



# Personal Accident Insurance

**Developed for the Employees of  
Board of Higher Education  
and Ministry**

**The United Methodist Church**



## *Available to Eligible Personnel of:*

- Board of Higher Education and Ministry of The United Methodist Church
  - The Annual Conferences
  - Affiliated Education Institutions
- and other Methodist Related Organizations

## **Who Is Eligible For Coverage?**

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*You* — If you are an active, full-time or retired employee of the sponsoring employer.

*Your Family* — You may elect to cover your lawful spouse under age 70, and your unmarried dependent children who are at least 14 days old and under age 19 (or under age 25 if they are full-time students). Children must be dependent upon you for support and maintenance and must reside with you.

No one may be covered more than once under this plan. If covered as an employee, you cannot also be covered as a dependent.

## **Who Needs Personal Accident Insurance?**

You do. Accident insurance can help you pay expenses if you or your spouse is seriously injured or killed in a covered accident. This insurance can help ensure that tragedy doesn't take both an emotional and a financial toll on your family.

By purchasing this insurance through your employer, you benefit from:

- Affordable group rates
- Convenient payroll deduction

## **How Much Coverage Can You Buy?**

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*You* — You may select from \$10,000 to \$300,000 of coverage, at an affordable price.

*Your Spouse* — If you wish to insure your spouse only, you may select any benefit amount up to the amount you select for yourself.

*Your Family* — If you wish to insure your spouse and your dependent child/ren under the Family Plan, the amount of insurance will be a percentage of the benefit amount you select, and will depend on who your insured family members are at the time of a covered accidental loss.

Your spouse's benefit amount will be 40% of yours. Each of your covered children's benefit amount will be 10% of yours, or 15% if you are a single parent.

Each family member's coverage is a percentage of the benefit amount you select. It will depend on who your insured family members are at the time of a covered accidental loss.

You may need to request changes to your existing coverage if, in the future, you no longer have dependents who qualify for coverage. We will refund premium if you do not notify us of this and it is determined at the time of a claim that premium has been overpaid.

## A Valuable Combination of Benefits

Your* Benefit Amount	Monthly Cost for You	Monthly Cost for Your Spouse	Monthly Cost for You & Your Family
\$300,000	\$9.90	\$9.90	\$16.50
275,000	9.08	9.08	15.13
250,000	8.25	8.25	13.75
225,000	7.43	7.43	12.38
200,000	6.60	6.60	11.00
175,000	5.78	5.78	9.63
150,000	4.95	4.95	8.25
125,000	4.13	4.13	6.88
100,000	3.30	3.30	5.50
75,000	2.48	2.48	4.13
50,000	1.65	1.65	2.75
25,000	.83	.83	1.38
10,000	.33	.33	.55

\* The voluntary benefit amount for retirees is limited to \$75,000 when combined with the employer-paid benefit amount. Combined employer-paid and voluntary benefit amounts over \$150,000 cannot be greater than 10 times your annual earnings. See **Benefit Reductions**. Costs are subject to change.

The rate per \$1,000 of coverage is \$0.033 for Employee only, \$0.033 for Spouse only or \$0.055 for the Employee and Family Plan. To calculate your cost, divide the amount you select by 1,000 and multiply that number by the appropriate cost. For example, if you choose the Family Plan and select \$125,000 of coverage, then:

$$\begin{aligned} & \$125,000 \div 1,000 = 125 \\ & 125 \times \$0.055 = \$6.88 \text{ Your Monthly Cost} \end{aligned}$$

### Benefit Reductions

When you reach age 70, your benefits will be reduced to 70% of the benefit amount selected; at age 75, 45%; at age 80, 30%, and at age 85, 15%. If you elect coverage for your family members, Accidental Death & Dismemberment benefits for your insured family members will be based on your selected benefit amount. Other plan benefits based on your selected benefit amount will be determined by this reduction schedule. Coverage for your spouse ends when he or she reaches age 70. These reductions also apply if you elect coverage after age 69.

Personal Accident Insurance helps protect you against losses due to accidents. A covered accident is a sudden unforeseeable event that results in injury or death and that occurs while coverage is in force. We will pay the full benefit amount in the event of accidental loss of life occurring within 365 days of a covered accident. To help survivors of severe accidents adjust to new living circumstances, we will pay benefits for paralysis, dismemberment, loss of eyesight, speech or hearing according to the chart below.

If, within 365 days of a covered accident, bodily injuries result in:	We will pay this % of the benefit amount:	
	You or Your Spouse	Your Children
Loss of life	100%	100%
Total paralysis of both upper or lower limbs Loss of any two: hand, foot or eyesight Loss of speech and hearing in both ears	100%	200%
Loss of one hand or foot, or sight in one eye Loss of speech, or loss of hearing in both ears Total paralysis of both legs Total paralysis of arm and leg on one side of the body	50%	100%
Loss of thumb and index finger of the same hand	25%	50%

*If the same accident causes more than one of these losses, we will pay only one amount, but it will be the largest amount that applies. Loss of a hand or foot means complete severance through or above the wrist or ankle joint. Loss of sight means the total, permanent loss of sight of the eye. The loss of sight must be irrecoverable by natural, surgical or artificial means. Loss of speech means total, permanent and irrecoverable loss of audible communication. Loss of hearing means total and permanent loss of hearing in both ears which cannot be corrected by any hearing aid or device. Loss of a thumb and index finger means complete severance through or above the metacarpophalangeal joints (the joints between the fingers and the hand). California Residents: Loss of a thumb and index finger means complete severance of at least one whole phalanx (a bone of the finger) of each. South Carolina Residents: Loss of four whole fingers from one hand means the loss of one hand. Severance means complete separation and dismemberment of the limb from the body. Paralysis means total loss of use, without severance, of a limb. This loss must be determined by a doctor to be complete and not reversible. Severance means complete and permanent separation and dismemberment of the limb from the body.*

## **Additional Benefits**

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### ***For Children Requiring Special Care***

Personal Accident Insurance helps parents with children who survive severe accidents. If an insured child suffers a covered accidental injury, we will double the benefit amount up to \$50,000. If your child subsequently dies within 90 days of the covered accident, then we will pay only the death benefit payable under the plan. The chart shown reflects this additional benefit.

This increased benefit can help parents cope with the ongoing financial obligations associated with caring for children who require continued medical attention, rehabilitation services and a specialized educational environment.

### ***For Wearing a Seatbelt***

This benefit is payable if an insured person dies as a result of injuries sustained in a covered accident while driving or riding in a private passenger car\* equipped with seatbelts. If that person was wearing a properly fastened seatbelt (or if the insured is a child, a child restraint as defined by state law), that person's death benefit will be increased by 10%, but not less than \$1,000 nor by more than \$10,000.

If it is unclear whether the insured had been wearing the required protection, the plan will pay a benefit of \$1,000. No benefit is payable if the official accident report is either not provided to us or it indicates that no seatbelt was worn.

*\* A validly registered four-wheel private passenger (or policyholder-owned) car, station wagon, jeep, pickup truck, or van-type car.*

### ***For Dual Accidents***

If you have elected coverage for your family members and, as a result of the same covered accident or separate covered accidents that occur within the same 24-hour period, you and your insured spouse die, we will increase your spouse's benefit amount to 100% of yours. You and your spouse must be survived by one or more dependent children. Both benefits combined cannot be more than \$400,000.

### ***For Acts of Terrorism (Employee Only)***

Accidental bodily injuries or loss of life caused by an Act of Terrorism will be covered to the extent of benefits previously outlined in this brochure.

**Act of Terrorism** referred to above means a hostile or violent act carried out by a group of persons having political, military or territorial goals, but who are not operating on behalf of a sovereign state; their purpose being to compel an act or omission by any other person or any governmental entity.

## **What Is Not Covered**

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Plan benefits are not payable if a loss results from or is caused by, self-inflicted injuries or suicide; any felony committed by the insured; any act of war, declared or undeclared; sickness, disease, physical or mental impairment or medical or surgical treatment thereof, or bacterial or viral infection, regardless of how contracted. (This does not include bacterial infection that is the natural and foreseeable result of an accidental external cut or wound, or accidental food poisoning.)

Benefits are also not payable if the loss occurs while the covered person is engaged in the activities of active duty service in the military, navy or air force of any country or international organization (this does not include Reserve or National Guard training, unless it extends beyond 31 days); traveling in an aircraft that is owned, leased or controlled by the sponsoring organization; traveling in an experimental aircraft or one designed to be used in outer space; traveling in an aircraft that is being operated by or for a military authority other than U.S. Military Airlift Command, or similar foreign service; hang gliding; parachuting, except for self-preservation; piloting or serving as a crew member in any aircraft; and taking a flying lesson in any aircraft.

## **When Your Coverage Begins and Ends**

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Current employees can sign up during this enrollment period. New employees have 31 days from the date they become eligible to enroll. Coverage becomes effective on the first of the month after receipt of your application. Provided the application has been received and the appropriate premium paid, dependent coverage will start when your coverage begins.

If you are not actively at work, the effective date of your insurance will be deferred until you are actively at work. If your spouse is not regularly performing the duties of his/her occupation, or if your spouse or children are unable to engage in all the usual duties of a person of like age and sex, the effective date of their insurance will be deferred until they return to work or resume their usual duties.

Your coverage will continue as long as you remain an eligible employee, pay your premium when due, do not serve more than 30 days' full-time active duty in any Armed Forces, and we agree with your employer to continue this group policy. For your spouse and dependent children, coverage ends when your coverage terminates, when their premiums are not paid, or when he or she is no longer eligible, whichever occurs first.

## **Changing from the Group Plan to Individual Coverage**

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If, before you reach age 70, this group coverage ends for any reason except non-payment of premium, you can convert to an individual policy. No medical certification is needed. To continue coverage, you must apply for the conversion policy and pay the first premium in effect for your age and occupation within 31 days after your group coverage ends. Family members may convert their coverage as long as they have not reached the maximum age limitation. Converted policies are subject to certain benefits and limits as outlined in your certificate, should you become insured under the plan.

## **Signing Up Is Easy**

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No medical examination is required to apply! Just follow these steps.

1. Choose the benefit amount and coverage option that are right for you.
2. Fill out the enrollment form and return it to your Human Resources Department.

### **Don't forget to...**

Use the full name of your beneficiary. For example, use "Mary Jones Smith" not "Mrs. John A. Smith."

If you have any questions about the plan, please contact your Human Resources Department.

This plan provides ACCIDENT insurance only. It pays benefits for bodily injury. It does not provide coverage for sickness. This information is a brief description of important features of the plan. It is not a contract. Terms and conditions of coverage are set forth in Policy OK--817413 on Policy Form No. LM-2L60, issued in Illinois. The group policy is subject to the laws of the state in which it is issued. The availability of this offer may change. Please keep this material as a reference.

*Coverage is arranged by:  
**Educational & Institutional  
Insurance Administrators, Inc.***

*Coverage is underwritten by  
**Life Insurance Company of North America**  
1601 Chestnut Street  
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08/12