

Lincoln Life Insurance Benefit Overview

UEMF offers group life insurance through The Benefit Planning Group and Lincoln National Life Insurance Company. Below is an overview of the coverage offered through this plan. There are two types of coverage offered: Basic Life Coverage, which UEMF pays for, and Voluntary, or Supplemental coverage, which the employee pays for.

Basic Life Insurance Coverage - paid for by UEMF

- **Base benefit: 4x Salary to \$750,000**
 - Please review the Imputed Income Calculator for additional tax liability and consult The Benefit Planning Group, our Life Insurance broker, with any questions.
 - If you deem the additional tax unfavorable, you may elect a base coverage amount of 1x Salary up to \$250,000.
- **Spousal Coverage: \$5,000**
 - Benefit reduction by 35% at employee age 65, terminates at employee age 70
- **Dependent Coverage per child: \$2,000**
 - Eligibility: Age 14 days to 19 years (23 years if full-time student)
 - Benefit reduction by 35% at employee age 65, terminates at employee age 70
- Employee Amounts are convertible to an individual policy

Imputed Income Table

- The IRS requires that all employer-paid benefits over \$50,000 be taxed based on the following table. The imputed income can be calculated based on the following table:

Age Min	Age Max	Monthly Cost per \$1k of Benefit (over \$50,000)
0	24	\$0.05
25	29	\$0.06
30	34	\$0.08
35	39	\$0.09
40	44	\$0.10
45	49	\$0.15
50	54	\$0.23
55	59	\$0.43
60	64	\$0.66
65	69	\$1.27
70	70+	\$2.06

Example: 47 Year old physician with \$750K in coverage

\$750,000 - \$50,000	=	\$700,000	annual taxable benefit
\$700,000 / \$1000	=	700	multiplier for imputed income
700*\$0.15	=	\$105	monthly imputed taxable income
\$105*12 months	=	\$1,260	annual imputed taxable income
\$1,260*40%	=	\$504	approximate annual cost for \$750K Group Term Life³

Voluntary Life Insurance - paid for by Employee

In addition to the basic life insurance coverage explained above, you may also purchase the following coverage for you, your spouse, and your dependents. These are additional, voluntary options paid by the employee.

- **New employees enrolling in life insurance are able to elect the first \$400,000 of voluntary life insurance coverage Guaranteed Issue. This is a ONE-TIME OFFER for new employees.**

Voluntary Life Insurance Buy-Up Options:

Life Benefit	Employee	Spouse	Dependent
Eligibility	All active employees working 30 hours or 75% FTE or greater	Cannot be in a period of limited activity on the day coverage takes effect	Cannot be in a period of limited activity on the day coverage takes effect
Amount	<ul style="list-style-type: none"> • 1x to 6x Salary, • Rounded to the \$1,000 • Maximum of \$1,000,000 	<ul style="list-style-type: none"> • \$10k; \$25k; or \$50k 	<ul style="list-style-type: none"> • \$5k or \$10k
Guarantee Issue	Up to \$400,000	Up to \$25,000	Up to \$10,000
Benefits Reduction	<ul style="list-style-type: none"> • 35% at age 70 • Additional 15% of the original amount at age 75 • Benefits terminate upon retirement 	<ul style="list-style-type: none"> • 35% at employee age 65 • Benefits terminate at employee age 70 or retirement, whichever occurs first. 	<ul style="list-style-type: none"> • 35% at employee age 65 • Benefits terminate at employee age 70 or retirement, whichever occurs first.
Additional Benefits	<ul style="list-style-type: none"> • Accelerated Death Benefit • Conversion • Portability • AD&D Coverage 		
Monthly Rates	\$0.21 per \$1,000 of Coverage	\$0.133 per \$1,000 of Coverage	\$0.34 for \$5,000 \$0.85 for \$10,000

- ❖ Please consult with a member of the Benefit Planning Group, our Life Insurance broker, to determine what options are best for you.
- ❖ Our dedicated representatives, Michael Worsman and John Robbins, can be reached Monday-Friday at 1-800-225-7174 or by email at mworsman@myBPGinc.com or john@myBPGinc.com.