

Group Life Insurance

The **Virginia Retirement System (VRS)** administers the Group Life Insurance Plan.

Minnesota Life provides the coverage. If you have questions about your life insurance coverage, contact Minnesota Life at: P.O. Box 1193, Richmond, VA, 23218-1193; or call 1-800-441-2258

Eligibility

You are eligible to be covered by group life insurance if you are a permanent, salaried:

- State employee
- Public school teacher, administrator, or clerical employee of a school division; or
- An employee of a participating political subdivision, or a member of the support staff of a school board

Employees who work on a temporary or wage basis are not eligible.

Amount of Coverage

The amount of your life insurance coverage is equal to your annual salary rounded to the next highest thousand, then doubled. This is the amount of the benefit payable upon natural death

For example:

Salary	Rounded Salary	Insurance Amount
\$9,100	\$10,000	\$20,000
\$25,300	\$26,000	\$52,000
\$24,000	\$24,000	\$48,000

In addition to the amount that is payable upon a natural death, your life insurance also includes a number of *accidental death* benefits, as well as a *dismemberment* benefit and an *accelerated* benefit.

- The following *Accidental Death* benefits are available:
 1. In death is due to a covered accident, an *additional benefit* equal to the amount of the life insurance benefit is paid. This *accidental benefit* is paid on top of the benefit that is paid for natural death.
 2. If, as the result of a covered accident, an *insured employee dies at least 75 miles* from his or her principal place of residence, we will pay an *additional accidental death* benefit for the preparation and transportation of the insured's body to a mortuary. The benefit will be the lesser of:
 - the actual cost for such preparation and transportation; or
 - \$5,000.
 3. If an insured employee *dies or suffers a covered dismemberment* as a result of a covered accident which occurs while he or she *is driving or riding in a private passenger car*, we will pay an *additional benefit* equal to 10% of the amount payable due to the death or dismemberment, provided:
 - the private passenger vehicle * is equipped with *seatbelts*; and
 - a *seatbelt* was in proper use by the insured at the time of the accident as certified in the official accident report or by the investigating officer; and
 - at the time of the accident, the driver of the private passenger car was a licensed driver and was not intoxicated, impaired, or under the influence of alcohol or drugs.

Seatbelt means a properly installed seatbelt, lap and shoulder restraint, or other restraint approved by the National Highway Traffic Safety Administration or any successor governmental agency.

The maximum benefit payable under this seatbelt benefit is \$50,000.

4. If an insured employee dies or suffers a dismemberment as a result of an accident caused by a *felonious assault* committed by other than an immediate family member, there shall be paid an additional accidental death or dismemberment benefit equal to the lesser of twenty-five percent of the amount otherwise payable due to such accidental death or dismemberment or \$50,000.

In addition, if (i) an insured employee dies as a result of an accident caused by a *felonious assault* committed by other than an immediate family member, and (ii) such insured employee has a qualifying child at the time of such accident, a savings trust account shall be opened for each qualifying child pursuant to the Virginia College Savings Plan (§ 23-38.75 et seq.). The Retirement System shall contribute into the account of each such qualifying child an amount approximately equal to the current cost of purchasing in full a prepaid tuition contract for tuition and mandatory fees at a four-year public institution of higher education in the Commonwealth, as determined under § 23-38.75 et seq. The Retirement System shall be the contributor for each savings trust account, and the qualified beneficiary, as defined in § 23-38.75, shall be the qualifying child on whose behalf such account was opened. Specific benefits of the savings trust account shall be as defined by the Virginia College Savings Plan.

- The plan also includes a *dismemberment* benefit. This benefit pays an amount equivalent to either one-half or the entire amount of optional life insurance should an insured lose sight or suffer a severed limb as a result of an accident or a combination of both.
- The plan also allows an insured member to use their insurance while they are living. Under the *accelerated benefit* provision, an insured may receive all or a portion of their insurance if they have been diagnosed with a terminal illness with a life expectancy of 12 months or less may apply to accelerate their benefit and receive payment while they are living.

Cost of Coverage

In many cases, the employer pays the premium for members. Otherwise, the premium may be automatically deducted from your salary. Your employer can advise you of the current premium.

When you Retire

After you retire, your life insurance continues at no cost to you provided you are at least age 55 and have at least five years of service as an employee; or are age 50 with 10 years of service. Your life insurance also continues if you retire because of disability.

The amount of your life insurance reduces after retirement at a rate equal to *twenty-five percent on January 1 of the first full year* following the date the employee is separated from service *and each year thereafter*, until it reaches *twenty-five percent* of its original value.

If you retire because of disability, your life insurance does not begin to reduce until you reach age 65. At age 65, your insurance begins to reduce at a rate equal to *twenty-five percent on January 1 of the first full year* following the date the employee is separated from service *and each year thereafter*, until it reaches *twenty-five percent* of its original value.

Accidental death and dismemberment coverage ceases when you retire.

Coverage While on Leave Without Pay

You can continue your life insurance coverage while you are on leave, including military leave, up to a total of 24 months if your premiums are submitted monthly through your employer.

If You Terminate Employment

If you terminate your employment, and have not become eligible to retirement, your group life insurance coverage ends. You may convert to an individual whole-life policy at non-group rates, however, by completing a Conversion to Classic Life enrollment form. This form is available from your employer or from Minnesota Life. The conversion must take place within 31 days of the last day of the month in which you terminate employment. Members who are eligible to receive a retirement benefit upon termination may not convert to an individual policy. Information on premiums and coverage for conversions can be obtained from the program's life insurance carrier, Minnesota Life.

If you meet age and service requirements to retire at the time you terminate employment, but delay your retirement, your life insurance remains in effect at no cost. The annual 25 percent reduction in the amount of your coverage begins the month following the month of separation from service.

If you return to work under the same or another covered position, you again become eligible for coverage under group life insurance. The amount of your coverage is based on your new salary.

Beneficiaries

Keeping your beneficiary information up-to-date will ensure that benefits are paid promptly and according to your wishes. Any time you have a change of family status such as birth, death, change in marital status or other event, complete a new designation. You may change your beneficiary at any time by requesting a **Beneficiary Designation Form (VRS -2)** from your employer or from Minnesota Life.

Be sure that your beneficiary understands the benefits under the group life insurance plan.