

ADMINISTRATION MANUAL

**GROUP INSURANCE PROGRAM
GROUP PRODUCTS**

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USABLE Life — Live life. You're covered.

At USABLE Life, our promise is to deliver protection and peace of mind for all of our customers, whether you are a consumer, employer group or producer. We're here for you when you need us the most. With experience, financial stability, and high-quality products such as life, disability and products sold at the worksite, we are committed to all of our customers' needs.

Life is stressful enough without having to worry about financial protection due to a disability or a critical illness diagnosis. That's why we take great pride in making sure our customers get the answers they need through comprehensive policy benefits and prompt claims payment at a time when they rely on us the most.

USABLE Life understands that employer groups and producers want to offer a strong portfolio of products that will help businesses attract and retain their workforce. With the products and services available through USABLE Life, customers not only have choices, but quality and continued support for benefit and enrollment needs as well.

Our Strength — It's in Our Performance

USABLE Life has been in the business of serving its customers for more than 25 years and has become a trusted, reliable name in the industry. Each day, our team works diligently to ensure we deliver on our promise and as a result, we have been recognized as a strong and stable company.

Our company has been acknowledged as a financially solid organization. The company's financial strength is rated "A" (excellent) from A.M. Best and "A" (strong) from Standard & Poor's. We have also been named by Ward Group[®] as a Ward's 50 top performing insurance company for the third year in a row (2007, 2008, 2009). In September 2009, *Best's Review*, a monthly insurance news magazine, listed USABLE Life in the top 25 Life Companies for Group Life issued in 2008 and in the Top 200 Life/Health Writers for admitted assets. Operationally, the company continues to achieve sound financial results. In 2008, USABLE Life's revenue was more than \$380 million. All together, recognition by external entities combined with our operational results, prove that our strength is in our performance.

DUTIES OF THE GROUP POLICYHOLDER

This administrator's manual has been designed to help you understand and administer your employee benefit program through USABLE Life. All rights and benefits of your group insurance plan are governed by your insurance policy. This manual includes information on benefits for Life, Accidental Death & Dismemberment, Short Term Disability and Long Term Disability. Not all benefits may be applicable to your group. Please refer to your insurance policy and certificates to review your plan's actual benefits.

This manual answers to many of your "How to..." questions, such as adding and/or deleting employees; changing employees' coverage; filing claims; and billing concerns. You may contact our Customer Service Department for any answers to questions not addressed in this manual.

USABLE Life
PO Box 1650
Little Rock, AR 72203-1650
1-(800)-370-5856
Fax: (501) 235-8500
custserv@usablelife.com
www.usablelife.com

You, as the employer, in the role of the group policyholder or participating employer for your employees' USABLE Life benefits, have the following responsibilities:

1. To secure and submit to USABLE Life applications from all new employees as they become eligible for coverage.
2. To distribute Certificates of Insurance to your employees as soon as possible after the employee's effective date.
3. To give us pertinent records for all employees. This includes, but is not limited to: (a) hire dates; (b) eligibility dates; (c) salaries; (d) occupations; and (e) birth dates. Give us updates of such records as needed.
4. To process billing statements for USABLE Life benefits or process self-administered statements.
5. To assist insureds in filing claims and give us prompt notice of disability, if applicable. This notice should be given as soon as possible after the date of injury or start of sickness.
6. To advise insureds of conversion rights.
7. To keep an updated copy of beneficiary information on each employee.
8. To give us prompt, written notice of any change in the business of the employer. This includes, but is not limited to: (a) the type of business; (b) addition or deletion of an associated company; or (c) financial status due to bankruptcy; merger; acquisition; or dissolution.

HOW TO ORDER SUPPLIES

Please send requests for supplies, including certificates, to USABLE Life's Home Office in Little Rock, Arkansas. Supplies should be ordered using our supply requisition form. Be sure to include your group number, group name, form name and number (located in the bottom left hand corner of most forms), and the quantity needed. You may submit your order via fax to (501) 235-8500. You may also download forms from the USABLE Life website, www.usablelife.com. Click on Download Forms, select the state in which your business is located, and choose the appropriate product and type of form needed.

HELPFUL CONTACTS AND OTHER INFORMATION

- Requests for amendments or changes to your insurance plan (for example, a benefit change or items included on the Schedule of Insurance) should be emailed to amendments@usablelife.com.
- Maintenance items, such as applications for new employees, employee terminations, and benefits change requests for employees currently billed should be emailed to maintenance@usablelife.com.
- Premium payment should be mailed to the USABLE Life address located on your billing statement. Remittance sent to an incorrect address may cause delays in processing your payment.
- For proper identification, please include your Group Number and Company Name on all correspondence and forms.
- Keep a copy of all USABLE Life correspondence and forms for your files. We suggest that you keep a file on each employee or keep any correspondence in your employee personnel files which relates to the employees' coverage with USABLE Life.
- If you are unable to submit information or inquiries to us by fax or email, you may contact our Customer Service Department as shown on page 2 of this manual.

COMMON DEFINITIONS

The following terms are used frequently in correspondence and policy language concerning your US Able Life employee benefit programs:

Employee means an eligible person who is:

1. directly employed in the normal business of the employer; and
2. paid for services by the employer; and
3. actively at work for the policyholder or an associated company; or
4. a retiree, if listed as eligible in the policy.

No director, officer, consultant or other person not actively at work on behalf of the employer will be considered an employee unless he meets the above conditions.

Actively at Work means the expenditure of time and energy for the policyholder or an associated company at the employee's usual place of business on a full-time basis. If an employee is not working on a day his coverage would otherwise take effect, he will be considered to be at active work on that day only if:

1. when that work day begins, it would be reasonable to expect that he would be physically and mentally able to complete a full-time week of work in his regular occupation; and
2. his is not disabled; and
3. his contract of employment, if applicable, remains active; and
4. his is not on an unapproved, administrative or disciplinary leave; and
5. he returns to work at the end of a paid break or vacation period.

If an employee is not actively at work on the date his insurance or any increase in insurance is scheduled to take effect, it will take effect on the day he returns to active work. If his insurance is scheduled to take effect on a non-working day, his active work status will be based on the last working day before the scheduled effective date of insurance.

Additionally, employees who are not actively at work for your company for the minimum number of hours shown in the group policy or certificate are not eligible to participate in your US Able Life insurance plans. Please contact us if you have any questions or concerns regarding employee eligibility.

Dependent means the employee's spouse, if not legally separated and unmarried child or children. An employee's domestic partner may also be considered a dependent. Please refer to your policy to see if your plan covers domestic partners.

Dependent children include any unmarried children who are less than age 25 (age may vary by state of issue) – if they are not insured as an employee. The term child also includes a legally adopted child, step-child, foster child, or any child who lives with the employee and depends on him for more than 50% of his support.

Eligibility Date for Employees: Employees are eligible for insurance after they have completed the waiting period specified in the Schedule of Insurance in the group policy or certificate or employer's participation agreement.

Eligibility Date for Dependents: The eligibility date for dependents is the same as employees. If an employee acquires dependents thereafter, each of these dependents will become eligible on the date of marriage, birth, adoption or dependency of a child.

Elimination Period: means the number of days during a period of disability that must pass before disability benefits become payable.

EFFECTIVE DATE OF EMPLOYEE'S INSURANCE

1. If your employees do not contribute toward the cost of their insurance (the employer pays the entire premium), the insurance will be effective on the employee's eligibility date.
2. If your employees do contribute toward the cost of their insurance, insurance will become effective as follows:
 - a. When an employee enrolls within 31 days after becoming eligible, the insurance will become effective on his eligibility date, as specified in your insurance policy.
 - b. If an employee does not enroll within the 31 days after becoming eligible, then satisfactory Evidence of Insurability is required. In this case, the insurance will become effective the first of the month following approval of the application.

It is important that the enrollment form and the Evidence of Insurability form be forwarded together to USABLE Life. Once a decision is made, you will be advised in writing and the enrollment form will be returned to you.
 - c. If included, an employee's voluntary coverage will be effective on the Annual Enrollment Date as shown in his certificate, if he enrolls during your annual enrollment period. If he does not apply for coverage during the first annual enrollment period following his eligibility date, he will be required to submit Evidence of Insurability.
3. Delayed Effective Date: If an employee is not at actively work on the date on which his insurance or an increase in benefits would otherwise become effective, his insurance (and that of his dependents, if any) will not become effective until the date the employee returns to active work.

EFFECTIVE DATE OF DEPENDENT INSURANCE

Dependent coverage will be effective on the same day as the employee's coverage (as explained under Effective Date of Employee's Insurance above), if the employee indicates on his application that he or she is married, and/or he or she has dependent children.

Delayed Effective Date: Coverage for a dependent, other than a newborn child, who is confined in a hospital on the day dependent insurance or an increase in insurance is scheduled to take effect will not become effective until the 10th day following final discharge from the hospital.

HOW TO ENROLL NEW EMPLOYEES
(If you do not use US Able Life's online enrollment tools)

The US Able Life Group Enrollment or Change Form (1000) should be used for all group benefits. The form should be completed for each new employee at the time they are hired. Copies of enrollment forms are to be maintained in your office with your employee records. You will be required to produce the form should a claim be filed.

All sections of the form should be fully completed, legible and typed or written in ink. The employee must sign and date the form. We cannot accept forms that have crossed-out or whited-out information.

If your company pays the entire cost of the employees' insurance, all eligible employees must be enrolled. If your company does not pay the entire cost of the employee's insurance, any employee who does not wish to participate in your group insurance program should check Declination box and sign and date the form. The declination should be completed for every employee who declines to participate.

It is important that beneficiary designations be made and expressed accurately on the enrollment form. The relationship of the beneficiary must also be specified (if no relationship exists, specify "friend"). Below is an example beneficiary designation.

For new coverage with US Able Life, or when changing a beneficiary under existing coverage, this designation revokes any existing beneficiary designation you have made.					
PRIMARY BENEFICIARY(IES) (Will receive proceeds if living at death of Employee):					
Name (Last, First, MI)	Address	SSN	Birthdate	Relationship	Percentage
Doe, John M.	2108 Maple St	xxx-xx-xxxx	10/4/41	Father	100%
Total must equal 100% = 100					
CONTINGENT BENEFICIARY(IES) (Will receive proceeds if Primary Beneficiary(ies) are not living):					
Name (Last, First, MI)	Address	SSN	Birthdate	Relationship	Percentage
Johnson, Janie R.	472 Oak St.	xxx-xx-xxxx	1/7/69	Sister	50%
Doe, Bobby T.	2108 Maple St	xxx-xx-xxxx	4/12/77	Brother	50%
Total must equal 100% = 100					

HOW TO REPORT DEPENDENT STATUS CHANGES

A dependent becomes eligible for coverage when there is a qualifying event, such as marriage, birth, or adoption. If an employee acquires dependents after his effective date, the Group Enrollment or Change Form should be completed indicating a dependent life change and attached to his original enrollment form in your files. The form should include the date of marriage, date of a child's birth or date of a child's adoption.

You should also be notified when an employee no longer has eligible dependents. The employee should complete this same form advising the date of divorce, spouse's death, or date child marries or reaches maximum age for coverage.

EBILLING SOLUTIONS

If your company selected online billing and/or enrollment, you will receive an email with instructions about online tools from US Able Life's Ebilling Administrator. If you are interested in participating in Ebilling Solutions please contact our Customer Service Department for further information.

MONTHLY PREMIUM STATEMENT (if your group is not Self Administered)

1. Each month you will receive your bill in advance of the premium due date. The bill will list each employee by employee ID number, name, amount of premium due for each benefit, and total premium.
2. When you receive your bill:
 - a. Verify all persons listed on the bill are active employees and are eligible to participate in this program.
 - b. To Pay For New Insureds Not Listed On The Billing: Complete the Additions sheet located with your billing, including all information specified.
 - c. If an enrollment form does not reach US Able Life in time for the employee to appear on the bill which corresponds to the employee's effective date, then the employee will be placed on the first possible bill following receipt of the application and approval. In this case US Able Life will bill "arrears" for any previous month(s) of coverage. If you find an employee listed on a bill more than one time, this indicates that the premium for his coverage is being billed in "arrears." Each time that he is listed indicates a previous one month period for which he was insured but not billed.

Back-billed charges must be paid. If you have previously paid the premium for new employees by writing them in on the prior bills, then please note this. However, if you have a question regarding these charges, please contact our Group Maintenance Department immediately.
 - d. Other changes and adjustments, including terminations, should be included on the Changes and Adjustments form also included with your bill. Terminations must be received by us in advance if we are to complete posting to the subsequent month's bill, and allowances must be made for billing cycles.
3. Mail your check, change form and any other documentation to the PO Box located on your billing statement.

Important Notes

- Payment of premium on ineligible or not actively at work employees or dependents does not provide coverage.
- It is important that your payment and adjustments are received by US Able Life at least 5 days before the next bill generation date (located on the top right corner of your bill) so activity will be reflected on your next bill.
- If there is a credit or shortage on your bill that you disagree with or do not understand, please contact our Premium Accounting Department.

SELF-ADMINISTERED BILLING

As a Self Administered group, it is your responsibility to properly enroll eligible employee for insurance coverage; to accurately collect premium for each employee's coverage; to remit that premium to us, and to maintain all documentation necessary for the administration of benefits.

You are not required to submit new enrollment information, enrollment changes such as class or salary, terminations, etc. These changes should be reflected in your internal records. You will be asked to provide this information in the event of a claim for benefits. Prior to renewal of your policy, you will be asked to provide USAble Life's Group Underwriting Department with a census listing the current participants in your insurance program.

You will not receive a premium statement from USAble Life. Using your internal company data, such as payroll records, you are required to report premium due, number of employees covered and total covered volume on a monthly basis. Please include a referencing document with your payment so we can correctly apply the premium to your account. Failure to do this may result in delays in claim payments.

CONVERSION OF GROUP LIFE INSURANCE BENEFITS

When an employee terminates employment or otherwise becomes ineligible for life insurance with USABLE Life, he may convert his life insurance benefits to an individual policy. Employees may convert all or a part of their group life insurance to any policy we are issuing for the purpose of conversions, other than Term. The conversion policy will take effect on the 32nd day after the insurance terminates. Accidental Death and Dismemberment (AD&D), disability, or any other supplemental coverage in force under the policy cannot be converted.

It is your responsibility as the group policyholder or participating employer to provide written notification to your employee of his right to convert. A "Notice of Conversion Privilege for Group Life Insurance" (Form CR-NOTICE) has been developed for your use in complying with this requirement. This form should be mailed to the employee's last known address at the time of termination. Additionally, you and the employee should complete the Application to Convert Group Term Life Insurance {20PL-APP (5-08)}. This form can be found on our website.

THIS FORM MUST BE COMPLETED AND SIGNED BY THE EMPLOYER			
Notice of Conversion Privilege for Group Life Insurance			Date of This Notice
Name of Insured	SSN	Date of Birth	
Address	City	State	Zip
Insured's Home Phone #	Name of Group	Policy Number	
Date of Termination or Reduction	Reason for Termination or Reduction	Total Coverage Amount at Termination	
Employer's Authorized Representative Signature		Employer's Authorized Representative Name (Printed)	

Your group life insurance has been terminated or reduced as of the date of termination or reduction indicated. However, you can convert to an individual life insurance policy in accordance with the terms of the group policy's conversion privilege summarized in your certificate of coverage. The individual policy will be issued without medical examination based upon the amount of coverage, rate applicable to the class of risk to which you belong, and your age at nearest birthday.

If interested in converting coverage, the **employee** should forward the white copy of this completed form to **USABLE Life, Attention: Customer Service – Conversion Quote, P.O. Box 1650, Little Rock, AR 72203-1650**. Upon receipt of this form, we will forward to the employee an application with premium rates and instructions. The return of this notice does not bind you in any way to complete an application nor USABLE Life to continue the terminated coverage. You may contact USABLE Life Customer Service by calling (501) 378-5856 or 1-800-370-5856.

However, your application must be completed and sent to USABLE Life with the first full premium within 31 days after the insurance termination or reduction date indicated. No inquiries or applications will be accepted after this 31 day conversion period.

CR-NOTICE (2-04)

White - Employee's Copy / Canary - Employer's Copy

If termination is due to disability the employee may be eligible for Extended Insurance Benefits. See pages 12 and 16 of this manual for explanation of this benefit.

For Employees

An employee may convert all or part of his life insurance to a conversion policy,

1. if all or part of it stops for any reason; unless
2. it stops because any required premiums were not paid.

The amount the employee may apply for may not be more than:

1. the amount then in force; or
2. that part of the insurance amount which has stopped, whichever is less.

CONVERSION OF GROUP LIFE INSURANCE BENEFITS (continued)

For Dependents

Dependent life insurance may be converted if the insurance on his life ends because:

1. the employee stopped working full-time; or
2. the employee ceased to be a member of a class eligible for insurance; or
3. the dependent ceased to be an eligible family member; or
4. of the employee's death.

Conversion upon Termination or Amendment to, the Policy

Any insured person can convert a limited amount of life insurance if he has been continuously insured under the group policy at least 5 years and his insurance ends due to termination or amendment of the policy. The amount an insured person can convert is the lesser of:

1. The amount of life insurance that terminated, less the amount he is eligible for under any group policy, and within 31 days after his/her insurance terminates; or
2. \$10,000

Notice and Application Required

Written application and the first premium payment for the conversion policy must be sent to the address on the application and be received in our Home Office within 31 days after the employee or dependent's insurance terminates. It is your responsibility to inform the employee of his conversion rights.

Conversion Period Death Benefit

If the employee or dependent dies within the 31-day conversion period, benefits will be payable on the amount he was entitled to convert, whether or not application was made .

Rate Calculation

Instructions on how to calculate conversion rates is located on page 3 of the Application to Convert Group Term Life Insurance.

PORTABILITY

If this benefit is selected by your group, an employee and his spouse may continue his life insurance coverage if his employment terminates and he meets certain eligibility requirements. However, Portability is not available upon cancellation of the policy. The Waiver of Premium Benefit provision will not apply to insurance continued under the Portability provision.

This provision varies from group to group. Please refer to the certificate issued to your group to see if this benefit is available for your employees.

Portability Benefit

An employee may continue his life insurance under this provision provided:

1. he is not disabled; and
2. he either:
 - a. he is not retired and is under age 70; or
 - b. he is retired and is under age 65.

“Retired” means a former employee who has begun receiving one of the following:

1. retirement pension benefits under any plan of a federal, state, county or municipal retirement system, if such pension benefits include any credit for employment with the policyholder;
2. retirement pension benefits under any plan which the policyholder sponsors or makes or has made contributions; or
3. retirement benefits under the United States Social Security Act of 1935, as amended, or under any similar plan or act.

Dependent coverage may not be continued if the employee’s coverage is not continued under the portability provision. In some cases only spouse coverage can be continued. If this is the case, coverage for dependent children can be converted under the Conversion provision of the policy.

Application and Premium Payment

An employee must apply for portability within 31 days after the date his employment ends. He must pay the required premium quarterly, semi-annually, or annually directly to USABLE Life. The first premium payment must be made no later than 31 days after the date the insurance would otherwise terminate under the policy.

Amount of Insurance

The amount of insurance that the employee and eligible dependents may continue is the amount in effect on the date his employment terminates. The reduction and termination provisions shown in the Change Rider – Portability will apply to insurance continued under this provision.

When Portability Ends

Please see the certificate issued to your group for when portability ends for your employees. In most cases, coverage under this provision will end automatically on the earliest of the following:

1. the date the last period ends for which the employee made a premium payment;
2. the premium due date after the covered person has continued coverage under this provision for 3 years;

PORTABILITY (continued)

3. the premium due date following your attainment of age 70;
4. if your coverage continued due to your retirement prior to age 65, on the premium due date following your attainment of age 65;
5. the date you become a full-time member of the armed forces of any country; or
6. dependent coverage will end on the premium due date following the date the dependent ceases to be a dependent as defined in the policy, or
7. spouse coverage will end on the premium due date following the spouse's attainment of age 65.

When the employee's insurance under the portability provision ends, he will be eligible to convert his insurance to an individual policy under the Conversion provisions.

If the employee returns to work and again become eligible for life insurance coverage under the policy, continued coverage under the portability provision will cancel on the date coverage is resumed under the policy.

Other Policy Provisions

The Life Insurance – Waiver of Premium and the Group Life Accelerated Benefit provisions will not apply to insurance continued under the Portability provision.

With respect to any notice you are required to provide to the employer under other provisions of the policy, you must provide such notice to USABLE Life while the insurance is continued under the Portability provision.

LIFE INSURANCE - WAIVER OF PREMIUM

We will continue an insured employee's group term life insurance benefits without premium payment as long as he remains totally disabled under the terms and provisions of your policy. This will be provided without premium payment for the duration specified in your policy. Accidental Death and Dismemberment and disability coverage cannot be extended and terminate in accordance with the provisions of the policy.

For an employee to be eligible for this benefit, total disability must begin before a certain age; disability must continue for at least six (6) months without interruption during which time premiums must be paid; and proof of total disability must be given no later than 12 months after the last day worked.

Instructions on filing a claim for this benefit are on page 16 of this manual. Please refer to the Conversion Privilege provisions of your group insurance policy for employees who become disabled after the age specified in the policy.

CLAIMS PROCEDURES

The US Able Life Claims Department strives to give you, our customer, professional and efficient service when handling claims for your employees. You can assist us in this effort by timely submission of claims information and by reviewing claim forms for completeness and accuracy before mailing them to us.

As a group administrator, you have the ability to view the status of disability claims online. Just log on to www.usablelife.com and click login, select Employer Registration and complete the fields. It's that easy! Feel free to contact our Customer Service Department if you have questions or need assistance in the completion of a claim form. When contacting us, we will need to know the type of claim, state where your company is located and the employer name in order to effectively answer your inquiry.

The screenshot shows the 'Member Claims' page on the US Able Life website. At the top, there is a navigation bar with links for 'About Us', 'Careers', 'FAQs', 'Contact Us', 'Help', and 'Log Out'. A search bar is located on the right side of the header. Below the header, the breadcrumb trail reads 'Home > Employers > Claim Status > Member Claims'. The main heading is 'Member Claims'. A search box contains the name 'SMITH' and a 'Search >' button. There are links for 'Advanced Search >' and 'Switch to simple view'. Below the search, it says 'Selected 0 members. Select all or clear all items in this page.' A table displays the claim details for SMITH, JOHN. The table has columns for 'Export', 'Last Name', 'First Name', 'Middle Name', 'Claim Number', 'Claim Type', 'Incurred Date', 'Received Date', 'Status', and 'Amt Paid to Date'. A sub-table provides a breakdown of payments with columns for 'Begin Date', 'End Date', 'Paid Date', 'Status', 'Gross Amt', 'Withholding', and 'Pmt Amt'. Below the table, there are 'Export Options' for Excel and PDF files. A footer note explains FICA withholding on disability benefits.

Export	Last Name	First Name	Middle Name
<input type="checkbox"/>	SMITH	JOHN	

Claim Number	Claim Type	Incurred Date	Received Date	Status	Amt Paid to Date
76589****	LTD	10/18/2006	11/20/2006	CLOSED	\$2,080.00

Begin Date	End Date	Paid Date	Status	Gross Amt	Withholding	Pmt Amt
10/21/2006	10/31/2006	11/30/2006	CLOSED	\$533.28	\$0.00	\$533.28
11/1/2006	11/29/2006	11/30/2006	CLOSED	\$1,546.72	\$0.00	\$1,546.72

Export Options
 Excel File of [Selected Members](#) or [Current Page](#) PDF File of [Selected Members](#) or [Current Page](#)

FICA withholding on disability benefits is based on the percentage of premium paid for coverage that is employer paid or sheltered by a section 125 cafeteria plan. This information is provided by the Group (Employer). Reports are sent to Employers bi-weekly for Groups having FICA Withheld from benefits.

Having trouble displaying this page? [Try the simple version.](#)

Please note all claim forms can be downloaded from our website: www.usablelife.com.

LIFE INSURANCE AND ACCIDENTAL DEATH BENEFITS

How To File a Claim for Basic or Voluntary Life Insurance and Accidental Death Benefits:

Death of an Insured Employee

1. As the Employer, complete the statement on the front of the Proof of Death claim (Form CL-PD) and attach a certified death certificate.

Note: If the death is due to suicide, homicide, or accidental means, a copy of the investigating officer's report is also required. A toxicology report may be necessary if testing was performed.

2. Obtain a signed Authorization to Obtain Information from the next-of-kin.
3. Obtain a completed Beneficiary's Statement from the designated beneficiary on file. If more than one beneficiary survives the insured, have each complete a Beneficiary Statement.
4. Submit the above documents and the original enrollment form with any subsequent change forms to the address located on the top of the claim form. We cannot accept faxed or scanned copies of claim documents for life claims.

Death of an Insured Dependent

Complete the Employer's Statement and have the insured employee complete the Employee's Statement on the reverse side of the Proof of Death claim form, attach a certified copy of the death certificate and a photocopy of the insured employee's enrollment form and any subsequent change forms.

Assignment of Benefits

Life insurance benefits may be assigned to a funeral home by the insured employee or an adult beneficiary of a policy to assist in payment of the final expenses for an insured or dependent. *If an assignment is executed, the assignment must be submitted with the claim form and death certificate.* Questions regarding the amount of coverage and beneficiary designation should be directed to our Customer Service Department.

ACCIDENTAL DISMEMBERMENT BENEFITS

Accidental Dismemberment Benefits (Employee only)

1. As Employer, complete the statement on the front of Statement of Claim - Group Accident Insurance.
2. Forward claim form to the insured employee for completion of the Claimant's Statement and Attending Physician's Statement.

Note: If the accident was investigated by law enforcement authorities, a copy of the investigating officer's report should be attached to the claim form. A toxicology report may be necessary if testing was performed.

3. Mail the completed form to the address located at the top of the claim form.

SHORT TERM DISABILITY

How To File a Short Term Disability (STD) Claim

1. The insured employee must complete the Employee's Statement on the Statement of Claim - Short Term Disability Benefits form. The Authorization to Release Medical Records (Form CL-HIPPA-AUTH) should also be completed and will aid us in obtaining needed information in a timely manner. It is very important that all questions are completed and the form is signed. Incomplete forms may require us to return them to the employee and will result in a processing delay.
2. The insured's physician must complete the Attending Physician's Statement on the reverse side of the Statement of Claim - Short Term Disability Benefits claim form.
3. As the employer, complete the Employer's Statement Page 2 of the Statement of Claim - Short Term Disability Benefits claim form. Please note: If the disability is work-related, a copy of the Workers Compensation claim decision will need to be submitted along with the USABLE Life claim form. We may also require additional documentation for offset income.
4. The completed form may be faxed to our Claim Department at (501) 235-8417, or can be emailed to claims@usablelife.com. Alternatively, the completed form can be mailed to the address located on the top of the claim form.

Claim Payments

Disability claims are processed daily. Weekly payments are computer generated for a payment period of Sunday through Saturday. Payments are mailed on the first business day of the following week as long as the employee's disability is medically supported and certified by the physician up to the maximum duration as defined in the Schedule of Insurance.

Medical Updates

For continuing disabilities, an update form may be required every 4-8 weeks depending on the diagnosis and prognosis for a particular disability. These forms DO NOT require an employer's statement and are mailed directly to the employee's home address for completion by the Attending Physician. The statement must be returned as indicated in order to avoid interruption of benefit payments.

FICA Withholding

The Social Security Act (H.R. 4331) requires insurance companies to withhold FICA taxes from disability income payments. FICA taxes will be withheld in the same proportion as the employer's premium contribution or the employees pre-taxed contribution. For example: The employer pays 50% of the premium for short term disability coverage, and the employee pays 50% of the premium for short term disability with pre-tax dollars. FICA taxes will be withheld on 100% of the disability payment.

We will notify the employer of the amount withheld on each employee so that the employer can report and deposit the applicable matching employer's contributions. These reports will be provided to the employer on a bi-weekly, quarterly, and annual basis. Information on the annual report should be included on your employees' W-2 forms in box 13. Earnings need to be included under the Federal Wage box also on the W-2, box 1.

Questions regarding FICA reporting should be addressed to the USABLE Life Finance Department's Tax Analyst.

SHORT TERM DISABILITY (continued)

Pursuant to IRS Circular 230, USABLE Life is providing you with the following notification: Nothing contained in this section is intended or written to be used, and cannot be used by anyone to avoid IRS penalties. An employee should seek advice from an independent tax advisor based on his particular circumstances.

USABLE Life, its agents, and representatives may not give legal or tax advice. Any discussion of taxes is for general information purposes only and may not cover every situation. Tax law is subject to interpretation and legislative change. Tax results of any taxpayer may vary depending on the facts and circumstances. Employees should consult with and rely on their own independent legal and tax advisors regarding their particular set of facts and circumstances.

When Your Employee Returns to Work

When your employee returns to work after receiving short term disability benefits, please contact USABLE Life and advise us immediately to avoid an overpayment of benefits. **Any overpayment of benefits must be reimbursed to USABLE Life.**

LONG TERM DISABILITY

How To File a Long Term Disability (LTD) Claim

Approximately 30 days before the end of the elimination period shown in the policy or certificate; the initial LTD Claim should be filed.

1. As the employer, call USABLE Life Customer Service to request a claim form for your employee. Separate and send these forms with the employee's Job Description and other applicable documents to the USABLE Life address on the claim form.
2. Give the remaining portions of the form for the employee to complete. The employee should sign and date the Employee's Authorization for Release of Information and the Employee's Disability Benefits Application and submit both forms to his attending physician.
3. The employee's attending physician should complete the Attending Physician's Statement and return the form, the employee's statement and authorization to the USABLE Life address on the claim form.

WAIVER OF PREMIUM CLAIM PROCEDURES

How to File a Claim for Extended Life Insurance Benefits

1. As the employer, complete the Employer's Statement of the Application for Extended Insurance Benefits and forward the completed form to the employee.
2. The employee and his attending physician must complete the Employee's Statement; Authorization to Obtain Medical Information; and Attending Physician's Statement. The completed forms should then be mailed to the address located on the claim form.

When the claim has been adjudicated, the employer and the employee will receive written notice of our decision. Periodic updates verifying disability will be requested directly from the employee as outlined in the policy.

NOTICE OF PRIVACY PRACTICES

We take your employees' privacy very seriously. It is our goal to safeguard all information from inappropriate use or disclosure. We have taken many steps to ensure the safekeeping of data, the security of communications with us and disclosure of only information necessary to fulfill our role as your insurer.

The following Notice of Privacy Practices is outlined below and can be found with our full Privacy Policy on our website <http://www.usablelife.com/privacy%20policy.aspx>

By law, USABLE Life is required to protect the privacy of your protected health information. We must also give you this notice to tell you how we may use and give out ("disclose") your protected health information held by us. USABLE Life must use and give out your protected health information to provide information:

- To you or someone who has the legal right to act for you (your personal representative)
- To the Secretary of the Department of Health and Human Services, if necessary to make sure your privacy is protected; and
- Where required by law.

USABLE Life has the right to use and give out your protected health information to perform business operations. For example:

- We can use your protected health information to pay or deny your claims or to collect your premiums.
- Members of our staff may use this information in an effort to continually improve the quality and effectiveness of the benefits and service we provide.
- We may disclose protected health information to your employer, if your employer arranges for your insurance. If your employer meets the requirements outlined by the privacy law, we can disclose protected health information to the appropriate areas so they can modify benefits, work to control overall plan costs, and improve service levels. This information may be in the form of routine reporting or special requests.
- We may disclose protected health information to others who are contracted to provide services on our behalf. Some services are provided in our organization through contracts with others. Examples may include claim investigation/management, medical record retrieval, reinsurance, and the copy service we use when making copies of your health record. Our contracts require these business associates to appropriately protect your information.
- Members of our staff, using their best judgment, may disclose to a family member, other relative, close personal friend or any other person you identify, health information relevant to that person's involvement in the payment of your claims or collection of your premiums. An example would be your spouse calling to verify a claim was paid or the amount paid on a claim.

USABLE Life may use or give out your protected health information for the following purposes, under limited circumstances:

- To state agencies that have the legal right to receive USABLE Life data (such as to make sure we are making proper payments)
- For public health activities (such as reporting disease outbreaks);
- For government oversight (such as fraud and abuse investigations);

NOTICE OF PRIVACY PRACTICES (continued)

- For judicial and administrative proceedings (such as in response to a subpoena or other court order);
- For law enforcement purposes (such as providing limited information to locate a missing person);
- To avoid a serious and imminent threat to health or safety;
- To contact you regarding new or changed benefits.

By law, USAble Life must have your written permission (an “authorization”) to use or give out your protected health information for any purpose other than payment or business operations or other limited exceptions outlined here or in the privacy regulation. You may take back (“revoke”) your written permission at any time, except it will not apply if we have already acted based on your permission.

Your Rights Regarding Medical Information About You

By law, you have the right to:

- See and get a copy of your protected health information that is contained in a designated record set that was used to make decisions about you.
- Have your protected health information amended if you believe that it is wrong, or if information is missing, and USAble Life agrees. If USAble Life disagrees, you may have a statement of your disagreement added to your protected health information record.
- Receive a listing of those getting your protected health information from USAble Life. The listing will not cover your protected health information that was given out to you or your personal representative; that was given out for payment or business operations; that was given out based on an authorization signed by you; or that was given out for law enforcement purposes.
- Ask USAble Life to communicate with you in a different manner or at a different place (for example, by sending your correspondence to a P.O. Box instead of your home address) if you are in danger of personal harm if the information is not kept confidential.
- Ask USAble Life to limit how your protected health information is used and given out to pay your claims and perform business operations. Please note that USAble Life may not be able to agree to your request.

To Exercise Your Rights

If you would like to contact USAble Life for further information regarding this notice or the exercise of any of the rights described in this notice, you may do so by contacting our Privacy Office at the following telephone numbers: 501-378-3306 (Little Rock) or 1-800-648-0271 (toll-free)

Changes to This Notice

We are required by law to abide by the terms of this notice. We reserve the right to change this notice and make the revised or changed notice effective for medical information we already have about you as well as any future information we receive. When we make changes, we will notify you by sending a revised notice to the last known address we have for you.

NOTICE OF PRIVACY PRACTICES (continued)

Complaints

If you believe your privacy rights have been violated, you may file a complaint with USABLE Life or with the Secretary of the Department of Health and Human Services. You may file a complaint with USABLE Life by writing to the following address:

USABLE Life
ATTN: Privacy Officer
P.O. Box 1650
Little Rock, AR 72203-1650
Or electronically to:
privacyofficer@usablelife.com

We will not penalize or in any way retaliate against you for filing a complaint with the Secretary or with us.

You may also file a complaint with the Secretary of the U.S. Department of Health and Human Services. Complaints filed directly with the Secretary must: 1) be in writing; 2) contain the name of the entity against which the complaint is lodged; 3) describe the relevant problems; and 4) be filed within 180 days of the time you became or should have become aware of the problem.

