call 1-800-263-0261 and reference Policy GTU 8364005.
- Travel Cards can be printed from <http://www.uwsa.edu/hr/benefits/ins/laddtred.pdf>. Employees should carry their cards while traveling.

Permanent and Total Disability

If an injury results in permanent and total disability within 180 days of the injury and continues for 12 months as determined by competent medical authority, the Principal Sum, less any payment already made as the result of the same accident, is payable. Permanently and totally disabled means the covered employee is totally and continually disabled and cannot work, for any income, at any job that he or she is reasonably suited by education, training or experience to do. The Permanent Total Disability benefit is limited to the employee only and terminates at age 70.

Surviving Spouse Benefit

If the employee who is enrolled in the Family Plan suffers loss of life, an additional 1% of the applicable principal sum will be paid to the surviving spouse for 12 months in addition to any other benefits paid under the plan.

Common Disaster Benefit

If the Family Plan is selected and both employee and spouse suffer loss of life as a result of injuries from the same accident (within 90 days of the accident), the principal sum payable for death of the spouse will be increased to equal that of the employee, to a maximum combined benefit of \$250,000.

Education and Training Benefits

If the employee is enrolled in the Family Plan and suffers accidental loss of life, the following benefit may be paid to the spouse or children:

- **Spouse Retraining Benefit**

The surviving spouse may receive the actual cost incurred, within 30 months from the date of death, for any professional or trade training program for the purpose of obtaining an independent source of support and maintenance, to a maximum of \$3,500.

- **Higher Education Benefit When Insured Suffers Loss of Life**

When the Family Plan is selected, a dependent child enrolled as a full-time student in an institution of higher learning or is in the 12th grade on the date of the employee's accident and enrolls in an accredited college, university or trade school within one year from the date of the accident, may receive up to \$2,000 per year for each year he or she attends on a full-time basis up to a maximum of four consecutive years.

If there were no dependent children who qualify for the Higher Education Benefit at the time of the accident, \$1,000 additional benefit will be paid to the designated beneficiary.

Seatbelt Benefit

The beneficiary of a covered person who did not survive an automobile accident may receive an additional benefit equal to 10% of the Principal Sum up to \$10,000 when the underwriter determines the deceased was wearing a seatbelt at the time of accident.

Air Ambulance Coverage

Medical staff employees, pilots or crew of the university air ambulance may apply to include coverage while riding in the ambulance. To remove the policy exclusion, employees should submit an Air Ambulance Application along with a brief letter explaining their role in the ambulance operation. The campus benefits office should verify that the requested coverage does not exceed the basic coverage in effect and forward the enrollment materials to UW System HR Office, 780 Regent Street, Suite 305, Madison, WI 53715. The monthly premium amount is \$1.00 per \$10,000 in addition to the basic monthly premium. Upon approval by Zurich-American Insurance, the Program Administrator will forward notification of the effective date, new premium amount due and a copy of an amendatory endorsement to the policy.

Pilot Coverage

Employees enrolled in the basic group plan may apply for removal of the pilot exclusion to the policy. The employee must have a valid pilot's license and supply satisfactory pilot history. Pilot coverage may be selected up to the covered person's principal sum of coverage. The monthly premium is \$.55 per \$10,000, in addition to the basic monthly premium. It is the Insured's responsibility to provide revised pilot history forms in the event of a change in the status of the pilot license.

- Employee completes the Pilot Coverage Application and Pilot History Form and submits to campus benefit office.
- Benefits Office verifies that the amount of pilot coverage requested does not exceed the basic coverage in effect.
- Benefits Office submits the two forms to:

UW System Administration
Human Resources
780 Regent St., Suite 305
Madison, WI 53715

- Upon approval by Zurich-American Insurance, the program administrator will notify the institution of the effective date of coverage and premium amount due, along with a copy of the amendatory endorsement to the policy.

Reserve/National Guard Coverage

Coverage applies while a covered person is a member of an organized Reserve Corps or National Guard Unit and is:

- Attending a regularly scheduled or routine training of less than 30 days or is en route to or from that training; or
- Attending a service school no matter how long it is or en route to and from that school; or
- Taking part in an authorized inactive duty training; or
- Taking part as a unit member in a parade or exhibition authorized by official orders.

No benefit is payable for any loss that occurs during active duty.

Retiree Continuation

Retiring employees have the option to continue AD&D group coverage. The campus benefits office provides the Continuation Form (UW1249) to retiring employees. Within 30 days of cessation of coverage, the retiree must complete, sign, and mail the Continuation Form with payment to:

Hausmann-Johnson Insurance
P O Box 259408
Madison, WI 53725-9408

Hausmann-Johnson Insurance will send future annual premium billings to the retiree’s home address. A \$4.00 annual administrative fee applies.

The following conditions apply to continuants:

- Coverage may not be increased or decreased.
- The Principal Sum reduces beginning at age 70 according to the terms listed in the certificate.
- The permanent disability benefit becomes unavailable.

Conversion

Upon termination of employment or the end of an eligible position, insured employees may convert their group coverage to an Individual AD&D Policy or to a Family AD&D Policy, if the Family Plan was selected while the Insured was in the group plan. The conversion privilege will cease when the insured employee reaches age 70.

Spouses and dependents are not entitled to the conversion provision.

When group coverage ends, the campus benefits office shall instruct the employees to contact Hausmann-Johnson Insurance, 700 Regent St., Madison, WI 53715, (608) 258-7220, for conversion policy information within 31 days of cessation of insurance. Employee should be prepared to provide the following information:

- First and Last Name
- Complete Address: Street, City, State and Zip Code
- Home Telephone Number
- Name and Policy Number of Former Employer: University of Wisconsin, GTU8364005

Conversion policy rates are generally more expensive than group policy rates.

Survivor's Coverage Option Upon Death of Employee

Upon the death of an employee who maintained the Family Plan, the survivors have two options:

1. Continue Family Plan coverage, if applicable, through the period for which premiums have been paid.
2. Discontinue coverage at the end of the month of the death and request a refund of prepaid premiums.

CLAIMS PROCESSING

Should an accidental loss occur notify UW System HR Program Administrator, ctiedt@uwsa.edu. Information to report:

- Name and social security of employee;
- Name and birth date of the covered individual who experienced the loss;
- The date and nature of the loss;
- The victim's relationship to the employee;
- Whether survivors include a spouse (for a child's claim) or children (for a spousal claim) to properly determine the portion of Principal Sum to be paid, if the claim is approved.
- The contact's name, address and telephone number; and
- The Worker's Compensation file, if possible, when a disability claim results from a work-related injury.

The program administrator will contact the survivor to provide the beneficiary claim form with the request that necessary documents be submitted to UW System HR, 780 Regent St., Suite 305, Madison, WI 53715. Claim documents will be forwarded to Zurich-American for underwriter review. Example of documents that will be requested:

Death Claim

- Completed Proof of Death form.
- Certified copy of the Death Certificate.
- A copy of the Motor Vehicle Accident Report or Police Report.
- Reports of coroner's inquest or autopsy.
- News clipping(s) pertaining to the accident/incident.
- When the claim is for a dependent child 18 years or older, a copy of employee's tax return to verify the child's dependency. (Sensitive information may be blackened for privacy.)
- The insurance company may require additional records to verify the validity of a claim.

Disability Claim

- Completed Proof of Disability form.
- A copy of the Motor Vehicle Accident Report or Police Report.
- News clipping(s) pertaining to the accident/incident.
- When claim is for dependent child 18 years or older, a copy of employee's tax return to verify the child's dependency. (Sensitive information may be blackened for privacy.)
- The insurance company may require additional records to verify the validity of a claim.

Education/Training Benefit Claim

Program Administrator will contact the claimant, in the event survivors qualify for this benefit.

ASSIGNMENT OF INSURANCE

An individual wishing to transfer all rights of the policy to another party should contact Hausmann-Johnson Insurance, 700 Regent Street, Madison, WI 53715, (608) 258-7220 or (800) 729-4287 for assistance in completion of an Assignment of Insurance form. Neither the University nor Zurich assumes responsibility for the validity, legality, tax problems, etc. of any assignment.

FORMS

FORM NAME	FORM NUMBER	REVISION DATE	URL
Application/Change Form	UWS1245	11/2007	http://www.uwsa.edu/hr/benefits/ins/uws1245.pdf
Continuation Application	UW-1249	4/22/2004	http://www.bussvc.wisc.edu/ecbs/uwempl-forms-order.html
Pilot Application	HRIS B1247		http://www.uwsa.edu/hr/benefits/ins/addpilotapp.pdf
Pilot History	HRIS B1248		http://www.uwsa.edu/hr/benefits/ins/addpilothis.pdf
Beneficiary Designation	UWS1245	11/2007	http://www.uwsa.edu/hr/benefits/ins/uws1245.pdf
Certificate	UWS-B1250	10/2007	http://www.uwsa.edu/hr/benefits/ins/addcrt.pdf
Fact Sheet	UWS1246	11/2007	http://www.uwsa.edu/hr/benefits/ins/uws1246.pdf
Travel Assist	UWS1255	11/2007	http://www.uwsa.edu/hr/benefits/ins/laddqref

DP Affidavit, <http://www.uwsa.edu/hr/benefits/ins/uws50.pdf>

DP Termination Affidavit, <http://www.uwsa.edu/hr/benefits/ins/uws51.pdf>

Every effort has been made to ensure that the information in this manual is correct and current. However, the terms and conditions of the Accidental Death & Dismemberment Insurance contract as established between Zurich-American Insurance Company and the Board of Regents is the final authority, in case there are any differences or conflicts.

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