

This document is for Benefit Administrator use only as a resource to help answer employee questions. It is not intended for employee distribution.

The Universities of Wisconsin currently offers four different life insurance plans to eligible employees: State Group Life (SGL) Insurance; Individual & Family (I&F) Life Insurance; UW Employees, Inc. (UWEI) Life Insurance; and University Insurance Association (UIA) Life Insurance. Effective January 1, 2025, the UWEI and UIA Life Insurance Plans will terminate. Employees eligible for I&F Life Insurance will be offered a one-time enhanced enrollment opportunity to enroll or increase employee coverage during Annual Benefits Enrollment (September 30 – October 25, 2024).

UW Employees Inc. (UWEI) Life Insurance University Insurance Association (UIA) Life Insurance

1) Question: Why are the UWEI the UIA Life Insurance Plans terminating?

Answer: The Universities of Wisconsin conducted an evaluation of the life insurance plans available to employees. Currently eligible employees may be enrolled in up to four different life insurance plans. Multiple life insurance plans cause employee confusion and have resulted in the under selection of the more robust life insurance plan options; State Group Life Insurance and Individual & Family Life Insurance.

Our review indicated that new employees tend to enroll in the low-cost life insurance options that provide a *declining amount of coverage* as they age. Also, since UIA Life Insurance is mandatory coverage for employees who meet the eligibility criteria, employees may decide not to enroll in the other valuable life insurance options because they are automatically enrolled in that Plan. This can result in employees being underinsured as their needs change over time.

Both State Group Life Insurance and Individual & Family Life insurance offer coverage that can increase over time. State Group Life Insurance is based on an employee's earnings. As earnings increase, coverage increases without providing proof of good health. Individual & Family Life Insurance provides an annual increase option during Annual Benefits Enrollment that allows employees to increase coverage up to \$20,000 each year without proof of good health.

State Group Life Insurance is the only life insurance plan the Universities of Wisconsin contributes towards the cost. In addition, employees who retire and meet the eligibility requirements may continue their State Group Life Insurance at group rates. At age 65, retiree coverage continues at a reduced amount at no cost.

To simplify life insurance plan offerings and to meet the Universities of Wisconsin's fiduciary obligation to offer an appropriate lineup of benefit plans, it was decided to terminate the UIA Life Insurance Plan effective January 1, 2025. The UWEI Board notified the Universities of Wisconsin in the fall of 2023 of their decision to terminate the UWEI Life Insurance Plan effective January 1, 2025.

- 2) **Question:** How long will employees enrolled in the UWEI and UIA Life Insurance Plans have coverage?

Answer:

UW Employees Inc. (UWEI) Life Insurance

Active employees enrolled in the UWEI plan as of December 31, 2023, are covered under the plan through December 31, 2024, *at no cost*. The UWEI Board authorized plan assets to be used to cover premium costs in 2024. Covered employees who leave employment prior to December 31, 2024, will have coverage through the last day of the month in which their employment ends. These employees may convert up to the full amount of their coverage to an individual policy by submitting a conversion form and required premium to Securian (the plan carrier) within 31 days of their coverage end date.

University Insurance Association (UIA) Life Insurance

Employees enrolled in UIA Life insurance on January 1, 2024, are covered under the plan through December 31, 2024, regardless of employment status. The annual premium of \$38.40 was deducted from the January 25, 2024, paycheck. No additional premium is needed for coverage through December 31, 2024.

- 3) **Question:** Can active employees who are covered under UWEI and/or UIA Life Insurance convert coverage to an individual policy when the Plans terminate?

Answer:

Limited conversion may be available to active employees who:

- a) Have been insured for at least five (5) years; *and*
- b) Are *not eligible* for the I&F Life Insurance enhanced enrollment option; *or*
- c) Are currently enrolled in \$300,000 (plan maximum) employee I&F coverage.

Refer to Question #10 of the Individual & Family Life section below for additional information on who is eligible for the enhanced enrollment option.

For the few employees eligible to convert, the amount is limited to the full amount of terminated insurance or \$10,000, whichever is less. Employees interested in converting coverage should contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or call (888) 298-0141 to request a conversion form. The conversion form must be completed and submitted along with the required premium to Securian within 31 days after the Plans terminate. Proof of good health is not required.

- 4) **Question:** What options do active employees have to enroll in or increase existing life insurance coverage?

Answer: Employees may enroll in or increase existing life insurance coverage by:

a) *Electing Coverage During the Individual & Family (I&F) Life Insurance Enhanced Enrollment Option*

Employees eligible for I&F Life Insurance will be offered a one-time opportunity to enroll in or increase their existing *Employee* coverage in the Plan *without* evidence of insurability (proof of good health). The enhanced enrollment option will allow employees to elect up to \$100,000 in new or additional employee coverage in \$5,000 increments, not to exceed the Plan maximum of \$300,000. The enhanced enrollment will occur during Annual Benefits Enrollment (September 30 – October 25, 2024) with coverage effective January 1, 2025.

b) *Applying for Coverage Through Evidence of Insurability (Approval not guaranteed)*
Employees eligible for State Group Life Insurance and/or Individual & Family Life Insurance may apply for coverage through Evidence of Insurability (proof of good health) at any time. If approved, coverage will be effective the first of the month following the date the application is approved by Securian, the plan carrier. The Evidence of Insurability Applications can be accessed on the [State Group Life Insurance](#) and [Individual & Family Life Insurance](#) web pages under the Forms & Resources section.

c) *State Group Life Insurance Special Enrollment Opportunity for January 1, 2026 (Tentative)*
For employees eligible for State Group Life Insurance, the Group Insurance Board approved a special enrollment into the Plan to be held during Annual Benefits Enrollment (ABE) in fall 2025 with coverage effective January 1, 2026. The special enrollment is *contingent upon the successful system implementations occurring in the summer of 2025*. The special enrollment will allow employees to elect up to one level of new or additional employee coverage, not to exceed the Plan maximum of five levels of coverage.

5) **Question:** What options will former employees enrolled in UIA Life Insurance have when the plan terminates (includes employees who leave employment during 2024)?

Answer: Limited conversion may be available to employees who leave employment during 2024 and to employees who elected to continue coverage at retirement if they have been insured for at least five (5) years. The amount eligible for conversion is limited to the lesser of:

- a) \$10,000; and
- b) The amount of coverage lost minus any amount of group life insurance they may become eligible for within 31 days of the date the Plan is terminated.

Employees who terminated *prior to 2024* and continued UIA Life Insurance should contact Securian at (833) 365-0326 if they are interested in converting coverage or have questions. Additional information on limited conversion rights is available through Securian's website: [LifeBenefits.com/continue](https://www.lifebenefits.com/continue). Login and enter Policy Number 32872 and Access Key UIA.

Employees who leave employment *during 2024* should contact UW-Shared Services, Service Operations at service.operations@support.wisconsin.edu or call (888) 298-0141 to request a conversion form. The conversion form must be completed and submitted along with the required premium to Securian within 31 days after the University Insurance Association Life Insurance Plan terminates (by January 31, 2025). No proof of good health is required.

6) **Question:** What life insurance options are available to employees at retirement?

Answer:

State Group Life Insurance

Currently, employees enrolled in State Group Life Insurance may continue coverage if the following eligibility requirements are met:

- Employee's WRS coverage began before January 1, 1990, or they have been covered by State Group Life insurance in five calendar years beginning January 1, 1990, *and*
- The employee qualifies under one of the following situations:
 - Employee retires and is eligible for a WRS annuity within 31 days of when coverage ends

- The sum of the years of the employee's creditable service in the WRS on January 1, 1990, plus the years of group life insurance coverage after 1989 equals 20 years, or
- Employee terminates with at least 20 years of WRS service

(See Question 4(c) for information on a tentative special enrollment for State Group Life Insurance for January 1, 2026.)

Individual & Family Life Insurance

Employees enrolled in I&F Life Insurance who retire or leave employment may convert up to the full amount of their coverage to an individual policy within 31 days of their coverage end date. Employees interested in converting coverage should contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or call (888) 298-0141 to request a conversion form.

- 7) **Question:** Can employees keep the same life insurance (UWEI and/or UIA) they are enrolled in at the same cost? If so, how?

Answer: No, the plans are terminating and the only option to keep the insurance is through limited conversion.

- 8) **Question:** Why is limited conversion of the UWEI and UIA Life insurance plans offered if it is not an option for employees eligible for the enhanced enrollment opportunity in the I&F Life Insurance Plan?

Answer: Wisconsin State Statute 632.57 requires group life insurance plans to offer limited conversion when a group policy terminates. The statute allows the amount eligible for conversion to be reduced by any other group insurance made available within 31 days after the plan termination.

Individual and Family (I&F) Life Insurance Enhanced Enrollment

- 9) **Question:** Why is an enhanced enrollment being offered for the I&F Life Insurance Plan?

Answer: An enhanced enrollment is being offered to all employees eligible for I&F Life insurance due to the termination of the UW Employees Inc. (UWEI) and University Insurance Association (UIA) Life Insurance plans effective January 1, 2025.

- 10) **Question:** Who is eligible for the I&F Life Insurance enhanced enrollment?

Answer: Employees eligible for I&F Life insurance are eligible to participate in the enhanced enrollment, except for those employees who are currently enrolled in \$300,000 of employee coverage, the maximum amount allowed under the plan. The following requirements must be met to be eligible for I&F Life insurance:

- Eligible for State Group Health Insurance as an active employee and
- Not receiving a Wisconsin Retirement System annuity

11) **Question:** When is the I&F Life Insurance enhanced enrollment being held and what are the details?

Answer: The enhanced enrollment opportunity will be offered during Annual Benefits Enrollment (September 30 – October 25, 2024). Employees eligible for or currently enrolled in I&F Life Insurance may increase or enroll in up to \$100,000 (in \$5,000 increments) in employee coverage *without* evidence of insurability (proof of good health). Changes in coverage will be effective January 1, 2025. Employee coverage may not exceed the \$300,000 maximum amount allowed under the plan.

Employees may enroll or increase their coverage by visiting the MyWisconsin Portal. Employees who don't have access to a computer may submit an Enhanced Enrollment and Annual Increase form which will be available on the ABE web page under the Forms & Resources section.

12) **Question:** Will the enhanced enrollment also apply to spouse/domestic partner and child coverage?

Answer: No, the I&F Life Insurance enhanced enrollment applies only to employee coverage since the coverage being lost under the UWEI and UIA plans is employee coverage.

- Employees currently enrolled in I&F Life Insurance spouse/domestic partner and/or child coverage may increase coverage without proof of good health during ABE (September 30 – October 25, 2024). Enrolled employees may increase spouse/domestic partner coverage up to \$10,000 and may increase child coverage by \$2,500. Increases are effective January 1, 2025.

To enroll in I&F Life Insurance spouse/domestic partner and/or child coverage or to increase coverage by amounts greater than those allowed under the Annual Increase Option, employees may apply through evidence of insurability (EOI). The Evidence of Insurability Application can be accessed on the [Individual & Family Life Insurance web page](#) under the Forms & Resources section. Coverage changes are effective the first of the month following the date the application is approved by Securian, the plan carrier.

- Employees not currently enrolled in I&F Life Insurance who want to enroll in spouse/domestic partner and/or child coverage, should first enroll in employee I&F Life Insurance during the enhanced enrollment. The employee can then apply for spouse/domestic partner and/or child coverage through EOI. If the employee applies for EOI and is approved for coverage before January 1, 2025, the effective date of coverage is January 1, 2025, the effective date for employee coverage. If EOI is approved after January 1, 2025, coverage is effective the first of the month following the date approved by Securian, the plan carrier.

13) **Question:** When and how will employees who enroll in coverage during the enhanced enrollment name a beneficiary?

Answer: Employees who enroll in I&F coverage during the enhanced enrollment will receive a welcome packet from Securian in mid-January 2025. The packet will include login information for employees to name a beneficiary online through Securian's secure Life Benefits portal. A paper beneficiary designation may also be submitted to Securian. See the [Beneficiary Information web page](#) for additional information.

14) **Question:** What resources are available to assist employees with determining the cost of I&F Life insurance coverage compared to the cost of coverage they may have under the UWEI and UIA Life Insurance Plans?

Answer: Employees may use the I&F Life Insurance Premium Calculator located on the [Benefits Premiums web page](#) under the I&F Life Insurance drop down to determine the monthly cost for comparable coverage under the I&F Life Insurance plan.