

# PERS Group Life Insurance

## Noncontributory Group Life Insurance

Noncontributory Group Life Insurance is underwritten by the Prudential Insurance Company of America, Inc., and is provided as a result of pension membership. There is no cost to the member for this coverage. The State Treasurer is the official policyholder for all the Noncontributory Group Life Insurance, which is issued as **Policy Number G-14800**. For the amount of insurance provided by each retirement system to active employees, see:

<http://www.state.nj.us/treasury/pensions/epbam/pensions/claims/gli.htm#gliactive>.

## Contributory Group Life Insurance (PERS)

Contributory Group Life Insurance is underwritten by the Prudential Insurance Company of America, Inc., and is insurance for which the member pays a premium through payroll deductions. The appropriate Board of Trustees is the official policyholder for the Contributory Group Life Insurance for its system.

The policy number for the PERS Contributory Group Life Insurance is **G-13900**. The law requires that the member must be covered by contributory insurance for the first 12 months of membership. After the 12 months have elapsed, the member may [withdraw from this coverage](#) by filing the proper form. Once the member withdraws from the Contributory Group Life Insurance coverage, it cannot be reinstated, nor can contributions be refunded that were made prior to the withdrawal.

**The cost of the Contributory Group Life Insurance, which is set by the appropriate Board of Trustees, is:**

**PERS:** .50 of 1 percent (.0050) of base salary.

**The benefit value of the Contributory and Noncontributory Group Life Insurance is shown in the chart below.**

<b>Group Life Insurance Benefits for Active Employees</b>				
	<b>Retirement System</b>	<b>Noncontributory Group Life Insurance</b>	<b>Contributory Group Life Insurance</b>	<b>Total</b>
	<b>PERS</b>	1.5 X Salary*	1.5 X Salary*	3.0 X Salary*
* The definition of "salary" is the total base salary upon which pension contributions were based during the last 12 months (10 months of service for 10 month employees) preceding the death of the member during active service.				
If death occurs within the first year of enrollment, the amount of <b>noncontributory</b> insurance is based on base salary earned until the date				

of death. The amount of **contributory** insurance, however, is based on the full annual base salary.

## Enrolling in Group Life Insurance

Enrollment in group life insurance is accomplished through completion of the pension enrollment application, and coverage is effective on the date of pension membership.

[Follow this link for instructions for making effective beneficiary designations](#) (including "Do's and Don'ts") on the enrollment application and the *Designation of Beneficiary* form.

**Note About Exceptions:** Employees who are age 60 or older at the time of enrollment are ineligible for coverage until they take and pass a medical examination to prove insurability.

Additionally, employees who were previously enrolled and who converted their group life insurance to a private policy and return to work are not eligible for coverage until they cancel their nongroup coverage or take and pass a medical examination.

The Division of Pensions and Benefits will notify the member in writing if proof of insurability is required and outline the necessary steps for completing this process.

## Naming a Beneficiary for Group Life Insurance

The pension enrollment application contains a section in which members name beneficiaries for both group life insurance benefits and the return of pension contributions. The member may name any person, organization, estate or trust as beneficiary. This designation may be changed at any time during membership by filing the [Designation of Beneficiary](#) form. At retirement, the member will be asked to nominate beneficiaries on the *Application for Retirement Allowance*

## Confirmation of Enrollment in Group Life Insurance

After the member's enrollment in the pension system has been accomplished, life insurance information is passed to Prudential Insurance Company, the administrator of the Division's group life insurance policies. The Division of Pensions and Benefits will send the member a certificate of insurance, or insurance rider, that gives the group policy number(s) of the coverage, the member's name, location number, membership number, effective date of insurance, and beneficiaries of record. This certificate is an important document and should be safeguarded by the member.

Type Insurance	Group Policy Number
<b>Noncontributory</b> Group Life Insurance for PERS, TPAF, PFRS, SPRS, JRS, & ABP	<b>G-14800</b>
<b>Contributory</b> Group Life Insurance for PERS	<b>G-13900</b>

## **Withdrawal from Contributory Group Life Insurance: PERS and TPAF only**

A member may withdraw from Contributory Group Life Insurance coverage at any time after completing the mandatory first twelve months of membership. Withdrawal is accomplished by completing a *Notice of Withdrawal from Contributory Group Life Insurance* card, available from the Division of Pensions and Benefits.

[PERS Notice of Withdrawal from Contributory Group Life Insurance Form](#)

Unlike waiving Noncontributory Life Insurance coverage over \$50,000, which can be reinstated annually, the withdrawal from Contributory Group Life Insurance is irrevocable. See the section on [Waiver of Noncontributory Life Insurance Coverage over \\$50,000](#).

Since this is term life insurance, contributions made for Contributory Life Insurance are not refundable.

## **Changing a Group Life Insurance Beneficiary Designation**

A member may change group life insurance beneficiaries at any time.

For the protection of members and beneficiaries, the Division will only accept a designation change using a properly notarized [Designation of Beneficiary](#) form. The Division will not accept a change over the telephone or through a letter.

For members who are retired or who have submitted an *Application for Retirement Allowance*: the beneficiaries designated on a retirement application supersede all prior designations once the application is on file at the Division, even if the member later decides to cancel the retirement process.

The [Designation of Beneficiary](#) form can be obtained from the Internet or by calling the Benefits Information Library at (609) 777-1931; when prompted, active employees should select #244, retirees should select #114.

[For instructions on completing a Designation of Beneficiary form, click here](#)