

Thinking of retiring? Life insurance is one element of sound financial planning. Here are answers to questions you might have regarding the MainePERS life insurance program. If you have additional questions or concerns, please contact MainePERS Survivor Services staff who look forward to assisting you.

**Q: What happens to my Group Life Insurance if I retire?**

**A:** You can retain your Basic group life insurance at no cost to you as long as you have this insurance at the point of retirement and you have participated in the program for at least 10 years.

If your group life insurance premiums are current at the point you terminate your employment, you will have 31 days before your coverage lapses. **The effective date of your retirement and your submission of a service retirement application to MainePERS must occur before your coverage lapses.** If your coverage lapses, you are not eligible to take employer paid basic group life into retirement with you.

Three requirements for employer paid basic group life in retirement:

1. At least ten years of coverage, and
2. Coverage in effect upon termination of employment, and
3. Retirement in effect prior to lapse of GLI coverage

**Q: Does my level of insurance coverage remain the same after I retire?**

**A:** Your level of coverage will start at an amount equal to your average final compensation (AFC) and will reduce 15% per year on the anniversary of your retirement until it reaches 40% of the original value or \$2500, whichever is greater.

**Q: What happens if I don't meet the requirements for continuing my basic life insurance?**

**A:** You have two ways to continue your life insurance at retirement. You may convert to an individual whole life policy or, if you qualify, port (transfer) your coverage to a different term life policy offered by our carrier. See "Comparing Portability and Conversion Life Insurance Options" under the Group Life Insurance forms section on the MainePERS website for details.

**Q: Can I change my Group Life Insurance beneficiary?**

**A:** Absolutely. You can do so at any time and as often as you wish. The form is available through your payroll department and in the Forms section of the MainePERS website, [www.mainebers.org](http://www.mainebers.org).

**Q: What happens if I have not named a beneficiary or my beneficiary predeceases me?**

**A:** If your primary beneficiary predeceases you, payment goes to your contingent beneficiary. If you die without any designated beneficiary, payment is in accordance with Maine law that provides a list of default beneficiaries in order of priority. We recommend that you review your designated beneficiary after life-changing events such as death, marriage or birth.

**Q: No matter which type of coverage I choose, will the premiums come out of my pension check?**

**A:** No. Basic coverage that continues into retirement is at no cost to retirees. Our carrier will bill you directly for other coverage you select.

**Q: Is there a cash value to my current Group Life Insurance?**

**A:** No. The group life insurance coverage offered by MainePERS is term life insurance which has no cash value.

**Contact MainePERS Survivor Services at the address or phone number listed above or e-mail [Survivor.Services@mainepers.org](mailto:Survivor.Services@mainepers.org) for additional information.**