



COMPARING PORTABILITY AND CONVERSION LIFE INSURANCE OPTIONS

	PORTABILITY	CONVERSION
What are the options for continuing life insurance after a change in my employment status?	Group Term insurance provides low-cost protection with a benefit payable upon death.	Individual Whole Life Insurance pays a benefit upon death, and may have additional cash-value options.
What is the difference between portability and conversion?	Changes your coverage to a term life policy when group term coverage is no longer available.	Changes your coverage to an individual whole life policy when group term coverage is no longer available.
What coverage is available?	Employees can purchase up to the amount of their basic and supplemental coverage as well as dependent coverage with no medical questions. Accidental death coverage is available for an additional fee.	Employees and dependents can convert their Group Life coverage. Each member, spouse and child would have an individual policy upon conversion. Accidental death coverage is available for an additional fee.
What is the basis for my rates?	You are charged rates based on established age ranges.	Rates are set by your age at the time of conversion.
Is there a difference in cost?	Lower premium costs because no cash value is available for loans or cash refund if you surrender the policy.	Rates for Conversion coverage are generally higher than the rates charged through your employer, in part because this is a whole life policy that includes cash value.
Do my rates change?	Yes. Rates change according to five year rate bands.	No.
How do I pay?	Direct bill and payment through the carrier	
Is medical information required?	No.	
Does the coverage amount change over time?	Yes. The amount of coverage you elect is reduced by 75% at age 65.	No. The coverage will remain the same.
What is the length of coverage?	Coverage will terminate at the age of 75.	Coverage can continue so long as premiums are paid until you are 121 years old, at which time the policy will terminate and you will be paid the value of the policy minus any outstanding loans, loan interest, or premiums due.
Are dependents covered?	Coverage for dependents without medical underwriting can only be in the amounts previously purchased under the Group Life Insurance Dependent option.	Yes. You may purchase coverage on your dependents without purchasing any coverage on yourself.
When do I apply?	MainePERS will notify you in writing of your required response timeline	
When does the coverage for dependents stop?	Coverage remains for as long as the term applies and premiums are paid.	Coverage for your dependents can continue as long as the premiums continue to be paid.
Circumstances of Death	Policy proceeds are generally not paid if death is due to a suicide that occurs during the first two years of coverage. Under that scenario, premiums paid up to that point in time are refunded.	

Questions? Please contact Survivor Services at 1-800-451-9800 or Survivor.Services@mainepers.org.

This is a summary of coverage and not a binding contract. Should there be differences between this summary and the contract, the contract will govern.