

Dependent Term Life Insurance

Employees have the opportunity to purchase term life insurance on dependents effective January 1, 2003. To be eligible to purchase dependent life insurance the employee must be enrolled in Optional Life Insurance (minimum of 1 x salary benefit). The benefits are paid as follows:

\$25,000	-	Spouse
\$ 5,000	-	Per Dependent

The cost of the insurance on the spouse is calculated on the age of the employee, times the volume of life benefit. The rates for dependent life insurance are now the same as the optional life insurance rates (please reference the chart). The child rate is \$.0222 (staff), \$.0288 (faculty).

Example:

Employee, age 36, \$35,000 Life Insurance Benefits, (\$25,000/spouse, \$5,000/dependent 1, \$5,000/dependent 2= \$35,000)

$(\$25,000 * .0263)/1,000 = \0.66 per pay period

$(\$10,000 * .0222)/1,000 = \underline{\$0.22}$

Total \$0.88 per pay period

The premium for Optional Coverage is paid entirely by the employee.