



SENTRY[®]
INSURANCE



**The Right Choice for Your
Group Insurance Needs**

Group Administration Guide

Information used to administer your group insurance plan may include private and/or confidential information. Every effort should be made to protect the information by limiting access to non-essential personnel.

This guide provides the information you need to administer your plan. Questions most commonly asked by employees are answered. It also directs you to where you can locate your Group administration forms online. For additional help in administering your plan from Sentry, see the "Sentry Contacts" section below for toll-free telephone numbers of Sentry associates who are available to help you.

Sentry Contacts

Administrative Questions:

- Contact the Participant Services unit regarding:
 - How to enroll an employee or dependent
 - Requesting an employee certificate of insurance
 - Submitting an employee application, benefit
 - Other administrative questions
 - Email: GroupAdmin@sentry.com or call 1-800-648-1122
 - Fax: 715-346-8901

- Contact the Premium Services unit regarding:
 - Premium billing questions, Current paid to date and payment status
 - How to submit premium payments electronically
 - Email: GroupAccounting@sentry.com or call 1-800-648-1122

Sentry Life Insurance Company
P.O. Box 8024
Stevens Point, WI 54481-8024

Life and Disability Claims Questions:

- Contact the Policy Benefits Life and Disability unit regarding:
 - How to file a claim
 - Coverage verification and questions
 - Claim status
 - Email: DisabilityLifeClaims@sentry.com or call 1-800-272-0533

Sentry Life Insurance Company
P.O. Box 8029
Stevens Point, WI 54481-8029

Dental Claims Questions (If part of your plan):

- Contact the Benefit Services department regarding:
 - How to file a claim
 - Identification Cards
 - Coverage verification and questions
 - Claim status
 - Call 1-877-214-5775

Sentry Life Insurance Company
P.O. Box 20139
Roanoke, VA 24018

How to Administer

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Section 1 – Enrollment

New Employee and New Dependent Applications

Applications for new employee enrollments and employees adding coverage for new dependents can be found online on www.Sentry.com/SentryGroupBenefits. Select the correct application by selecting your state.

Employee Eligibility for Group Insurance Coverage

- Eligible participants (including owners, officers and partners) must be active, permanent full-time employees whose normal work week year round is 30 hours per week (15 hours in NH; 24 hours in CO) from the employer's work site or designated area.
- Retirees are not eligible for coverage.

To Enroll a New Employee for Coverage

Employee completes the Employee Application found on Sentry's website online at www.Sentry.com/SentryGroupBenefits.

- Be sure the employee signs and dates the application.
- The employee must include beneficiary information for life and accidental death insurance.
- Employee must retain the portion of the application labeled "IMPORTANT NOTICE – KEEP FOR YOUR RECORDS".
- Submit the employee's application to Sentry Life Insurance Company by Fax to 715-346-8901, if you choose email to GroupAdmin@Sentry.com or mail to Sentry Life Insurance Company, P.O. Box 8024, Stevens Point, WI 54481-8024. (In KY the original application must be submitted.)
- **Proof of good health** is required in certain circumstances by an employee completing the **health questionnaire** portion of the employee application. The application must be submitted for review and approval. Additional information may be required from their health care provider. The proof of good health is required:
 - When applying for life or disability insurance and there are less than 10 employees enrolled for either of those coverages.
 - When applying for life or disability insurance and your plan is a Specialty Market plan with less than 5 employees enrolled for either of those coverages.
 - When the employee is applying 31 days beyond the first possible effective date of coverage for life or disability insurance and the employee shares in the premium cost.

Waiver of Participation

- If the employer pays 100% of the employee's premium coverage must be extended to all eligible employees.
- If the employees contribute to the cost of insurance, an employee may decide not to participate in the group insurance coverage. The employee should complete the WAIVER SECTION on the employee application.

Return the waiver application to Sentry Life Insurance Company by Fax to 715-346-7493, if you choose to email to GroupAdmin@Sentry.com or mail to Sentry Life Insurance Company, P.O. Box 8024, Stevens Point, WI 54481-8024.

Dependents

- The spouse by legal marriage to an eligible employee is an eligible dependent.

Section 1 – Enrollment

- Children of eligible employees including stepchildren or legally adopted and foster children, **unless** the dependent is married or does not meet student qualification. Student qualification may vary by state as noted on the employer application.
- Your employer application contains the information about age limitations for dependent children.
- Individuals eligible for coverage as an employee are not eligible for dependent coverage.

To Add a Dependent

- The employee must complete, sign and date an employee application (found online under Group Insurance on Sentry's website www.Sentry.com/SentryGroupBenefits).
- Mark "Applying for Dependents Coverage" at the top of the application.
- If applicable, indicate marriage date, birth date, adoption date or foster home placement date.
- Return the application to Sentry Life Insurance Company by Fax to 715-346-7493, or if you choose, email to GroupAdmin@Sentry.com or mail to Sentry Life Insurance Company, P.O. Box 8024, Stevens Point, WI 54481-8024. (In KY the original application must be submitted.)

Effective Date of Coverage

New Employees

- When employees must provide *proof of good health* (as described above), coverage will begin on the first of the month following approval by Sentry.
- When proof of good health is not required **AND** the employer pays the total premium, then coverage will begin on the first of the month following completion of the eligibility period. The eligibility period for employees is shown on the employer application.
- When proof of good health is not required **AND** total premium is paid by shared arrangement between the employer and the new employees, coverage will begin on the first day of the month following receipt of the application. Remember if applying 31 days beyond the first eligibility date, proof of good health is required.
- If the employee is absent from work on the day before coverage is to begin, coverage will begin on the date the employee returns to work. If the employee is on vacation or regularly scheduled day off, coverage will begin as if the employee is at work.

Dependents

- Dependents' coverage begins on the insured employee's effective date provided that the employee has enrolled for dependents' insurance, or the date the dependent is first acquired provided that the employee applies for dependent's insurance within 31 days after that date (may vary by state).

Section 1 – Enrollment

Premium Payments and Employee Participation

Minimum number of participants to qualify for coverage:

- Three employee participants for life, dental, and short-term disability.
- Ten employees for long-term disability coverages.

For all employers who pay 100% of the premium

- 100% of the eligible employees must enroll for that benefit.
- Applies to all Specialty Market plans and Management Benefit Option plans.

For employers with 3-9 eligible employees:

- Life and short-term disability (STD) – employers must contribute 100% of insurance premium and all eligible employees must participate.
- Dental – employers must contribute at least 50% of insurance premium and 75% of all eligible employees must participate.

For employers with 10 or more eligible employees:

- The employer must contribute at least 25% of insurance premiums for each coverage (i.e., life, short term disability, long term disability or dental).
- 75% of all eligible employees must participate in life, short-term disability (STD) & long-term disability (LTD).
- 60% of all eligible employees must participate in dental for groups of 10-24 employees. 50% of all eligible employees must participate in dental for groups of 25 or more employees.

Section 2 – Changes to Employee/Dependent Coverage

Cancellation of Employees Insurance

For life, dental and short-term disability cancellation is effective the first day of the month after:

- The employee terminates full-time employment, retires, requests cancellation; or
- The dependent is no longer eligible or becomes eligible for coverage as a full-time employee of your business.

For long-term disability cancellation is:

- Effective the day the employee terminates full-time employment.
- Effective the 1st of the month following request to cancel coverage.

To cancel coverage for an employee or dependent:

- Report the termination to Sentry Life Insurance Company by Fax to 715-346-8901 or email to GroupAdmin@Sentry.com. Include the employee's name (and dependent if applicable) and indicate the date employment ended or when the employee or dependent were no longer eligible.
- Give the employee a completed Termination of Group Insurance form (Found online on www.Sentry.com/SentryGroupBenefits)
 - For individuals on state/federal continuation – the date you insert on the Employee Notice is either the date continuation expires or the date the continued individual ceases to pay premium or otherwise indicates a desire to end the continuation.
 - For individuals either not eligible or not selecting state/federal continuation – the date you insert on the Employee Notice is the last day of the coverage month the insured employee's employment/coverage ends.

To cancel coverage for your entire account:

- Notify Sentry in writing 30 days before the requested cancellation date and include the reason for cancellation. Send the termination request to Sentry Life Insurance Company by Fax to 715-346-8901, email to GroupAdmin@Sentry.com or mail to Sentry Life Insurance Company, P.O. Box 8024, Stevens Point, WI 54481-8024.
- Give each employee a completed Employee Notice - Termination of Group Insurance form for nonpayment of premium – the date you insert on the Employee Notice is 31 days (the grace period-60 days for group life policy in CA) added to the first of the month for which premium was not paid.
- For employer requesting coverage termination – the date you insert on the Employee Notice is the termination date you requested when notifying Sentry to cancel your coverage.

Layoffs

If an employee is temporarily laid off, continuing the premium payments can maintain coverage to the end of the month in which the employee was laid off, plus one month. If the employee has not returned to work by the end of that month, coverage must be cancelled.

Disability

Continue premium payments during periods of disability for coverage to remain in force. Extension of benefits may apply under group life or long term disability coverage without premium payment.

Section 2 – Changes to Employee/Dependent Coverage

Leave of Absence

Coverage for an employee on a leave of absence may be continued for up to 12 months. For coverage to remain in effect, notify Sentry in advance and continue making premium payments. Refer to your policy and certificate for details.

Beneficiary Changes

Have the employee complete a beneficiary change form and submit to Sentry Life Insurance Company by Fax to 715-346-8901, or if you choose, email to GroupAdmin@Sentry.com. Forms are available online at www.Sentry.com/SentryGroupBenefits. (In KY the original application must be mailed to Sentry Life Insurance Company, P.O. Box 8024, Stevens Point, WI 54481-8024.)

Rehires

Employees who terminate employment and have coverage canceled, then return to work, are treated as new employees.

Changes to Employee Status – Class Changes

Submit employee application with type of classification change shown at top in the "Change" section. Employee must complete the back side, sign and date the accept section. Submit the completed application to Sentry Life Insurance Company by Fax to 715-346-7493 or if you choose to email to GroupAdmin@Sentry.com. (In KY the original application must be mailed to Sentry Life Insurance Company, P.O. Box 8024, Stevens Point, WI 54481-8024.)

Coverage Conversion Requests

Individual conversion life policies are available to terminated employees if requested within 31 days after group life coverage is terminated (the number of days may vary in some states and are shown in the certificate). Contact GroupAdmin@Sentry.com.

Dental COBRA or State Continuations

Continuation of coverage is available under certain circumstances to employees and dependents in the event of employment termination or reduction of work hours – contact GroupAdmin@Sentry.com for more information.

- If an insured employee's coverage terminates or a spouse of an employee's coverage terminates due to divorce, group dental coverage may continue as described within the policy/certificate.
- COBRA continuation may apply to your dental plan if you have 20 or more employees (full or part-time).
- The US Dept. of Labor provides information under the section **Frequently Asked Questions** about Cobra continuation health coverage at their website www.dol.gov/ebsa/faqs/faq_compliance_cobra.html. A link is provided to the booklet An Employer's Guide to Group Health Continuation Coverage Under COBRA - The Consolidated Omnibus Budget Reconciliation Act of 1986.
- If person decides to continue coverage, the employee completes the Dental Continuation Request form found online at www.Sentry.com/SentryGroupBenefits.
- The applicable premium amount for continued coverage should be entered on the form. The premium should be paid directly to you (employer) on or before your premium due date. You should then include the amount of the premium due for the continued coverage in your normal remittance to Sentry.

Section 2 – Changes to Employee/Dependent Coverage

- The first payment is made by the terminated employee/spouse to you on or before your next premium due date following the employee/spouse's termination. Be sure to specify the exact date in the appropriate space on the Dental Continuation Request form.
- After the terminated employee/spouse signs the form, give one copy to the terminated employee/spouse, retain one copy for your records and if the choice is to continue coverage, forward one copy to Sentry with your next premium payment.

USERRA – Uniformed Services Employment & Reemployment Rights Act

USERRA protects the job rights of individuals who voluntarily or involuntarily leave employment positions to undertake military service. This employment law basically sets out an employee's right for continuation of benefits during the period of military duty and reemployment rights after discharge from military duty.

The regulations state an employer may not deny an employee:

- Initial employment
- Reemployment
- Retention in employment
- Promotion; or
- Any benefit of employment because of military status

The regulation sets out Health Insurance Protection for employees leaving for military duty. It states the following:

- If an employee leaves their job to perform military service they have a right to elect to continue their existing employer-based health plan coverage for them and their dependents for up to 24 months while in the military.
- Even if they don't elect to continue coverage during their military service, they have the right to be reinstated in your health plan when they are reemployed, generally without any waiting periods or exclusions (e.g. pre-existing condition exclusions) except for service connected illnesses or injuries. In general the period of time away from employment for military duty is not more than 5 years. There is a period of time for reporting back to work or to seek reemployment that depends on the length of military duty. That time period is your responsibility to calculate. The period between the completion of the period of military service and the time to report back to work does not count against the five-year limit.

Section 3 – Filing a Claim

Claim forms are found online at www.Sentry.com/SentryGroupBenefits.

Call Life and Disability Claims at 1-800-272-0533 or email DisabilityLifeClaims@Sentry.com to report a claim or for additional information.

Life Insurance

For waiver of premium claims on employees who become permanently or totally disabled, notify Sentry's Policy Benefits Department at 1-800-426-7234 or email DisabilityLifeClaims@sentry.com.

Your premium statement will be adjusted at the appropriate time.

Dental Insurance

Each employee receives a dental insurance identification card mailed to their home address. The card includes instructions for a dental office to report claims.

Disability Insurance (short-term and long-term)

Disability claims must be submitted as soon as possible after the disability begins. To submit a disability claim:

- Complete the employer section of the Group Disability Income Claim Report form including authorized employer signature and date.
- Ask the employee to:
 - Complete and sign the employee section of the form
 - Complete and sign Part A on the back of the form
- Have the attending physician complete Part B, Attending Physician's Statement.
- Send the completed form to Sentry's Policy Benefits Department.

Sentry will issue a W2 form to employees for any portion of disability claim payments that are taxable.

Important Note:

Sentry deducts the employee portion of FICA for disability benefit payments during the six months of disability and forwards to the Federal Government. You will receive a statement shortly after we complete the payment in addition to quarterly and annual statements. As the employer, you are required to pay the employer portion of FICA for employees on disability and receiving benefits from Sentry.

How to Pay Your Group Premium

Submit your payment along with the top portion of the Group Premium Statement.

When to Pay Your Group Premium

- Payment is due on the first of the month shown in the statement period section of your premium statement. If premium is unpaid after the 31-day grace period (60 days for group life policy in CA), coverage will end on the 32nd day.
- You are responsible for payment of the remaining balance including the 31-day grace period, even if coverage ends.

Explanation of Premium Statement

Total premium for is the current month's premium. Each column includes a total for each product and a grand total for the current month.

Premium Due-Prior Periods is the premium for newly added employees that were effective prior to the current billed month plus the premium not paid from the last statement.

Policy Adjustment is any amount due for account changes including any amounts due from a prior bill at the time of the change.

Policy Credit is any credit applied toward the current premium due.

Section 125 Considerations

Group insurance benefits offered by an employer under a salary-reduction IRS Section 125 cafeteria plan (Section 125 Plan) are subject to nondiscrimination testing and other IRS requirements. As a general rule, if you permit employees to pay for any portion of their group benefits through pretax payroll deductions, you must have a Section 125 Plan and must comply with applicable IRS regulations. Although Sentry Insurance offers group insurance programs, Sentry does not administer your Section 125 Plan or perform nondiscrimination testing. Sentry does not provide legal or tax advice and Sentry is not responsible for your Section 125 Plan or for your compliance with applicable IRS regulations. You should discuss Section 125 Plans with your legal or tax advisor

Group forms are available online at:

Employer Groups in all states except New York – www.sentry.com/sentryGroupBenefits

Employer Groups in New York – www.sentry.com/sentryGroupBenefitsNY