

University of California

Group Life Administration Manual

Revised 08/15

Introduction

The purpose of this manual is to provide you with all the information you need to efficiently maintain your records and administer the University of California's group life benefits plan.

We have organized the manual into the following sections:

1. **About Your Plan** - specific details about the University of California's insurance plans and important contact names.
2. **Enrollment Administration Within the Period of Initial Eligibility**- information to help you through the enrollment process including eligibility, new enrollments, beneficiary designations, assignments, and medical evidence requirements.
3. **Enrollment Administration Beyond the Period of Initial Eligibility**- procedures for processing plan changes, submitting claims, converting life coverage, communicating insurance benefits, billing and reporting and using administrative forms.
4. **Glossary of Terms** - bolded and underlined terms throughout this manual are defined in this section.

We hope you find this manual useful and informative. If you have questions about anything in this manual, you may refer to your group contract/booklet or contact your Prudential Account Representative, listed on the contact list included. UC policy regarding eligibility, enrollment, premiums, etc. may be clarified by consulting the University of California Group Insurance Regulations.

While every effort has been made to make this manual as accurate as possible, if differences exist between this document and the terms and conditions of contracts between The Regents of the University of California and The Prudential Insurance Company of America, those contracts apply.

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SECTION I:**University of California- Your Plans at a Glance**

The following table provides an overview of the important details of your plans.

Coverage(s)	Core Life
Group Policy Number:	G-97000
Effective Date:	01-01-1980 (plan inception date) 01-01-2013 (plan detail effective date)
Eligibility:	You are eligible for the plan if you qualify for <i>Core</i> or <i>Mid-Level</i> Benefits.
Employee Waiting Period:	Coverage becomes effective on the first day of pay status as an eligible employee. You will be covered if you are an eligible employee on pay status for any period of a given month.
Benefit Amount:	\$5,000
Non-Medical Maximum (Guaranteed Coverage):	None
Medical Evidence Required for Salary Increases:	Not applicable
Retiree Coverage:	None; Coverage terminates at retirement
Accelerated Benefit Option (ABO):	No
Waiver of Premium Provision:	None Extended Death Benefit Only
Contributions:	No employee contributions All premiums paid by University
Conversion:	Yes subject to the eligibility provisions on page 21.
Portability:	No

Coverage(s)	Basic Life
Group Policy Number:	G-97000
Effective Date:	01-01-1980 (plan inception date) 01-01-2013 (plan detail effective date)
Eligibility:	You are eligible for the plan if you qualify for Full Benefits.
Employee Waiting Period:	Coverage becomes effective on the first day of pay status as an eligible employee. You will be covered if you are an eligible employee on pay status for any period of a given month.
Benefit Amount and Maximums:	<p><i>Employees eligible for Basic Term Life Insurance:</i> One Times annual earnings to a Maximum of \$50,000. The minimum benefit is \$5,000.</p> <p>Your benefit amount is determined by:</p> <ol style="list-style-type: none"> 1. Your base salary as of January 1st each year and, 2. The dollar amount is rounded to the next higher multiple of \$1,000 if not an exact multiple of \$1,000 and 3. Multiplied by the percent time of your appointment. <p><i>Employees eligible for Senior Management Life: :</i> 2 Times annual earnings to a Maximum of \$800,000.</p> <p>PERS members: One times annual earnings, minus the \$5,000 PERS death benefit to a Maximum of \$45,000</p>
Non-Medical Maximum (Guaranteed Coverage):	None
Medical Evidence Required for Salary Increases:	No
Retiree Coverage:	None. Coverage terminates at retirement
Accelerated Benefit Option (ABO):	Yes, 75% of the <i>total face amount</i> of coverage to a maximum of \$250,000, University Paid and Employee Paid combined. This is paid directly to the employee, either in one lump sum or in twelve equal monthly installments.
ABO Life Expectancy:	12 months
Waiver of Premium Provision:	None. Extended Death Benefit Only.
Contributions:	No employee contributions. All premiums paid by University
Conversion:	Yes, subject to the eligibility provisions on page 21.
Portability:	No

Coverage(s)	Supplemental Life
Group Policy Number:	GO-97000
Effective Date:	01-01-1980 (plan inception date) 01-01-2013 (plan detail effective date)
Eligibility:	You are eligible for the plan if you qualify for <i>Full</i> or <i>Mid-level</i> Benefits.
Employee Waiting Period:	None. Coverage becomes effective on the first day of pay status as an eligible employee provided you have enrolled. New coverages or changes in coverage are not effective if you are on leave for health reasons.
Benefit Amount and Maximums:	There are five supplemental life insurance plans. <ol style="list-style-type: none"> 1) One (1) times your annual (full time equivalent) Salary Rate (up to a plan maximum of \$250,000), or 2) Two (2) times your annual (full time) Salary Rate (up to a plan maximum of \$500,000), or 3) Three (3) times your annual (full time) Salary Rate (up to a plan maximum of \$750,000), or 4) Four (4) times your annual (full time) Salary rate (up to a plan maximum of \$1,000,000), or 5) A flat \$20,000
Accelerated Benefit Option:(please see the following section for more details)	Yes. 75% of the <i>total</i> face amount of coverage to a maximum of \$250,000, combined University Paid and Employee Paid coverage. This is paid directly to the employee, either in one lump sum or in twelve equal monthly installments.
Waiver of Premium Provision (please see the following section for more details):	Must submit proof of disability within 12 months after the total disability starts.
Contributions:	Yes. All premiums paid by the Employee
Conversion:	Yes, subject to eligibility provisions on page 21(in lieu of portability)
Portability:	Yes, subject to eligibility provisions on page 22(in lieu of conversion)

Group Term Life coverage is underwritten by The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102. This Group Term Life Administration manual is intended to be a summary of benefits and does not include all plan provisions, exclusions and limitations. If there is a discrepancy between this document and the Group Contract/Booklet-Certificate issued by Prudential, the terms of the Group Contract will govern.

Coverage(s)	Dependent Life
Group Policy Number:	GO-97000
Effective Date:	01-01-1980 (plan inception date) 01-01-2013 (plan detail effective date)
Eligibility:	<p>You are eligible for the plan if you qualify for <i>Full</i> or <i>Mid-level</i> Benefits.</p> <p>An employee enrolled in the Basic Life Insurance Plan may enroll in the Basic Dependent Life Insurance Plan. An employee enrolled in the Supplemental Life Insurance Plan or in Senior Management Life Insurance may enroll in either the Basic Dependent Life Insurance Plan or the Expanded Dependent Life Insurance Plan.</p> <p>Eligible dependents include an employee's spouse or eligible domestic partner, natural or adopted child(ren), stepchild(ren), grandchild, legal ward, disabled child, eligible domestic partner's child(ren) or grandchild. Dependents must meet UC eligibility requirements. Spouse /Domestic Partner enrollment is not required to enroll the child.</p>
Benefits:	<p>Basic Plan: \$5,000 for Eligible Spouse/Eligible Domestic Partner \$5,000 for each Dependent less than 26 years old</p> <p>Expanded Plan: Eligible Spouse/Eligible Domestic Partner: 50% of the Employee's amount of Supplemental Life insurance, rounded to the next higher \$1,000 if the amount is not an exact multiple of \$1,000, up to a maximum of \$200,000</p> <p>Adjustment in Employee's amount of insurance will result in an automatic adjustment of the Spouse/ Domestic partner's insurance amount.</p> <p>\$10,000 for each Dependent child less than 26 years old</p>
Accelerated Benefit Option:(please see the following section for more details)	Yes, 50% of the total face amount of coverage to a maximum of \$50,000. This is paid directly to the employee, either in one lump sum or in twelve equal monthly installments.
Contributions:	Yes. All premiums paid by the Employee based on the employee's attained age
Conversion:	Yes see eligibility requirements on page 21 (in lieu of portability).
Portability:	Yes see eligibility requirements on page 22 (in lieu of conversion).

SECTION II:

Prudential Group Insurance Team

University of California – Group Policy #97000

Terri Henderson

Account Executive

818-263-8575

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The Prudential Insurance Company of America

Group Insurance

15303 Ventura Blvd., Suite 1460

Sherman Oaks, CA 91403

Fax 1-818-263-9047

WHO TO CONTACT WHEN YOU HAVE QUESTIONS:

Remittance Information for Health Statement Forms

The Prudential Group Insurance Company of America
Medical Underwriting Unit
P.O Box 8796
Philadelphia, PA 19176
Fax 1-877-605-6671
Toll Free (888) 257-0412
medical.uw@prudential.com

The status of the life insurance application should be checked online using the Prudential Portal.

About life insurance claims, benefits or beneficiary designation

Group Life Claim Division
GroupLifeClaims@prudential.com

Remittance Information for Life Insurance Claims

The Prudential Insurance Company of America
Life Claims Division
P.O. Box 8517
Philadelphia, PA 19101
Fax 1-888-227-6764

(Fax # should only be used when returning requested documents to the Life Claim Division. It should not be used for submission of original claim documents.)

Toll Free (800) 524-0542

WHO TO CONTACT WHEN YOU HAVE QUESTIONS: please check contact information

About Waiver of Premium claims and benefits

Waiver of Premium Unit

Toll Free (800) 524-0542 option 1

MaryAnn Caso

Disability Specialist

(800)524-0542 opt 1 or (973)548-7209

Maryann.caso@prudnetial.com

Remittance Information for Waiver of Premium Insurance Claims

The Prudential Insurance Company of America

P.O. Box 70183

Philadelphia, PA 19176

OR

Send e-mail to maryann.caso@prudential.com*

OR

Use secure fax 1-877-862-0269*

(*The use of a secured email system or FAX (877-862-0269) is recommended.)

SECTION III:

Administration within the Period of Initial Eligibility (PIE)

Who is Eligible for Coverage?

New Employee

A new **employee** is anyone in an **eligible appointment**.

Other Types of Employees

1. Any employee whose coverage ended due to termination, furlough, lay-off, or leave of absence without pay, and who returns to work. Medical evidence is not required, but enrollment may be limited depending on length of break in service.
2. Any employee who previously dropped or waived coverage during PIE but now wishes to apply. Medical evidence is required (see “Medical Evidence” section) if employee does not have a period of initial eligibility (PIE).
3. Any employee who previously waived coverage but now wants it. Medical Evidence is required (see “Medical Evidence” section) if employee does not have a period of initial eligibility (PIE).

Please refer to the University of California Group Insurance Regulations for additional information on eligibility.

Determining the Effective Date of Coverage

For **non-contributory coverage or UC-paid coverage** (Basic, Core and Senior Management Life), the **effective date** for employees is the date the employee becomes eligible (i.e. date of employment).

For **contributory coverage or employee paid coverage** (Supplemental and Dependent Life), the enrollment process must be completed within 31 days of becoming eligible in order for coverage to be effective on the eligibility date. An employee must meet the **active at work requirement** on the day coverage would normally take effect. Otherwise, the effective date will be postponed until the requirement is met. Additionally, a dependent (except a newborn) who is confined to a hospital on the date their insurance would become effective will not be covered until the day after their release from the hospital.

After any period of initial eligibility, the employee (or the spouse or domestic partner) is required to submit a completed Health Statement Questionnaire (a.k.a. Statement of Health, Medical Evidence form, Evidence of Insurability) to Prudential for approval. In all circumstances

requiring the submission of a completed health statement questionnaire, coverage is effective on the date the application is approved by Prudential. Eligible children may be enrolled at anytime without submitting a Health Statement Questionnaire. A completed UPAY 850 form will need to be signed and dated by the employee to enroll eligible family members in the Life Insurance plan. See the “Medical Evidence” section for more information.

Processing New Enrollments

1. For contributory employee-paid coverage, prompt enrollment is important, so it is recommended that the employee enroll within his/her PIE for coverage. If enrollment or change are done within the PIE, there is no medical evidence required. Normally, new employees will enroll in their benefits via web. If enrolling by paper form (UPAY 850) have the employee complete the enrollment form and forward it to the appropriate department.
2. For all coverages, all employees should identify their beneficiary(ies) online at <http://ucnet.universityofcalifornia.edu>, by signing into AtYourServiceOnline at the right-hand side of the screen, then go to MyBeneficiary on the left-hand side of the screen, or complete the beneficiary form UBEN 116. If the employee wishes to name a beneficiary (other than themselves) for Spouse/Dependent Life under the Expanded Dependent Life Plan, they should complete the Designation Of Alternative Beneficiary UBEN 119. See “Beneficiary Designations” in this section for sample standard beneficiary designations.
3. If enrolling via paper form, you should review the information provided in the enrollment form for accuracy. Verify that all information is correct. There is no need to forward a copy of the UPAY850 to Prudential.
4. Verify that the information on the enrollment form agrees with the assigned BELI and coverage available in your **Group Insurance Regulations**.

Beneficiary Designations

This group plan provides that an insured has the right to designate a beneficiary.

The insured will retain this right unless action is taken to limit the ability to change the beneficiary. If the insured transfers ownership of his/her coverage (assignment), only the individual to whom the insured has transferred ownership rights has the right to change the beneficiary.

Following plan enrollment, beneficiary information may be added or changed online at <http://ucnet.universityofcalifornia.edu>. Beneficiary information may also be added or changed by using the UBEN 116 form. Beneficiary changes made online will be confirmed through the use of email notification. Beneficiary changes using the UBEN 116 form will be confirmed by mail. Please note that beneficiary changes made using the form will not be valid until the form receipt is documented at the Office of the President.

Section III: Administration within the PIE

If the beneficiary is not related to the insured, the relationship may be shown as a friend. When designating an individual or individuals, each name should be listed as first name, middle initial, last name. For example: Mary A. Doe instead of Mrs. M. Doe.

If an employee is married and resides in a community property state, a designation of beneficiary may be subject to challenge if the designation results in a spouse receiving less than his/her proportionate share of the benefit attributable to community property. Employees who designate someone other than their spouse as beneficiary should be advised to consult with an attorney regarding the implications of such a designation.

Naming a beneficiary who is a permanent resident of a foreign country can present difficulty in locating the beneficiary at the time of death. If such a person is named, the insured should furnish, and keep updated, the beneficiary's full address.

Naming a beneficiary who is a minor (under age 18) can present difficulty at the time of death. If a minor is named beneficiary, the employee should be advised that life insurance proceeds cannot be released directly to the minor. Proceeds will be held by the insurance company until the minor reaches the age of majority or until a court of law appoints a guardian to receive the benefit on the minor's behalf.

It is important to note that an Attorney in Fact cannot execute a change of beneficiary on behalf of an employee, unless the Power of Attorney document specifically states the Attorney in Fact has been given authority to change beneficiaries on insurance policies.

If the insured chooses to designate more than one beneficiary, here are the most common examples and appropriate designation wordings:

<i>Beneficiary</i>	<i>Designation</i>
<i>Estate</i>	Estate of John D. Doe
<i>Two beneficiaries</i>	John J. Jones, father and Mary R. Jones, mother
<i>Three or more beneficiaries</i>	James O. Jones, brother; Peter B. Jones, brother; Martha A. Jones, sister
<i>Unnamed children</i>	My children, living at the time of my death, from my marriage to Lois P. Jones, wife
<i>Contingent beneficiary</i>	Lois P. Jones, wife, if living; otherwise Patrick F. Jones, son
<i>Multiple contingent beneficiaries</i>	Lois P. Jones, wife (if living); otherwise Patrick F. Jones, son, Alice B. Jones, daughter, and Ann D. Jones, daughter
<i>Unnamed children as contingent</i>	Lois P. Jones, wife (if living); otherwise, my child(ren) living at my death from marriage to said wife
<i>Member of religious order</i>	Mary J. Jones, known in religious life as Sister Mary Agnes, niece

Section III: Administration within the PIE

<i>Living Trust</i>	The John J and Lois P Jones Revocable Living Trust dated 91/02
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If employee names more than one beneficiary, settlement will be made in equal shares to the designated beneficiary(ies) who survive them, unless otherwise provided in the designation..

If the Member does not name a beneficiary or if the designation of a beneficiary is no longer effective, the person or persons (on a share and share alike basis) in the first of the following categories in which there is a survivor shall be the beneficiary:

- A) Legal spouse or Domestic Partner of the Member;
- B) Child or Children, including adopted child or children, of the Member (child or children, of a deceased child shall take the share of the such child by representation);
- C) Parent or Parents of the Member;
- D) Sibling or siblings of the Member.

If there is no such survivor, any lump sum death payment shall be paid to the Member's estate.

Also, members should be advised that as the ContractHolder, The Regents of the University of California cannot be named as the beneficiary.

Information on beneficiary forms is confidential and should be kept in a confidential file. Beneficiary information should not be shared with anyone, either before or at the time of a death claim. All inquiries regarding beneficiaries at the time of death may be referred to Prudential.

Assignments

Prudential's standard approach is to permit gift assignments only. However, Prudential is willing to permit group life insurance contracts for value assignments (commonly known as viatical assignments). Forms, questionnaires, and requests for information from viatical settlement companies, consultants, or agencies should be forwarded – unanswered – directly to the Prudential Account Manager for response. The information Prudential provides in response is generally a copy of the life certificate and a cover letter which explains what is allowed under our policy. In most cases, this will address the questions and provide the information needed for the viatical agencies and employees. However, if the agency continues to request specific information from your location, additional information may be provided by Prudential, so continue to refer any inquiries directly to Prudential.

Please note, with respect to viatical assignments, some states have enacted laws which require group life insurance contracts to permit viatical assignments (e.g. California and New York). Where these laws apply, our standard contract will permit viatical assignments in addition to gift assignments.

Assignment forms will be maintained at UCOP with the employee's records and not sent to Prudential until a claim is submitted. As cautioned on the form, all assignments are irrevocable and employees should seek legal advise prior to completing an assignment.

Reinstating Coverage for a Rehired Employee

The following steps should be used to cover an employee who has rejoined the organization.

An eligible employee who is rehired has a new PIE (period of initial eligibility) beginning on the date of rehire. The type of PIE depends on the length of the break in service.

- a. If the break in service is less than 120 days, enrollment is limited to the specific plan in effect at the time of termination
- b. If the break in service is 120 days or more, treat the employee as a new hire.
- c. Rehired employees should be advised to update their beneficiary record online, or to submit a new UBEN 116 form.

Medical Evidence

When is Medical Evidence Required?

Medical evidence is also known as Statement of Health, Evidence of Insurability or Health Statement Questionnaire. Medical evidence is required for an employee and/or an employee’s legal spouse/domestic partner when the enrollment or the increase of coverage levels is made **outside of the period of initial eligibility (PIE)**. PIE is defined by the University of California. Children are not subject to this requirement.

- 1. What to Do if Medical Evidence is Required?- Employee should:
 - a. Download or ask the Benefits or Payroll Office the pre-printed Short Form Health Questionnaire that is appropriate for his/her work location. (Location names and abbreviations and corresponding codes are listed below.) All Short Form Health Questionnaires are posted in and can be downloaded from the UCnet website.

UCOP (B7)	
ASUCLA (B4)	Riverside (A5)
Berkeley (A1)	San Diego (A6)
Davis (A3)	San Diego MC (B6)
Davis MC (B3)	San Francisco (A2)
Hastings (B2)	San Francisco MC (C2)
Irvine (A9)	Santa Barbara (A8)
Irvine MC (B9)	Santa Cruz (A7)
LBNL (B5)	UCLA (A4)
UC Merced (23)	UCLA MC (C0)

- b. Send the completed Short Form Health Questionnaire to Prudential and wait for Prudential’s approval.
- c. If application is approved, Prudential sends a letter of approval to the employee. The Benefits or Payroll Office could either:

- i. Wait for the employee to present the approval letter within 31 days of approval
Or
 - ii. Check the Portal regularly for application status and call the employee
- d. Have the employee complete the applicable enrollment form (UPAY 850) when employee presents receives the approval letter from Prudential. You may also check the Portal for all approved applications and call employees to complete the UPAY 850.

Sample Letter from Prudential:

Dear Steven Doe:

We have completed our review of your health statement. While your coverage is contingent upon satisfying the University's eligibility requirements, we are pleased to inform you that your request for group coverage was approved on August 5, 2011, as shown below:

Applicant	Product Name	Status
Steven W. Doe	Life	Approved

You have 31 days from the approval of your health statement to submit your **UPAY 850** enrollment form to your local Benefits/HR or Accounting Office to enroll. The UPAY 850 enrollment form can be accessed online at UC's At Your Service Web site (http://atyourservice.ucop.edu/forms_pubs/index.html). Your new life insurance will not take effect until your enrollment form has been processed. We will notify University of California of this decision. Questions can be directed to your local Benefits/HR office.

Sincerely,

Medical Underwriting

2. **Employee should complete the Short Form Health Questionnaire and sends this to Prudential.**
3. **If the Applicant's increase in coverage is not approved** based on the information provided on the Short Form Health Questionnaire, Prudential will:
 - a) **Send the employee an Evidence of Insurability (EOI) Long Form Questionnaire (GL.98.517).** The employee will be directed to contact the Employer. The Employer should Complete Part A, the Employer section, of the Evidence of Insurability (EOI) form and return the EOI form to the employee.
 - b) **Employee should complete Part B, the Employee Section, of the EOI form and mail it directly to Prudential.** Because this section of the form includes personal health information, benefit offices or departments should not ask for, or keep, copies of the completed form, even if provided voluntarily by the employee.

Sample Letter from Prudential:

Dear _____:

Thank you for your application for group coverage. Before we can process your request, the enclosed Evidence of Insurability form must be completed.

Please follow the instructions indicated below:

1. **Part A:** Have your benefits administrator complete all the requested information in Part A **before completing Part B.**
2. **Part B:** Complete Sections 1 and 2. To ensure timely processing, please be sure all questions are answered completely.
3. Be sure to sign and date Sections 4 and 5.
4. Please keep a copy of the form for your records.
5. After you have completed the health statement, please mail it in the enclosed envelope.

Your file will remain open for 45 days after the date of this letter. If we don't receive your information by then, we will close your file. After our receipt of the Evidence of Insurability form, if we need further details to complete our review, we will notify you at that time.

If you have any questions about our requests, please call our Customer Service Center at (888) 257-0412 or send an e-mail to medical.uw@prudential.com. We're here to assist you weekdays from 8:00 a.m. to 6:00 p.m. Eastern time.

Sincerely,
Prudential Group Medical Underwriting

Information Required for Evidence of Insurability Submission

Completion of the EOI form in its entirety is critical for timely review of an EOI application. It is important to remember that all medical questions must be answered and the form must be signed by the applicant. Employees should be aware that if additional medical information or tests are needed, employees must provide this information at their own expense.

Prudential's Procedures for Medical Underwriting

Upon receipt of the EOI form at Prudential, a medical underwriter reviews the form and, in some situations, can approve or deny the application without the need for further requirements. Usually, the medical underwriter will request additional information. Any of the following can be obtained:

- a) **Attending Physician's Statement**—the employee's personal physician provides information about the employee's health (specific condition(s), date of diagnosis, symptoms or complaints, type of treatment, date of recovery); this is frequently five years of medical records.
- b) **Examination**—the employee is examined by a paramedic or a personal physician (or another physician of his/her choice). A form is completed to record height and weight, blood pressure, pulse readings and other results of a physical examination.

- c) **Insurance Risk Profile**—the employee provides blood and urine samples for laboratory analysis. A variety of areas are checked, such as glucose level, cholesterol and triglyceride levels, liver enzyme levels and tests for the presence of HIV antibodies.

In some situations, one or more of these requirements may be requested because of the employee's age and/or amount of insurance at risk. The employee is responsible for paying the costs of the requirements.

4. **Prudential will notify employees directly of the application decision.**
5. **The status of pending applications via “Medical Underwriting Status Report.” available online through the Prudential Portal.** You can also request ongoing system-generated reports on a regular basis and a system-generated e-mail notification will be sent to you as the report becomes available online.

a. If the employee's request for coverage is approved:

Note the effective date (the date Prudential approves coverage) on the enrollment form and process the change in the personnel system. When medical evidence is required, coverage does not become effective until the medical evidence is approved by Prudential. However, the employee must meet the active at work requirement on the day the coverage would normally take effect. Otherwise, the effective date will be postponed until the requirement is met.

b. If the employee's request for coverage is denied:

There is no action required on your part. The status will be reflected online via the Prudential portal.

If you find errors in your Medical Underwriting Status Report, or your report doesn't appear online, please contact the Prudential Medical Underwriting department.

There is no need to submit an Evidence of Insurability (EOI) if the enrollment is within a Period of Initial Eligibility (PIE). Generally, an employee, a spouse or an eligible domestic partner can enroll in Supplemental Life insurance at any time during the year. Their PIE will determine whether an EOI is required. If you have any questions regarding the EOI requirements regarding your plan(s), please contact Prudential.

Sample Medical Evidence Status Reports

Section III: Administration within the PIE

Final Decision Report (01/01/2012 to 01/28/2012)									
Control #	Coverage	Employee/Member SSN	Branch	Applicant Name	Relationship	Status	Decision Date	Inforce	Total Amount
97000	Spouse Life	*****XXXX	UC LOCATION SPECIFIC	last, first	Spouse	Approved	1/17/2012	0	200,000
97000	Spouse Life	*****XXXX	UC LOCATION SPECIFIC	last, first	Spouse	Approved	1/24/2012	0	88,000
97000	Employee Life	*****XXXX	UC LOCATION SPECIFIC	last, first	Employee	Approved	1/24/2012	44,000	176,000
97000	Employee Life	*****XXXX	UC LOCATION SPECIFIC	last, first	Employee	Approved	1/26/2012	138,000	552,000
97000	Employee Life	*****XXXX	UC LOCATION SPECIFIC	last, first	Employee	Approved	1/6/2012	0	1
97000	Employee Life	*****XXXX	UC LOCATION SPECIFIC	last, first	Employee	Approved	1/24/2012	0	572,000
Current Pending Report (As of 02/1/2012)									
Control #	Employee/Member SSN	Coverage	Branch	Applicant Name	Relationship	Pending	Requested		
97000	*****XXXX	Employee Life	UC LOCATION SPECIFIC	last, first	Employee	Missing Information	12/20/2011		
97000	*****XXXX	Spouse Life	UC LOCATION SPECIFIC	last, first	Spouse	Pending Review	12/19/2011		
97000	*****XXXX	Employee Life	UC LOCATION SPECIFIC	last, first	Employee	Pending Review	12/26/2011		
97000	*****XXXX	Employee Life	UC LOCATION SPECIFIC	last, first	Employee	Pending Review	11/19/2011		
97000	*****XXXX	Spouse Life	UC LOCATION SPECIFIC	last, first	Spouse	Pending Review	12/2/2011		
97000	*****XXXX	Spouse Life	UC LOCATION SPECIFIC	last, first	Spouse	Attending Physician	1/12/2012		

Note:

When the Short Form Statement of Health is approved, the total amount approved is shown as \$1. This means that the employee or the legal spouse/domestic partner can choose the coverage level they want, up to plan limits.

SECTION IV:

Administration beyond the Period of Initial Eligibility (PIE)

Changes to Employee Information

The following are procedures for making various types of changes to an employee's information.

Change of Beneficiary

Employees are able to update their beneficiary information online at any time online or by completing a form.

Employees should designate a beneficiary immediately. Although Basic, Core and Senior Management Life do not require enrollment—the employee should designate a beneficiary for the coverage. An employee may name more than one beneficiary and specify the percentage that each beneficiary is to receive online or by submitting the appropriate form. A beneficiary may be a person, trustee, or organization. You can change your beneficiaries at any time.

- Online Beneficiary Form: <http://ucnet.universityofcalifornia.edu> sign in to AtYourServiceOnline on the right-hand side of screen, then go to My Beneficiary on the left-hand side of screen.
- Paper Beneficiary Form (UBEN 116): <http://ucnet.universityofcalifornia.edu/forms/pdf/uben-116.pdf>

Acceptance of a new beneficiary form at UC-Office of the President means that all previous designations are revoked.

Change in Earnings or Position

If an employee is enrolled in the Supplemental Life Insurance plan and has chosen a coverage amount based on salary, the salary used is the employee's UC salary and appointment rate as of the date of hire or the full-time salary rate for the position as of January 1 of the current year, whichever is later - even if the employee only works part-time. Increases or decreases in the employee's salary during the year will not affect an employee's current coverage but will affect coverage for the following year, starting on January 1.

Retroactive salary increases issued to groups or classes of employees via the collective bargaining process should be considered in the calculation of benefits if the retroactive increase would have increased the salary on the regular update occurring January 1.

Decreases in salary will not result in automatic reduction of coverage (and premium) unless the employee requests the reduction in writing.

Life Coverage Conversion

The University's plans allow employees who lose coverage to convert to individual whole life insurance policy without a medical exam. Premiums are at non-group rates corresponding to the employee's age at the time of conversion, so rates can be quite high. Employees may convert their entire coverage amount, or any fraction of that amount to an individual policy. Many employees may wish to consider other life insurance options that may be available to them outside the conversion option, such as purchasing term life or other products.

Who May and How to Convert

The following information details the circumstances in which employees are eligible for **conversion** of life coverage.

1. A covered employee may convert life coverage when employment or eligibility ends. Please see your Group Contract/Booklet-Certificate in the "Conversion" section for details.
2. A covered dependent may convert Dependent Life coverage when:
 - a) The employee's employment or eligibility ends.
 - b) The dependent's eligibility ends.
3. You should complete the Employer section of a Notice of Group Life Conversion Privilege form and give it to the employee, spouse or child (depending on the coverage being converted). If possible, do this before the date the coverage ends, but no later than 15 days after that date.
4. The employee (or spouse or child) should sign and date the notice.
5. Let the employee know that it is necessary to apply for the conversion and pay the first premium within the time period shown – 31 days – so action must be taken as soon as possible. To apply for the conversion, the employee should contact a local Prudential representative for assistance or call the Prudential Life Conversion Unit at 877-889-2070 (toll free) or 973-548-6061 and request a Conversion Kit. The kit will include a cover letter, application, and rate information. Once the forms are completed, employee should submit the data to:

Prudential Life Conversion Unit
P.O. Box 70180
Philadelphia, PA 19176
Toll-free Phone: (877) 889-2070
Phone: (973) 548-6061
Fax: (888) 634 1118

Life Coverage Portability

Eligibility

Your Supplemental Term Life coverage includes a portability provision, which allows employees to continue their insurance coverage.

If employees elect portability, their spouse and children covered under Dependent Term Life can be continued.. Dependents can also elect portability if their coverage ends due to divorce or due to the employee's death.

Generally, employees and dependents **can** elect portability if:

- Employees and spouses are under age 80;
- Dependent children are under age 26.
- Employees are actively at work on the day before coverage or employment ends.

Employees and dependents **cannot** elect portability if:

- Contributions are not up to date;
- The employee is disabled;
- The dependent is confined for medical care or treatment, either at home or elsewhere, on the day the employee's term life coverage ends;
- The employer plan ends and is replaced by another group plan within 31 days; or,

The Portability Process

The Portability Election Form is available on the At Your Service site. The form includes an Evidence of Insurability form. The Portability Rate Sheet is also available. Both conversion and portability forms should be sent to the employee because Prudential is required by law to offer conversion, even when portability is also offered.

Applicants may convert coverage or take portable coverage, but may not do both. To begin the portability process:

1. Complete the employer portion of the **Portability Election form** (sections 1 through 3).
2. Give the portability package, including the portability election form and applicable Evidence of Insurability form, to the applicant.
3. The applicant should complete the rest of the Portability Election form. If the applicant completes the evidence of insurability form and is approved, he/she will be charged preferred rates. Otherwise the standard rates will apply.
4. The applicant should send all forms to:

**The Prudential Insurance Company of America
Life Record Keeping
P.O. Box 13676
Philadelphia, PA 19101
Phone: (800) 778-3827**

5. Prudential will approve or deny the application and will contact the applicant directly. You will not receive any notification.

If coverage is approved, Prudential will bill the applicant directly for premiums

For Locations with UCPath Administration, please refer to Appendix A

Maintaining Records

The University of California is the official record-keeper for Life Insurance information for all active employees. Prudential relies on the University to maintain eligibility, enrollment, and beneficiary records in the proper order to assist in the payment of claims.

Eligibility and Enrollment Information

Eligibility and Enrollment information is documented in the UC payroll system, as well as through paper forms. Prudential does not maintain any eligibility or enrollment information. If employees use paper forms (UPAY 850) to enroll – either during their initial PIE, subsequent PIEs, or with Evidence of Insurability – these forms should be maintained in the employee’s file. All copies of enrollment forms should be maintained to document changes in coverage and provide evidence in cases where coverage is contested.

The payroll system includes current enrollment information and information downloaded from the IVR or web, so employees who enroll via the IVR or web may have no paper enrollment forms. In these cases, you can document enrollment by providing a screen print of the IINS and IDCS payroll screens, documenting coverage and premiums paid.

Beneficiary Forms

Beneficiary forms are kept by the University. Employees should designate a beneficiary immediately for all Life Insurance coverage. An employee may name more than one beneficiary and specify the percentage that each beneficiary is to receive online on the *UCNet* website under the *At Your Service* link or by submitting the appropriate form. A beneficiary may be a person, trustee, or organization. An employee can change his/her beneficiaries at any time.

If an employee changes his/her beneficiary by submitting a new form, this form should be sent to UCOP. The changes made by using the form are not valid until it is received by UCOP.

Information on beneficiary forms is confidential and should be kept confidential. Beneficiary information should not be shared with anyone, either before or at the time of a death claim. All inquiries regarding beneficiaries at the time of death may be referred to Prudential.

Terminated Employees

Records for terminated employees should be kept per document retention guidelines.

Waiver of Premium

Record-keeping of beneficiary and eligibility/enrollment information is kept by Prudential for all employees and former employees on waiver of premium. See Waiver of Premium section of this manual for more details.

SECTION V:

Claims Processing and Forms

Life Insurance Benefits for Active Employees

Online Claim Processing Timeframe

Prudential's objective is to process 98% of all non-complicated death claims within five business days. If additional information is required to complete a claim, a request for the necessary documentation is sent within five business days after receipt of the claim. If the additional information needed is not received within a reasonable period of time (generally 30 days) Prudential will follow up with the claimant.

To expedite payment of claims, the following information is required. It is helpful if the information can be compiled and submitted as a complete package.

DECEASED EMPLOYEE

If an employee is deceased, follow these steps:

- 1) **Submit the Life Insurance Claim online using the Prudential Portal.** The Life Claims – Benefits Calculator is available online (see the Prudential Portal under the Library tab – Administrative Materials section) to accurately determine the benefit amount. This tool will calculate the benefit amount for you after you have supplied the needed information.
- 2) Provide the beneficiary's **Social Security Number or Tax Identification Number** if the beneficiary is a charity, corporation, estate, partnership or trust.
- 3) After you have submitted the claims online, you may **scan and email electronic copies** of the following documents (the email address is GroupLifeClaims@prudential.com and the fax is 888-227-6764).
 - **Certified Death Certificate for the employee.** For claims with a total benefit up to \$500,000, Prudential will accept copies or a clear facsimile in lieu of an original, certified death certificate provided the insured died within the United States or Canada and the manner of death is other than homicide, accidental, or pending investigation.
 - **All beneficiary records**, including the current designation and any previous designations (only if there is conflict/question on beneficiary). When a beneficiary is not identified, Prudential will request a Preferential Beneficiary Statement.
 - **A screen print of the IINS and IDCS payroll screens**, documenting coverage and premiums paid. If employee enrolled via paper form, include all enrollment forms showing the employee's election.
 - Any other documents submitted in support of the claim such as guardianship papers, estate papers or accidental death notification.

- 4) To ensure proper payment of claims, include a **documentation of any unusual circumstances** regarding the death or claim via the section called “Additional Claims Comments”.

DECEASED DEPENDENT

If an insured dependent is deceased, follow these steps:

- 1) Submit the **Life Insurance Claim** online using the **Prudential Portal**.
- 2) Provide the employee’s **Social Security Number**.
- 3) After you have submitted the claims online, you may **scan and email electronic copies** of the following documents to the Portal: (the email is GroupLifeClaims@prudential.com and the fax is 888-227-6764).
 - **Certified Death Certificate for the dependent.** For claims with a total benefit up to \$500,000, Prudential will accept copies or a clear facsimile in lieu of an original, certified death certificate provided the insured died within the United States or Canada and the manner of death is other than homicide, accidental, or pending investigation.
 - **All Beneficiary Records:** If the employee is enrolled for expanded dependent life, check to determine if the employee designated a beneficiary for spouse/domestic partner life. If a beneficiary has not been designated, the benefit will be paid to the employee.
 - **A screen print of the IINS and IDCS payroll screens,** documenting coverage and premiums paid. If employee enrolled via paper form, include all enrollment forms showing the employee’s election. Provide the most recent enrollment form and any previous enrollment forms.
- 4) To ensure proper payment of claims, include a **documentation of any unusual circumstances** regarding the death or claim via the section called “Additional Claims Comments”.

Note (Reminder to Locations Benefits Offices/HR/Payroll):

If this deceased dependent is the named beneficiary for the employee’s coverage, it is important to remind the employee to designate a new beneficiary for their coverage as soon as possible.

FOR ALL CLAIMS - In the event the:

- ***Beneficiary is deceased:*** submit the beneficiary's death certificate and information on the contingent/secondary beneficiary or insured's estate.
- ***Estate is the beneficiary:*** submit a certified copy of the court order appointing an executor or administrator of the estate and tax identification number for the estate.
- ***Beneficiary is a minor or incompetent:*** submit a certified copy of the court order appointing a guardian or conservator of the property or estate of the minor/incompetent beneficiary.
- ***Insurance was assigned:*** submit a copy of the assignment and beneficiary designation. In the case of a gift assignment, submit copies of all beneficiary designations executed by the assignee as well.

Beneficiary Considerations

An employee's choice of a beneficiary should be treated as confidential information and should not be disclosed. Benefits personnel should avoid making any commitments as to the benefits payable to any beneficiary or relative. This is especially true in the event of any unusual claim situations (i.e. someone other than the beneficiary is claiming the benefit, beneficiary involvement in insured's death, simultaneous death of insured and beneficiary.) Full details should be submitted to Prudential for review and inquiries may be referred to Prudential.

Beneficiary Assignment:

The beneficiary may assign the proceeds to anyone. For example, the beneficiary may want to assign \$1,000 of a \$5,000 death benefit to a funeral home to cover funeral expenses. In this instance, you should ask for the funeral home's assignment form (original, not photocopy) from the beneficiary and send it to Prudential, along with the claim paperwork. It is important that the assignment form be attached to the claim so that the claim proceeds may be disbursed properly. The assignment should be signed by the beneficiary(ies) and reflect the Prudential Group Plan Number, the amount of the assignment, the insured's name and the insured's Social Security number. For assignments over \$7,500, a copy of the funeral bill must also be provided.

Prudential's Alliance Account

Prudential's Alliance Account is a supplemental contract offered to beneficiaries receiving group life insurance payments of \$5,000 or more. **Eligible life claim benefits will be settled as a lump sum into an Alliance Account unless the beneficiary selects an alternate settlement option.**

- Upon receipt of the complete claim, the full amount of the proceeds payable to the beneficiary are settled in a single distribution via an interest-bearing Alliance Account established in the beneficiary's name.
- The funds in the Alliance Account begin earning interest immediately and will continue to earn interest until they are withdrawn.
- See *"Interest On Funds" under "Additional Important Information" for more details.*
- The beneficiary can access the money immediately or whenever he/she is ready by using the draft book received.
- The beneficiary can write drafts as often as he/she would like.
- One draft can be written to withdraw the entire account balance at any time.

What The Beneficiary Needs to Know

The Alliance Account can give the beneficiary peace of mind and provide the precious gift of time, so he/she can focus on what matters most now and make decisions regarding the settlement when ready.

- Personalized drafts, which the beneficiary can use as he/she would use bank checks, are provided with the account and can be used at any time to withdraw funds. (Certain businesses may have their own policies and procedures for handling drafts.)
- The Alliance Account has no monthly service fees or per draft charges.
- Additional drafts can be ordered at no cost.
- Some special services, however, such as requests to stop a draft, will incur a charge. (See section 6 of the Beneficiary Statement for the schedule of fees for special services.)
- The Alliance Account is a settlement option under the original life insurance policy and is backed by the financial strength of The Prudential Insurance Company of America (Prudential)—one of the largest insurance companies in the U.S. See “Funds Are Secure” in “Additional Important Information” for more details.
- The Beneficiary can leave the money in the account for as long as he/she wishes, access any or all of it, or transfer funds to an alternate settlement option at any time and at no cost. If the balance falls below \$250, he/she will receive a check for the remaining balance plus interest at the end of the monthly cycle in which the balance fell below \$250.
- Unlike other options, the account gives immediate access to the funds while keeping *all* alternate options available for consideration.
- You should advise the beneficiary to consult with a tax, investment or other financial advisor for tax information or other available investment options; as Prudential cannot provide tax advice.
- If the beneficiary is on more than one life insurance policy or annuity contract, the proceeds will be paid into one Alliance Account.
- If the beneficiary already has an Alliance Account, proceeds from this claim will be placed into that account and the transaction confirmation will appear on the next statement.
- The Alliance Account is a separate arrangement between the beneficiary and Prudential.
- The Beneficiary can speak directly with a dedicated customer service representative between 8 a.m. and 8 p.m. Eastern time, Monday through Friday.
- Or, call our automated voice-response system 24 hours a day to check the account balance, request additional drafts and more.
- Call toll free at 877-255-4262 or write to Prudential Alliance Account at P.O. BOX 41582, Philadelphia, PA 19176.

Additional Important Information

Interest on Funds: The funds in an Alliance Account begin earning interest immediately and will continue to earn interest until all funds are withdrawn. Interest is accrued daily, compounded daily and credited every month. The interest earned on the account may be taxable. The interest rate credited to the Alliance Account is adjusted by Prudential at its discretion based on variable economic factors (including,

but not limited to, prevailing market rates for short term demand deposit accounts, bank money market rates and Federal Reserve Interest rates) and may be more or less than the rate Prudential earns on the funds in the account.

The current interest rate for Prudential's Alliance Account is 0.50%, subject to a current minimum of 0.25%. The current interest rate may change and will vary over time and may be more, but not less than any applicable minimum rate. The minimum rate will not change more than once every 90 days. Statements will be mailed at least quarterly and as frequent as monthly depending on activity in the Account. The beneficiary will be advised in advance of any change to the minimum interest rate via the quarterly Alliance Account statement or by calling Customer Support.

Funds Are Secure: All funds are held within Prudential's general account. It is not FDIC-insured because it is not a bank account or a bank product. Funds held in the Alliance Account are guaranteed by State Guaranty Associations. Please contact the National Organization of Life and Health Insurance Guaranty Associations (www.nolhga.com) to learn more about coverage or limitations on the account. State Guaranty Fund coverages are not determined by Prudential.

Tax Requirements for Beneficiary

United States Federal Tax Requirements

There are no federal tax release requirements that must be met before group life proceeds can be paid. However, you may receive notification from the beneficiary, executor or administrator of the employee's estate, or an attorney requesting a Form 712. This is an Internal Revenue Service form which may be needed in filing the Federal Estate Tax Return. You should notify Prudential of the request and Prudential will prepare and mail a Form 712 directly to the requester.

States Tax Requirements

The following states require a Tax Waiver, Tax Notice, Tax Receipt or a Consent to Transfer Form before life coverage proceeds can be paid in the circumstances that are indicated below. A Consent to Transfer is a form required by the Department of Taxation in certain states where the law prohibits insurers from issuing proceeds in excess of a certain dollar amount without the state's consent. Prudential handles all of these required forms so UC benefits reps should forward any questions to Prudential.

Montana: A Consent to Transfer is required for amounts over \$50,000. A Consent to Transfer is not required if all proceeds are payable to the surviving spouse, child, or lineal descendant (e.g. grandchild).

New Hampshire: A Tax Notice is required if the benefits are payable to an executor or administrator of the employee's estate or if the executor or administrator is not a resident of New Hampshire.

New York: A Tax Waiver from the New York State Tax Commission is required if the amount of insurance is \$50,000 or more. In addition:

1. For amounts over \$50,000, a Tax Waiver from the New York State Tax Commission is required prior to payment. If the total amount of insurance exceeds \$50,000, a Tax Waiver for the full amount will be required, but an advance payment of up to \$50,000 may be made if a tax notice is sent. The

balance can be paid upon receipt of the Tax Waiver for the full amount of insurance. (The full amount of insurance is the amount of insurance payable to beneficiaries, excluding the amount paid to the spouse.)

2. For deaths on or after October 1, 1983, there is no dollar limit on benefits paid to a spouse as beneficiary. Any amount may be paid without a tax notice or waiver if the spouse is the sole beneficiary. If a spouse is a co-beneficiary, the “No Limit” rule applies to the employee’s share only; the remaining portion may be paid to the other non-spouse beneficiaries only upon compliance with the requirements outlined in 1.

Ohio: If the estate is the beneficiary, a Consent to Transfer is required for face amounts of insurance more than \$2,000. A maximum of \$2,000 may be released prior to receipt of release.

Puerto Rico: A Tax Receipt is required if the proceeds exceed \$5,000 or 40% of the proceeds, whichever is greater. Proceeds up to this amount may be paid prior to receiving the tax release.

Interest Reporting Requirements

Prudential pays delayed claim interest on all death claims according to the requirements of the law in the employee's/beneficiary's state of residence. California law requires that interest be paid only if the claim is not paid within 30 days from the date of death; New Mexico law requires that interest be paid only if the claim is not paid within 45 days from receipt of the proof of death. The exact amount of interest payable on each claim cannot be determined in advance because it depends on the face amount of coverage, the number of days that have elapsed, and the current rate of interest being paid.

Under current law, Prudential must report payment of delayed claim interest to the federal government for:

- U.S. residents if the amount is more than \$600.
- Canadian residents if the amount is more than \$10.

Some states also require tax reporting for interest payments of less than \$600. In addition, Prudential must withhold 31% of the interest payment to U.S. citizens if the payee fails to provide us with a Social Security or Tax Identification number and claim interest exceeds \$600.

Accelerated Benefit Option

Prudential has responded to the needs of terminally ill individuals by creating this option for those enrolled with the Basic Life Insurance, Senior Management Life, Supplemental Life Insurance and Dependent Spouse Life Insurance. The Accelerated Benefit Option allows a covered employee with a limited life expectancy to be paid 75% of their total group life benefit up to \$250,000. The maximum life expectancy is 12 months. The Accelerated Benefit Option allows an employee with a covered dependent spouse with a limited life expectancy (12 Months) to be paid 50% of their total dependent life coverage up to \$50,000. (This provision is not available under the Core Life coverage).

Employees are free to spend the proceeds as they wish—on travel, family, expenses, etc. At the time of death, the employee's benefit will be reduced by any benefits paid under the Accelerated Benefit Option and will be paid to the beneficiary. This benefit is available once in the employee's lifetime, and is payable in a lump sum or in 12 equal monthly installments. Please see the "Accelerated Benefit Option Claims" section for claims processing information.

How to Submit a Accelerated Benefit Option Application

The online processing of an Accelerated Benefit Option Claim is essentially the same as the submission of a Life Claim. The Benefits Office should access the system to file the ABO claim according to the plan provisions.

If an eligible participant becomes terminally ill and wishes to access this option, employee can submit the **Accelerated Benefit Option Claim Form** either online or via fax, email, or mail to Prudential:

- A. The employee must complete the disclosure statement, taxpayer information and tax certification section, the employee's statement and the authorization on the bottom of the page.
- B. The physician treating the employee or dependent for this illness should complete the **Accelerated Benefit Option Attending Physician's Certification** (part of the claim form) and return it to the employee, who combines all parts of the form and submits them to Prudential either online or via fax, email or mail. The fax is 888-227-6764 and the email is GroupLifeClaims@prudential.com.

Please note:

- If the insurance was assigned by the employee previously, the employee does not have the option to request and accelerated benefit option claim.
- The insured must claim this benefit voluntarily. If the insured is required by law or government agency to exercise this option, the claim will be denied.
- The consent of the beneficiary is not required when the insured elects the Accelerated Benefit Option.
- If the insured is a resident of New York State, a different claim form must be used. This form indicates notices required by the state. Please see your Account Representative.
- The life insurance amount payable at the time of death will be reduced by the amount paid under the Accelerated Benefit Option.

Waiver of Premium

When an employee becomes totally disabled and is unable to work because of a disability, the employee may be eligible to extend the Supplemental Life coverage without premium payments.

(This provision is not available under the Basic, Core, Senior Management or Dependent Life coverage).

Potentially eligible employees are notified about this benefit directly by Prudential once they have received disability benefits from the disability insurance carrier for six months. If you are aware of employees with extended amounts of sick leave or salary continuation who have not yet filed for disability benefits but who may qualify for the life insurance premium waiver, you may wish to inform them of the benefit and begin the application process once 6 months of leave has passed. In these cases, you may request that Prudential send an application to the employee prior to the notice from the disability insurance carrier by contacting the Prudential Waiver of Premium Unit.

In order to extend the coverage, the employee must submit proof of disability within 12 months after the total disability starts. Total Disability is defined as existing when Prudential determines that these conditions are met: 1) employee is not engaged in any gainful occupation; and 2) employee is completely unable, due to sickness or injury or both, to engage in any and every gainful occupation for which he/she is reasonable fitted by education, training, or experience. If the proof is accepted, you may stop the premium on behalf of the employee's group life coverage.

In order to preserve conversion rights, it is recommended that the employee continue to pay premiums until a decision is made regarding the waiver claim.

If the application is denied and Supplemental Life coverage is not extended, the employee may convert to an individual policy, as long as conversion happens within 31 days of the loss of coverage. If satisfactory proof of disability is later provided within the required period and the waiver claim is approved, coverage may be continued under the group plan. The employee must then surrender the individual policy in exchange for a return of premiums.

Special attention should be given to such requirements as:

- Limiting age – waiver of premium will continue to age 70 or until total disability stops, whichever comes first
- 6-month waiting period – employees should not apply for this benefit until 6 months of total disability has passed
- Definition of disability
- Duration of disability
- Claim submission within the period specified
- Dependent coverage termination—dependents should be advised they are able to convert their coverage within 31 days after the active coverage is terminated.

Note: Refer to your Group Contract/Booklet-Certificate for more information. Questions about life waiver of premium claims or benefits provided should be directed to the Group Life Claims Division, Waiver of Premium unit.

How to Submit a Life Waiver of Premium Benefits Application

If an employee becomes totally disabled for 6 months or more, Prudential will mail the employee the application, the Group Life Insurance Claim for Total Disability Benefits –Waiver of Premium form. Benefit Offices may also provide applications directly to employees whom they know may qualify.

- A. The employee must complete the employee's statement and the authorization to release medical information on the back of the form.
- B. The employee mails the application form to Prudential.
- C. Upon receipt of the application, Prudential will request from the local Benefits/Payroll office the confirming eligibility/enrollment information and beneficiary information. This includes the Electronic Waiver of Premium statement from BCS, any and all original enrollment forms, a screen print of the IINS and IDCS payroll screens documenting coverage and premiums paid, plus any life insurance beneficiary information.
- D. Upon receipt of eligibility/enrollment information from UC, Prudential will evaluate the application and determine if the employee qualifies. Employees will be notified directly by Prudential if their application is accepted.
- E. Individuals who qualify for the waiver of premium should contact the Prudential WOP unit directly if they wish to change or update their beneficiaries.

How to Submit a Life Insurance Claim for an Employee on Waiver of Premium

The death of an individual on waiver of premium should be reported directly to the Prudential Waiver of Premium Unit. Once the waiver application was accepted, Prudential became the official record-keeper for beneficiary forms for this population. Therefore, Prudential has all the information required to process the death claim directly and should not require additional information from you. Family members should be referred to the Waiver of Premium Unit (not the life claims unit) to file a claim.

Extended Death Benefit

Employees with Basic, Senior Management or Core coverage who become totally disabled and are less than age 65 may have protection under these plans continued for up to one year beyond the date coverage terminates. Protection continues for one year, until the employee is 65, or until disability ends, whichever comes first. There is no conversion privilege following the 12 month extended death benefit, so employees wishing to convert must do so within 31 days of the date their coverage terminates.

This extended Death Benefit may be preceded by a period of approved leave without pay, layoff or furlough during which coverage can continue for up to 4 calendar months, beginning with the month after the month in which the layoff or leave begins. No premium is due from the University for this continued coverage during leave. The conversion privilege may be exercised at the end of the approved LWOP, layoff, or furlough.

In practice, the combination of these plan provisions can result in up to 16 months of Basic or Core Life insurance protection for an employee who is totally disabled and approved for at least 4 months of leave without pay.

Forms Used to Administer Your Plan

All of the forms to Administer the Plan can be found in the Library section of the Prudential Portal.

Glossary of Terms

This section defines the terms that appear throughout the manual. Use it as a quick and handy reference to help you fully understand the components of your group life insurance plan.

Active at Work Requirement

A requirement that the employee be actively at work full-time at your place of business or at any other place your business requires the employee to go. Part-time employees who are eligible for group life insurance must be actively at work on a part-time basis.

Beneficiary

The person employees name to receive benefits if they die while covered under an applicable Prudential benefits plan or who will receive those benefits automatically under the terms of the applicable plan

Covered Classes

Types of employee groups which are eligible for coverage

Contract holder

The contract holder is the employer who owns the group insurance coverage (University of California)

Contributory/Non-Contributory Coverage

Contributory coverage requires an employee's contribution to pay for the cost of insurance premium, while non-contributory coverage does not require an employee's contribution for the cost of insurance premium. Your Group Contract shows whether a benefit is contributory or non-contributory

Conversion

The exchange of group life insurance for individual life insurance without medical evidence of insurability

Delay of Effective Date

Under Dependent Life Insurance, the effective date of coverage is deferred if the dependent is confined for medical care or treatment either in an institution or at home on the date that the coverage would become effective. Coverage is deferred until the dependent receives a final medical release from all such confinement.

Dependent

Eligible dependents include a legal/spouse, same sex domestic partner*, opposite sex domestic partner*, natural or adopted children under age 26, children for whom the employee is the legal guardian, grandchildren, and children/grandchildren of SSDP.

*As set forth in the University of California's Group Insurance Regulations

Effective Date

The date on which group life insurance coverage begins

Employee

A person employed by your company who is in a covered class for benefits as defined in your Group Contract.

Evidence Of Insurability (EOI)

Any statement or proof of an applicant's physical condition, occupation, etc., affecting the acceptance or denial of the application for group life insurance
Also called Statement of Health

Group Contract

The contract(s) or agreement(s), including any booklets/certificates, issued governing the benefits and extent of coverage under your group plan

Health Statement

The evidence of insurability form used by employees to submit medical evidence

Supplemental Term Life Insurance

Allows employees to select additional amounts of term insurance on a contributory (employee-paid) basis beyond coverage provided under a Basic Term Life program
Also referred to as Voluntary or Optional Life Insurance

Term Life Insurance

Insurance coverage that provides employees with life insurance protection only, and no cash accumulation value
All UC group life insurance plans are term life insurance.

Total Disability

Exists when Prudential determines that these conditions are met: 1) employee is not engaged in any gainful occupation; and 2) employee is completely unable, due to sickness or injury or both, to engage in any and every gainful occupation for which he/she is reasonable fitted by education, training, or experience

Waiver of Premium

This feature of Supplemental Life is designed to help disabled employees avoid the financial hardship of premium payments during their disability. Generally, if employees are totally disabled for a continuous six-month period and insured under the coverage at the time of disability, coverage is extended with no premium due as long as the employee remains totally disabled or until age 70, whichever comes first.

UC Path ONLY

Conversion/Portability Termination Processing for Locations with UC Path Administration ONLY

Portability/Conversion PROCESS:

UCPath:

Prudential receives eligibility file which will be used for sending portability and/or conversion packages to terminated employees

PRUDENTIAL (Record Keeping Service (RKS) to:

Forward to participant Letter outlining instructions and timeline, conversion notice and Portability Election form, Portability Short Form EOI, and Portability Rates. Prudential will determine who is eligible for portability and conversion or for conversion only using the eligibility file provided by the University of California.

EMPLOYEE to:

1. **Portability:** Mail Completed Portability Forms to:

The Prudential Insurance Company of America
Group Life Record Keeping
PO Box 13676
Philadelphia PA 19176

Or fax to 888-772-5265

Usually takes about 12 hours to see in system.

Overnight address:

2101 Welsh Road
Dresher, PA 19025

2. **Conversion:** Mail 1) Completed Application; 2) Notice of Group Life Conversion Privilege Form and 3) initial month's premium to:

The Prudential Insurance Company of America
Prudential/Group Life Conversions P.O. Box 70180
Philadelphia, PA 19176

PRUDENTIAL to:

1. Approve the application and contact the applicant directly.

If coverage is approved, Prudential will bill the applicant directly for premiums (unless he/she is paying monthly in which case the payment has to be drafted from their account. A completed EFT (Electronic Funds Transfer form must be submitted)

Portability: - Coverage is effective the day after the end of the 31 day period after you cease to be insured for the Employee Term Life Insurance provided that premium is paid within 31 days of the date the first bill is issued.

For questions, please call Group Life Administration at 1-800-778-3827 and a customer service representative will assist you.

Conversion: Coverage is effective the day after the end of the 31 day period after you cease to be insured for the Employee (Dependent) Term Life Insurance provided that the completed documents and initial premium payment is postmarked to Prudential no later than 31 calendar days after the group life insurance coverage ended or within 15 days of the date you receive notification, whichever is later.

For questions, please call 1-800-778-3827 and a customer service representative will assist you.

Attachments:

- Attachment 1 – Portability Form with Short Form EOI
Portability Rates
- Attachment 2 - Prudential Letter to Participant (conversion/portability)
- Attachment 3 - Prudential Letter to Participant (conversion only)