



Employer Paid Basic Life Insurance Coverage

Some members may be eligible to continue their Basic Group Life Insurance into retirement at no cost to them. However, each of the following three criteria must be met:

1. Coverage in the Group Life Insurance program for at least 120 months;
2. Coverage immediately prior to retiring with all premiums current; and
3. A completed [Application for Service Retirement Benefits form \(CL-0715\)](#) submitted within 31 days of terminating employment and an effective retirement date within the same 31-day period.

Examples:

A. You have a minimum of 120 months of group life coverage and coverage is in effect when you terminate your employment on July 28. Your completed *Application for Service Retirement Benefits* is received at MainePERS August 28 and you have an effective retirement date of August 1.

- You will be able to continue Basic group life coverage into retirement at no cost to you because:
 - ✓ A completed application was submitted within the 31 days of your termination and your effective date is within 31 days of your termination.

B. You have a minimum of 120 months of group life coverage and have coverage when you terminate your employment on July 28. Your completed *Application for Service Retirement Benefits* is received at MainePERS September 15 with an effective retirement date of August 1.

- You will not be able to continue Basic group life coverage into retirement at no cost to you because:
 - ✓ A completed *Application for Retirement Benefits* was not submitted within 31 days of your termination.

C. You have a minimum of 120 months of group life coverage and have coverage when you terminate your employment on July 28. Your completed *Application for Service Retirement Benefits* is received at MainePERS July 31 with an effective retirement date of December 1.

- You will not be able to continue Basic group life coverage into retirement at no cost to you because:
 - ✓ Although a retirement application was submitted to MainePERS within 31 days after termination of employment, your effective date of retirement is not within of 31 days of your termination.

Your Levels of Basic Group Life Insurance Coverage in Retirement Will Reduce Over Time

If Basic coverage is taken into retirement, the beginning level is based on a retiree’s average final compensation (AFC) rounded up to the next \$100. For example, if a retiree’s AFC is \$59,842.60 then the beginning level will be \$59,900.

On the anniversary of a retiree’s retirement, the level of coverage will reduce by 15% per year until it reaches 40% of the original level of coverage or \$2,500, whichever is greater. The coverage will remain at the fully reduced level for the remainder of the retiree’s lifetime.

Example: **Three-year average of \$59,900**

From	Through	Reduction	Amount
7/1//2024	6/30/2025	(Full coverage)	\$59,900
7/1/2025	6/30/2026	(85% of 59,900)	\$50,915
7/1/2026	6/30/2027	(70% of 59,900)	\$41,930
7/1/2027	6/30/2028	(55% of 59,900)	\$32,945
7/1/2028	and thereafter	(40% of 59,900)	\$23,960

Additional Life Insurance Options through MainePERS

Upon termination, you will receive a letter or email directly from our insurance carrier with information on portability and conversion. This may include your Basic coverage if you do not qualify to take your Basic coverage into retirement. Conversion means you are able to purchase a whole life policy without proof of insurability. Portability means you may be eligible to participate in a different group life plan with our insurance carrier. If you select either option you will pay future premiums directly to the insurance company.



Keep Your Beneficiary Designation Up To Date

It is important that you designate someone to receive the policy proceeds upon your death. The designations of a person, your estate or your trust are acceptable. Changing your group life insurance beneficiary is easy. Simply complete the *Designation of Beneficiary Group Life Insurance form (GI-0912)* and send it to us. This form is available for printing, or for digital filing via DocuSign on our website: www.maineopers.org in the Forms section under Group Life Insurance or you can request a paper copy by calling or emailing us.

Questions?

Visit the Group Life Insurance section of our website at www.maineopers.org

or contact us:

E-mail: Survivor.Services@maineopers.org

Phone: (207) 512-3244 or 1-800-451-9800, ext. 3244