

University of Wisconsin System  
Accidental Death & Dismemberment Insurance  
Zurich-American Policy GTU8364005

<https://www.wisconsin.edu/ohrwd/benefits/accident/add/>

EMPLOYER MANUAL, REV. 8/2013

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## **CERTIFICATE OF INSURANCE**

Advise participants to view the Certificate <https://www.wisconsin.edu/ohrwd/benefits/download/life/add/cert.pdf> and retain it with other important insurance documents.

## **ELIGIBILITY**

Active University of Wisconsin System employees who are eligible for State of Wisconsin Group Health Insurance are eligible to enroll.

The plan offers a continuous open enrollment opportunity for employees except those who are on a leave of absence or temporary layoff.

Rehired annuitants receiving a Wisconsin Retirement System benefit are not eligible to enroll.

## **EFFECTIVE DATE OF INSURANCE**

- Coverage is effective on the first of the month following the date the eligible employee submits the application to the institution benefits office. If filed on the first day of the month, coverage is effective the first of the month. Examples:
  - An employee hired July 7, submits an application on August 6. The AD&D insurance coverage is effective September 1.
  - An employee hired July 7, submits an application on August 1. The AD&D insurance coverage is effective August 1.
- Decrease or increase in coverage follows the same examples as above, becoming effective on or after the first of the month depending upon when the benefits office receives the application and change form.
- The employee may select a future date when changing coverage amounts.

## **ENROLLMENT THROUGH EVIDENCE OF INSURABILITY**

Enrollment through evidence of insurability is unavailable in this plan.

## **PREMIUMS**

Employee coverage:                 \$.029 per \$1,000 of coverage  
Family Plan coverage:             \$.044 per \$1,000 of coverage

Premiums can be accessed here: <https://www.wisconsin.edu/ohrwd/benefits/premiums/>

Premiums are deducted from each monthly payroll and from each "A" bi-weekly payroll. Payroll deductions are taken one month in advance of the coverage month.

If employee selects the \$400,000 level of coverage, you will now need to enter \$10.15 with an adjustment of 1.45 for 99 payments. If they want the family plan for \$400,000, you will need to enter \$15.40 with an adjustment of 2.20 for 99 payments. For more information, see the Payroll Deduction Manual. The employee pays the total cost of the insurance; there is no University contribution.

## **FAMILY PLAN**

Family Plan coverage means the insured employee has chosen to provide coverage for his or her spouse/domestic partner and or children. The spouse/domestic partner and children are covered at a reduced amount of the benefit amount. If the insured employee and the insured spouse/domestic partner are both UW System employees and eligible for coverage, only one may select the Family Plan.

### **Definition of a covered child:**

An employee's or employee's domestic partner's unmarried child(ren), including natural child, stepchild, adopted child, legal ward and a child in an adoptive placement under Wisconsin law, who is dependent upon the employee for at least 50% of support and maintenance and who is:

- a. More than 14 days old, counting from live birth, but under 19 years of age; or
- b. Age 19 or older but less than 25 if a full-time student.

For insured employees to cover a domestic partner or partner's children under the Family Plan, they must first establish a domestic partnership for employee benefit purposes. For guidelines, see <https://www.wisconsin.edu/ohrwd/benefits/dp/>.

## **Changing to the Family Plan**

- Active employees may add dependent coverage at any time except during a leave of absence or lay off.
- Coverage is effective on the first of the month following the date the eligible employee submits the application to the institution benefits office. If filed on the first day of the month, coverage is effective the first of the month. Examples:
  - On July 1, benefits and payroll office receives an application. The AD&D insurance coverage is effective July 1.
  - On July 7, benefits and payroll office receives an application. The AD&D insurance coverage is effective August 1.

Retirees who opt for continuation coverage may not add dependent coverage.

## **PROCESSING GUIDELINES**

### **Application**

Fillable, online form. <https://www.wisconsin.edu/ohrwd/benefits/download/life/add/app.pdf>.

The employee submits the enrollment and change form to the institution payroll and benefits office. After entering the payroll deduction into DDEN 432, the institution forwards the original enrollment application to UW System Human Resources Services, 780 Regent St., Madison, WI 53715.

### **Beneficiary**

Fillable online form, revised 9/10. Benefits will be paid in accordance with the established standard sequence. To name a beneficiary, the employee completes the Beneficiary Designation Form UWS 1247 <https://www.wisconsin.edu/ohrwd/benefits/beneficiary/>.

In the event the insured employee dies and there is no beneficiary named or the named beneficiary predeceases or dies at the same time as the insured employee, a benefit will be paid to survivors according to the following standard sequence:

1. The insured's spouse or domestic partner, if living; otherwise;
2. The insured's surviving children equally, otherwise;
3. The insured's surviving grandchildren equally, otherwise;
4. The insured's surviving parents equally, otherwise;
5. The insured's surviving siblings equally, otherwise;
6. The insured's estate.

For all other death claims, benefits are to be paid to the insured employee.

### **Summer Pre-Pay Deductions**

Some employees may not have Summer Pre-Pay deductions.

Institution human resources staff may be requested to identify employees who are expected to return for the fall semester and enter Summer Pre-Pay deductions into the payroll deduction system or invoice the employee via UW-Shared Services, Service Operations Benefits Billing. Either method of premium collection will provide continuous coverage over the summer months.

### **Reinstatement of Coverage**

When lapse in coverage occurs, verify the non-continuance of all payroll deductions. For example, an employee would have let state group health insurance lapse to qualify for reinstatement following lapse of AD&D insurance. (\*\*IS THE PRECEDING SENTENCE REASONABLE?\*\*) Reapplication is not necessary.

## **PERSONNEL STATUS CHANGES**

### **Re-employment at UW System**

- **Over 30-day Break.** Employees may enroll for coverage, as would a new employee, upon rehire to an eligible position.
- **Less than 30-day Break in Service.** A new application form is not needed. Ensure deduction is active and adjustments are taken for any missed premiums (\*\*BACK PREMIUMS ARE ACCEPTABLE?\*\*)

**Leave of Absence or Layoff**

Employees have two options regarding payment of premiums while on an approved unpaid leave of absence or temporary layoff:

- 1.) Continue to prepay the appropriate premium for coverage for up to thirty-six (36) months during the course of the unpaid leave of absence, or
- 2.) Allow their coverage to lapse during the absence. Upon return to work, the employee may apply for coverage, as would a new employee.

**Transfers**

Employees who transfer to the UW System from another state agency must meet eligibility requirements and complete an enrollment application. It is unnecessary for employees enrolled in AD&D and transfer within the UW System to complete a new AD&D application form for coverage to continue.

**SCHEDULE OF BENEFITS**

24-hour accident protection for business and pleasure. (\*\*PILOT AND AIRCRAFT LANGUAGE OMITTED\*\*)

**Benefit Amount**

Employee:

- 100% of Benefit Amount. The benefit amount for your covered dependents will be a percentage of your benefit amount, as follows:

Spouse/domestic partner covered under the Family Plan:

- 60% of benefit amount, if no dependent children at time of loss.
- 50% of benefit amount, if there are dependent children at time of loss.

Children, covered under the Family Plan:

- 20% of benefit amount, if no covered spouse at time of loss, to a maximum of \$50,000.
- 15% of benefit amount, if there is a covered spouse at time of loss, to a maximum of \$25,000.

<b>150% of benefit amount</b>	<b>100% of benefit amount</b>	<b>75% of benefit amount</b>	<b>66 2/3% of benefit amount</b>	<b>50% of benefit amount</b>	<b>25% of benefit amount</b>
<i>Loss of use of: Four limbs</i>	<i>Loss of: Life Both hands or both feet One hand &amp; one foot One hand or one foot, plus sight of one eye Sight of both eyes Speech &amp; hearing</i>	<i>Loss of use of: Three limbs</i>	<i>Loss of use of: Two limbs</i>	<i>Loss of: Speech or hearing One hand, one foot or sight of one eye  Loss of use of: One limb</i>	<i>Loss of: Thumb &amp; index finger of same hand</i>

Loss of Use means total paralysis of a limb or limbs, which is determined by the company's medical authority to be permanent, complete and irreversible.

**COVERAGE REDUCTION AT AGE 70**

<u>Age 70-74</u>	65% of Principal Sum provided prior to age 70.
<u>Age 75-79</u>	45% of Principal Sum provided prior to age 70.
<u>Age 80-84</u>	30% of Principal Sum provided prior to age 70.
<u>Age 85 +</u>	15% of Principal Sum provided prior to age 70.

**ADDITIONAL COVERAGE AND BENEFITS**

**Permanent and Total Disability**

If an injury results in permanent and total disability within 180 days of the injury and continues for 12 months as determined by competent medical authority, the Principal Sum, less any payment already made as the result of the same accident, is payable. Permanently and totally disabled means the covered employee is totally and continually disabled and cannot work, for any income, at any job that he or she is reasonably suited

by education, training or experience to do. The Permanent Total Disability benefit is limited to the employee only and terminates at age 70.

### **Reserve/National Guard Coverage**

Coverage applies while a covered person is a member of an organized Reserve Corps or National Guard Unit and is:

- Attending a regularly scheduled or routine training of less than 30 days or is en route to or from that training; or
- Attending a service school no matter how long it is or en route to and from that school; or
- Taking part in an authorized inactive duty training; or
- Taking part as a unit member in a parade or exhibition authorized by official orders.

No benefit is payable for any loss that occurs during active duty.

### **Exposure and Disappearance Coverage**

Loss of life resulting from exposure to the weather and occurring within a year of an accident is covered. In the event that a covered person is not found within one year from the date of disappearance, wrecking or sinking of a conveyance (covered under the terms of the policy) in which she or he was riding, it will be presumed that the covered person sustained loss of life as a result of injury.

### **Travel Assist**

- Summary available at:  
<https://www.wisconsin.edu/ohrwd/benefits/download/life/add/travelassistbrochure.pdf>
- Comprehensive, world travel service when employees and covered family members travel 100 miles or more away from their residence, whether on *vacation* or *business travel*.
- Transport or service must be pre-authorized through Zurich Travel Assist prior to the transport or service. To contact medical, personal, informational or legal resources employees call 1-800-263-0261 and reference Policy GTU 8364005.
- Travel Cards can be printed from  
<https://www.wisconsin.edu/ohrwd/benefits/download/life/add/zurichcard.pdf>. Employees should carry their cards while traveling.

### **Surviving Spouse/Domestic Partner Benefit**

If the employee who is enrolled in the Family Plan suffers loss of life, an additional 1% of the applicable principal sum will be paid to the surviving spouse/domestic partner for 12 months in addition to any other benefits paid under the plan.

### **Common Disaster Benefit**

If the Family Plan is selected and both employee and spouse/domestic partner suffer loss of life as a result of injuries from the same accident (within 90 days of the accident), the principal sum payable for death of the spouse/domestic partner will be increased to equal that of the employee, to a maximum combined benefit of \$250,000.

### **Education and Training Benefits**

If the employee is enrolled in the Family Plan and suffers accidental loss of life, the following benefit may be paid to the spouse or children:

- **Spouse/Domestic Partner Retraining Benefit**  
The surviving spouse/domestic partner may receive the actual cost incurred, within 30 months from the date of death, for any professional or trade training program for the purpose of obtaining an independent source of support and maintenance, to a maximum of \$3,500.
- **Higher Education Benefit When Insured Suffers Loss of Life**  
When the Family Plan is selected, a dependent child enrolled as a full-time student in an institution of higher learning or is in the 12<sup>th</sup> grade on the date of the employee's accident and enrolls in an accredited college, university or trade school within one year from the date of the accident, may receive up to \$2,000 per year for each year he or she attends on a full-time basis up to a maximum of four consecutive years..

If there were no dependent children who qualify for the Higher Education Benefit at the time of the accident, \$1,000 additional benefit will be paid to the designated beneficiary.

### **Seatbelt Benefit**

The beneficiary of a covered person who did not survive an automobile accident may receive an additional benefit equal to 10% of the Principal Sum up to \$10,000 when the underwriter determines the deceased was wearing a seatbelt at the time of accident.

### **EXCLUSIONS AND LIMITATIONS**

- A loss shall not be a Covered Loss if it is caused by, contributed to, or resulted from:
  - Suicide, attempted suicide, or a purposeful self-inflicted wound;
  - War or any act of war, declared or undeclared;
  - A covered person's involvement in any type of active military service;
  - Illness, disease or infection;
  - Pregnancy, including childbirth, but not including complications thereof;
  - Travel or flight in an aircraft except to the extent stated in the certificate;
  - Skydiving, parasailing, hang-gliding, bungee-jumping, or any similar activity; or
  - The covered person's participation in the commission or attempted commission of any felony or assault.
    - No benefits will be paid for a Covered Loss contributed to, either directly or indirectly, by a covered person's intoxication: A covered person will be conclusively presumed to be intoxicated if the level of alcohol in his/her blood exceeds the amount at which a person is presumed, under the law of the locale in which the accident occurred, to be intoxicated if operating a motor vehicle.
    - An autopsy report from a licensed medical examiner, law enforcement officer reports, or similar items shall be considered proof of the covered person's intoxication.
- Under the influence of any controlled substance, unless such controlled substance was prescribed by a physician and taken in accordance with the prescribed dosage.
- Other exclusions or limitations as described in the contract.

### **ASSIGNMENT OF INSURANCE**

An individual wishing to transfer all rights of the policy to another party should contact Hausmann-Johnson Insurance, 700 Regent Street, Madison, WI 53715, (608) 258-7220 or (800) 729-4287 for assistance in completion of an Assignment of Insurance form. Neither the University nor Zurich assumes responsibility for the validity, legality, tax problems, etc. of any assignment.

### **TERMINATION GUIDELINES**

Insurance terminates at the end of the period for which premium has been paid and during which any of the following occurs:

- A. The employee loses eligibility.
- B. The employee fails to pay the premium.
- C. The employee cancels coverage. (Complete the Enrollment/Change Form #UWS1245.)
- D. The Policy is terminated.

### **Loss of Eligibility**

Dependent children lose eligibility at the end of the month in which they turn age 19 or at the end of the month in which they turn age 25, if full-time students. Further, a dependent child's coverage ends the first premium due date after losing eligibility in events such as marriage, end of school or end of support dependency.

A divorced spouse loses coverage at the end of the month in which the divorce is final. A domestic partner loses coverage at the end of the month in which the domestic partnership terminates.

The employee notifies the institution benefits office if a dependent becomes ineligible or events necessitate moving from family to single coverage. When there are no longer family members to insure, the employee cancels the Family Plan via the Enrollment/Change Form

<https://www.wisconsin.edu/ohrwd/benefits/download/life/add/app.pdf>. A change to single coverage begins the first of the month following the date the institution benefit office receives the Enrollment/Change form.

## **CONTINUATION**

Retiring employees have the option to continue AD&D group coverage. The institution human resource administrators provides the Continuation Form (UW1249) to retiring employees. Within 30 days of cessation of coverage, the retiree must complete, sign, and mail the Continuation Form with payment to:

Hausmann-Johnson Insurance  
P O Box 259408  
Madison, WI 53725-9408

Hausmann-Johnson Insurance will send future annual premium billings to the retiree's home address. The policy year billed is from January 1 through December 31; a \$4.00 annual administrative fee applies.

The following conditions apply:

- Coverage may continue but not increase or decrease.
- The Principal Sum reduces beginning at age 70 according to the terms listed in the certificate.
- The permanent disability benefit becomes unavailable at continuation.

## **CONVERSION**

This provision is for employees who terminate employment but are not eligible for the group continuation plan available for retiring employees. Upon termination of employment or the end of an eligible position, insured employees, under age 70, may convert their group coverage to an Individual AD&D Policy or to a Family AD&D Policy, if the employee had the Family Plan while insured in the group plan.

When group coverage ends, the institution benefits office shall offer the employee a bulletin on the conversion privilege <https://www.wisconsin.edu/ohrwd/admin/download/AD&DConversion.pdf>

An insured's spouse, domestic partner and dependents are not entitled to the conversion provision.

Conversion policy rates are generally more expensive than group policy rates.

## **CLAIMS PROCESSING**

Should an accidental loss occur, notify UW System HR, [uwshr@uwsa.edu](mailto:uwshr@uwsa.edu). Information to report:

- Name and social security of employee;
- Name and birth date of the covered individual who experienced the loss;
- The date and nature of the loss;
- The victim's relationship to the employee;
- Whether survivors include a spouse/domestic partner (for a child's claim) or children (for a spousal /domestic partner claim) to properly determine the portion of Principal Sum to be paid, if the claim is approved.
- The contact's name, address and telephone number; and
- The Worker's Compensation file, if possible, when a disability claim results from a work-related injury.
- If the claim is for a domestic partner, provide a copy of the ETF acknowledgement letter confirming the DP establishment or the UWS Affidavit of DP.
- If the claim is for a dependent child 18 years or older, request a copy of employee's tax return to verify the child's dependency. (Sensitive information may be blackened for privacy.)

The program administrator will contact the survivor to provide the beneficiary claim form with the request that necessary documents be submitted to UW System HR, 780 Regent St., Suite 305, Madison, WI 53715. Claim documents will be forwarded to Zurich-American for underwriter review. Example of documents that will be requested:

### **Death Claim**

- Completed Proof of Death form.
- Certified copy of the Death Certificate.
- A copy of the Motor Vehicle Accident Report or Police Report.
- Reports of coroner's inquest or autopsy.
- News clipping(s) pertaining to the accident/incident.
- The insurance company may require additional records to verify the validity of a claim.

### **Disability Claim**

- Completed Proof of Disability form.
- A copy of the Motor Vehicle Accident Report or Police Report.
- News clipping(s) pertaining to the accident/incident.

- When claim is for dependent child 18 years or older, a copy of employee's tax return to verify the child's dependency. (Sensitive information may be redacted for privacy.)
- The insurance company may require additional records to verify the validity of a claim.

**Education/Training Benefit Claim**

The Program Administrator will contact the claimant, in the event survivors qualify for this benefit.

**Survivor's Coverage Option Upon Death of Employee**

Upon the death of an employee who maintained the Family Plan, the survivors have two options:

1. Continue Family Plan coverage, if applicable, through the period for which premiums have been paid.
2. Discontinue coverage at the end of the month of the death and request a refund of prepaid premiums.

**FORMS**

FORM NAME	FORM NUMBER	URL
Application/Change Form	UWS 1245	<a href="https://www.wisconsin.edu/ohrwd/benefits/download/life/add/app.pdf">https://www.wisconsin.edu/ohrwd/benefits/download/life/add/app.pdf</a>
Conversion Bulletin	UWS 1250	<a href="https://www.wisconsin.edu/ohrwd/admin/download/AD&amp;DConversion.pdf">https://www.wisconsin.edu/ohrwd/admin/download/AD&amp;DConversion.pdf</a>
Continuation Application	UW 1249	<a href="https://www.wisconsin.edu/ohrwd/admin/download/AD&amp;DContinuation.pdf">https://www.wisconsin.edu/ohrwd/admin/download/AD&amp;DContinuation.pdf</a>
Beneficiary Designation	UWS 1245	<a href="https://www.wisconsin.edu/ohrwd/benefits/beneficiary/">https://www.wisconsin.edu/ohrwd/benefits/beneficiary/</a>
Certificate	UWS B1250	<a href="https://www.wisconsin.edu/ohrwd/benefits/download/life/add/certificate.pdf">https://www.wisconsin.edu/ohrwd/benefits/download/life/add/certificate.pdf</a>
Fact Sheet	UWS 1246	<a href="https://www.wisconsin.edu/ohrwd/benefits/download/life/add/factsheet.pdf">https://www.wisconsin.edu/ohrwd/benefits/download/life/add/factsheet.pdf</a>
Travel Assist Brochure	UWS 1255	<a href="https://www.wisconsin.edu/ohrwd/benefits/download/life/add/travelassistbrochure.pdf">https://www.wisconsin.edu/ohrwd/benefits/download/life/add/travelassistbrochure.pdf</a>

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Every effort has been made to ensure that the information in this manual is correct and current. However, the terms and conditions of the Accidental Death & Dismemberment Insurance contract as established between Zurich-American Insurance Company and the Board of Regents is the final authority, in case there are any differences or conflicts.

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ADDManR 8/2013

**New, Effective 11/1/2010**

Employees may elect a Benefit Amount up to \$500,000.

UW System employee pilots and air ambulance staff are no longer excluded from plan coverage.

There is no additional premium charged for pilot or air ambulance coverage.