



# Basic life insurance – Broker information for groups with 2 to 100 employees

Effective January 1, 2019

Basic life insurance, underwritten by Blue Shield of California Life & Health Insurance Company (Blue Shield Life), is an affordable way for your clients to provide their employees with added security during uncertain economic times. Available with or without medical coverage, life insurance is available to groups as small as two eligible employees.

## Blue Shield Life advantages

Why should your clients consider Blue Shield Life for their life insurance needs? Here are some advantages:

### Doing what we do best

For more than 50 years, Blue Shield Life has fulfilled the life insurance needs of businesses across California. Life insurance provides vital financial benefits in the event of a tragic loss.

### Financial strength

In 2015, A.M. Best gave Blue Shield Life an "A," which is an "excellent" rating. We have the stability and financial strength to meet your clients' insurance needs now and in the future.

### Easy to sell

Life insurance is available to groups as small as two eligible employees with or without Blue Shield medical coverage. Neither underwriting\* nor a DE-9C is required for basic life insurance when written without Blue Shield medical coverage. All that's needed is an application, payment, and enrollment information.

### NEW – Travel assistance services

These services are for employees and their families traveling more than 100 miles from home (including international travel). Examples of services include visa and passport information, immunization requirements, medical and dental referrals, and emergency medical evaluation.

### Ease of administration

By purchasing life insurance, health, dental, or vision coverage from Blue Shield, your clients can enjoy the convenience of one combined bill and access to our Employer Connection Plus online tools. With only one point of contact for your clients' insurance needs, there's more time for them to focus on their business.

### Customer satisfaction

We have a knowledgeable and helpful staff that is dedicated to serving your needs and your clients' needs. We're rated highly for our customer service, and we're committed to upholding our high standards.

\* Your clients must meet the minimum requirements to be eligible for coverage in the small group market, and must not be part of an ineligible group or industry. See a complete list of ineligible industries and associated guidelines on page 4 of this brochure.

## Advantages for groups with 10 or more eligible employees

Higher benefit maximums for groups with 10 or more eligible employees means more coverage. Our new group rating provides competitive rates and streamlined administration with a single composite rate for all employees. Contact your Blue Shield representative for rates or more information.

## Beneficiary assistance services

LifeReferrals 24/7<sup>SM</sup> offers care and support for family members who have suffered a recent loss of a loved one. During this challenging time, a simple phone call connects life insurance beneficiaries with a team of experienced professionals ready to assist with grief support, financial advice, and legal needs.

## Plan design and rates

Basic life and AD&D insurance is an integral part of a complete benefits package. Groups as small as two eligible employees can obtain life insurance whether or not they have health coverage. All employees within the group are eligible for life insurance even if the group has multiple health plan carriers.

### Plan designs

- **Flat amount** – All employees are covered at the same flat amount, for example, \$25,000.
- **Multiple of salary** – All employees are covered for the same multiple of salary up to a maximum amount of two times the annual earnings up to the maximum benefit amount, depending on group size. See the chart below for the maximum benefit amounts.
- **Graded schedule** – Employees are divided into classes (up to four) that have different levels of benefits. The benefit amount for each class must be no more than 2.5 times that of the next lower class.

Plan guidelines		
Eligible employees	Benefit amount* (no evidence of insurability is required)	
2–9	• Minimum benefit \$15,000	• Maximum benefit \$30,000
10–24	• Minimum benefit \$15,000	• Maximum benefit \$100,000
25–50	• Minimum benefit \$15,000	• Maximum benefit \$150,000
51–100	• Minimum benefit \$15,000	• Maximum benefit \$150,000 and \$175,000 or \$200,000

\* Benefit amounts are available in \$5,000 increments within the specified guaranteed-issue minimum and maximum amounts.

### Additional plan rules

Here are just a few of the plan guidelines. To obtain the full plan guidelines, please visit [blueshieldca.com/producer/tools](https://blueshieldca.com/producer/tools).

- Only composite rates are available for groups with 10 or more eligible employees.
- Composite life insurance rates for new business include a 50% rate discount when combined with a Blue Shield small business medical plan.
- Benefit amount is reduced to 65% and 50% of the original amount at ages 65 and 70, respectively. Benefits terminate at retirement.
- Minimum employer contribution is 25% of premium.
- If employer pays 100% of premium, participation must be 100%.
- If employer contributes less than 100% of premium, participation must be 65% or greater.
- Full benefit for accidental loss of life. Benefits for all losses resulting from the same accident may not exceed the full benefit.
- Waiver of premium provision allows for continuation of life insurance coverage without payment of premium if the insured employee is totally disabled.
- Beneficiaries are designated by the insured employee. Employers are responsible for maintaining the designations for their employees.

Rates for groups of 2-9 eligible employees	
Insured age range	Monthly rate per \$1,000 <sup>†</sup>
0–29	\$0.19
30–34	\$0.20
35–39	\$0.21
40–44	\$0.33
45–49	\$0.46
50–54	\$0.74
55–59	\$1.15
60–64	\$2.25
65–69 <sup>‡</sup>	\$3.75
70–74 <sup>#</sup>	\$5.33
75–79 <sup>#</sup>	\$8.39
80–84 <sup>#</sup>	\$12.05
85+ <sup>#</sup>	\$18.04

**Please note, dependent life insurance is available at a rate of \$0.45 per \$1,000 of coverage for coverage amounts up to \$5,000<sup>∞</sup> per dependent. This one low rate covers all dependents.<sup>§</sup>**

<sup>†</sup> These rates include \$0.05 monthly rate per \$1,000 for accidental death and dismemberment insurance.

<sup>‡</sup> Benefit amount is reduced to 65% of the original amount at age 65.

<sup>#</sup> Benefit amount is reduced to 50% of the original amount at age 70.

<sup>∞</sup> Benefit amounts are available in \$1,000 increments up to \$5,000.

<sup>§</sup> For groups of 10 or more eligible employees, the dependent life insurance rate is \$0.25 per \$1,000 of coverage for coverage amounts up to \$5,000 per dependent. This one low rate covers all dependents.

## Additional product features

### Accelerated death benefit (ADB)

Allows advanced payment of death benefits in situations where the insured employee is terminally ill (12-month life expectancy or less). Individuals may elect to withdraw an ADB benefit in \$1,000 increments, subject to the following minimums and maximums.

- Maximum allowed is 50% of benefit or \$50,000, whichever is less.
- Minimum allowed is 10% of benefit or \$5,000, whichever is greater.
- Minimum of \$15,000 in coverage is required to receive ADB.

### Dependent life insurance (optional)

- Life insurance is provided for an insured employee's spouse, domestic partner, and/or children.
- The employee must purchase basic life insurance in order for dependent life insurance to be available.
- Coverage is offered at \$1,000 to \$5,000 per dependent in \$1,000 increments. Coverage amounts for spouse/domestic partner and children will be equal and cannot exceed 50% of the employee's benefit. One rate covers all dependents.

Employee Basic Group Term AD&D benefit	
Type of loss	Portion of principal sum
Loss of life	100%
Loss of hand, foot, complete loss of sight in one eye, or hearing in one ear	50%
Loss of an arm or leg	75%
Complete loss of sight in both eyes or hearing in both ears	100%
Loss of the thumb and index finger or all four fingers on the same hand	25%
Loss of all toes on one foot	25%
Loss of speech	50%
Loss of speech and hearing	100%
Paralysis of both upper and lower limbs (quadriplegia)	100%
Paralysis of both lower limbs or both upper limbs (paraplegia)	75%
Paralysis of upper and lower limb of one side (hemiplegia)	50%
Paralysis of one arm or leg	25%

### Accidental death and dismemberment (AD&D) insurance benefits

Life insurance includes AD&D insurance. Our AD&D insurance coverage provides your clients and their employees with additional financial support in the event of an accidental loss. That's why it's included with every life insurance policy.

Additional benefits are also standard:

- Seat belt benefit
- Airbag benefit
- Special education benefit
- Repatriation benefit
- Disappearance benefit
- Felonious assault benefit
- Exposure benefit
- Common carrier benefit
- Surgical reattachment benefit

# Ineligible groups

The following types of industries present special risks and are not eligible for a basic life insurance policy when the group is written without a Blue Shield of California medical plan and is between 2–9 eligible employees.

SIC codes	Description	SIC codes	Description	SIC codes	Description
0721	Crop Dusting	2816	Inorganic Pigments	4512	Air Transportation: Scheduled
0912	Finfish	2819	Industrial Inorganic Chemicals n.e.c.	4513	Air Courier Services
0913	Shellfish	2821	Plastic Materials and Resins	4522	Air Transportation: Non-scheduled
0919	Miscellaneous Marine Products	2824	Organic Fibers – Non-cellulosic	4581	Airports, Flying Fields and Services
0921	Fish Hatcheries and Preserves	2851	Paints and Allied Products	5813	Drinking Establishments
0971	Hunting, Trapping and Game Propagation	2861	Gum and Wood Chemicals	6732	Educational, Religious, etc. Trusts
1011	Iron Ores	2865	Cyclic Crudes and Intermediates	6733	Trusts n.e.c.
1021	Copper Ores	2869	Industrial Organic Chemicals n.e.c.	7911	Dance Studios, School & Halls
1031	Lead and Zinc Ores	2873	Nitrogenous Fertilizers	7922	Theatrical Producers and Services
1041	Gold Ores	2874	Phosphatic Fertilizers	7929	Entertainers and Entertainment Groups
1044	Silver Ores	2875	Fertilizers – Mixing Only	7933	Bowling Centers
1061	Ferroalloy Ores except Vanadium	2879	Agricultural Chemicals n.e.c.	7941	Sports Clubs, Managers and Promoters
1081	Metal Mining Services	2891	Adhesives and Sealants	7948	Racing, including Track Operations
1094	Uranium, Radium and Vanadium Ores	2892	Explosives	7991	Physical Fitness Facilities
1099	Metal Ores n.e.c.	2893	Printing Ink	7992	Public Golf Courses
1221	Bituminous Coal and Lignite – Surface	2895	Carbon Black	7993	Coin-Operated Amusement Devices
1222	Bituminous Coal and Lignite – Underground	2899	Chemical Preparations n.e.c.	7996	Amusement Parks
1231	Anthracite Mining	2911	Petroleum Refining	7997	Membership Sports
1241	Coal Mining Services	2951	Asphalt Paving Mixtures and Blocks	7999	Amusement and Recreation n.e.c.
1311	Crude Petroleum and Natural Gas	2952	Asphalt Felts and Coatings	8611	Business Associations
1321	Natural Gas Liquids	2992	Lubricating Oils and Greases	8621	Professional Associations
1381	Drilling Oil and Gas Wells	2999	Petroleum and Coal Products n.e.c.	8631	Unions
1382	Oil and Gas Exploration Services	3292	Asbestos Products	8641	Civic Organizations
1389	Oil and Gas Field Services n.e.c.	4119	Local Passenger Transportation n.e.c.	8651	Political Organizations
1411	Dimension Stone	4121	Taxicabs	8661	Religious Organizations – Members
1422	Crushed and Broken Limestone	4412	Deep Sea Foreign Transportation of Freight	8699	Membership Organizations – Members
1423	Crushed and Broken Granite	4424	Deep Sea Domestic Transportation of Freight	8811	Private Households
1429	Crushed and Broken Stone n.e.c.	4432	Freight Transportation on the Great Lakes	9111	Executive Offices
1442	Construction Sand and Gravel	4432	Freight Transportation on the Great Lakes	9131	Executive & Legislative Combined
1446	Industrial Sand	4449	Water Transportation of Freight n.e.c.	9199	General Government n.e.c.
1455	Kaolin and Ball Clay	4481	Deep Sea Passenger Transportation except Ferries	9211	Courts
1459	Clay and Related Minerals n.e.c.	4482	Ferries	9221	Police Protection
1474	Potash, Soda and Borate Minerals	4489	Water Passenger Transportation n.e.c.	9222	Legal Counsel and Prosecution
1475	Phosphate Rock	4491	Marine Cargo Handling	9224	Fire Protection
1479	Chemical and Fertilizer Mining n.e.c.	4492	Towing and Tugboat Services	9229	Public Order and Safety n.e.c.
1481	Non-Metallic Mineral Services	4493	Marinas	9711	National Security
1499	Miscellaneous Non-Metallic Minerals	4499	Water Transportation Services n.e.c.	9721	International Affairs
1761	Roofing			9999	Non-classifiable Establishments
1795	Wrecking and Demolition				
2411	Logging				
2812	Alkalis and Chlorine				
2813	Industrial Gasses				

## Contact us

Online resources, forms, and applications  
[blueshieldca.com/producer](https://blueshieldca.com/producer)

Producer Services  
 Phone: **(800) 559-5905**