

How to Determine Your Basic Term Life Monthly Cost of Insurance

STEPS TO FOLLOW	EXAMPLE
For illustrative purposes only, consider a 35 year old employee whose base annual earnings (BAE) is \$40,000. With rates per \$1,000 of coverage.	
Multiply your BAE by 1.5 and divide by \$1,000 rate of coverage. Multiply that amount by \$0.216 which is your total monthly cost of insurance and finally multiply that total by 20%.	$\$40,000 \times 1.5 / 1000 = 60$ $60 \times \$0.216 = 12.96$ $12.96 \times 20\% = 2.592$ Total Monthly Cost: \$2.592

Rates for the Optional Life Insurance are as follows:

Age (As of effective date of coverage)	Rates
Under 25	\$0.084
25 - 29	\$0.097
30 - 34	\$0.122
35 - 39	\$0.135
40 - 44	\$0.148
45 - 49	\$0.204
50 - 54	\$0.294
55 - 59	\$0.443
60 - 64	\$0.812
65 - 69	\$1.236
70+	\$2.359
Rates quoted are the monthly cost per \$1,000 of coverage and include the cost of accidental death and dismemberment coverage.	

How to Determine Your Optional Term Life Monthly Cost of Insurance

STEPS TO FOLLOW	EXAMPLE
For illustrative purposes only, consider a 42 year old employee whose base annual earnings (BAE) is \$25,000 and selects two multiples of BAE for a coverage amount of \$50,000.	
1. Indicate your amount of coverage.	\$50,000
2. Locate your age on the rate chart above and note the corresponding monthly rate.	42 years old \$0.148 monthly rate per \$1,000 of coverage
3. Divide your selected amount of coverage by \$1,000 and multiply the result by the monthly rate for your age to determine your monthly cost.	$\$50,000 \div \$1,000 = 50$ $50 \times \$0.148 = \7.40 Total Monthly Cost: \$7.40 (If you are paid bi-weekly, please divide Total Monthly Cost above by 2 to get your cost.)
*This is optional coverage, available only to employees participating in the Basic Term Life Coverage. The entire cost of the Optional Term Life and Accidental Death & Dismemberment coverage is employee paid.	