



RETIREE GROUP TERM LIFE INSURANCE

**Eligibility:**

Employees retiring can elect to continue life insurance coverage on a non-medical basis. To be considered a retiree from Michigan Tech, an employee's years of service + age must be equal or greater than 80.

**Benefit Structure:**

The retiring employee may continue any amount of coverage, as long as it does not exceed the smaller of the following maximums:

- \$50,000 or
- The amount of coverage the employee was enrolled in under the Michigan Tech plan on the date of retirement

NOTE: The amount "under the Michigan Tech plan" is the basic \$5000 plus the supplemental amount purchased by the employee.

**Age Reduction Schedule:**

The amount elected by the retiring employee is subject to the following age reduction schedule:

Age	Reduction Factor
65	35%
70	57%
75	72%
80	79%
85	84%

The reductions are rounded to the next higher \$500. The examples below show how Michigan Tech's life insurance company will be calculating the coverage amounts (using a \$50,000 election).

Pre Age 65 Amount.....	\$50,000
Age 65 amount (35% reduction).....	\$32,500 (\$50,000 - \$17,500)
Age 70 amount (57% reduction).....	\$21,500 (\$50,000 - \$28,500)
Age 75 amount (72% reduction).....	\$14,000 (\$50,000 - \$36,000)
Age 80 amount (79% reduction).....	\$10,500 (\$50,000 - \$39,500)
Age 85 amount (84% reduction).....	\$ 8,000 (\$50,000 - \$42,000)

**Monthly Rates per \$1000**

The retired employee will contribute premium based on their amount of insurance and the following rate table:

Age Band	Rates Per \$1,000 of Insurance		
	Monthly	Semi-Annual	Annual
50-54	\$ .43	\$2.58	\$5.16
55-59	\$ .72	\$4.32	\$8.64
60-64	\$ .92	\$5.52	\$11.04
65-69	\$1.48	\$8.88	\$17.76
70-74	\$2.60	\$15.60	\$31.20
75 +	\$4.26	\$25.56	\$51.12

Enrolled retirees will be notified of any premium change by the Benefits office at Michigan Tech as soon as possible.

Premiums can be paid every six months or on an annual basis. Michigan Tech will determine the applicable premium and notify the covered person accordingly. Failure to pay the premium within 30 days of the due date will result in cancellation of coverage with no chance of reinstatement.

**Enrollment:**

Retiring employees must enroll within 30 days of their retirement date. This is a one time opportunity to enroll in the plan. There is no provision for late enrollments.

Once enrolled, the retiree may elect to reduce the coverage amount on any premium due date. Coverage increases are not available.