

# FAQs

## Q. Who needs life insurance?

### A. Everyone needs life insurance.

Contrary to popular belief, life insurance isn't just for parents. You need life insurance if anyone is financially dependent on you.

### A. You've recently graduated from college.

You may have significant student loan obligations. If something were to happen to you, your loved ones could be forced to shoulder that debt.

### A. You're the parent of small children.

You want to make sure they'll be able to keep the same lifestyle and attend college – even if you're not there to see it happen.

### A. Your children are on their own.

But your children rely on you for support and help around the house. If you weren't there for them, your children would need extra money to pay someone to take care of things you've been managing for them.

### A. Your spouse\* is depending on your income for retirement.

But you're not sure your retirement savings is enough to keep up with a rising cost of living if your paycheck stopped. Life insurance can be a smart way to fill the gap.

### A. Like many families, you rely on two incomes to make ends meet.

You'll need life insurance on both you and your spouse\*. Even if your spouse\* stays at home, you should consider life insurance on him/her to cover the cost of hiring someone to take care of the things he/she generally handles.

### A. You want to be sure your children can protect their futures, too.

This children's life insurance coverage contains an innovative feature that allows them to convert their term life protection to a permanent life insurance plan when they become adults. This ensures that your children can protect their own families – no matter what health problems they may develop.

## Q. Why should I buy 4Ever Universal Life insurance?

### A. 4Ever Universal Life insurance is a type of permanent insurance that offers several advantages over other forms of life insurance.

- **Group rates:** These are often lower than you can get with individual policies.
- **Permanence:** Unlike other group life insurance programs, you can keep this coverage even after you leave your employer.
- **Relaxed underwriting:** If you meet certain enrollment eligibility guidelines, you do not have to meet as many medical requirements.
- **Flexibility:** Within certain limits, you can change the death benefit, the amount of premium, and payment frequency.
- **Cash accumulation account:** Perhaps the best advantage of 4Ever Universal Life insurance is the cash you can choose to contribute into a special interest-bearing, tax deferred account. Withdrawals are often paid out tax-free. You can access the money whenever you want and for whatever you want, with no penalties or fees. You also can take a loan against the value in your cash accumulation account. Minimum withdrawal amount is \$200.00.

## Q. Who can enroll?

### A. The 4Ever Universal Life insurance product is designed specifically for Blue Cross and/or Blue Shield Plan employees and their families.

You can enroll for coverage for yourself, your spouse\*, and dependent children at any time, as long as you are an active employee, and the group policy is still in effect. Certain events allow you to apply for coverage with limited or no underwriting. These include:

- Enroll yourself, your spouse\*, and/or your children within 45 days of your initial eligibility date.
- Enroll your new spouse\* **within 31 days** of marriage / civil union or establishment of a domestic partnership.
- Enroll your newborn child within 45 days of birth or adoption (your child must be at least 14 days old).
- If you apply at another time, you will be considered a late entrant. You will need to complete a statement of health form, undergo a paramedical exam, and receive underwriter approval for coverage to be effective.

**Q. What are the special features?**

**A.** In addition to the advantages of 4Ever Universal Life over other life insurance options, this plan offers even more special benefits.

- **Group rates:** These are often lower than you can get with individual policies.
- **Portability:** Unlike other group life insurance programs, you can keep this coverage even after you leave your employer.
- **Relaxed underwriting:** If you enroll during pre-defined periods, such as when you start a new job, you do not have to meet as many medical requirements.
- **Flexibility:** Within certain limits, you can change the death benefit, the amount of premium, and payment frequency.
- **Cash accumulation:** Perhaps the best advantage of 4Ever Universal Life insurance is the cash you can choose to contribute into a special interest-bearing, tax deferred account. Withdrawals are often paid out tax-free. You can access the money whenever you want and for whatever you want, with no penalties or fees. You also can take a loan against the value in your cash accumulation account. Minimum withdrawal amount is \$200.00.
- **Automatic coverage increase:** Your employee coverage will automatically increase as your annual base salary increases. Automatic increases are calculated once each calendar year. If you enrolled in 4Ever Universal Life before 2016, you will not be subject to yearly automatic increases if you did not elect this option on your application.
- **Child's portability privilege:** When your child reaches age 26, and is no longer eligible for child coverage, he or she can apply for an increase in coverage up to five times the \$10,000 children's rider, as long as the group policy is still in effect. The child will be issued a 4Ever Universal Life certificate and will be eligible to contribute to their own cash accumulation account. The request for coverage must be made by writing to Mercer Health & Benefits Administration, LLC within 90 days of the date the child is no longer eligible for child coverage. A child conversion is not available for a disabled child. Children's coverage may be continued for a disabled child as a rider to the existing adult 4Ever Universal Life certificate. The dependent rider may remain in effect as long as the employee or spouse\* maintains coverage. Please contact Mercer Health & Benefits Administration, LLC to request continued coverage for a disabled child.

**Q. How much life insurance can I get?**

**A.** You can enroll in coverage amounts equal to 1.0, 1.5, 2.0, 2.5, 3.0, 3.5, 4.0, 4.5, 5.0, 5.5 or 6.0 times your annual base salary, subject to a minimum amount of \$10,000 and a maximum of \$1,500,000.

- You can enroll your spouse\* in any amount between \$10,000 and \$100,000 in increments of \$1,000.
- Please note that coverage on your spouse\* cannot exceed 2 times employee annual base salary.
- You can enroll your children, who are at least 14 days of age but under 26 years of age, in the following benefit amount(s): \$10,000.

**Q. How much will the coverage cost?**

**A.** Your cost is based on several factors including your age, tobacco use, any special features you select, and the amount of coverage you want. There's a Premium Rate Chart located on our website. To calculate your premium rate(s), select either the Tobacco or Non-Tobacco User set of rates that apply to you; and locate the rate applicable to your age as of the prior 1/1.

**Q. When can I enroll?**

**A.** You can enroll by visiting [4everlifebenefits.com](http://4everlifebenefits.com).

**Q. I missed the enrollment window when I joined the company. What do I do?**

**A.** Good news! You are eligible to enroll at any time if you are:

- A full-time or regular part-time employee
- Actively at work on both the date the enrollment form is signed and the effective date of coverage
- Have not been hospitalized, except for well-baby delivery, during the 90-day period prior to the date the enrollment form is signed.

You may be subject to medical underwriting. Visit [4everlifebenefits.com](http://4everlifebenefits.com) to learn what options are available to you, and to begin the enrollment process.

**Q. What does "actively at work" mean?**

**A.** An individual is regularly working full days (or in the case of part-time employees, their normal working hours) and is physically able to perform all duties of one's occupation at the employer's business establishment or at some other location to which the employer's business requires travel.

**Q. \*How does 4Ever Life define Spouse?**

**A.** Spouse definition: means your spouse in a legally recognized union of two people. Spouse includes your civil union and domestic partner.

**Q. When would my coverage start?**

**A.** Coverage is effective the first day of the month in which your first payroll deduction begins.

**Q. Do I have to meet any medical requirements?**

**A.** Medical underwriting is waived during pre-defined enrollment periods, such as when you start a new job or during special open enrollment periods your Blue Cross and/or Blue Shield Plan may sponsor. You may be subject to medical underwriting outside of these pre-defined periods. Visit [4everlifebenefits.com](http://4everlifebenefits.com) for more details.

**Q. Can I keep this insurance if I leave Blue Cross and/or Blue Shield?**

**A.** Your 4Ever Universal Life policy is portable, meaning the coverage is yours even if you leave the company, as long as the group policy is in effect. You will be billed directly for your cost of coverage at portable rates. Any contributions you make to the cash accumulation account may also be included in this payment. Contact Mercer Voluntary Benefits customer service at 800.621.2358 to update your payment method.

**Q. What if I retire?**

**A.** You can keep your 4Ever Universal Life coverage if you retire, as long as the group policy is in effect. You will be billed directly for the cost of coverage, and any contributions you may to the cash accumulation account.

**Q. What if I separate, divorce, or dissolve a civil union or domestic partnership?**

**A.** Your spouse\* may be able to continue his or her coverage in the event of separation, divorce, or dissolution of a civil union or domestic partnership. Contact Mercer Voluntary Benefits for information.

**Q. Can I convert or continue my child's coverage once they reach age 26?**

**A.** When your child is no longer eligible for child coverage, he or she can apply for an increase in coverage up to five times the \$10,000 children's rider, as long as the group policy is still in effect. This increased coverage may be purchased at the group rates then in effect. The adult child will be issued a 4Ever Universal Life certificate and will be eligible to contribute to a cash accumulation account. The request for coverage must be made in writing to Mercer Voluntary Benefits **within 90 days** of the date the child is no longer covered by the child rider.

A child conversion is not available for a disabled child. Children's coverage may be continued for a disabled child as a rider to the existing adult 4Ever Universal Life certificate. The child rider may remain in effect as long as the employee or spouse\* maintains coverage. Please contact Mercer Voluntary Benefits to request continued coverage for a disabled child.

**Q. Do you offer living benefits?**

**A.** Yes. An employee or spouse\* diagnosed with a terminal illness with a prognosis of less than 12 months, may take an advance payout – prior to death – up to 50% of the life insurance coverage amount. \$20,000 minimum coverage is required. The payout to the beneficiary will be reduced by the amount of the advance. Premium payments must be continued following a payout to keep the 4Ever Universal Life coverage in force.

**Q. What if I take a leave of absence from my job?**

**A.** You will be billed directly at your home address (via US mail) once the premium payment is no longer deducted via Payroll deduction.

**Q. When do benefits expire?**

**A.** 4Ever Universal Life is a type of permanent life insurance policy. Unlike term insurance, which typically lasts for a designated timeframe or while you are employed with a particular company, 4Ever Universal Life offers protection until you reach the age of 94, as long as you are paying premiums and meeting policy obligations. Plus, any cash accumulation is yours to keep. If you leave the company or retire, you can take the benefits with you. And if you are diagnosed with a terminal illness, you may be eligible to receive living benefits in the form of an advanced payout.

**Q. What flexible options are available to the insured?**

**A.** There are two:

- **Accidental Death Benefit:** An additional amount of insurance equal to the life insurance coverage amount paid to the beneficiary if death occurs as a result of a covered accident.
- **Cash Accumulation Account (CAA):** Cash that an employee or spouse\* contributes to their CAA (over and above the cost of life insurance coverage) that accumulates and earns tax-deferred interest at very competitive rates. Contributions may be made through payroll deductions or direct lump sum deposits.

**Q. How much can I contribute to the Cash Accumulation Account (CAA)?**

**A.** The maximum amount of your contribution is based on IRS regulations that include both your age and the amount of life insurance coverage you elect. Contact Mercer Voluntary Benefits customer service at 800.621.2358 for the Cash Accumulation contribution amount.

**Q. Are there IRS limitations on the deposit amounts?**

**A.** Yes, contact Mercer Health & Benefits Administration, LLC at 1.800.621.2358 for the maximum guideline limits.

**Q. When is the interest credited to my account? Daily, monthly or annually?**

**A.** Interest is applied monthly and the cash accumulation account balance is updated each month.

**Q. On what is the interest calculation based?**

**A.** Interest calculations are based on the monthly ending balance broken out by New Deposits and Existing Funds. New deposits are defined as new contributions made during the current calendar year. Existing Funds are defined as past contributions made prior to the current calendar year. Please contact Mercer Health & Benefits Administration for more information.

**Q. How often are the interest rates changed?**

**A.** Interest rates are declared annually by 4 Ever Life Insurance Company.

**Q. Is there a minimal withdrawal requirement?**

**A.** Yes, \$200.00.

**Q. Are there any fees for partial or complete withdrawals?**

**A.** No.

**Q. What are the tax implications for a partial withdrawal? For a complete withdrawal?**

**A.** Withdrawals are not subject to tax if the amount withdrawn is less than the total cost basis. Cost basis is defined as total premium paid that includes cost of insurance (COI) and contributions to cash accumulation account (CAA).

<b>Example:</b>	Total COI Paid	\$1,800
	Total CAA contributions	\$6,000
	<b>Total Cost Basis</b>	<b>\$7,800</b>

In this example the cash accumulation account (CAA) balance is \$6,000, with interest included balance is \$6,240.

If the insured withdrew the entire amount there would be no tax liability.

<b>Example:</b>	Total COI Paid	\$1,800
	<b>Total CAA contributions</b>	<b>\$48,000</b>

In this example the cash accumulation account (CAA) balance is \$48,000, with interest included balance is \$49,920.

If the insured withdrew the entire amount there would be a tax liability, however, only the interest would be taxed.

**Q. Will my employer service this program?**

**A.** While your employer is making this exceptional program available to its employees all administration will be handled by Mercer Health & Benefits Administration, LLC.

**Q. Who do I contact for enrollment questions and for other customer service inquiries?**

**A.** You may contact the administrator for the 4Ever Universal Life program, Mercer Health & Benefits Administration, LLC at 1.800.621.2358, for information on completing your enrollment form, completing a beneficiary form, or questions about beneficiary changes. Your employer should not be contacted with program questions as they will not retain any program documentation.

Underwritten by  
**4 Ever Life Insurance Company**  
2 Mid America Plaza, Suite 200  
Oakbrook Terrace, IL 60181

**If you have additional questions, or need more information about 4Ever Universal Life coverage, please call 1.800.621.2358.**