Group Application

for groups of 2-9 lives

ADVANCE Insurance Company of Kansas℠

Section 1 – Employer Group Information

CLEAR DATA

Employer/Policyholder Name

Requested Effective Date _____ /_____ /_____

Requested Anniversary Month (select month)

Business (Physical) Address

Business Phone Number (_____) _____-_____

Fax Number (_____) _____-_____

City

Plan Administrator Representative

State ZIP Code +4

E-mail Address

Billing Address (if different from physical address)

Group Leader

City

E-mail Address

State ZIP Code +4

Nature of Business

To which of these addresses (if different) should your certificates be mailed?

☐ Business address ☐ Billing address

Billing preference: (select only one)

☐ Monthly Automatic Payment Option (ACH)

☐ Monthly billing (available if monthly premium is $30 or more)

☐ Quarterly billing

Premium is due monthly if $30 or more and quarterly if less than $30 except when using the Automatic Payment Option (ACH).

Section 2 – Company-Imposed Waiting Period (CIWP)

Coverage for eligible employees begins the first day of the month following (or coinciding with) completion of your company's waiting period.

1) The waiting period requires an employee to actively work the specified period for the policyholder/participating employer before qualifying for benefits:

   Class 1 _____ days; or ☐ other _____

   Class 2 _____ days; or ☐ other _____

2) Does the waiting period apply to employees employed on or prior to the policy's effective date? ☐ Yes ☐ No

3) Does the waiting period apply to employees that are rehired? ☐ Yes ☐ No

4) Will the time a person has been employed but not working enough hours to qualify for benefits (i.e., less than the minimum hours required each week) be used to satisfy the waiting period? ☐ Yes ☐ No

LTD requires a minimum 90-day CIWP. If a longer CIWP is requested for LTD, please note the duration here: _____

Section 3 – Working the Required Hours

1) Employees and owners must be actively at work performing the regular duties of their job and at the usual place of employment for a minimum of _____ hours each week (may not be less than 20 hours each week for [Basic or Voluntary] Life, Accidental Death & Dismemberment or [Basic or Voluntary] Short Term Disability; and not less than 30 hours each week for Long Term Disability) to be insured by this coverage.

2) This coverage does not include persons that are seasonal, temporary, leased, contracted or 1099 employees.

All others working the minimum hours each week should enroll (or waive coverage) unless you exclude them from coverage. Do you exclude any others?

☐ Yes ☐ No

If yes, describe who:

Please continue on the next page.

Section 4 – Actively At Work

Employees must be actively working to be insured. Employees that are not actively working (i.e., performing their regular duties, at the usual place of employment, and working at least the minimum required hours each week) when this coverage becomes effective cannot be covered by this policy (or by the benefit(s) being added). If an injury or illness causes an employee to be absent or incapable of working the required hours on the effective date of this policy, coverage should be continued with the prior carrier.

Employees that are not actively working (i.e., performing their regular duties, at the usual place of employment, and working at least the minimum required hours each week) after the coverage becomes effective cannot continue to be insured except as provided specifically by the group policy.

Section 5 – Employees Not Actively Working on the Effective Date of Coverage

List any individual who is not actively working now or not expected to be actively working on the Effective Date of Coverage. Attach a separate sheet to this application if more space is needed.

Name	Name
____ / ____ / ____ Date Last Worked	____ / ____ / ____ Date Last Worked
Reason	Reason
Insured by prior carrier? ☐ Yes ☐ No	Insured by prior carrier? ☐ Yes ☐ No

Section 6 – Participants

Employees (and dependents, if applicable) must be a resident citizen of the United States or an alien legally residing in the United States to be eligible for coverage. Participation in this coverage is to be based solely on conditions pertaining to a person's employment which includes, but is not limited to, factors such as the length of employment, regularly working the required hours each week, and belonging to a class of employees that is included in this plan (please note: "persons enrolling in health coverage" is not a valid class description).

Eligibility for the group life coverage, participating in the group life coverage, or the amount of premium the employer contributes toward the cost of the group life coverage cannot be based on the employee's participation in (i.e., enrolling in) the employer's group's health plan.

A minimum of 70 percent of all active eligible employees must participate in the group coverage. If the employer funds the benefit entirely (at no cost to the employee), 100 percent of the active eligible employees are to be enrolled in the group coverage. (Regardless of whether or not the employee(s) participates in your health plan.)

1) What is the number of employees eligible to participate? _____
   Do not include those persons listed in Section 5 that are not (or will not be) actively working on the Effective Date of Coverage.

2) What is the number of employees still serving their waiting period? _____

3) What is the number of eligible employees enrolling? _____
   If this number is less than 2 lives or less than 70 percent are participating – whichever is the greater number – the group is ineligible for this coverage.

Section 7 – Prior Carrier

Is the insurance being requested replacing other group life or disability coverage? ☐ Yes ☐ No

If it is replacing a disability coverage, a copy of the prior plan is required for administration. Claims or benefits may be affected if a copy of the prior carrier's disability plan is not received.

Coverage Being Replaced	Prior Carrier
____ / ____ / ____ Date of Termination	

Please continue on the next page.

Section 8 – Basic Group Benefits

☐ **Term Life and Accidental Death & Dismemberment (AD&D)**

Select the benefit for which the group is applying.	Select one option per class.	Describe how much of the premium the employer is funding for the employees that enroll.
Class 1:		
☐ All active eligible employees ☐ Other (describe): _____	☐ $10,000[A] ☐ $20,000[A] ☐ $30,000[A] ☐ $50,000[A]	_____% or $_____
Class 2:		
If applicable, describe: _____	☐ $10,000[A] ☐ $20,000[A] ☐ $30,000[A] ☐ $50,000[A]	_____% or $_____

[A] Coverage will be reduced by 35% at age 65, will reduce an additional 25% of the original amount of insurance at age 70, and further reduces an additonal 15% of the original amount of insurance at age 75. It will terminate when the insured retires or becomes ineligible for the coverage, whichever occurs first.

The living benefit - an accelerated benefit. An insured employee that is terminally ill and has a life expectancy of 24 months or less may request a portion of their term life insurance **while still living** after being covered by the group life policy for 30 days (or from the effective date of coverage if the terminal condition is due to an accident).

The living benefit is paid in one lump sum to the insured employee and may be used in any way. On the insured's death, the beneficiary on file would receive the remaining reduced term life insurance amount. Only one living benefit will be paid to an insured employee under the group policy.

Caution: An accelerated benefit is not a long-term care benefit. The full amount of the living benefit that is paid may be taxable income to the insured employee and receipt of this benefit may affect Medicaid eligibility. Before an insured employee applies for an accelerated benefit, they should consult a tax advisor or social service agency. AICK is not responsible for the tax consequences of any payments.

Select the benefit(s) for which the group is applying.	Select the appropriate coverage option.	Describe how much of the premium the employer is funding for the employees that enroll.
☐ **Dependent Life**[B] For your spouse, your unmarried dependent child(ren) by birth or adoption, or your spouse's unmarried dependent child(ren) by birth or adoption	Select only one dependent life option. ☐ **Option 1:** $2,000 spouse $2,000 child 6 months to 23 years $ 250 child 15 days to 6 months ☐ **Option 2:** $5,000 spouse $5,000 child 6 months to 23 years $ 500 child 15 days to 6 months	(for either option) _____% or $_____
☐ **Short Term Disability**[C,D] A loss of income must be demonstrated to be eligible for benefits. The earnings test is not limited to wages and will include draws and other income.	Select one option each from a. and b. **a. Weekly Benefit** (select one)**:** ☐ $150 ☐ 60% of weekly earnings to max of $500. Weekly earnings will not include overtime, commissions, bonuses, or any other extra pay. **b. Elimination Period** (select one)**:** ☐ 15th day accident, 15th day sickness ☐ 31st day accident, 31st day sickness	_____% or $_____

The **benefit duration** (i.e., the benefit period) will be a maximum of 26 weeks depending on the type of, and severity of, the disability.[E]

[B] Will terminate when the insured becomes ineligible for the coverage; or the employee attains age 75, retires or becomes ineligible for the coverage, whichever occurs first.

[C] A 12/12 Pre-existing Condition Limitation applies to the short term disability plan.

[D] Will terminate when the insured retires or becomes ineligible for the coverage, whichever occurs first.

[E] The maximum benefit period reduces 50% at age 70.

Please continue on the next page.

Section 9 – Other Group Benefits (as described on the Proposal of Coverage)

☐ Long Term Disability _____ Percent paid by employer

☐ Voluntary Term Life (with or without AD&D) ☐ Voluntary Short Term Disability ☐ Voluntary Accident

Section 10 – Application

I understand:

1. This Group Application and the Proposal of Coverage(s), constitute an application for group insurance with Advance Insurance Company of Kansas (AICK). The employer sponsoring this group plan is an active business operating on a full-time basis in the Blue Cross and Blue Shield of Kansas service area. I acknowledge that AICK has the right to request and receive any information necessary to validate representations about my business.

2. I understand that if my group replaces AICK with another life or disability insurer, any coverage provided pursuant to this application will be cancelled for both the group and its individuals except as provided by law.

3. All information provided on this Group Application is true and complete to the best of my knowledge. I acknowledge that AICK will rely on this information in evalutating this group for coverage and will promptly notify AICK of any changes. I also acknowledge that any intentional misrepresentation of material fact in this application may result in termination or recision of coverage.

4. The group life and/or disability insurance applied for will become effective as of the effective date requested, subject to the terms and conditions of the policies for which application is made, provided: 1) this application is approved at the home office of AICK, and 2) the number of individuals to be insured are not less than the number of lives required by the laws of Kansas. If this application is not approved, no insurance will become effective and any advance payment will be refunded. Approval of this application is not guaranteed. The policyholder/participating employer should not cancel any other life and/or disability coverage until notified by AICK that this application has been approved. No agent or broker is authorized to approve applications, modify policies, alter, or waive any rights or requirements of AICK.

5. Please read sections a., b., and c. below and initial next to them after you have read them:

_____ a. I have read Section 4 and understand an employee must be actively at work to be insured.

It is the responsibility of the policyholder/participating employer to submit to AICK for enrollment only those employees and dependents who meet the eligibility criteria of the policyholder/participating employer and AICK, and to ensure and verify the continued eligibility status of covered employees and dependents.

_____ b. AICK does not have open enrollment.

_____ c. Employees in a covered class and working at least the required minimum hours each week should enroll at first opportunity to avoid being a late enrollee.

Coverage will be based on the participant's earliest possible date of eligibility and backbilled accordingly unless the applicant is a late enrollee.

Late enrollees must provide AICK with satisfactory evidence of insurability to be covered; this may include answering medical questions and paying any fees charged for medical records or exams needed to underwrite the late enrollee's request for coverage. A late enrollee requesting voluntary disability coverage may also be required to wait for an annual enrollment period to apply.

Your signature required

_____ _____ / _____ / _____

Plan Sponsor Representative, Plan Administrator Representative, or Officer of the Company — Date Signed

_____

Title

_____

Employer Name

Rep signature required

_____

AICK Representative Signature