

Continuation of Coverage for Pickens County

Health insurance programs help workers and their families take care of their essential medical needs. After the passage of the health benefit provisions in the Consolidated Omnibus Budget Reconciliation Act (COBRA) in 1986, many employees and their families who would lose group health coverage because of serious life events are able to continue their coverage under the employer's group health plan, at least for limited periods of time. The Employee's right under COBRA to a temporary extension of employer-provided group health coverage is called COBRA continuation coverage and provides employees or their families with medical care.

Life insurance and disability benefits are not considered "medical care" and COBRA does not cover plans that provide only life insurance or disability benefits. However, depending on the individual circumstances and certain factors, under the conversion and portability provisions, an employee may be eligible to continue the voluntary benefits in force after termination of employment or retirement.

Portability of Insurance

When your employment ends (or in certain other situations in which Optional Group Term Life Coverage could be terminated), you may elect the option of portability to ensure continued life insurance coverage. When your group coverage is scheduled to end as stated in the portability section of your certificate, you may have the option of continuing Optional Group Term Life Insurance coverage under the portability provision of the Group Policy. You may need to meet certain requirements in order to be eligible. Premiums will continue under a separate rate schedule and will be determined by your age as of the effective date of your Portability coverage. If Portability is elected, Optional Group Term Life coverage may be continued at the amount in force on the date your employment terminates. Your request for Portability and initial premium payment must be received by the insurance carrier within 30 days of your coverage termination date.

Conversion of Life Insurance

Conversion of Life Insurance may be available when coverage under Portability terminates. You may have the right to have the insurance company issue to you an individual life insurance policy without submitting Proof of Insurability if all or part of your insurance under the Group Policy terminates for any reasons specified in the Master contract. A written and signed application for conversion along with the first premium due for the policy must be submitted to the carrier within 30 days of termination or benefit reduction.

If you miss the deadline, you and your dependent(s) will be ineligible for conversion. Premiums for a Life Conversion policy are substantially higher than your Employer Group plan rates.

Death During Conversion Period

If the employee dies during the 30 day period that he or she could have applied for a Conversion Policy, the amount of Life Insurance the employee could have converted will be paid as the death benefit, even if the employee had not applied for the Conversion Policy.

Waiver of Premium

Depending on the individual policy, you may be subject to the terms of the Waiver of Premium provision. If you become Totally Disabled while insured and conform under the terms of the contract, no premium payment will be required for your Basic and Optional Life Insurance coverage as of the date you satisfy the elimination period.

The amount of insurance will be the amount in effect as of the date you became Totally Disabled, subject to any reductions if listed in the Age Reductions provision while you are Totally Disabled. Please refer to the Group's Contract for a detailed definition of Total Disability.

Conversion of Cancer, Critical Illness and Accident Policy

You may be eligible to continue coverage under the Portability Provision when coverage under the policy ends. The Employee may continue the coverage that is in force on the date employment ends, including dependent coverage then in effect. The insured employee has to request conversion directly with the insurance carrier within 30 days of leaving the employer. Typically, when the carrier is notified about the employment termination, a conservation/payment notice is mailed to the employee's last address, providing detailed instructions regarding direct payment arrangements.

For any questions or to request additional information or forms, please contact your insurance carrier directly at the numbers below:

GREATER GEORGIA LIFE – 1- 800-801-6142

SUN LIFE – 1-800-247-6875

**MSI Benefits Group
245 TownPark Drive, Suite 100
Kennesaw, GA 30144
Tel: 770-425-1231 / 800-580-1629**

Fax: 770-425-4722 / 800-580-2675