

Group Life Insurance Program

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Certificate of Coverage
for
Accidental Death and Personal Loss
Insurance

BENEFIT PROGRAM

**Prepared Exclusively for
Maine Public Employees Retirement
System**

**Life Insurance, Accidental Death and
Personal Loss Coverage, Supplemental
Life Insurance, Supplemental Accidental
Death & Personal Loss Coverage and
Dependent Life Insurance**

**What Your
Program
Covers and How
Benefits are Paid**

Table of Contents

Preface	1	Accidental Death and Personal Loss Benefit Payable.....	13
Important Information Regarding Availability of Coverage.....	2	Payment of Benefits.....	13
Coverage for You and Your Dependents.....	2	Maximum Benefit.....	13
Life Insurance Coverage.....	2	Exclusions That Apply to Accidental Death and Personal Loss.....	13
Accidental Death and Personal Loss Coverage.....	2	Changes to Your Coverage Amounts.....	14
Eligibility, Enrollment and Effective Date of Your Coverage	3	Changes in Employee Life Insurance Coverage.....	14
Who is Eligible.....	3	Change in Dependent's Coverage.....	15
Employees.....	3	When Life and Accidental Death and Personal Loss Insurance Coverage Amounts are Reduced.....	15
Determining if You Are in an Eligible Class.....	3	When You Retire.....	15
Determining When You Become Eligible.....	4	When Coverage Ends.....	15
On the Effective Date of the Program.....	4	When Coverage Ends For Employees.....	15
After the Effective Date of the Program.....	4	Dependents.....	16
Change in Eligibility Date – Employee Coverage.....	5	Continuation of Coverage.....	19
Addition or Deletion of a Benefit – Employee and Dependent Coverage.....	5	Handicapped Dependent Children.....	19
Eligibility for Life Insurance if Permanently and Totally Disabled.....	5	Converting to an Individual Life Insurance Policy.....	19
Obtaining Coverage for Dependents.....	6	Eligibility.....	19
Coverage for Dependent Children.....	7	Features of the Conversion Policy.....	20
How and When to Enroll.....	7	Your Premiums and Payments.....	20
Enrollment.....	7	Electing Conversion	20
When Your Coverage Begins.....	8	When an Individual Policy Becomes Effective..	21
Your Effective Date of Coverage Basic Life Insurance, Accidental Death and Personal Loss Coverage, Supplemental Life Insurance Coverage and Supplemental Accidental Death and Personal Loss Coverage.....	8	Impact of Death during Conversion Application Timeframe.....	21
Your Dependent's Effective Date of Coverage.....	8	General Provisions	22
Persons Not Wanting to be Insured.....	9	Legal Action.....	22
Your Life Insurance Plan	10	Confidentiality.....	22
How the Plan Works.....	10	Additional Provisions.....	22
Naming Your Beneficiary.....	10	Assignments.....	22
If Your Beneficiary Dies Before You.....	10	Claims of Creditors.....	23
If Your Beneficiary Is a Minor.....	11	Misstatements.....	23
Conversion Benefit.....	11	Incontestability.....	23
Dependent Life Insurance.....	11	Reporting of Claims.....	23
Your Accidental Death and Personal Loss Coverage	12	Payment of Benefits.....	24
How the Program Works.....	12	Contacting Aetna.....	24
Loss Due to Paralysis.....	12	Effect of Prior Coverage - Transferred Business	24
Exposure.....	12	Glossary *	25
Disappearance.....	13	Confidentiality Notice.....	29
Third Degree Burn Benefit.....	13	Continuation of Coverage.....	32

* Defines the Terms Shown in Bold Type in the Text of This Document.

Preface

Aetna Life Insurance Company (ALIC) is pleased to provide you with this *Booklet-Certificate*. Read this *Booklet-Certificate* carefully. The plan is underwritten by Aetna Life Insurance Company of Hartford, Connecticut (referred to as Aetna).

This *Booklet-Certificate* is part of the *Group Insurance Policy* between Aetna Life Insurance Company and the Policyholder. The *Group Insurance Policy* determines the terms and conditions of coverage. Aetna agrees with the Policyholder to provide coverage in accordance with the conditions, rights, and privileges as set forth in this *Booklet-Certificate*. The Policyholder selects the products and benefit levels under the program. A person covered under this program and their covered dependents are subject to all the conditions and provisions of the *Group Insurance Policy*.

The *Booklet-Certificate* describes the rights and obligations of you and Aetna, what the program covers and how benefits are paid for that coverage. It is your responsibility to understand the terms and conditions in this *Booklet-Certificate*. Your *Booklet-Certificate* includes the *Schedule of Benefits* and any amendments or riders.

If you become insured, this Booklet-Certificate becomes your Certificate of Coverage under the *Group Insurance Policy*, and it replaces and supersedes all certificates describing similar coverage that Aetna previously issued under the contract with Maine Public Employees Retirement System (referred to as MainePERS).

Group Policyholder:	Maine Public Employees Retirement System
Group Policy Number:	GP- 727621
Effective Date:	October 30, 2013
Issue Date:	October 31, 2013
Booklet-Certificate Number:	1

This Certificate may be an electronic version of the Certificate on file with MainePERS and Aetna Life Insurance Company. In case of any discrepancy between an electronic version and the printed copy which is part of the group insurance contract issued by Aetna Life Insurance Company, or in case of any legal action, the terms set forth in such group insurance contract will prevail. To obtain a printed copy of this Certificate, please contact MainePERS.



Mark T. Bertolini
Chairman, Chief Executive Officer and President

Aetna Life Insurance Company
(A Stock Company)

Important Information Regarding Availability of Coverage

No benefits are covered under this *Booklet-Certificate* in the absence of payment of current premiums subject to the *Grace Period* and the *Premium* section of the *Group Insurance Policy*. Unless specifically provided in any applicable termination provision described in this *Booklet-Certificate* or under the terms of the *Group Insurance Policy*, the program does not pay benefits for the loss of life or an **accident** incurred before coverage starts under this program.

This program will also not pay any benefits for any losses that start after coverage ends.

Benefits may be modified during the term of this program as specifically provided under the terms of the *Group Insurance Policy* or upon renewal. If benefits are modified, the revised benefits (including any reduction in benefits or elimination of benefits) apply to any losses that start on or after the effective date of the program modification. There is no vested right to receive any benefits described in the *Group Insurance Policy* or in this *Booklet-Certificate* beyond the date of termination or renewal if the loss or **accident** happens on or after the effective date of the program modification, but prior to your receipt of amended program documents.

Coverage for You and Your Dependents

Life Insurance Coverage

A benefit is payable if you lose your life or a covered dependent loses his or her life while coverage is in effect. Please refer to the *Life Insurance* and *Life Insurance For Your Dependents* sections for more details about covered losses.

Accidental Death and Personal Loss Coverage

A benefit is payable for certain losses if both of the following occur while your coverage is in effect:

- You are involved in an **accident**; and
- You suffer a bodily **injury** as a direct result of the **accident**.

Please refer to the *Accidental Death and Personal Loss* section for more details about covered losses.

Eligibility, Enrollment and Effective Date of Your Coverage

Who Can Be Covered

How and When to Enroll

When Your Coverage Begins

Throughout this section you will find information on who can be covered under the program, how to enroll and what to do when there is a change in your life that affects coverage. In this section, 'you', 'your' and 'yours' means you and your covered dependents to whom this *Booklet-Certificate* is issued and whose insurance is in force under the terms of this group insurance policy.

Who is Eligible

Employees

You are eligible for coverage under this program if you are **actively at work**, subject to membership in an Eligible Class of employment; and any other conditions of eligibility that the **Board of Trustees** of the **Maine Public Employees Retirement System** may prescribe by rule or decision. **Aetna** will rely upon the representation of **MainePERS** as to your eligibility for coverage under this program and as to any fact concerning such eligibility.

Determining if You Are in an Eligible Class

You are in an Eligible Class, as defined below:

1. State Employees:
 - Permanent, Full Time
 - Permanent, Part Time who work at least 20 hours or 2 1/2 normal working days per week
 - Seasonal, Full Time
 - Seasonal, Part time who work at least 20 hours or 2 1/2 normal working days per week
 - Elected and Appointed Officials
 - Limited Period- Full Time for one year or more
 - Limited Period - Part Time for one year or more
 - Acting Capacity with status
2. Legislators
3. Judges and Justices
4. Participating Local District Employees:
 - Permanent, Full Time
 - Permanent, Part Time who work at least 20 hours or 2 1/2 normal working days per week
 - Seasonal, Full Time
 - Elected and Appointed Officials
5. Teachers:
 - Permanent, Full Time
 - Permanent, Part Time who work at least 20 hours or 2 1/2/ normal working days per week

Any individuals employed in one of the classes listed above and who meets the definition of "teacher" as provided by 5 M.R.S.A. §17001, sub §42 is eligible for insurance under this paragraph.

Important Reminder

Any local district that becomes a Participating Local District in accordance with the provisions of 20-A M.R.S.A. s1463, sub-s4 may establish criteria for the inclusion of employees from within the classes listed above, based on the nature and type of employment, in order to provide for the continuation of group life insurance coverage for transferred employees. No employee or class of employees may be excluded solely on the basis of the hazardous nature of employment; nor may the employer use this section to decrease coverage of current participants.

You may remain in an Eligible Class for Basic Life Insurance at service retirement if you have participated in **MainePERS** Life Insurance Program for 10 or more years at **retirement**. If you remain in an Eligible Class, and if you meet all other conditions of eligibility for coverage as a retiree, your Basic Life Insurance coverage will be subject to the Retirement Reduction Rule set fort in the Life Insurance Benefit description. All other coverage will cease.

Note: If you cease active work due to disability retirement, you do not have to participate in **MainePERS** Life Insurance Program for 10 years in order to be eligible for retiree benefits.

Determining When You Become Eligible

You become eligible for the program on your eligibility date, which is determined as follows:

On the Effective Date of the Program

If you are in an Eligible Class on the effective date of this program, your coverage eligibility date is the effective date of the program.

After the Effective Date of the Program

If you start work after the effective date of this program, your coverage eligibility date is the date you enter an eligible class. Once you enter an eligible class your coverage effective date is the first day of the month following the date you complete a probationary period of one month of service in an Eligible Class.

Change in Eligibility Date – Employee Coverage

Unless contrary to applicable law or a decision of the Board of Trustees, an increase in any required period of service will apply only to an employee who enters service on or after the effective date of the increase. A decrease in any required period of service will permit an employee to become eligible on the effective date of the decrease if he or she then has worked the new period of service. Otherwise he or she is eligible on the date he or she completes the new period of service.

Addition or Deletion of a Benefit – Employee and Dependent Coverage

Except as set forth in the next paragraph, if any benefit becomes applicable to an employee or a dependent who is already covered under the policy, that person will be eligible for that benefit right away. Coverage will be effective in line with the When Your Coverage Begins section provided the employee satisfies the Active Work Rule.

If any benefit no longer applies to an employee or a dependent, coverage for that benefit will stop in accordance with the *when coverage ends section* of this *Booklet-Certificate*.

Eligibility for Life Insurance if Permanently and Totally Disabled

Employees Who Receive Disability Retirement Under MainePERS Statutes (This provision does not apply to any Supplemental Life Insurance)

You may remain eligible for Basic Life Insurance coverage, subject to change or termination as provided elsewhere in the group contract. **MainePERS** determines that you have become disabled, if:

- you become disabled while you are insured; and
- you meet the requirements for **MainePERS** disability retirement benefits under applicable law.

Once you satisfy the requirements for disability retirement benefits, your Basic Life Insurance will be continued without any further **premium** payments from you, however, premium payments will continue to be made to **Aetna** on your behalf.

Your extended insurance will be the amount of the basic life insurance you were insured for on your last date of service. Your eligibility for extended insurance will cease when you no longer meet the requirements for disability retirement benefits under applicable law.

Employees Not Eligible To Receive Disability Retirement Under MainePERS Statutes But Qualify For Disability Benefits Under Social Security Or Some Other Local Program. (This provision does not apply to any Supplemental Life Insurance)

You may remain eligible for Basic Life Insurance coverage, subject to change or termination as provided elsewhere in the group contract; if you are a participant of a **Participating Local District (PLD)**, who is not a member of **MainePERS Participating Local District**, who becomes disabled while employed or who begins to receive a benefit under the United States Social Security Act within 31 days of terminating your employment, your Basic Life Insurance may continue at no cost to you.

Life Insurance Coverage Under The Program Terminated Due To Separation From Service, And Employee Does Not Qualify For Disability Benefits Under MainePERS Statutes, Or Under Social Security Or Some Other Local Program.

You may remain eligible for Basic Life Insurance coverage, subject to change or termination as provided elsewhere in the group contract, if **Aetna** determines that you have become permanently and totally disabled, if:

- the total disability starts while you are insured, on or after the date this subsection applies to you, before you reach age 60, and before you retire, and
- **MainePERS** receives written notice of your disability within 12 months after you cease **active work**, and
- **Aetna** receives written request for this coverage within 12 months after you cease **active work**.

If it is not possible to furnish written notice and any proof of your disability within 12 months, your written notice will still be accepted if you file as soon as possible. Unless you are legally incapacitated, written notice filed more than 3 months after the 12 month deadline will be denied.

To qualify, all the following tests must be met:

- disease or injury stops you from working at your own job or any other job for pay or profit;
- you are unable to work at any "reasonable job"; and
- you have been totally disabled for at least 9 months.

A "reasonable job" is any job for which you are, or may reasonably become, fit for by education, training or experience.

Once you satisfy the requirements for disability benefits under this section, your Basic Life Insurance will be continued without any further **premium** payments from you, however, premium payments will continue to be made to **Aetna** on your behalf.

Your extended insurance will be the amount you were insured for on the date your permanent and total disability began. This eligibility ceases at the first to occur of:

The date **Aetna** sends a request to you at your last known address shown on **Aetna's** records: for an exam, if you do not go for the exam within 31 days of that date; for proof that you are still permanently and totally disabled, if the proof is not given within 31 days of that date.

- date you are well enough to work at any reasonable job;
- date you start work at any job for pay or profit; or
- date you reach age 60.

After insurance has been extended continuously for 2 years, **Aetna** will not request an exam or proof more often than once in a 12-month period.

If your Life Insurance ceases due to ceasing **active work**, your Life Insurance may be reinstated from the date it stopped, if:

- **Aetna** later finds that you are eligible under this subsection; and
- you give up all individual policies of Life Insurance issued to you as a result of cessation of insurance without claim except for the return of premium.

Obtaining Coverage for Dependents

Your dependents can be covered under your program. You may enroll the following dependents:

- Your spouse.
- Your dependent children.

Aetna will rely upon **MainePERS** to determine whether or not a person meets the definition of a dependent for coverage under the program. This determination will be conclusive and binding upon all persons for the purposes of this program.

Coverage for Dependent Children

To be eligible, a dependent child must be:

- Unmarried; and
- Under 19 years of age; or
- Under age 22, as long as he or she is a full-time student at an accredited institution of higher education. An eligible dependent child includes:
 - Your biological children;
 - Your stepchildren who are legally adopted by the insured;
 - Your legally adopted children.

Coverage of an unmarried dependent child having attained age 19 shall be continued if proof is furnished within 31 days after the child's 19th birthday, and each year thereafter, indicating either that the dependent child is permanently disabled or that the dependent child is under 22 years of age and a full-time student. Coverage for a disabled child shall continue while the Policy remains in force and the child's condition remains unchanged.

Coverage for a handicapped child may be continued past the age limits shown above. See *Handicapped Dependent Children* for more information.

No person may be covered both as an employee, retiree and dependent; and no person may be covered as a dependent of more than one employee.

How and When to Enroll

Enrollment

You will be provided with program benefit and enrollment information when you first become eligible to enroll. You will need to enroll in a manner determined by **Aetna** and **MainePERS**. To complete the enrollment process, you will need to provide all requested information for yourself and your eligible dependents. You will also need to agree to allow your **Employer** to deduct any required **premium** from your pay. If **premium** is required, your **Employer** will advise you of the amount required and it will be withheld from your pay; and will be forwarded to **MainePERS**.

If no payroll deductions are made, coverage will continue only if the employee pays the **premium** as they become due while on seasonal lay-off or leave of absence without pay for one of the following:

1. Military service*
2. Employer paid professional study;
3. Family Medical Leave Act;
4. Other, employer approved unpaid leave;
5. Service in the Maine Legislature; or
6. Leave between legislative sessions in the case of legislative employees.

Note: If the above section applies to you while on a seasonal lay-off or leave of absence without pay, premium payments must be made. Failure to make any required premium payments as determined by **MainePERS** will result in the loss of coverage.

If the Executive Director of **MainePERS** determines that an employee lacks coverage or has had a lapse in coverage due to error on the part of the employer or **MainePERS**, coverage may be implemented or reinstated as follows:

- Participant, or employer in the case of employer-paid premiums, pays back premiums from the date of eligibility or the date of last payment to the present; or
- Participant files **evidence of insurability** with coverage effective on the first day of the month following one month of additional employment in an eligible position beyond the date approved by the insurer under this program with **MainePERS**. In the event **Aetna** denies coverage based on **evidence of insurability**, you may restore your coverage and any dependent coverage under the first bullet above.

Your **premium** is subject to change. **MainePERS** will determine the rate of any required **premium**.

* Any employee who, during a period of unpaid military leave of absence, does not continue Life Insurance or Life Insurance and Accidental Death or Personal Loss coverage while on unpaid military leave must be reinstated to the levels of such coverage in effect immediately prior to the unpaid military leave. A request for reinstatement by the employee must be made within 31 days of the employee's return to work following the unpaid military leave. An employee who wants to be reinstated and who does not apply for reinstatement within 31 days of the employee's return to work from unpaid military leave must produce evidence of insurability at the employee's own expense and in accordance with **Aetna's** requirements.

When Your Coverage Begins

Your Effective Date of Coverage Basic Life Insurance, Accidental Death and Personal Loss Coverage, Supplemental Life Insurance Coverage and Supplemental Accidental Death and Personal Loss Coverage

In order for insurance coverage to become effective, an application for insurance coverage indicating the type of coverage elected must be completed within 31 days of becoming eligible for coverage.

If you are in an Eligible Class on the Program's Effective Date, coverage will take effect on the Program's Effective Date; if you were covered for Supplemental Life Insurance Coverage on the day before this Program takes effect.

If you start work after the Program's Effective Date, Supplemental Life Insurance Coverage will take effect on your Effective Date provided you make written application for such coverage within 31 days of entering an Eligible Class.

If you make written application for Life Insurance more than 31 days after entering an Eligible Class, or you decline coverage when you first eligible you must submit evidence of insurability. If you are required to furnish evidence of insurability, the evidence shall be provided at no cost to **Aetna** or **MainePERS**. If your evidence is approved by **Aetna**, coverage will take effect on the first day of the month following the date you complete one month of additional service in an Eligible Class.

Active Work Rule: If you happen to be ill or injured and away from **active work** on the date your coverage would take effect, your coverage will not take effect until you return to work for one regularly scheduled work day. This rule also applies to an increase in your coverage.

Your Dependent's Effective Date of Coverage

Dependent coverage will take effect on the Program's Effective Date; if you were insured for dependent coverage under the **MainePERS** Life Insurance Program on the day before this Program's Effective Date.

If you start work after the Program's Effective Date, you must make written application for dependent coverage within 31 days of first entering an Eligible Class. If you make written application within 31 days, dependent coverage will take effect on the first day of the month following the date you complete a probationary period of one month of service in an Eligible Class.

If you do not have any eligible dependents when you are first eligible to enroll, but later acquire a dependent, you must make written application for dependent coverage within 31 days of acquiring the first dependent. If written application is made within 31 days, coverage will take effect on the first day of the month following the month in which the application is received by your **employing office**.

If you make written application for Dependent Life Insurance more than 31 days after entering an Eligible Class, or you decline coverage when first eligible you must submit evidence of insurability. If you are required to furnish evidence of insurability, the evidence shall be provided at no cost to **MainePERS** or **Aetna**. If your evidence is approved by **Aetna**, coverage will take effect on the first day of the month following the date you complete one month of additional service in an Eligible Class. If your dependent is not approved; the dependent is not eligible for coverage; however, coverage may be provided to any other eligible dependent for which **evidence of insurability** is approved.

Once you become insured for dependent coverage, you will not have to make written application to add any new dependents. New dependents will become covered on the date they are acquired.

Note: In no event can dependent coverage take effect before your coverage takes effect. This also applies to any increase in dependent coverage; if you are not **actively at work** on the date the increase is to become effective.

Persons Not Wanting to be Insured

If you do not want to be insured when you are first eligible, you must, on your enrollment form, give written notice to both your **employing office** and **MainePERS**.

If you become insured and then later wish to cancel or reduce coverage, you must give written notice to both your **employing office** and **MainePERS**. If written notice is given, coverage will cease at the end of the calendar month in which the notice is received by your **employing office**.

If you initially refuse coverage, or if you reduce or cancel coverage after becoming insured, you may re-apply for coverage if you submit **evidence of insurability** to **Aetna**. If you are required to furnish **evidence of insurability**, the evidence shall be provided at no cost to the **MainePERS** or **Aetna**. If **Aetna** approves your **evidence of insurability** application, coverage will take effect on the first day of the month following the date you complete one month of additional service in an Eligible Class.

If you refused coverage when you were first eligible and then terminate your employment, you may, if later re-employed, apply for insurance without **evidence of insurability** if the termination and re-employment were bona fide. The following will not be considered a termination and re-employment for purposes of this provision:

- an intradepartmental or interdepartmental transfer; or
- a layoff from seasonal employment from which you are expected to return.

Your Life Insurance Program

Naming Your Beneficiary

Benefit Payments

Changing Your Elections

Life insurance is an important component of your financial programming. The Life Insurance Program pays a benefit to your beneficiary if you die while covered by the program. Refer to the *Schedule of Life Insurance Benefits* for information about the program's benefit.

- Naming a Beneficiary;
- Payment of Benefits;
- How to convert your coverage; and
- How to change coverage amounts.

How the Plan Works

Naming Your Beneficiary

A beneficiary is the person you designate to receive life benefits if you should die while you are covered. (You may name anyone you wish as your beneficiary.) You may name more than one beneficiary. You will need to complete a beneficiary designation form, which you can get from **MainePERS** web-site at www.maineopers.org.

If you name more than one primary beneficiary, the life insurance benefits will be paid out equally unless you stipulate otherwise on the form. If you name more than one primary beneficiary and the amount or percentage of the payment to your primary beneficiaries does not equal 100% of your life insurance amount, the difference will be paid equally to your named primary beneficiaries.

You may change your beneficiary choice at any time by completing a new beneficiary designation form. Send the completed form to **MainePERS**. The beneficiary change will be effective on the earlier of the date the form is received by **MainePERS**, or the date it's post-marked, provided it is before your death.

Prior to your death, you are the only person who can name or change your beneficiary. No other person may change your beneficiary on your behalf, unless you grant that power to another person pursuant to a power of attorney in accordance with Maine law.

Aetna pays life insurance benefits in accordance with the beneficiary designation it has on record. Any payment made before **Aetna** receives your request for a beneficiary change will be made to your previously designated beneficiary. **Aetna** will be fully discharged of its duties as to any payment made, if the payment is made before **Aetna** receives notification of a change in beneficiary.

If Your Beneficiary Dies Before You

If one of your named primary beneficiaries dies before you, his or her share will be payable in equal shares to any other named primary beneficiaries who survive you. If you have named a contingent beneficiary, your contingent beneficiary will only be paid if all primary beneficiaries die before you.

If you have not named a primary or contingent beneficiary or if the person you have named dies before you, payment will be made as follows to those who survive you:

- Your spouse.
- Your executor.
- If there is no spouse, in equal shares to your children and descendants of deceased children.

- If there is no spouse, or you have no children, to your parents, equally or to the survivor.
- If there is no spouse, children or parents, executors or conservator, your next of kin.

If Your Beneficiary Is a Minor

The method of payment will differ if your beneficiary is:

- A minor; or
- Legally unable to give a valid release for payment of any Life Insurance benefit, in **Aetna's** opinion.
- **Aetna** will issue (as permitted by applicable state law) the life insurance payment to:
 - The guardian of your beneficiary's estate; or
 - The custodian of the beneficiary's estate under the Uniform Transfer to Minors Act; or
 - An adult caretaker/legal guardian.

Aetna will be fully discharged of its duties as to the extent of the payment made. **Aetna** is not responsible for how the payment is used.

Conversion Benefit

A life conversion option may be available without a medical exam if you apply for it within 31 days of your loss of eligibility under the plan. For more information about the conversion provision, refer to the *Conversion* section.

Dependent Life Insurance

Dependent life insurance pays a benefit to you if one of your covered dependents dies at any time or place. **Aetna** will pay the benefit in one lump sum. If you are not living at the time the benefit is paid, the payment will be made to your executors or administrators. **Aetna** has the option to make this payment to your spouse.

Your Accidental Death and Personal Loss Coverage

Covered Losses
Accident Benefits Payable
Additional Benefits

Accidental Death and Personal Loss Coverage (ADPL) covers losses you suffer solely and as a direct result of an accidental bodily **injury** that occurs while covered by the program. Benefits are payable to your beneficiary if you die, or to you if you suffer any other covered loss in an **accident**.

Refer to the *Schedule of Benefits* for additional information about your (ADPL) benefits.

How the Program Works

Covered Losses

The program covers a loss you suffer solely and as a direct result of bodily **injury** that happens while you are covered by the program. The loss must be caused directly and apart from any other accident.

Loss means:

- Loss of life.
- Loss of a hand by actual and permanent severance at or above the wrist joint.
- Loss of a foot by actual and permanent severance at or above the ankle joint.
- Complete and irrecoverable loss of sight in the eye.
- Total and permanent loss of speech or hearing in both ears.
- Loss of the thumb and index finger of the same hand by actual and permanent severance at or above the metacarpophalangeal joint of both fingers.

Loss of speech or hearing is considered permanent if it has lasted for 12 months in a row; unless the attending **physician** states otherwise.

Loss Due to Paralysis

If you are paralyzed solely and as a direct result of a bodily **injury**, and the paralysis begins within 30 days of the **injury**, the program will pay a benefit.

The paralysis must be complete and irrevocable.

The following forms of paralysis are covered by the program:

- Quadriplegia: paralysis of both upper and lower limbs.
- Paraplegia: paralysis of both lower limbs.
- Hemiplegia: paralysis of the upper and lower limbs on one side of the body.
- Uniplegia: paralysis of one limb.

A limb means the entire arm or leg.

Exposure

Loss of life caused by exposure to natural or chemical elements will be treated as accidental if the exposure was a direct result of an **accident**.

Disappearance

The program will pay an accidental death benefit if your body is not found, and no contrary evidence about the circumstances of your disappearance arises, within one year of the accidental disappearance, sinking, or wrecking of a conveyance you occupied.

Third Degree Burn Benefit

The program will pay a third degree burn benefit if:

- You suffer third degree burns solely and as a direct result of an **accident** covered by this program; and
- The **accident** occurs while you are covered by the program.

The benefit payable is based on the principal sum and the extent of the burns.

Accidental Death and Personal Loss Benefit Amounts

If you die, or suffer a covered loss solely and as a direct result of a bodily **injury** within 365 days of the date of the **accident** causing the **injury**, the program will pay a benefit. The benefit is expressed as a percentage of the principal sum. The principal sum is the full benefit payable by the program. The following table defines payable for each type of loss.

Covered Loss (This includes Accidental Death and Personal Loss Coverage.)	Percentage of the Principal Sum Paid By the Program
Loss of Life -including exposure and presumed disappearance	100%
Loss of both feet, both hands, or the sight in both eyes	100%
Loss of both speech and hearing in both ears	100%
Quadriplegia	100%
Third degree burn covering 75% or more of your body	100%
Paraplegia or hemiplegia	50%
Loss of one hand, one foot or the sight in one eye	50%
Third degree burn covering 50% - 74% of your body	50%
Loss of speech or hearing in both ears	50%
Uniplegia	25%
Loss of thumb and index finger of the same hand	25%

Payment of Benefits

The program will pay all the benefits, except for loss of life, to you. The benefit for the loss of life will be paid to the beneficiary you named.

Maximum Benefit

The program will pay up to the principal sum for all losses (including paralysis), that result from one **accident**.

Exclusions That Apply to Accidental Death and Personal Loss

Not all events which may be ruled accidental are covered by this program. No benefits are payable for a loss caused or contributed to by:

- Air or space travel. This does not apply if a person is a passenger, with no duties at all, on an aircraft being used only to carry passengers (with or without cargo.)
- Commission of or attempting to commit a criminal act.
- Illness, ptomaine or bacterial infection.*

- Inhalation of poisonous gases.
- Intended or accidental contact with nuclear or atomic energy by explosion and/or release.
- Ligature strangulation resulting from autoerotic asphyxiation.
- Intentionally self-inflicted **injury**.
- Medical or surgical treatment*.
- 3rd degree burns resulting from sunburn.
- Use of alcohol.
- Use of drugs, except as prescribed by a physician.
- Use of intoxicants.
- Use of alcohol or intoxicants or drugs while operating any form of a **motor vehicle** whether or not registered for land, air or water use. A **motor vehicle accident** will be deemed to be caused by the use of alcohol, intoxicants or drugs if it is determined that at the time of the **accident** you were: Operating the **motor vehicle** while under the influence of alcohol at a level, which meets or exceeds the level at which intoxication would be presumed under the laws of the state where the **accident** occurred. If the **accident** occurs outside of the United States, intoxication will be presumed if the person's blood alcohol level meets or exceeds .08 grams per deciliter; or

Operating the **motor vehicle** while under the influence of an intoxicant or illegal drug; or operating the **motor vehicle** while under the influence of a **prescription drug** in excess of the amount prescribed by the **physician**; or

- Suicide or attempted suicide (while sane or insane).
- War or any act of war (declared or not declared).

*These do not apply if the loss is caused by:

- An infection which results directly from the **injury**.
- Surgery needed because of the **injury**.

The **injury** must not be one, which is excluded by the terms of this section.

Changes to Your Coverage Amounts

The amount of your life insurance benefit and accidental death and personal loss coverage principal sum depends on a variety of factors, including your earnings. Your benefit level may change as the result of a change in one or more of these factors.

Changes in Employee Life Insurance Coverage

Change in your annual base compensation will become effective on the April 1, following the date the change occurs as long as you are **actively at work**, provided you have been covered for at least one full calendar year under this Program; or any other Program sponsored by **MainePERS**. If you are not **actively at work** on the date of the change, any increase will be postponed until you return to active work for one full day.

A retroactive change in your rate of earnings, status or classification will not change your coverage retroactively. Any resulting change in coverage will be effective on the date **Aetna** receives notice of the change, or as otherwise agreed upon between **Aetna** and **MainePERS**.

These rules do not apply to reductions in your coverage due to retirement. For more information, please refer to the *Retirement Reduction Rule* section of the Schedule of Benefits.

Changes in Dependent's Coverage

An increase or decrease in the amount of coverage for your dependent, as the result of a change in the dependent's age, status or benefit level, will become effective on the date the age, status or benefit level change occurs. If you are not **actively at work** on the date of the change, the increase in your dependent's coverage will be postponed until you return to **active work** for one full day.

When Life and Accidental Death and Personal Loss Insurance Coverage Amounts are Reduced

When You Retire

Accidental death and personal loss coverage and supplemental coverage end when you retire, however, your basic life insurance coverage may continue after you retire, as long as you remain in an Eligible Class. Your coverage amounts are subject to change or termination in accordance with the terms of the group contract. For more information, please refer to the *Retirement Reduction Rule* section of the Schedule of Benefits.

When Coverage Ends

Coverage under your program can end for a variety of reasons. In this section, you will find details on how and why coverage ends, and how you may still be able to continue coverage.

When Coverage Ends for Employees

Your coverage under the program terminates at the first to occur of:

- Employment ceases;
- You voluntarily stop your coverage;
- The group contract terminates as to the coverage;
- You are no longer in an Eligible Class (This may apply to all or part of your coverage.);
- Your **Participating Local District** ceases to participate in the **MainePERS** group life insurance program;
- The end of the month in which written notice of cancellation of coverage is received by your **employing office**;
- You retire as to Supplemental Life and Accidental Death and Personal Loss Coverage;
- You do not make any required **MainePERS** premium;
- Your **Employer** will notify **MainePERS** of the date your employment ceases for the purposes of termination of coverage under this Program. Your **Employer** will use the same rule for all **employees**;
- If absence from active work is due to: seasonal layoff or leave of absence, with an expectation of a return to work, you have the right to continue the coverage that would otherwise cease during your absence by agreeing to make the required **premium** for the cost of the insurance to **MainePERS**;
- Service retirement, disability retirement, or extension of benefits during disability when you are not eligible for **MainePERS** disability, your coverage will continue as described elsewhere in this Certificate;
- You become covered under another program offered by your employer;
- Your employment stops for any reason, including job elimination or being placed on severance. This will be either the date you stop active work, or the day before the first premium due date that occurs after you stop active work. However, if premium payments are made on your behalf, **Aetna** may deem your employment to continue, for purposes of remaining eligible for coverage under this Program, as described below:
 - If you are not at work due to **illness or injury**, your coverage will be continued for up to 6 months from the start of the absence. It may be further continued until stopped by **MainePERS**,
 - If you are not **actively at work** due to temporary lay-off leave of absence due to: Military service; Employer approved professional study;
 - Family Medical Leave Act;
 - Other employer-approved unpaid leave;
 - Service in the Maine Legislature; or

- Leaves between legislative sessions in the case of legislative employee; Your coverage may be continued until stopped by **MainePERS**.
- If you are eligible as a permanently and totally disabled employee, your coverage may be deemed to continue for Life Insurance while you remain eligible as shown in *Eligibility for Life Insurance if Permanently and Totally Disabled*.

It is **MainePERS's** responsibility to let **Aetna** know when your employment ends. The limits above may be extended only if **Aetna** and **MainePERS** agree, in writing, to extend them.

If you are eligible as a permanently and totally disabled **employee**, your employment may be deemed to continue for Basic Life Insurance; while you remain eligible under that section.

In figuring when employment will stop for the purpose of termination of any coverage, **MainePERS** will rely upon your **Employer** to notify **MainePERS**. This can be done by telling **MainePERS** or by stopping premiums. If you cease **active work**, call **MainePERS** to see if any coverage can be continued.

Dependents

Your dependent's coverage will terminate when your coverage terminates as shown above. Additionally, your dependent's coverage will terminate at the first to occur of:

- termination of all dependents' coverage under the group contract;
- a dependent becomes covered as an **employee**;
- such person is no longer defined dependent;
- the end of the month in which you are no longer insured for dependent coverage; or
- you start disability or service retirement.

Life Insurance Portability

Life Insurance coverage for which you pay the total cost may be continued if coverage under the group plan ends because:

- You stop employment;
- You are no longer in a class that is eligible for coverage; or
- Your dependents lost coverage when they no longer qualify as a covered dependent.

Eligibility Criteria

You or your dependent may elect to continue life insurance coverage under this provision if:

- The amount of your life insurance is at least \$5,000;
- The amount of your spouse's life insurance is at least \$1,000;
- The amount of your dependent child's Life Insurance, is at least \$1,000.

You may elect to continue your dependent life insurance coverage under this provision only if you elect to continue your own life insurance coverage.

You may not elect to continue any life insurance coverage under this provision if:

- you are older than age 98;
- your dependent spouse is older than age 98;
- your dependent child is less than 12 months to reach the age where he or she will not meet the plan's definition of a dependent child;

- you are ill or injured and away from work on the date your coverage stops under this plan;
- coverage under the group policy is canceled and replaced by like coverage under another policy;
- coverage under the group policy is canceled because your employer has gone out of business; and
- coverage has been converted to an individual life policy in accordance with the plan's conversion privilege.

The Life Insurance Conversion provision does not apply to any amount of your life insurance for which you elect coverage under this provision. It may be available for:

- any amount of your life insurance to which the terms of this provision do not apply;
- any amount of your life insurance to which the terms of this provision apply, but for which you do not elect coverage under this provision; or
- any amount of your life insurance in force under this provision that stops because of age.

Electing Coverage

You must submit a written request within 31 days after your life insurance coverage under the group plan ends.

To do so you must:

- Obtain a portability request form from **MainePERS** and complete it.
- Submit the first premiums due with the completed request form to **Aetna**.

If **MainePERS** does not tell you of your rights within the first 15 days, then **Aetna** will still accept your application and the first premium payment if submitted after the 31day deadline. However, Aetna will not accept the application and the first premium payment if:

- submitted more than 15 days after you or your dependents were told of your portability rights;
- it is received by **Aetna** more than 91 days after coverage ended or was reduced for the reasons stated above

Portability Effective Date

Life insurance coverage continued under this provision will become effective following the end of the 31-day election period if you have completed a portability request form and submitted the first premium.

Your effective date of coverage under the portability feature is called your portability date.

Features of the Portable Life Insurance

All of the terms and conditions of the group life insurance will apply under the portability provision, except where noted.

Maximum Amount	You	Dependent Spouse	Dependent Children
The maximum amount, will be the lesser of the amount of insurance when coverage ends	\$500,000	\$10,000	\$5,000

At time of application, you can elect a smaller amount of life insurance for yourself, as long as the amount is:

- Available under the group plan for your employment classification;
- More than the amount for your spouse or dependent child; and
- Permitted by any applicable law.

Age Reductions

The amount of your or your spouse's life insurance in force reduces over time due to age. It will never decrease below \$5,000. The following Age Reduction Chart illustrates the reduction(s).

Effective Date	Reduction Amount
January first following age 65	35% of original amount or \$5,000
January first following age 70	60% of original amount or \$5,000
January first following age 75	75% of original amount or \$5,000

When you continue your life insurance coverage under this provision and your or your spouse's age is 65 years or older, the life insurance benefit amount will be limited to the reduction amount shown in the above Chart.

The conversion privilege does not apply to any amount of life insurance for which you elect coverage under this provision. However, the conversion privilege may be available for:

- Any amount of life insurance to which the terms of this portability provision do not apply;
- Any amount of life insurance to which the terms of this portability provision apply, but for which you do not elect coverage under this provision.

Accidental Death Benefit

The plan will also pay an accidental death benefit if:

- You die before age 70 while your life insurance is in force under the portability provision.

The accidental death benefit is in addition to the life insurance benefit payable under the portability provision and is only payable if you have elected to be covered for the accidental death benefit.

Aetna must receive proof that death:

- Was a direct result of a bodily injury suffered in an accident; and
- Occurred within 365 days after the accident and while this plan was in force.

Limits

Not all events, which may be ruled as “accidental”, are covered by this Plan. Refer to the *Exclusions that Apply to Accidental Death and Personal Loss Coverage* section of this Booklet-Certificate for a list of exclusions that apply to this provision.

Premium and Billing Charges

Your premiums for fully contributory coverage under this provision will change on your portability date, and on each subsequent January 1.

Premiums for coverage under this provision will be paid directly to **Aetna**.

The premium rate will include a fee for the direct billing services **Aetna** provides. The fee for direct billing may change, but not more than once a year.

Termination of Coverage

Your life insurance coverage under this provision will end on the first to occur of:

- 31 days following the date the required premium contribution for the coverage is due and not paid.
- The date of your death.

- The first anniversary of your Portability Effective Date following the date you reach age 99. Life insurance coverage for your dependents will end:
- For your spouse, the first anniversary of his or her portability date following the date your spouse reaches age 99.
- For your dependent child, the first anniversary of his or her portability date following the date he or she reaches his or her eligibility age for portability coverage.
- The date either the spouse or child no longer qualifies as a defined dependent.
- The date of your death.

Continuation of Coverage

Handicapped Dependent Children

Life Insurance for your handicapped dependent child may be continued past the maximum age for a dependent child. However, coverage may not be continued if the child has been issued an individual life conversion policy. Your child is fully handicapped if:

- he or she is not able to earn his or her own living because of mental retardation or a physical handicap which started prior to the date he or she reaches the maximum age for dependent children under your program; and
- he or she depends chiefly on you for support and maintenance.

Proof that your child is fully handicapped must be submitted to **Aetna** no later than 31 days after the date your child reaches the maximum age under your program.

Coverage will cease on the first to occur of:

- Cessation of the handicap.
- Failure to give proof that the handicap continues.
- Failure to have any required exam.
- Termination of Dependent Coverage as to your child for any reason other than reaching the maximum age under your program.

Aetna will have the right to require proof of the continuation of the handicap. **Aetna** also has the right to examine your child as often as needed while the handicap continues at its own expense. An exam will not be required more often than once each year after 2 years from the date your child reached the maximum age under your program.

Converting to an Individual Life Insurance Policy

Eligibility

You may be eligible to apply for an individual life insurance policy, called a conversion policy, if the group program coverage for you or your dependents ends because:

- Your employment was terminated;
- You are no longer in an Eligible Class of employees;
- You retire;

You may also convert your covered dependents life insurance to an individual policy, if:

- You are no longer in an Eligible Class that is eligible for dependent coverage; or
- Your dependent no longer qualifies as a covered dependent due to age.

Your dependents may convert their coverage as an individual policy if their coverage ends because:

- Your marriage ends in divorce or annulment; or
- You die.

In these circumstances, an application for conversion can be completed and submitted to **Aetna** without providing proof of good health.

When life insurance ends because that part of the group contract ends or because that part of the group contract discontinues as to your employee class, and your life insurance has been in force under the group contract for at least 5 years in a row, the amount in force less the amount of any group life insurance for which the person becomes eligible within 31 days of the date coverage ended may be converted to an individual policy. The maximum amount that can be converted by each person is \$10,000.

Features of the Conversion Policy

The amount of coverage in the conversion policy will be determined at the time of application. The policy will take into consideration:

- Your age or the age of your dependents.
- The group program's policy value in force in the prior 5-year period and the current entitlement under the group program.
- **Aetna's** available products at the time of application.

The converted policy may be any kind of individual policy then customarily being issued for the amount being converted and for your age (nearest birthday) on the date it will be issued. The provisions of the conversion policy may not be the same as the provisions of the group program. The conversion policy may not be a term policy, may not include disability or other supplementary benefits, it may contain exclusions, or may have exclusions that are different from those in the group policy. Once your individual policy becomes effective it will replace the benefits and privileges of your former group program.

Your Premiums and Payments

Aetna will set the premium cost for the converted policy at the customary rates in effect at the time the policy is issued. You will be responsible for making premium payments on a timely basis.

Electing Conversion

MainePERS will tell you of your rights to convert. Deceased Individuals are not eligible.

If **MainePERS** tells you of your rights within the first 15 days after coverage ends or is reduced for the reasons stated above, then you or your dependents must complete and submit the application, along with the first premium payment to **Aetna** within 31 days of becoming eligible to convert.

If **MainePERS** does not tell you of your rights within the first 15 days, then **Aetna** will still accept your application and the first premium payment if submitted after the 31 day deadline. However, **Aetna** will not accept the application and the first premium payment if:

- submitted more than 15 days after you or your dependents were told of your rights to convert;
- received by **Aetna** more than 91 days after coverage ended or was reduced for the reasons stated above.

When an Individual Policy Becomes Effective

Your individual policy will become effective after **Aetna** has processed your completed application and premium payment. The individual policy will become effective at the end of the 31-day period described in the *Electing Conversion* section.

Impact of Death during Conversion Application Timeframe

If you or your dependent die during the 31-day conversion period and before the individual policy becomes effective, benefits to your beneficiary will be paid through your group program. The amount payable is limited to the maximum amount that would have been converted to your individual policy. This limit will apply even if **Aetna** has not received a conversion application or the first premium payment for the individual policy.

General Provisions

Legal Action

(Applies only to Accidental Death and Personal Loss Coverage)

No legal action can be brought to recover payment under any benefit after 3 years from the deadline for filing claims.

Confidentiality

Information contained in your medical records and information received from any provider incident to the provider patient relationship shall be kept confidential in accordance with applicable law. Information may be used or disclosed by **Aetna** when necessary for the operation of the program and administration of this Booklet-Certificate, or other activities, as permitted by applicable law. You can obtain a copy of **Aetna's** Notice of Information Practices by calling **Aetna's** toll-free Member Service telephone.

Additional Provisions

The following additional provisions apply to your coverage:

- You may be eligible to receive multiple coverage under this Program if you work for more than one **Employer**. If you become eligible for multiple coverage, you may not cover your dependents more than once.
- Effective September 13, 2003, individuals covered by group life insurance as a retiree may also qualify for additional group life coverage as an active **employee**, should he or she work in an eligible position. In order to qualify for the additional coverage, the **employee** must elect coverage and pay all premiums, regardless of whether the **employer** normally pays the cost of the coverage for **employees** in similar positions.

This document describes the main features of the program. Additional provisions are described elsewhere in the *group policy*. If you have any questions about the terms of the program or about the proper payment of benefits, contact **MainePERS** or **Aetna**.

MainePERS hopes to continue the program indefinitely but, as with all group programs, the program may be changed or discontinued with respect to your coverage.

Assignments

An assignment is the transfer of your rights under the group policy to a person you name. You may assign, as a gift, all ownership of your Life Insurance benefits or Accidental Death and Personal Loss coverage. **Aetna** and **MainePERS** must give written consent to the assignment.

To request assignment of your Life Insurance or Accidental Death and Personal Loss coverage you must complete an assignment form. Forms are available from **MainePERS**. Send the completed form to **Aetna** for consent. You may wish to contact legal counsel prior to assigning your life insurance or accidental death benefit coverage rights. Neither **MainePERS** nor **Aetna** guarantees or assumes any obligation concerning the sufficiency or validity of any assignment for purposes of your tax or estate planning.

Claims of Creditors

Life and Accidental Death and Personal Loss coverage benefit payments are exempt from legal or equitable process for your debts, where permitted by law. The exemption applies to the debts of your beneficiary, too.

Misstatements

If any fact as to the Policyholder or you is found to have been misstated, a fair change in premiums may be made. If the misstatement affects the existence or amount of coverage, the true facts will be used in determining whether coverage is or remains in force and its amount.

All statements made by the Policyholder or you shall be deemed representations and not warranties. No written statement made by you shall be used by **Aetna** in a contest unless a copy of the statement is or has been furnished to you or your beneficiary, or the person making the claim.

Aetna's failure to implement or insist upon compliance with any provision of this policy at any given time or times, shall not constitute a waiver of **Aetna's** right to implement or insist upon compliance with that provision at any other time or times. This includes, but is not limited to, the payment of premiums. This applies whether or not the circumstances are the same.

Incontestability

During the first two years that your insurance is in force, any statement that you have made may be used by **Aetna** in contesting the validity of that coverage. This also applies to any increase in your coverage for the two years that follow the effective date of that increase, if evidence of good health was required in order for the increase to take effect.

Once coverage (including any increases in coverage) has been continuously in effect for two years, the validity of your insurance (or increase in coverage) under this program shall not be contested by **Aetna** unless your statement was in writing on a form signed by you.

Aetna may also contest the validity of your insurance at any time under this program for non-payment of premiums when due.

Reporting of Claims

You are required to submit a claim to **Aetna** in writing. Claim forms may be obtained from **MainePERS**.

Your claim must give proof of the nature and extent of the loss. You must furnish true and correct information as **Aetna** may reasonably request.

Upon completion of the claim form; promptly return it to **MainePERS**. **MainePERS** will forward your claim to **Aetna**.

All claims should be reported promptly. The deadline for filing an Accidental Death and Personal Loss Coverage claim is 30 days after the date of the loss causing the claim. This deadline does not apply to Life Insurance.

If, through no fault of your own, you are not able to meet the deadline for filing an Accidental Death and Personal Loss Coverage claim we will still accept your claim if you file as soon as possible. Unless you are legally incapacitated, late claims will not be covered if they are filed more than one year after the deadline.

Aetna will furnish **MainePERS** such form as are usually furnished by **Aetna** for filing proof of loss. If such forms are not furnished before the expiration of 15 days after **Aetna** received notice of any claim under the policy, the person making such claim shall be deemed to have complied with the requirements of the policy as to proof of loss, written proof covering the occurrence, character, and extent of the loss for which claim is made.

Payment of Benefits

Benefits will be paid as soon as the necessary proof to support the claim is received. Written proof must be provided for all benefits.

Any death benefit for loss of life will be paid in accordance with the beneficiary designation. Payment will be made in one sum.

If your beneficiary is a minor or, in **Aetna's** opinion, legally unable to give a valid release for payment of any life insurance benefit or Accidental Death & Personal Loss coverage, the benefit will be payable to the guardian of the estate of the minor, or to the custodian under the Uniform Transfer to Minors Act, or an adult caretaker, when permitted under applicable state law.

Contacting Aetna

If you have questions, comments or concerns about your benefits or coverage, or if you are required to submit information to **Aetna**, you may contact **Aetna's** Home Office at:

Aetna Life Insurance Company
151 Farmington Avenue
Hartford, CT 06156

You may visit **Aetna's** web site at www.aetna.com.

Effect of Prior Coverage - Transferred Business

If your coverage under any part of this program replaces any prior coverage for you, the rules below apply to that part.

"Prior coverage" is any program of group coverage that has been replaced by coverage under part or all of this program; it must have been sponsored by **MainePERS** (e.g., transferred business). The replacement can be complete or in part for the eligible class to which you belong. Any such program is prior coverage by another group contract or any benefit section of this program.

Your Life Insurance or Accidental Death & Personal Loss coverage under this program replaces and supersedes any prior life insurance or accidental death benefit coverage. It will be in exchange for everything as to the prior life insurance or accidental death benefit coverage. If you or your beneficiary becomes entitled to claim under the prior life insurance or accidental death benefit coverage, your Life Insurance or Accidental Death & Personal loss coverage under this program will be canceled. This will be done as of its effective date. Any premiums paid for your Life Insurance or Accidental Death & Personal Loss coverage under this program will be returned to **MainePERS**.

The beneficiary you named under a prior **Aetna** Life Insurance or Accidental Death & Personal Loss coverage program will apply to this program. This can be changed according to the terms of this program.

Glossary*

In this section, you will find definitions for the words and phrases that appear in **bold type** throughout the text of this Booklet-Certificate.

A

Accident

This means a sudden external trauma that is; unexpected; and unforeseen; and is an identifiable **occurrence** or event producing, at the time, objective symptoms of an external bodily **injury**. The **accident** must occur while the person is covered under this Policy. The **occurrence** or event must be definite as to time and place. It must not be due to, or contributed by, an **illness** or disease of any kind.

Active at Work; Actively at Work; Active Work

You will be considered to be active at work, actively at work or performing active work on any of your **Employer's** scheduled work days if, on that day, you are performing the regular duties of your job on a full time, part-time or seasonal basis on a normally scheduled to work at your Employer's usual place of business or at a location to which your Employer's business requires you to travel. In addition, you will be considered to be actively at work on the following days:

- any day which is not one of your employer's scheduled work days if you were actively at work on the preceding scheduled work day; or
- a normal vacation day.

Aetna

Aetna Life Insurance Company.

Annual Base Compensation

This means your gross compensation, based upon amounts reported by your Employer on your previous year's federal wage and tax statement, that is used the first day of each April for setting the amount of coverage prior to **retirement** for participants in the group life insurance program administered by the **Maine Public Employees Retirement System**.

Average Final Compensation

Average final compensation has the same meaning as in Title 5, Maine Revised Statutes Annotated, Section 17001, Subsection 4, for retirees who retire as members of the **Maine Public Employees Retirement System**. If you retire from a **Participating Local District** that participates in the **Maine Public Employees Retirement System**, Life Insurance Program but not in the **Maine Public Employees Retirement System**, "average final compensation" means the average of the amount of basic life insurance coverage in effect during the last three years prior to **retirement**.

B

Beneficiary

This means the person or persons designated by you or in the absence of a designation, the person or persons otherwise entitled to receive life insurance and accidental death benefits upon your death.

Board or Board of Trustees

This means the Board of Trustees of the **Maine Public Employees Retirement System**.

E

Employee

This means a person employed as a state employee, a teacher, judge or legislator as defined in Title 5, Maine Revised Statutes Annotated, Section 17001, Subsection 42, or an employee of a **Participating Local District**.

Employer

This means the State of Maine, including judges and legislators, a school administrative unit with regard to a teacher, or the **Participating Local District**, whichever employs the **employee**.

Employing Office

This means the office of your Employer that you contact to apply for insurance coverage under this Program.

Evidence of Insurability

This means a statement or proof of your or your dependent's medical history upon which acceptance for insurance will be determined by **Aetna**.

I

Illness

A pathological condition of the body that presents a group of clinical signs and symptoms and laboratory findings peculiar to it and that sets the condition apart as an abnormal entity differing from other normal or pathological body states.

Injury

An accidental bodily **injury** that is the sole and direct result of:

- An unexpected or reasonably unforeseen occurrence or event; or
- The reasonable unforeseeable consequences of a voluntary act by the person.

The act or event must be definite as to time and place. An **injury** is not the direct result of **illness**.

M

Maine Public Employees Retirement System (MainePERS)

This means the **Maine Public Employees Retirement System** established pursuant to Maine Statutes.

Motor Vehicle

This is a vehicle or vessel that is powered by any form of a motor, whether or not registered for land, air or water use and it is:

- A passenger land or water vehicle of pleasure design which includes autos, vans, trucks, three or four-wheel all terrain vehicles (ATV), motorcycles, motor scooters, four wheel drive vehicles, snowmobiles, and self-propelled motor homes; or
- A vehicle of commercial use or design which includes, but is not limited to a cab, limousine, tractor trailer or box truck, a bus or lawn tractor; or
- Any form of motorized equipment designed for use in construction or demolition which includes, but is not limited to a bulldozer, crane, front-loader, backhoe, steam roller or paver; or
- A vehicle designed for water use which includes, but is not limited to a boat, ship, jet-ski or personal water craft of any design, including sail-boats or other wind powered water craft; or
- A vehicle designed for air use which includes, but is not limited to a plane (including a glider), jet, an ultra-light aircraft or helicopter; or

- A vehicle used for any form of racing or any other type of competitive event; or
- A vehicle designed for use in farming.

N

Normal Retirement Age

For **Employees** who are members of the **Maine Public Employees Retirement System**, this means the specified age, the years of service requirement or any combination of age and years of service requirements at which you become eligible for service retirement benefits without a reduction under applicable Maine Statutes. Notwithstanding the foregoing, if you are an **Employee** of a **Participating Local District** that does not participate in the retirement system, “normal retirement age” shall be the same as for those **Participating Local Districts** that do participate in the retirement system.

P

Participating Local District

This shall be as defined in Title 5, Maine Revised Statutes Annotated.

Premium

This means the amount that you must contribute each month toward the cost of insurance under this Program, unless your Employer agrees to pay it for you.

Prescription Drugs

Any of the following:

- A drug, biological, compounded **prescription** or contraceptive device which, by Federal Law, may be dispensed only by **prescription** and which is required to be labeled "Caution: Federal Law prohibits dispensing without prescription".
- An injectable contraceptive drug prescribed to be administered by a paid healthcare professional.
- An injectable drug prescribed to be self-administered or administered by any other person except one who is acting within his or her capacity as a paid healthcare professional. Covered injectable drugs include insulin.
- Disposable needles and syringes which are purchased to administer a covered injectable **prescription drug**.
- Disposable diabetic supplies.

Physician

This means a legally qualified physician.

R

Retirement

This means:

- for state employees, teachers and **employees** of **Participating Local Districts** who participate in the **Maine Public Employees Retirement System**, termination of membership in the **Maine Public Employees Retirement System** with a retirement allowance **under Maine Public Employees Retirement System** statutes; or
- for **employees** of **Participating Local Districts** that do not participate in the **Maine Public Employees Retirement System**, termination of employment upon receipt of benefits under the United States Social Security Act or other local retirement program.

S

Substantially Gainful Employment

This means any work activity that is consistent with the individual's training, education, and experience (including self-employment) and which, taking into consideration information about the state labor market, could be expected to generate an annual amount of gross earnings which equal or exceed 80% of the individual's average final compensation.

Spouse

This means a person to whom you are currently legally married.

Confidentiality Notice

Aetna considers personal information to be confidential and has policies and procedures in place to protect it against unlawful use and disclosure. By "personal information," we mean information that relates to a member's physical or mental health or condition, the provision of health care to the member, or payment for the provision of health care or disability or life benefits to the member. Personal information does not include publicly available information or information that is available or reported in a summarized or aggregate fashion but does not identify the member.

When necessary or appropriate for your care or treatment, the operation of our health, disability or life insurance plans, or other related activities, we use personal information internally, share it with our affiliates, and disclose it to health care providers (doctors, dentists, pharmacies, hospitals and other caregivers), payors (health care provider organizations, employers who sponsor self-funded health plans or who share responsibility for the payment of benefits, and others who may be financially responsible for payment for the services or benefits you receive under your plan), other insurers, third party administrators, vendors, consultants, government authorities, and their respective agents. These parties are required to keep personal information confidential as provided by applicable law.

Some of the ways in which personal information is used include claim payment; utilization review and management; coordination of care and benefits; preventive health, early detection, vocational rehabilitation and disease and case management; quality assessment and improvement activities; auditing and anti-fraud activities; performance measurement and outcomes assessment; health, disability and life claims analysis and reporting; health services, disability and life research; data and information systems management; compliance with legal and regulatory requirements; formulary management; litigation proceedings; transfer of policies or contracts to and from other insurers, HMOs and third party administrators; underwriting activities; and due diligence activities in connection with the purchase or sale of some or all of our business. We consider these activities key for the operation of our health, disability and life plans. To the extent permitted by law, we use and disclose personal information as provided above without member consent. However, we recognize that many members do not want to receive unsolicited marketing materials unrelated to their health, disability and life benefits. We do not disclose personal information for these marketing purposes unless the member consents. We also have policies addressing circumstances in which members are unable to give consent.

To obtain a copy of our Notice of Information Practices, which describes in greater detail our practices concerning use and disclosure of personal information, please call 1-866-825-6944 or visit our Internet site at www.aetna.com.

Additional Information Provided by Maine Public Employees Retirement System

The following information is provided to you in accordance with the Employee Retirement Income Security Act of 1974 (ERISA). It is not a part of your *booklet-certificate*. Your Program Administrator has determined that this information together with the information contained in your *booklet-certificate* is the Summary Plan Description required by ERISA.

In furnishing this information, **Aetna** is acting on behalf of your Program Administrator who remains responsible for complying with the ERISA reporting rules and regulations on a timely and accurate basis.

Employer Identification Number:

Refer to your program Administrator

Program Number:

501

Type of Program:

Welfare

Type of Administration:

Group Insurance Policy with:

Aetna Life Insurance Company
151 Farmington Avenue
Hartford, CT 06156

Program Administrator:

Maine Public Employees Retirement System
46 State House Station
Augusta, ME 04333-0046

Agent For Service of Legal Process:

Maine Public Employees Retirement System
46 State House Station
Augusta, ME 04333-0046

End of Program Year:

June 30

Source of Premium:

Paid by Employee and Employer

Procedure for Amending the Program: **MainePERS** may amend the Program from time to time by a written instrument signed by **MainePERS**.

ERISA Rights

As a participant in the group insurance program you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974. ERISA provides that all program participants shall be entitled to:

Receive Information about Your Plan and Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) that is filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts, collective bargaining agreements, and copies of the latest annual report (Form 5500 Series), and an updated Summary Plan Description. The Administrator may make a reasonable charge for the copies.

Receive a summary of the Program's annual financial report. The Program Administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for program participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit program. The people who operate your Program, called "fiduciaries" of the Program, have a duty to do so prudently and in your interest and that of other program participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA there are steps you can take to enforce the above rights. For instance, if you request materials from the Program and do not receive them within 30 days you may file suit in a federal court. In such a case, the court may require the Program Administrator to provide the materials and pay up to \$ 110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Program's decision or lack thereof concerning the status of a domestic relations order or a medical child support order, you may file suit in a federal court.

If it should happen that program fiduciaries misuse the Program's money or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator.

If you have any questions about this statement or about your rights under ERISA, you should contact:

- the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory; or
- the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington D.C. 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Continuation of Coverage During an Approved Leave of Absence Granted to Comply With Federal Law

This continuation of coverage section applies only for the period of any approved family or medical leave (approved FMLA leave) required by Family and Medical Leave Act of 1993 (FMLA). If your Employer grants you an approved FMLA leave for a period in excess of the period required by FMLA, any continuation of coverage during that excess period will be subject to prior written agreement between Aetna and **MainePERS** and your Employer.

If your Employer and MainePERS grant you an approved FMLA leave in accordance with FMLA, your Employer may allow you to continue coverage for which you are covered under the group contract on the day before the approved FMLA leave starts. This includes coverage for your eligible dependents.

At the time you request the leave, you must agree to submit premium payments as required by your Employer to continue coverage. Your Employer must continue to make premium payments.

If any coverage your Employer allows you to continue has reduction rules applicable by reason of age or retirement, the coverage will be subject to such rules while you are on FMLA leave.

Coverage will not be continued beyond the first to occur of:

- The date you are required to make any contribution and you fail to do so.
- The date your Employer determines your approved FMLA leave is terminated.
- The date the coverage involved discontinues as to your eligible class.

Any coverage being continued for a dependent will not be continued beyond the date it would otherwise terminate.

If the group contract provides continuation of coverage (for example, upon termination of employment), you (or your eligible dependents) may be eligible for such continuation on the date your Policyholder determines your approved FMLA leave is terminated or the date of the event for which the continuation is available.

If you acquire a new dependent while your coverage is continued during an approved FMLA leave, the dependent will be eligible for the continued coverage on the same terms as would be applicable if you were actively at work, not on an approved FMLA leave.

If you return to work for your Policyholder following the date your Policyholder determines the approved FMLA leave is terminated, your coverage under the group contract will be in force as though you had continued in active employment rather than going on an approved FMLA leave provided you make request for such coverage within 31 days of the date your Policyholder determines the approved FMLA leave to be terminated. If you do not make such request within 31 days, coverage will again be effective under the group contract only if and when Aetna gives its written consent.

If any coverage being continued terminates because your Policyholder determines the approved FMLA leave is terminated, any Conversion Privilege will be available on the same terms as though your employment had terminated on the date your Policyholder determines the approved FMLA leave is terminated.



Maine Public Employees Retirement System

P.O. Box 349

Augusta, ME 04332-0349

Telephone: (207) 512-3100

Toll-free: 1-800-451-9800

Fax: (207) 512-3101

TTY: (207) 512-3102