

HealthChoice

Life
Insurance
Handbook

HealthChoice Life Insurance Plan Handbook

Revised January 2019

This handbook replaces and supersedes any life insurance handbook the Office of Management and Enterprise Services Employees Group Insurance Division (EGID) previously issued. This handbook will, in turn, be superseded by any subsequent life insurance handbook EGID issues.

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Any updates made to this handbook after printing can be found on the website at www.healthchoiceok.com.

Plan Identification Information and Notice

- Plan Name:** HealthChoice Life Insurance Plan
- Plan Administrator:** Office of Management and Enterprise
Services
Employees Group Insurance Division
3545 N.W. 58th St., Ste. 600
Oklahoma City, OK 73112
405-717-8701 or toll-free 800-543-6044
omes.ok.gov
- Member Services:** 405-717-8780 or toll-free 800-752-9475
TDD 405-949-2281
Toll-free TDD 866-447-0436
FAX 405-717-8942
www.healthchoiceok.com
- Claims Administrator:** HealthSCOPE
P.O. Box 99011
Lubbock, TX 79490-9011
Toll-free 800-323-4314
TTY 711
FAX 800-496-3138

Plan Notice

The Office of Management and Enterprise Services Employees Group Insurance Division (EGID) provides term life insurance benefits to eligible state, education and local government employees, former employees, survivors and their dependents in accordance with the provisions of O.S. 74 2011, §§ 1331, et seq. The information provided in this handbook is a SUMMARY of the benefits, conditions, limitations and exclusions of the HealthChoice Life Insurance Plan. It is not to be considered an all-inclusive listing.

HealthChoice Life Insurance Plan benefits are subject to conditions, limitations and exclusions, which are described and located in Oklahoma statutes, handbooks and *Administrative Rules* adopted by the plan administrator. You can obtain a copy of the official *Administrative Rules* from the office of the Oklahoma Secretary of State. An unofficial copy of the rules is available on the EGID website at omes.ok.gov. In the menu under Services, select Employees Group Insurance Division. Under Resources, select About EGID, then select Administrative Rules.

Please Read This Handbook Carefully

A dispute concerning information contained within any plan handbook or any other written materials, including any letters, bulletins, notices, other written document or oral communication, regardless of the source, shall be resolved by a strict application of *Administrative Rules* or benefit administration procedures and guidelines as adopted by the plan. Erroneous, incorrect, misleading or obsolete language contained within any handbook, other written document or oral communication, regardless of the source, is of no effect under any circumstance.

HealthChoice Life Insurance Plan

The HealthChoice Life Insurance Plan is a group term life insurance plan. Term life insurance pays benefits upon the death of the insured, but it has no cash surrender value.

Basic Life provides \$20,000 of coverage and includes Accidental Death and Dismemberment (AD&D) benefits.

If you elect Basic Life, you can also purchase additional coverage on yourself by electing Supplemental Life. Supplemental Life is available in \$20,000 units, and the first \$20,000 of coverage includes AD&D benefits. The maximum amount of Supplemental Life available is \$500,000.

If you elect Basic Life, you can elect Dependent Life coverage for your eligible dependents.

Your life benefits also include Waiver of Premium. In the event you become disabled and remain disabled, premiums for you and your covered dependents can be waived.

Summary Schedule of Basic and Supplemental Life Benefits

Current Employees

Basic Life

Basic Life provides \$20,000 of coverage. This amount is paid to your beneficiary or beneficiaries in the event of your death. Basic Life coverage includes AD&D benefits and Waiver of Premium. Refer to the Summary Schedule of Accidental Death and Dismemberment Benefits and Waiver of Premium sections.

Supplemental Life

If you enroll in Basic Life, you can also enroll in Supplemental Life.

Supplemental Life must be purchased in \$20,000 units. An approved Life Insurance Application is required for amounts above Guaranteed Issue. Refer to the Guaranteed Issue section.

The first \$20,000 of Supplemental Life includes AD&D benefits. Refer to the Summary Schedule of Accidental Death and Dismemberment Benefits section.

Supplemental Life benefits are in addition to the \$20,000 of Basic Life.

Guaranteed Issue

Guaranteed Issue refers to the set amount of Supplemental Life coverage available to you during your initial enrollment without providing a Life Insurance Application. This amount is available to you **only** during the first 30 days you are eligible to enroll in the plan. Guaranteed Issue is equal to two times your current annual salary, with the total rounded up to the next \$20,000 unit.

***Example:** Your salary is \$23,000. Multiply \$23,000 by 2, which equals \$46,000, then round this amount up to the next amount divisible by \$20,000, or \$60,000. This is the maximum Guaranteed Issue amount available to you.*

Coverage elected during your initial enrollment, up to the Guaranteed Issue amount, is effective the first day of the month following the day you become eligible.

To purchase coverage above Guaranteed Issue during your initial enrollment, a Life Insurance Application must be submitted and approved. Supplemental Life coverage above Guaranteed Issue is effective the first day of the month following approval of your Life Insurance Application. Refer to the Changes to Coverage After Initial Enrollment section.

Maximum Amount of Supplemental Life

The maximum amount of Supplemental Life available is \$500,000.

If you do not elect life insurance during your initial enrollment, you can apply for coverage during the annual Option Period. A Life Insurance Application must be submitted and approved.

Life Insurance Application

A Life Insurance Application is required when you:

- Want coverage in an amount greater than two times your annual salary during your initial enrollment.
- Want to enroll in or increase life coverage during the annual Option Period.

Former Employees

If you meet eligibility requirements, you can keep any life insurance coverage in effect when you terminate employment. Former employees can keep benefits in \$5,000 units. You can keep as little as \$5,000 up to the full amount of life coverage you had at the time you terminated employment.

Coverage for former employees does not include Accidental Death and Dismemberment (AD&D) benefits or Waiver of Premium.

Any life coverage you elect to keep when you terminate employment can be decreased in \$5,000 units or canceled.

***Example:** At retirement, you elect to keep \$30,000 of life coverage. At a later date, you can choose to decrease your coverage to \$25,000 or \$20,000 or any other \$5,000 unit, or you can cancel coverage entirely.*

You cannot reinstate any coverage you canceled unless you return to work with a participating employer and meet all eligibility requirements. Refer to the Reinstatement of Coverage section.

Note: Prior to July 1, 2002, no more than \$15,000 of Basic Life coverage could be kept when terminating employment.

Summary Schedule of Dependent Life Benefits

Current Employees

If you enroll in Basic Life, you have the option to elect Dependent Life insurance for your eligible dependents. There are three levels of coverage: Low Option, Standard Option or Premier Option. The following schedule gives the amount of coverage for each level:

Dependent Life*	Low Option	Standard Option	Premier Option
Spouse	\$ 6,000	\$ 10,000	\$ 20,000
Child live birth to 26 years	\$ 3,000	\$ 5,000	\$ 10,000
*Dependent Life does not include Accidental Death and Dismemberment (AD&D) benefits.			

During initial enrollment, you can elect any level of Dependent Life coverage. Thereafter, coverage can be added or changed only during the annual Option Period or within 30 days of a dependent losing other group life insurance coverage.

A Life Insurance Application is not required to add Dependent Life. Dependent Life covers all eligible dependents. The premium cost is the same whether you have one dependent or several; however, you must name all the dependents you want to cover.

Note: Eligible dependent children can be covered by more than one parent if both parents are enrolled in Basic Life.

Former Employees

If you are eligible to keep life insurance coverage when you terminate employment, you can also keep any Dependent Life coverage in force in \$500 units. Dependent Life premiums for former employees are **per covered dependent**.

For former employees, Waiver of Premium does not apply to Dependent Life coverage. AD&D benefits never apply to Dependent Life coverage.

Summary Schedule of Accidental Death and Dismemberment Benefits

Current Employees

Basic Life and the first \$20,000 of Supplemental Life include Accidental Death and Dismemberment (AD&D) benefits.

AD&D benefits are available only to current employees and are as follows:

Loss of	With Basic Life	With Supplemental Life
Life	\$20,000	\$20,000
Both hands, both feet, or sight of both eyes	\$20,000	\$20,000
One hand, one foot, or sight of one eye	\$10,000	\$10,000

Benefits for loss of life as a result of an accident require that the insured's death occurs at the time of, or within 90 days immediately following the date of, the accident. The insured's death must be a direct result of the accident.

Examples of Accidental Death Benefits: *An employee with \$20,000 of Basic Life and the first \$20,000 Supplemental Life is involved in a serious car accident and later dies.*

- If the employee dies within 15 days of the accident and death is a result of injuries caused by the accident, the beneficiaries receive \$80,000. The standard life benefit is \$40,000 and the Accidental Death benefit is \$40,000.*
- If the employee dies 97 days following the accident, even if death is a result of injuries caused by the accident, the beneficiaries receive \$40,000. The beneficiaries receive only the*

standard life benefit because the death occurred after the 90-day limit for AD&D benefits.

- *If the employee suffers a heart attack and dies 36 days following the accident but the heart attack was not caused by the accident, the beneficiaries receive \$40,000. The beneficiaries receive only the standard life benefit because the employee's death was not a direct result of the accident.*

Benefits for the loss of limb as the result of an accident require severance of the limb from the body, at or above the wrist or at or above the ankle at the time of or within 90 days immediately following the date of the accident.

Benefits for the loss of sight as the result of an accident require full, irreversible, and non-correctable loss of sight at the time of or within 90 days immediately following the date of the accident.

Example of Accidental Dismemberment Benefits: *An employee with Basic Life coverage is involved in an accident and loses a hand. The Accidental Dismemberment benefit pays \$10,000. If the employee is also enrolled in Supplemental Life, additional benefits of \$10,000 are paid. The Accidental Dismemberment benefit pays per loss, as described in the chart on the previous page.*

Some limitations may apply. Refer to the Benefit Guidelines, Exclusions and Limitations section.

Former Employees

AD&D benefits are **not** available to former employees or their dependents.

Waiver of Premium

Current Employees

Your coverage includes a Waiver of Premium benefit if you become disabled. You must provide a physician's certification of your disability and submit an Application for Life Premium Waiver. This

waiver can be requested at any time after you have been disabled for 30 consecutive days. If approved, the waiver becomes effective the first of the month following receipt of your application by EGID. Your waiver ends when you are no longer disabled, return to duty, terminate employment, or your employer ceases to participate in the HealthChoice Life Insurance Plan. While the waiver is in effect, you are not required to pay life insurance premiums for your or your dependents' coverage. Waiver of Premium never applies retroactively. Waiver of Premium is **not** available to surviving dependents who continue life insurance coverage.

Former Employees

Waiver of Premium is **not** available to former employees or their dependents.

Benefit Guidelines, Exclusions and Limitations

There are no benefits payable under the HealthChoice Life Insurance Plan during the first 24 months of coverage when death is the result of suicide. The 24-month exclusion period applies to any additional increases in life coverage, but does not affect any coverage that has been in force longer than 24 months.

There are no benefits for Accidental Death and Dismemberment as the result of the following:

1. Suicide, attempted suicide, intentional self-destruction or intentional self-inflicted injury while sane or insane.
2. Committing an assault or felony, including participation as an aggressor in a riot or insurrection.
3. Wholly or partly, directly or indirectly, by disease, physical or mental, or by medical or surgical treatment, or the diagnosis of any of the above.
4. Wholly or partly, directly or indirectly, by bacterial infection, other than septic infection of and through a visible wound, sustained solely through external and accidental means.

5. Any narcotic, drug, poison, gas or fumes, voluntarily taken, administered, absorbed or inhaled, unless prescribed for the exclusive use of the deceased, or administered by a licensed provider for a legal purpose.
6. Hang gliding, sky diving or flying experimental aircraft.

Payment of Plan Benefits

Beneficiaries

In the event of your death, benefits are paid to your beneficiaries in a lump sum. It is important that you name your beneficiaries when you enroll and keep your beneficiaries up to date. You can change beneficiaries at any time, but you must submit a written request for a change. You can obtain a Beneficiary Designation Form from your employer, HealthChoice or from our website at www.healthchoiceok.com. If you do not name your beneficiaries, benefits are paid to your estate.

You should be aware that HealthChoice has no option but to pay life benefits to the beneficiaries listed in our files at the time of death.

Benefits for Dependent Life coverage are always paid to the primary member.

Death of Beneficiaries

In the event that multiple primary beneficiaries are named and a primary beneficiary dies before or simultaneously with the member, the remaining primary beneficiary(ies) will be entitled to equal share of the deceased beneficiary's designated benefit amount.

Contingent beneficiaries receive benefits only in the event all primary beneficiaries die before or simultaneously with the member. In the event that multiple contingent beneficiaries are named and a contingent beneficiary dies before or simultaneously with the member, the remaining contingent beneficiary(ies) will be entitled to equal share of the deceased beneficiary's designated benefit amount.

Claim Procedures

Filing a Claim

You can get a **Life Insurance Claim Form** from our website or by calling the claims administrator. The claim form and an original or certified copy of the Death Certificate must be submitted to the claims administrator. Refer to the Plan Identification Information and Notice section. Each potential beneficiary submitting a claim must complete and submit a separate claim form.

Claim Filing Deadline

Proof of death must be furnished as soon as reasonably possible.

Disputed Claims Procedure

If your claim is denied in whole or in part for any reason, either you or your authorized representative can request that the claim be reviewed by calling the claims administrator, or by submitting a written request to the HealthChoice Appeals Unit at the address listed below within 180 days of your receipt of a denial.

HealthChoice Appeals Unit
P.O. Box 3897
Little Rock, AR 72203

Please follow these steps to make sure that your appeal at any level is processed in a timely manner:

- Send a copy of any correspondence received regarding the claim denial along with any relevant additional information (e.g., benefit documents, death certificate, etc.) that could help to determine if your claim is covered under the plan.
- Provide a letter summarizing the request for reconsideration that includes the claim or transaction number(s), the deceased insured's name and HealthChoice member ID number and/or Social Security number, the beneficiary's name and their relationship to member.

- Include “Attention: Appeals Unit” on all supporting documents. Be certain the member ID appears on each document.
- If you choose to designate an authorized representative, you must provide this designation to us in writing.

The internal appeals process includes two internal review levels. If you are not satisfied with the final review determination due to denial of payment, you may be able to ask for an independent, external review of our decision by a grievance panel.

When considering complaints by insured members, the three-member grievance panel shall determine by a preponderance of the evidence whether EGID has followed its statutes, rules, plan documents, policies and internal procedures. The grievance panel shall not expand upon or override any EGID statutes, rules, plan documents, policies and internal procedures.

In order to request access to and copies of all documents, records and other information about your claim, free of charge, or to find out how to start an external review, call the claims administrator.

General Provisions

Misstatement of Information

Upon receipt of a claim for life benefits, the plan first confirms the accuracy of the information on which coverage was issued.

If any Supplemental Life insurance coverage is obtained by the use of false or misleading information, all coverage obtained by the use of that information is canceled and premiums are refunded to the beneficiaries. In the event the age of the insured is misstated, the value of coverage and benefits are adjusted to equal the coverage that the premium would have purchased had the age been correctly stated.

Legal Action

Any legal action to recover under this plan must be brought pursuant to the *Administrative Procedures Act*. Any action must be brought within three years of the claim filing deadline.

Premiums Due at Death

Any life insurance premiums due and payable at the time of the member's death can be withheld from life insurance benefits.

Eligibility

Current Employees Enrollment and Effective Dates

You are eligible to elect Basic Life if you are:

- Working for a participating employer.
- Enrolled in one of the health plans offered through EGID or have other verifiable group health coverage.
- A current **education** employee eligible to participate in the Oklahoma Teachers Retirement System and working a minimum of four hours per day or 20 hours per week.
- A current **State of Oklahoma, local government or certain non-profit** employee regularly scheduled to work at least 1,000 hours a year and not classified as a temporary or seasonal employee.
- A person elected by popular vote, i.e., board members for education and elected officials of state and local government, state employees, rural water district board members, county election board secretaries, and any employee otherwise eligible who is on approved leave without pay, not to exceed 24 months.

Note: Eligible board members who do not draw a salary are limited to \$20,000 Basic Life and \$20,000 Supplemental Life coverage.

If you declined member or dependent life coverage in the plan because you had other group life coverage, you can request

coverage within 30 days of the loss of your other group life coverage. You can enroll in the same amount of coverage you lost, rounded up to the next \$20,000 unit, without a Life Insurance Application; however, you must provide proof of loss of other group life insurance coverage.

Eligible Dependents

If you enroll in Basic Life, you have the option to elect Dependent Life for your eligible dependents. Eligible dependents include:

- Your legal spouse (refer to common-law marriages in this section).
- Your daughter, son, stepdaughter, stepson, eligible foster child, adopted child, child for whom you have been granted legal guardianship, or child legally placed with you for adoption, up to age 26, whether married or unmarried.
- Your dependent, regardless of age, who is incapable of self-support due to a disability that was diagnosed prior to age 26; subject to medical review and approval of the Disabled Dependent Assessment form, which must be received at least 30 days prior to the dependent's 26th birthday.
- Other unmarried children up to age 26 who live with you and for whom you are primarily responsible. This requires completion of an acceptable Application for Coverage for Other Dependent Children. A tax return showing dependency can be provided in lieu of the application.

Common-law marriages are recognized by the plan. A new employee can add a common-law spouse at the time of enrollment. A current employee can request coverage on a common-law spouse during the annual Option Period or in the event the common-law spouse loses other group life coverage. To enroll a common-law spouse, the employee and spouse must sign and submit an enrollment or change form.

Coverage for Other Eligible Dependents

When you have not been granted custody, adoption or guardianship by a court and the dependent is not your natural

child or stepchild, you can request coverage for other unmarried dependents up to age 26 by submitting an enrollment or change form and a copy of the portion of your most recent income tax return listing the children as dependents for income tax deduction purposes. Current employees must submit the form and tax return to their insurance/benefits coordinator, and former employees must submit these documents to EGID.

In the absence of a federal income tax return listing the children as dependents, you must provide and have approved an Application for Coverage for Other Dependent Children as specified by the plan.

Coverage for other eligible dependents begins on the first day of the month following the date you obtain physical custody or date the Application for Coverage for Other Dependent Children is approved and never applies retroactively, except in the case of a newborn. Coverage for a newborn is effective the first day of the month of birth.

You must request coverage within 30 days of the date of initial placement, otherwise:

- Current employees cannot add dependents to coverage until the next annual Option Period.
- Former employees cannot add dependents to coverage at any future date.

Note: You must meet all eligibility requirements, cover all eligible dependents and pay all premiums.

The plan has the right to verify the dependent status of children, request copies of the portion of your most recent income tax return listing the children as dependents, and discontinue coverage for dependents who are deemed ineligible for coverage.

Legal Adoption

An adopted dependent is eligible for coverage the first of the month you obtain physical custody of your child. You must submit

an enrollment or change form, including a copy of your adoption papers. Current employees must submit the paperwork to their insurance/benefits coordinator, and former employees must submit their paperwork directly to EGID. In the absence of adoption papers or other court records, someone involved in the adoption process, such as your attorney or a representative of the adoption agency, must provide proof of the date you actually received custody of your child pending the final adoption hearing.

You must request coverage within 30 days of the date of the initial placement for adoption, otherwise:

- Current employees cannot add coverage until the next annual Option Period.
- Former employees cannot add coverage at any future date.

Legal Guardianship

Legal guardianship follows the same guidelines as an adoption.

Former Employees Enrollment and Effective Dates

If you terminate employment with a participating employer, you can keep all or a portion of the life coverage in effect at the time of your termination if you qualify under one of the following conditions:

- You have a vesting or retirement right through one of the State of Oklahoma retirement systems.
- You have rights to temporary continuation of insurance coverage as a result of termination of employment through a Reduction in Force (RIF) in accordance with state statute.
- You are currently drawing disability benefits through the disability plan provided through EGID or meet every requirement of the disability program.
- Your employer participates with both EGID and the Oklahoma Public Employees Retirement System (OPERS), and you have completed eight years of service with your employer but do not have a vesting right.

- Your employer participates with both EGID and the Oklahoma Teachers Retirement System (TRS), and you have completed ten years of service with your employer but do not have a vesting right. This includes elected school board members.
- Your employer is a local government entity participating with EGID but not with OPERS, and you have a minimum of eight years of service with the employer.
- Your employer is an educational entity participating with EGID but not with the Oklahoma TRS, and you have a minimum of ten years of service with the employer.

There can be no break in coverage. Your election to keep coverage must be made within 30 calendar days following your termination of employment. If you do not elect benefits within 30 days, you will not have a future opportunity to elect life coverage.

Education Employees

If you were a career tech employee or a common school employee who terminated active employment on or after May 1, 1993, you can continue coverage through the plan as long as the school system from which you retired or vested continues to participate in the plan. If your former school system terminates coverage under the plan, you must follow your former employer to its new insurance carrier.

If you were an employee of an education entity other than a common school, e.g., higher education, charter school, etc., you can continue coverage through the plan as long as the education entity from which you retired or vested continues to participate in the plan. If your former employer terminates coverage with the plan, you must follow your former employer to its new insurance carrier.

Local Government Employees

If you were a local government employee who terminated active employment on or after Jan. 1, 2002, you can continue coverage through the plan as long as the employer from which you retired or vested continues to participate in the plan. If your former employer

terminates coverage with the plan, you must follow your former employer to its new insurance carrier.

New Employer Retirees

All retirees with former employers who joined the plan after these specified grandfathered dates must follow their former employer to its new insurance carrier.

Following Your Employer to a New Carrier

When you terminate employment, your benefits are tied to your most recent employer. If your employer discontinues participation with EGID, some or all of the employer's retirees and their dependents (depending on the type of employer) must follow the employer to its new insurance carrier. This is true regardless of the amount of time you were employed with any participating employer.

If you retire and then return to work for another employer and enroll in benefits through your new employer, your benefits are tied to your new employer.

Note: You cannot reinstate coverage you discontinue or allow to lapse unless you return to work as an employee of a participating employer for three years. Some reinstatement exceptions may apply if you are a state employee who terminated employment as a result of a Reduction in Force (RIF).

Changes To Coverage After Initial Enrollment

Current Employees

After your initial enrollment, you can enroll in or increase life coverage during the annual Option Period, within 30 days of the loss of other group life coverage, or within 30 days of a qualifying event or federally required mandate. A Life Insurance Application may be required. Refer to the Life Insurance Application section.

Certain qualifying events and federally required mandates allow a midyear change in coverage. You can enroll in life coverage, increase life coverage or add new dependents to your coverage. An enrollment or change form must be completed within 30 days of the qualifying event or federally required mandate.

All midyear changes to coverage must be in compliance with the rules of your employer's Section 125 plan, or if no 125 plan is offered, in compliance with allowed midyear coverage changes as defined by Title 26, Section 125 of the Internal Revenue Codes (as amended) and pertinent regulations.

Decreases in coverage must be made during the annual Option Period unless otherwise specified by your employer.

All increases or decreases to coverage must be made in \$20,000 units.

Former Employees

You cannot increase your or your dependents' life coverage. You **can** decrease or cancel your coverage by submitting the appropriate forms. Decreases to your coverage must be made in \$5,000 units. Decreases to dependent coverage must be made in \$500 units.

Example of Decreasing Coverage: *At retirement, a former employee keeps life insurance coverage in the amount of \$30,000. At Option Period, they decide to decrease their coverage to \$15,000. The decrease equals three \$5,000 units for a total of \$15,000.*

Note: If you are in the process of a legal separation or divorce, it is important that you contact your legal representative for advice before making any changes to your coverage.

Options for Current Employees Called to Active Military Service

Under the *Uniform Services Employment and Reemployment Rights*

Act of 1994 (USERRA), coverage can be continued for up to 24 months. USERRA provides certain rights and protections for all employees called to serve our nation. All branches of the military, including the Army, Navy, Marines, Air Force, Coast Guard, all Military Reserve units, and all National Guard units come under USERRA.

In addition to health care provided by the military, you have the following three choices regarding your current coverage:

- Retain all coverage. Your current employer is responsible for collecting and forwarding all premiums to EGID.
- Discontinue all coverage except life insurance. You will be billed directly.
- Discontinue all member and dependent coverage.

Regardless of whether you receive written or verbal military orders, the EGID staff and/or your insurance/benefits coordinator will assist you in making any benefits arrangements. If you are a member of a Military Reserve unit or the National Guard and anticipate being called to active service, notify your insurance/benefits coordinator at work.

There is no penalty for renewing coverage upon discharge from active duty if coverage is elected within 30 days of return to the same employment.

Termination of Coverage

Your coverage, as well as any dependent coverage, ends on the last day of the month one or more of the following events occur:

- You do not pay premiums.
- The plan is terminated.
- Your death occurs.

Dependent life coverage ends on the last day of the month in which your dependent becomes ineligible.

Surviving Dependents' Right to Continue Life Insurance Coverage

When a primary member who has Dependent Life dies, a surviving spouse and/or surviving dependent children can continue Dependent Life coverage. A surviving spouse and/or surviving dependent children have 60 days following the primary member's death to notify EGID of their decision to continue life insurance coverage. Additionally, a surviving spouse can elect to continue any Dependent Life for children who were covered at the time of the primary member's death. A surviving spouse must elect to continue life coverage on themselves in order to continue coverage on any dependent children.

At the time of enrollment, a surviving spouse must name a beneficiary; however, a surviving spouse is always the beneficiary of any life insurance benefits for covered dependent children.

A surviving spouse is eligible to continue life insurance as long as premiums are paid. Once coverage is terminated; however, it cannot be reinstated.

Surviving dependents are eligible to continue life insurance as long as premiums are paid or until they are no longer eligible. Once coverage is terminated, it cannot be reinstated.

Survivors of Current Employees

If the primary member was a current employee at the time of their death, the life insurance premium for their survivor is the same as the Dependent Life premium for a current employee.

The surviving spouse of a current employee pays the Dependent Life premium for a current employee until they reach age 65, or otherwise become Medicare eligible. A separate premium is charged for surviving dependents. Once a surviving spouse becomes Medicare eligible, the surviving spouse and all dependent children pay the dependent life premium rate for retirees.

Survivors of Former Employees

If the primary member was a former employee/retiree at the time of their death, the surviving spouse's life insurance premium is the same as the Dependent Life premium for former employees.

A surviving spouse pays one premium and each surviving child has a separate individual premium, just as it was prior to the primary member's death.

At the time of enrollment, the surviving spouse must name a beneficiary. The surviving spouse is always the beneficiary of any life insurance proceeds for covered dependent children.

Reinstatement of Coverage

A former employee, who returns to work for the same employer within 24 months after the date of termination, cannot elect a greater amount of life insurance than the employee had at the time of termination unless the individual provides a satisfactory Life Insurance Application. Additionally, the amount of life insurance cannot be greater than the amount of the Guaranteed Issue based on the employee's current salary, unless the individual provides a satisfactory Life Insurance Application.

Note: Due to Section 125 considerations, all state agencies are considered to be part of the same employer.

State of Oklahoma
Office of Management and Enterprise Services
Privacy Notice
Revised: December 2018

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW THIS NOTICE CAREFULLY.

For questions or complaints regarding privacy concerns with OMES, please contact:

OMES HIPAA Privacy Officer
3545 N.W. 58th, Ste. 600, Oklahoma City, OK 73112
Telephone 405-717-8701, Toll-free 800-543-6044
TDD 405-949-2281, Toll-free TDD 866-447-0436
OMES.OK.gov

Why is the Notice of Privacy Practices Important?

This notice provides important information about the practices of OMES pertaining to the way OMES gathers, uses, discloses, and manages your protected health information (PHI) and it also describes how you can access this information. PHI is health information that can be linked to a particular person by certain identifiers including, but not limited to, names, social security numbers, addresses and birth dates.

Oklahoma privacy laws and the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) protect the privacy of an individual's health information. For HIPAA purposes, OMES has designated itself as a hybrid entity. This means that HIPAA only applies to areas of OMES operations involving health care, and not to all lines of service offered by OMES. This notice applies to the privacy practices of the following components included within OMES that may share or access your Protected Health Information as needed for treatment, payment and health care operations:

- The Employees Group Insurance Division (EGID).
- The Legal division.
- The Information Services division as it applies to maintenance and storage of PHI.

OMES is committed to protecting the privacy and security of your PHI as used within the components listed above.

Your Information. Your Rights. Our Responsibilities.

Your Rights

When it comes to your health information, you have certain rights. This section explains your rights and some of our responsibilities to help you.

Get a copy of your health and claims records

- You can ask to see or get a copy of your health and claims records and other health information we have about you. Ask us how to do this using the contact information at the beginning of this notice.
- We will provide a copy or a summary of your health and claims records, usually within 30 days of your request. We may charge a reasonable fee.

Ask us to correct health and claims records

- You can ask us to correct your health and claims records if you think they are incorrect or incomplete. Ask us how to do this.
- We may say “no” to your request, but we will tell you why in writing within 60 days.

Request confidential communications

- You can ask us to contact you in a specific way (for example, home or office phone) or to send mail to a different address.
- We will consider all reasonable requests.

Ask us to limit what we use or share

- You can ask us not to use or share certain health information for treatment, payment, or our operations.
- We are not required to agree to your request.

Get a list of those with whom we've shared information

- You can ask for an accounting of the times we've shared your health information for six years prior to the date you ask, who we shared it with, and why.
- We will include all the disclosures except for those about treatment, payment, and health care operations, and certain other disclosures (such as any you asked us to make). We will provide one accounting a year free of charge but will charge a reasonable fee if you ask for another accounting within 12 months.

Get a copy of this privacy notice

You can ask for a paper copy of this notice at any time, even if you have agreed to receive the notice electronically. We will provide you with a paper copy promptly.

Choose someone to act for you

- If you have given someone medical power of attorney or if someone is your legal guardian, that person can exercise your rights and make choices about your health information.
- We will verify the person has this authority and can act for you before we take any action.

File a complaint if you feel your rights are violated

- You can complain if you feel we have violated your rights by contacting us using the information at the beginning of this notice.
- You may also file a complaint with the U.S. Department of Health and Human Services Office for Civil Rights by sending a letter to 200 Independence Avenue, S.W., Washington, D.C. 20201, calling 877-696-6775, or visiting www.hhs.gov/ocr/privacy/hipaa/complaints/. Complaints to HHS must be filed within 180 days of when you knew that the violation occurred.
- We will not retaliate against you for filing a complaint.

Your Choices

For certain health information, you can tell us your choices about what we share. If you have a clear preference for how we share your information in the situations described below, talk to us. Tell us what you want us to do, and we will follow your instructions.

In these cases, you have both the right and choice to tell us to:

- Share information with your family, close friends, or others involved in payment for your care.
- Share information in a disaster relief situation.

If you are not able to tell us your preference, for example, if you are unconscious, we may go ahead and share your information if we believe it is in your best interest. We may also share your information when needed to lessen a serious and imminent health or safety threat.

OMES does not share your information for purposes of marketing or by sale of your information.

Our Uses and Disclosures

How do we typically use or share your health information (PHI)?

Your PHI is used and disclosed by OMES employees and other entities under contract with OMES according to HIPAA Privacy Rules using the “minimum necessary” standard which releases only the minimum necessary health information to achieve the intended purpose or to carry out a desired function within OMES

We typically use or share your health information in the following ways:

Help manage the health care treatment you receive

We can use your health information and share it with professionals who are treating you.

Example: A doctor sends us information about your diagnosis and treatment plan so we can arrange additional services.

Run our organization

- We can use and disclose your information to run our organization and contact you when necessary.
- We are not allowed to use genetic information to decide whether we will give you coverage and the price of that coverage. This does not apply to long term care plans.

Examples: We use health information about you to develop better services for you, provide customer service, resolve member grievances, member advocacy, conduct activities to improve members' health and reduce costs, assist in the coordination and continuity of health care, and to set premium rates.

Pay for your health services

We can use and disclose your health information as we pay for your eligible health services.

Example: We share information about you with your dental plan to coordinate payment for your dental work.

Administer your plan

We may disclose summarized health information to your health plan sponsor for plan administration.

Example: Your employer contracts with us to provide a health plan, and we provide the employer with certain statistics to explain the premiums we charge.

How else can we use or share your health information?

We are allowed or required to share your information in other ways – usually in ways that contribute to the public good, such as public health and research. We have to meet many conditions in the law before we can share your information for these purposes. For more information, refer to www.hhs.gov/ocr/privacy/hipaa/understanding/consumers/index.html.

Help with public health and safety issues

We can share health information about you for certain situations such as:

- Preventing disease.
- Helping with product recalls.
- Reporting adverse reactions to medications.
- Reporting births and deaths.
- Reporting suspected abuse, neglect, or domestic violence.
- Preventing or reducing a serious threat to anyone's health or safety.
- Public health investigations.

Do research

We can use or share your information for health research, as permitted by law.

Comply with the law

We will share information about you if state or federal laws require it, including with the Department of Health and Human Services if it wants to see that we are complying with federal privacy laws.

Work with a medical examiner or funeral director

- We can share health information with a coroner, medical examiner, or funeral director when an individual dies.

Address workers' compensation, law enforcement, and other government requests

We can use or share health information about you:

- For workers' compensation claims.
- For law enforcement purposes or with a law enforcement official.
- With health oversight agencies for activities authorized by law.
- For special government functions such as military, national security, and presidential protective services.

Respond to lawsuits and legal actions

We can share health information about you in response to a court or administrative order, or in response to a subpoena.

Our Responsibilities

- We are required by law to maintain the privacy and security of your protected health information (PHI).
- We will let you know promptly if a breach occurs that may have compromised the privacy or security of your PHI.
- We must follow the duties and privacy practices described in this notice and give you a copy of it.
- We will not use or share your PHI other than as described here unless you tell us we can in writing. If you tell us we can, you may change your mind at any time. Let us know in writing if you change your mind.

For more information, refer to www.hhs.gov/ocr/privacy/hipaa/understanding/consumers/noticepp.html.

Changes to the Terms of this Notice

We can change the terms of this notice, and the changes will apply to all information we have about you. The new notice will be available upon request, on our website, and we will deliver a copy to you. You may also subscribe online to receive notice of changes to this page via email or text message.

Plan Definitions

Basic Life: The first \$20,000 of term life insurance coverage available to you as an eligible employee.

Current Annual Salary: Your annual gross pay. Your current annual salary does not include overtime, longevity, benefit allowances or retirement contributions.

EGID: The Office of Management and Enterprise Services Employees Group Insurance Division.

Eligible Dependent:

- Your legal spouse (including common-law spouse).
- Your daughter, son, stepdaughter, stepson, eligible foster child, adopted child, child for whom the member has been granted legal guardianship, or child legally placed with you for adoption up to age 26, whether married or unmarried.
- Your dependent, regardless of age, who is incapable of self-support due to a disability that was diagnosed prior to age 26; subject to medical review and approval of the Disabled Dependent Assessment form, which must be received at least 30 days prior to the dependent's 26th birthday.
- Other unmarried children up to age 26 who live with you and for whom you are primarily responsible. This requires completion of an acceptable Application for Coverage for Other Dependent Children. A tax return showing dependency can be provided in lieu of the application.

Eligible Employee:

- A current education employee eligible to participate in the Oklahoma Teachers Retirement System and working a minimum of four hours per day or 20 hours per week.
- A current State of Oklahoma, local government, or certain non-profit employee regularly scheduled to work at least 1,000 hours a year and not classified as a temporary or seasonal employee.
- A person elected by popular vote, i.e., board members for education and elected officials of state and local government, state employees, rural water district board members, county election board secretaries, and any employee otherwise eligible who is on approved leave without pay, not to exceed 24 months.

Guaranteed Issue: Two times your current annual salary rounded up to the next \$20,000. This is available only during your initial enrollment. A Life Insurance Application is not required.

Initial Enrollment: The 30 days following your entry on duty date or date you become eligible with a participating employer. An initial enrollment is **not** created when you transfer employment between participating employers sharing the same Section 125 plan; e.g., state agency to state agency or school to school within the same district.

Life Insurance Application: Documentation of medical fitness by an applicant.

Option Period: The annual time period established by EGID when changes can be made to coverage.

Participating Employer: Any municipality, county, education employer, or state agency whose employees or members are eligible to participate in any plan authorized by or through the State and Education Employees Group Insurance Act.

Plan: The HealthChoice Life Insurance Plan offered through EGID and described in this handbook.

Qualifying Event: An event that changes a member's family or health insurance situation and qualifies the member and/or dependent for a special enrollment period. Qualifying events are listed in the Eligibility section of this handbook.

Term Life: A policy that provides life insurance for a limited period of time. If death occurs during this period of time, insurance benefits are paid. If death occurs after this policy expires, no insurance benefits are paid. A term policy has no cash surrender value.

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HealthChoice is administered by EGID, a division of the
Oklahoma Office of Management and Enterprise Services