

Plan Selection Guide

Group Life, Accidental Death and Dismemberment,
and Long Term Disability Insurance



Association of Washington Cities Employee Benefit Trust





Dear Benefits Administrators,

Standard Insurance Company (The Standard) is pleased to partner with the Association of Washington Cities Employee Benefit Trust to provide the following insurance coverages to AWC Trust members.

Basic Life insurance
Accidental Death and Dismemberment (AD&D) insurance
Dependents Life insurance
Additional Life insurance
Long Term Disability insurance

These insurance coverages are important because they allow your employees to protect their income now and in the future from an unexpected event. Disability insurance replaces a portion of income if you become disabled and are no longer able to work. Life insurance helps your loved ones cover your financial responsibilities if you're no longer there.

The Standard, headquartered in Portland, Oregon, is a nationally recognized provider of group Disability, Life, Dental and Vision insurance. We provide insurance to more than 23,000 groups covering nearly 6 million employees nationwide.

The Standard has over 55 years of experience meeting the needs of public employer groups including school districts, educational service districts or community colleges. Our first group client, which remains in force today, is a public employer that chose The Standard in 1951. Since then, we've been leading the way in public group insurance protection.

We always strive to do what's right — for our policyholders and their employees. This dedication has resulted in a national reputation for quality products, superior service and industry expertise.

We're looking forward to putting our financial strength, coverage flexibility and superior customer service to work for AWC Trust members.

To learn more about The Standard visit us at www.standard.com. For more information on the insurance coverages described in this brochure, contact the AWC Trust at 800.562.8981 or email Benefitinfo@awcnet.org.

Sincerely,

Standard Insurance Company

Counting on The Standard

The time your employees spend with their family is priceless, but what would happen if an employee suddenly died? It's not pleasant to think about, but your employee's death could potentially leave a family unable to meet existing financial obligations, including the medical expenses associated with a terminal illness or with burial and funeral expenses?

Group Life insurance from The Standard can be a simple, easy way to help protect your employee's loved ones. It offers them the opportunity to apply for the amount of insurance coverage that meets their specific needs and the convenience of insurance premiums deducted directly from their paycheck.

The Standard provides Basic Life coverage for eligible members of the Association of Washington Cities Employee Benefit Trust. Accidental Death and Dismemberment (AD&D), Dependents Life insurance and Additional Life insurance is available to groups purchasing Basic Life coverage.

Basic Life and Accidental Death and Dismemberment (AD&D) Insurance

Basic Life Insurance

Basic Life insurance with The Standard provides you with a wide range of options for your employees. Through the AWC Trust program, you can select between two plan options 1) a flat benefit amount; or 2) a salary based plan to meet your needs. Basic Life insurance requires 100% participation of eligible members.

Guarantee Issue Amounts

All Basic Life plan design options are guarantee issue (the amount available without providing evidence of insurability).

Plan Features

Waiver of Premium: Basic Life insurance may be continued without payment of premiums until age 75, following a six-month waiting period, if the insured employee provides satisfactory proof of becoming totally disabled prior to age 70.

Accelerated Benefit: Pays up to 75% of the insured employee's Life amount if the employee provides satisfactory proof of becoming terminally ill with less than 24 months to live. Accelerated Benefit is available on coverage of \$10,000 or greater.

Travel Assistance: A comprehensive program of information, referral, assistance, transportation and evacuation services to help covered employees and their immediate family in case of emergencies during travel. Travel Assistance also offers pre-travel assistance with access to information on passport and visa requirements, foreign currency, worldwide weather and more.

Beneficiary Financial Counseling: Recent beneficiaries and recipients of an Accelerated Benefit are entitled to Beneficiary Financial Counseling provided at no cost to the beneficiary. This counseling will not be provided where the Life insurance beneficiary is a minor, a trust or the insured's estate.

Conversion: If Life coverage ends or is reduced (for reasons other than payment of an Accelerated Benefit or non-payment of premiums), the amount which ended can be converted to an individual Life insurance policy.





Accidental Death and Dismemberment (AD&D) Insurance

It's simple. Accidents happen and sometimes they can have devastating effects. The AD&D coverage is equal to the Basic Life coverage amount and is offered as a package.

Enhanced AD&D Benefits

In addition to AD&D amounts payable for covered losses, the following enhanced benefits are also included with AD&D plans:

Seat Belt Benefit: Pays the lesser of \$10,000 or AD&D amount if a covered employee dies in a covered accident while wearing a seat belt.

Air Bag Benefit: Pays the lesser of \$5,000 or AD&D amount if a covered employee dies in a covered accident while wearing a seat belt and an air bag deployed.

Child Care Benefit: Reimburses spouse/domestic partner for qualifying child care expenses incurred within 36 months following covered employee's covered accidental death, up to \$5,000 per year or a cumulative total of \$10,000 or 25% of the AD&D insurance amount, whichever is less.

Occupational Assault Benefit: Pays up to the lesser of \$25,000 or 50% of the AD&D amount if the employee suffers a covered loss due to an assault while at work evidenced by a police report and punishable by law.

Public Transportation Benefit: Pays double the AD&D benefit if the employee dies in a covered accident while on public transportation, up to an additional \$200,000.

Career Adjustment Benefit: If the employee dies in a covered accident, the spouse/domestic partner will

be reimbursed for qualifying tuition expenses incurred within the following 36 months, up to \$5,000 per year or a cumulative total of \$10,000 or 25% of the AD&D insurance amount, whichever is less.

Higher Education Benefit: Reimburses children for qualifying tuition expenses within 48 months following employee's covered accidental death, up to \$5,000 per year or a cumulative total of \$20,000 or 25% of the AD&D insurance amount, whichever is less.

Occupational Assistance: Covers expenses incurred up to \$10,000 for the services provided or recommended by the consultant. Services include review of the medical condition and determining a course of action, developing a rehabilitation plan, workplace modifications and vocational training and medically supported ergonomic equipment purchases.

How much will Basic Life and AD&D coverage cost?

Use the following rate to determine the monthly premium:

Group Basic Life and AD&D	\$0.15 per \$1,000 of Basic Life coverage
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Basic Life and AD&D Insurance Plan Designs

Plan Design	Life/ADD Benefit Level Options
Plan 1	Flat benefit amount - Employees covered for identical dollar amounts of life insurance (i.e. \$10,000, \$25,000).
Plan 2	Salary based - Employees covered for various amount of life insurance based on a multiple of earnings (rounded up to the next higher \$1,000). The minimum amount is \$10,000 and the maximum amount is \$500,000.

Basic Life and AD&D amounts should match and are offered as a package.

Basic Dependents Life Insurance

In addition to Basic Life insurance, you may choose to offer Basic Dependents Life insurance to your employees. With Basic Dependents Life, you can select between four plans that provide coverage to spouses/domestic partners and eligible children of your employees.

Plan Design	Benefit Level
Plan 1	\$1,000
Plan 2	\$2,000
Plan 3	\$5,000
Plan 4	\$10,000

The amount of Basic Dependents Life insurance for your Spouse/Domestic Partner and child(ren) may not exceed 50% of the employee's Basic Life insurance amount.

Basic Dependents Life insurance requires 100% participation of eligible members and may be selected only if Basic Life is selected.

How much will Basic Dependents Life coverage cost?

Use the following rates to determine the monthly premium:*

Group Dependent Life	*Regardless of the number of eligible children covered
Plan 1	\$0.34 per member
Plan 2	\$0.64 per member
Plan 3	\$1.00 per member
Plan 4	\$2.00 per member



Additional Life Insurance

Every employee has different protection needs. With Additional Life insurance coverage from The Standard, you can offer them more ways to feel secure should the unexpected occur. For more protection, The Standard offers Additional Life coverage for the employee and their spouse/domestic partner.

Employees can choose optional coverage for themselves with benefit values ranging from \$10,000 to \$500,000, in increments of \$10,000. The amount elected may not exceed five times their annual earnings. Rates are age-graded based on the employee's age as of the last January 1st, with a guarantee issue (GI) level (amount available without providing evidence of insurability) of \$80,000 if selected when first eligible.

Plan Features

Accelerated Benefit: Pays up to 75% of insured employee's Life amount if the employee provides satisfactory proof of becoming terminally ill with less than 24 months to live. Accelerated Benefit is available on coverage \$10,000 or greater.

Waiver of Premium: Additional Employee Life and Spouse/Domestic Partner Life coverage may be continued without payment of premiums until age 75, following a 180-day waiting period, if the insured employee provides satisfactory proof of becoming totally disabled prior to age 70.

Beneficiary Financial Counseling: Recent beneficiaries and recipients of an Accelerated Benefit are entitled to Beneficiary Financial Counseling provided at no cost to the beneficiary. This counseling will not be provided where the Life insurance beneficiary is a minor, a trust or the insured's estate.

How much will Additional Life coverage cost?

Use the following rate to determine the monthly premium:

Employee age as of last January 1	Rate per \$1,000 of Additional Life
Under 30	\$0.06
30-34	\$0.08
35-39	\$0.09
40-44	\$0.15
45-49	\$0.23
50-54	\$0.40
55-59	\$0.67
60-64	\$0.92
65-69	\$1.54
70-74	\$3.10
75-79	\$4.53
80+	\$6.61



Additional Dependents Life Insurance for your Spouse/Domestic Partner

Employees who enroll in Additional Life insurance with The Standard can also choose to enroll in Additional Dependents Life insurance for their spouse/domestic partner. Benefit values range from \$5,000 to \$500,000, in increments of \$5,000. The amount of Life insurance for your spouse/domestic partner may not exceed 100% of the amount of employees Additional Life insurance. Rates are age-graded based on the spouse/domestic partner's age as of last January 1st.

How much will Additional Dependents Life for your Spouse/Domestic Partner coverage cost?

Use the following rate to determine the monthly premium:

Spouse/Domestic Partner age as of last January 1	Rate per \$1,000 of Additional Life
Under 30	\$0.06
30-34	\$0.08
35-39	\$0.09
40-44	\$0.15
45-49	\$0.23
50-54	\$0.40
55-59	\$0.67
60-64	\$0.92
65-69	\$1.54
70-74	\$3.10
75-79	\$4.53
80+	\$6.61

This policy has exclusions, limitations, reductions of benefits and terms under which the policy may be continued in force or discontinued. For costs and complete details of the coverage, please contact Standard Insurance Company.



Group Long Term Disability Insurance

Chances are your employees already purchase home, auto and life insurance to protect themselves and their family against the threat of loss. And they probably have health insurance to guard against costly medical bills. So what steps have you taken to help shield your employees from an unexpected loss of income? Would they be able to meet their financial obligations if they became disabled and unable to work?

The Standard provides Group Long Term Disability (LTD) insurance coverage for eligible members of the Association of Washington Cities Employee Benefit Trust.

LTD insurance is designed to pay a benefit in the event an eligible member cannot work because of a covered illness or injury. This benefit replaces a portion of their income, thus helping them meet their financial commitments in a time of need.

The Risk of Disability

The risk of disability may be greater than you think. Recent statistics have shown:

- More than 25% of today's 20-year-olds will become disabled during their career. (Source: U.S. Social Security Administration, Facts. <https://www.ssa.gov/disabilityfacts/facts.html>. Accessed June 2, 2017)
- The top five causes of Long Term Disability Claims - 28.6% Muscle/bone disorders, 15.1% Cancer, 10.3% Accidents, 8.7% Cardiovascular and 8.3% Mental disorders. (Source: Council for Disability Awareness, 2014 Long Term Disability Claims Review)
- Over half of Americans are financially unprepared for a period of disability. 52% of adult Americans have no savings earmarked for emergencies. (Source: U.S. Federal Reserve Board, Report on the Economic Well-Being of U.S. Households in 2016, May 2017)





Benefits

Long Term Disability insurance from The Standard provides you with different plan design options that allow you flexibility to select a plan that suits the needs of your employees.

Maximum Benefit Amount: \$12,000 per month before reduction by Deductible Income.

Your choice of Benefit Percentage:

- **60% of the first \$20,000** of the employee's monthly Predisability Earnings, reduced by Deductible Income.
- **67% of the first \$17,910** of the employee's monthly Predisability Earnings, reduced by Deductible Income.

Two options for Benefit Waiting Period: 90 and 180 days.

Plan Design	Benefit Level
Plan 1	60% Benefit 90-day Benefit Waiting Period
Plan 2	60% Benefit 180-day Benefit Waiting Period
Plan 3	67% Benefit 90-day Benefit Waiting Period
Plan 4	67% Benefit 180-day Benefit Waiting Period

Maximum Benefit Period: If disabled before age 62, LTD benefits may continue until age 65 or to the Social Security Normal Retirement Age (SSNRA) or 3 years 6 months, whichever is longer. If disabled at age 62 or older, the benefit duration is determined by the age when disability begins:

Age	Maximum Benefit Period
62	To SSNRA, or 3 years 6 months, if longer
63	To SSNRA, or 3 years, if longer
64	To SSNRA, or 2 years 6 months, if longer
65	2 years
66	1 year 9 months
67	1 year 6 months
68	1 year 3 months
69+	1 year

Plan Features

Return to Work Incentive: Rewards employees who return to work on a part-time basis by coordinating disability benefit payments with work earnings to provide 100% of predisability earnings for the first 12 months of work. After that, 50% of work earnings will be used to reduce the amount of the Long Term Disability benefit.

Reasonable Accommodation Benefit: Subject to The Standard's prior approval. Reimburses qualified employer up to \$25,000 for reasonable accommodations which allow a disabled employee to return to work.

Survivors Benefit: Pays spouse/domestic partner or unmarried children under 25 years old a lump sum equal to three times the unreduced Long Term Disability benefit if the insured employee dies while Long Term Disability benefits are payable.

How much will Long Term Disability coverage cost?

Use the following rates to determine the monthly premium:

Plan Design	Percent of Monthly Insured Earnings
Plan 1	0.404
Plan 2	0.341
Plan 3	0.516
Plan 4	0.433

Use the following rates to determine the monthly premium for low-risk* groups:

Plan Design	Percent of Monthly Insured Earnings
Plan 1	0.331
Plan 2	0.280
Plan 3	0.423
Plan 4	0.355

*Excludes safety members, such as police, fire, transit and electrical workers.





For more than 100 years we have been dedicated to our core purpose: to help people achieve financial security so they can confidently pursue their dreams. We have earned a national reputation for quality products and superior service by always striving to do what is right for our customers.

Headquartered in Portland, Oregon, The Standard is a nationally recognized provider of group Disability, Life, Dental and Vision insurance. We provide insurance to more than 23,000 groups covering nearly 6 million employees nationwide.* Our first group policy, written in 1951 and still in force today, stands as a testament to our commitment to building long-term relationships.

To learn more about The Standard visit us at **www.standard.com**. For more information on Group Life or Group Long Term Disability Insurance from The Standard, contact the AWC Trust at 800.562.8981 or email Benefitinfo@awcnet.org.

* As of September 30, 2014, based on internal data developed by Standard Insurance Company.

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GP899-Life, GP899-STD, GP899-LTD

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