

Human Resources: Group Life Insurance

WHOI automatically provides you with Basic Life insurance at no cost to you in an amount equal to one times your annual base salary, rounded to the next one thousand dollars. An eligible employee may elect the lesser of \$50,000 or one times annual salary.

Important Tax Information: IRS regulations require that the premium for Basic Life insurance in excess of \$50,000 is taxable to the employee. For example, a basic life insurance benefit of \$70,000 will require imputed income tax on the premium amount for \$20,000 of excess coverage (\$70,000 - \$50,000). Although the tax is minimal for most, employees have the right to waive their coverage amount to \$50,000 to avoid the imputed income tax. However, under strict IRS guidelines, coverage can only be waived during the initial eligibility, or during annual Open Enrollment.

If you continue to work beyond age 65, your benefits will be reduced according to the chart below. This benefit reduction is a percentage of your Basic Life Insurance in effect before age 65.

Age	% of Basic Life Insurance in effect prior to age 65
65-69	65%
70-74	45%
75-79	30%
80+	20%

Last updated: October 3, 2014

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