

# *Administrative Guide*

## SELF BILL

**Kansas City Life Insurance Company**



KANSAS CITY LIFE

GROUP BENEFITS

# KANSAS CITY LIFE

## *Group Administrative Procedures*

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# Welcome to Kansas City Life Insurance Company

Thank you for choosing us to assist your organization in meeting its employee benefits needs. This Administrative Guide covers the major aspects of plan administration and is designed to assist you in successfully administering your group insurance. For your plan to operate as intended, we appreciate your assistance in providing timely and accurate information.

Please note this guide does not change the provisions in your group specific policy(ies) and certificate(s) and may not address every situation or unique circumstance. If you have any questions, please refer to your master policy(ies) and certificate(s) or contact your Client Services Representative (CSR) at Kansas City Life.

When contacting Kansas City Life with any questions you have concerning your insurance coverage, please have your company (policyholder) name and policy number available.

Our office hours are from 8 a.m. to 4:15 p.m. CT, Monday through Friday.

Your CSR's name, extension number, and email address are located on your premium statement.

## **Customer Account Team numbers are:**

**Toll-free:** 877-266-6767 – automated attendant

**Kansas City Area:** 816-753-7000 – operator assisted  
816-753-7299 – automated attendant

**Fax:** 816-753-2964

All group forms may be found on our website at [www.kclgroupbenefits.com](http://www.kclgroupbenefits.com). Many administrative forms are state specific, thus the website is designed to assist you in locating forms for your state simply by selecting your company's state of domicile.

Send administrative correspondence to:

**ATTN: (The name of your CSR)**

**Kansas City Life Group Benefits Administration**

**Kansas City Life Insurance Company**

**P.O. Box 219425**

**Kansas City, MO 64121-9425**

## **Disclaimer**

This guide is not a certificate of insurance but a brief description only. The group policy alone determines all rights and benefits.

# RESOURCES

## Website Access

Kansas City Life Group Benefits welcomes you to take a look at our user-friendly website. This site should be considered an extension of the personal customer service you receive from us, not as a replacement. We want you to be able to better assist your employees when it comes to their benefits. Online you can:

- Download applications, enrollment forms, and claims forms
- Research all the products Kansas City Life Group Benefits offers
- Access contact information for claims and customer service

## Online functionality

Through online access, you have the ability to view documents associated with your policy such as certificate booklets and information on Value Added Services and Employee Assistance Program (EAP) services included with your coverage as applicable.

To proceed, go to [www.kclgroupbenefits.com](http://www.kclgroupbenefits.com). Click Log into Group Dashboard under Employers. You will enter your username (group number) and password. (This is provided in the email you receive from Kansas City Life when your policy is issued. You will be required to change your password the first time you sign in.

If you have questions about your policy or how to utilize the website, please contact your CSR whose name appears on the remittance page of your bill.

## Administration Forms

State and product-specific forms are available for you to download at [www.kclgroupbenefits.com](http://www.kclgroupbenefits.com).

- Under *Employers*, choose *Find a Form*, then select your state and products.

Examples of forms available include Beneficiary Change, Change of Information, Claim Forms, Continuation of Coverage, Conversion Application, Conversion Notice, Enrollment Forms, and Health Statements.

# BILLING INFORMATION – SELF BILL

## Due date

Premiums will be due each month on the date corresponding to the policy anniversary date.

## Premium statement

- The statement is customized according to the benefit schedule.
- A supply of statements will be included for the entire rate guarantee period.
- Each month you should complete the following:
  - o Number of lives covered for each class and/or product
  - o Calculate volume, benefit, and/or covered payroll for each class

Please note:

- Life – make sure reductions in coverage due to age, are calculated
- Short Term Disability (STD) – review benefit amounts to verify none exceed maximum
- Long Term Disability (LTD) – review covered payroll to verify none exceed maximum
- Calculate the premium due for each class by multiplying the volume by the rate
- Total and Remit premium by the due date

The premium is used as an audit trail for premium, eligibility, and coverage. Kansas City Life Insurance Company may request a current census of eligible and enrolled employees annually.

## Payment

Payment should be made on or before the due date, which is equal to your statement date, to avoid the possibility of a lapse in coverage. To report premium appropriately, please submit the completed correspondence statement.

Payments may be submitted by mailing a check or through our online Webpay at [kclgroupbenefits.com/WebPay](http://kclgroupbenefits.com/WebPay). If paying online through the Webpay, please send the statement detail to [GrpAdmin@kclife.com](mailto:GrpAdmin@kclife.com).

## Adjustments

All changes should be maintained by the individual who has been designated as your plan administrator. Any changes that affect the premium remittance should be adjusted on the current statement. For employees who become eligible or terminate during the current statement period, premiums will commence with the next statement. You should record all changes within 31 days of the date a change occurred.

### *New employee*

If coverage is non-contributory, the employer must maintain completed, signed, and dated enrollment forms.

If coverage is contributory, the employer must maintain completed, signed, and dated enrollment forms or completed, signed, and dated waiver forms if an employee chooses not to enroll.

### *Rehired employees*

A new enrollment form must be completed within 31 days from the employee's rehire date. The rehire date in the employer section of the enrollment form should reflect the date full-time employment resumed.

- Employees rehired within six to 12 months from the date of termination will be eligible for insurance the day the employee again becomes a member of an eligible class.
- Employees rehired more than six to 12 months from the date of termination are considered new employees and must fulfill the eligibility waiting period.
- Refer to your policy documents to determine the rehire provision included with your policy.

# ENROLLMENT and CONTRIBUTIONS

## Definitions

### *Non-contributory*

A group insurance policy issued to an employer in which the employer pays 100% of the cost of the benefit. The employee contributes no part of the premium. All eligible employees must be insured.

### *Contributory*

A group insurance policy issued to an employer in which both the employer and employee contribute to the cost of the benefit. Minimum participation is required to continue coverage.

### *Voluntary*

A group insurance policy issued to an employer in which the employee contributes 100% of the cost of the benefit. Minimum participation is required to continue coverage.

## Enrollment

### *Non-contributory coverage*

If the product does not require employees to pay any portion of the premium, all eligible employees must be enrolled. The enrollment form should be completed, dated, and signed within 31 days of the eligibility date to Kansas City Life. Coverage for non-contributory plans automatically becomes effective on the day the eligibility period is met, provided an employee is actively at work on that date and a member of an eligible class. If an employee applies for insurance more than 31 days after becoming eligible, premiums will be charged back to the date the employee becomes eligible.

### *Contributory and voluntary coverage*

If the product requires employees to pay any portion of the premium, coverage is not automatic.

All eligible employees should complete an enrollment form within 31 days of their eligibility date to Kansas City Life. Enrollment submitted after 31 days will require additional medical information.

When electing coverage, an enrollment form must be completed, dated, and signed indicating coverage elected. If an employee does not wish to elect coverage(s), they should print their full name on the top line of the enrollment form, then sign and date the declination of coverage section.

Coverage for a contributory product is effective on the day the eligibility period is met, provided the employee is actively at work on that date. If an employee applies for insurance more than 31 days after becoming eligible, the employee will be considered a late applicant. Refer to the Late Applicants section for additional information.

Every effort should be made to have employees join in order to maintain the minimum participation requirements for the group.

## Dependents

Dependents are eligible for coverage if indicated in the Schedule of Benefits of the Master Policy. Employees need to enroll dependents for coverage within 31 days of being eligible by selecting the coverage on the enrollment form. See policy for definition of eligible dependents.

### *Non-contributory coverage*

If your plan is one in which the employer pays all, or part, of the dependent premium, coverage will become effective on the same date as an employee's coverage, provided an employee has applied for dependent coverage by completing an enrollment form and selecting the coverage. If an employee adds a dependent after their enrollment for reasons of marriage, birth, adoption, etc., they must apply for dependent coverage within 31 days after the date the event occurred. If an employee applies for dependent coverage more than 31 days after a dependent is eligible, they will be added the date they were eligible to come onto the plan and premium will be charged from that date.

### *Contributory and voluntary coverage*

If your plan is one in which the employee pays all, or part, of the dependent premium, coverage will become effective on the same date as an employee's coverage, provided an employee has applied for dependent coverage by completing an enrollment form, and selecting the coverage. If an employee adds a dependent after their enrollment for reasons of marriage, birth, adoption, etc., they must apply for dependent coverage within 31 days of the date the event occurred. If an employee applies for dependent coverage more than 31 days after a dependent is eligible, refer to Late Applicants section.

# LATE APPLICANTS

## Contributory and voluntary plans

### Life, STD and LTD

If an employee does not enroll for coverage within 31 days following completion of the eligibility waiting period, they may enroll at a later date and provide evidence of insurability.

When an employee decides to enroll, both the enrollment form and a health statement must be completed and sent to Kansas City Life for approval.

If dependent life coverage is provided and the employee has elected coverage by marking the enrollment form appropriately, each dependent will also need to be listed on the health statement. Dependents should be specifically designated if any medical information applies.

It is important to provide all required information completely on health statements to avoid delays in processing. Please note: Separate health statements required for all those applying (employee/spouse/children).

## Effective dates

### Employee

Coverage will become effective on the date Kansas City Life approves the health statement, provided an employee is actively at work on that date and is a member of an eligible class.

### Dependent

Coverage will become effective on the date Kansas City Life approves the health statement, provided the dependents are not confined to a hospital.

You will receive notification from Kansas City Life that coverage has been approved or declined. You should include the enrollee on the next premium statement following approval date.

## Health statements

Health statements vary by state. You may obtain the appropriate version by visiting [www.kclgroupbenefits.com](http://www.kclgroupbenefits.com), or contacting your CSR.

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# BENEFICIARY DESIGNATIONS

## LTD and STD

Beneficiary designations are not required. Any proceeds due will be paid according to contract provisions.

## Life and Voluntary Life

Carefully drawn beneficiary designations provide payment of proceeds to named beneficiaries without delay. Whenever possible, it is recommended that each employee name individuals as beneficiaries clearly identified by full name and relationship to the employee. The payment of proceeds can usually be completed quicker when a person is named rather than an estate, trust, or some other non-personal beneficiary. Generally more information is needed if an individual is not named.

In addition to naming a primary beneficiary, it is advisable to name a contingent beneficiary. If one is not named and the primary beneficiary predeceases the insured, proceeds are paid according to the master policy. When beneficiaries are to receive unequal amounts, percentages of the total benefits should be shown. When the unequal amounts option is

chosen, there must be a contingent beneficiary listed for each beneficiary named. Specific dollar amounts allocated to each beneficiary are not acceptable.

If the beneficiary is the estate, a minor or is deemed incompetent, and if an estate representative or guardian has been appointed, copies of Letters of Administration or Letters of Guardianship must be furnished when a claim is reported. If no appointment has been made and none is expected, advise the Kansas City Life Claims Department and await further instructions.

## Changing designations

When an employee elects to change a beneficiary, a beneficiary change form should be completed, dated, and signed by the employee and witnessed. Without the date and signatures, this form could be void. It is the responsibility of the employer to maintain the current employee beneficiary information. Our Claims Department will contact the employer for the current beneficiary designation at the time of claim.

## CERTIFICATES

The group insurance certificate is an important document because it explains the benefits and provisions of the group insurance plan(s). It also includes rights under the Employee Retirement Income Security Act of 1974 (ERISA). Each eligible employee must be given a copy of the group insurance certificate within 120 days after becoming eligible for coverage. After that, an updated certificate must be given to each participating employee whenever important changes are made to your plan.

The group plan administrator will receive a supply of certificates at inception to be distributed to all eligible employees. There are several acceptable methods of distributing the certificates:

- Hand delivery
- Mail (1st, 2nd, or 3rd class)
- Employer Intranet
- Special insert in an employee or employer publication. Be sure the distribution list is up to date if this option is used.

It is not acceptable to leave a group certificate in a location frequented by employees (for example, a lounge or cafeteria).

A supply of certificates should be kept on hand by the employer to distribute to new employees as they become eligible and enroll. Additional copies may be requested by contacting your CSR with the number of additional certificates needed. Please allow three weeks for these to be produced and delivered.

In some cases, we may be able to send you the certificate electronically. If you would rather have an electronic version of the certificate, contact your CSR.

## CONVERSION and PORTABILITY

Conversion provisions apply to Life and Voluntary Life. Portability provisions only apply to Voluntary Life. Voluntary Life coverage may be extended under Conversion or Portability, but not both.

### Conversion: Life and/or Voluntary Life

At termination, employees may convert their group life insurance policy issued by Kansas City Life. A Notice of Conversion Rights Under Group Life Insurance Policy should be given to all employees whose life insurance terminates. To apply, the employee must complete an Application for Conversion of Group Life Insurance. The application and the initial premium must be submitted within 31 days of termination.

If an employee should die within the 31-day period, the amount of insurance, which they are entitled to convert, will be paid to the beneficiary, even if no application for conversion has been made.

Conversion is limited by state law and policy provisions. See your contract for specific limitations on conversion. For additional details or to obtain the appropriate rates and forms, contact your CSR or visit our website, [www.kclgroupbenefits.com](http://www.kclgroupbenefits.com).

### Portability: Voluntary Life

If your group elected portability, please refer to the group certificate for details.

#### **Please note the following about portability:**

- After the first bill, bills will be quarterly and premiums will not be refunded.
- If portability is terminated for any reason, coverage will not be reinstated.
- Depending on state regulations, employees may not be allowed to convert once they have ported.



# CLAIM PROCEDURES

In the event of a claim, Kansas City Life should be notified within the number of days as described in the certificate. To avoid delays in claim processing, make sure all information is completed on the appropriate claim form. To obtain the appropriate forms, visit [www.kclgroupbenefits.com](http://www.kclgroupbenefits.com) or contact your CSR.

## Life, Voluntary Life, Waiver of Premium, and/or Dismemberment

The “Notice of Claim” form may be utilized to report deaths, waiver of premium, or dismemberment claims. You may also provide the following to the Claims Department:

- Group policy number
- Certificate number (if applicable)
- Insured’s full name and address
- Insured’s date of birth
- Date of death or dismemberment
- Cause of death or dismemberment

Upon receipt of complete information, the Claims Department will send the appropriate detailed forms and instructions directly to the group or member and claim procession will begin. Should clarification or additional information be necessary, the Claims Department will contact the appropriate party directly.

When calling Kansas City Life with any questions you have concerning claims administration, please have your company (policyholder) name and policy number available.

**Kansas City Area:** 816-753-7000 – operator assisted  
816-753-7299 – automated attendant  
**Toll-free:** 800-821-6164 – automated attendant  
**Extension:** 6080 – Death Claims  
**Extension:** 6090 – Waiver of Premium and Dismemberment Claims

All correspondence on group life, waiver of premium, and dismemberment claims should always include the group policy number and be addressed to:

**Kansas City Life Insurance Company**  
**Claims Department**  
**P.O. Box 219282**  
**Kansas City, MO 64121-9282**

Or **fax** to: 816-753-1198

Or **email** to: [kclclaims@kclife.com](mailto:kclclaims@kclife.com)

## Long Term Disability and/or Short Term Disability

For information on filing disability claims, please refer to the Claim Information section of the Employee’s Certificate.

When calling Kansas City Life with any questions you have concerning claims administration, please have your company (policyholder) name and policy number available.

**Toll-free:** 888-305-0590

All correspondence on disability claims should always include the group policy number and be addressed to:

**FullscopeRMS**  
**P.O. Box 9757**  
**Portland, ME 04104**

Or **fax** to: 207-766-3448

Or **email** to: [claims@yourbenefitexpert.com](mailto:claims@yourbenefitexpert.com)

# LEGAL REQUIREMENTS

## ERISA

Certain reporting and disclosure provisions of the ERISA are applicable to your group insurance plan. These reporting and disclosure provisions are the sole responsibility of the plan administrator. If the plan administrator has not been named, these provisions are the responsibility of the employer. For additional information, you may consult the ERISA section of your group certificate, visit [www.dol.gov](http://www.dol.gov) or consult your legal adviser.

## Taxation of Group Life Insurance

The IRS, as of the publication of this document, requires taxes to be paid on coverage in excess of \$50,000 (the amount which is taxable to the employee).

For additional information on reporting requirements, please contact the IRS directly or consult with your tax adviser. Kansas City Life will not provide tax advice.

Refer to [www.irs.gov](http://www.irs.gov). Search Publication 15-B (Employer's Tax Guide to Fringe Benefits) and reference "Coverage Over The Limit."

## Tax Reporting on Long Term Disability

The IRS, as of the publication of this document, requires taxes to be paid on portions of sick pay benefits. This reporting is the responsibility of the plan administrator although Kansas City Life does offer W-2 services on request. Kansas City Life will provide monthly, quarterly, and annual reports on any employee who received or is receiving benefits in order for you to complete the W-2.

For additional information on filing requirements related to sick pay reporting, please contact the IRS directly or consult with your tax adviser. Kansas City Life will not provide tax advice.

Refer to [www.irs.gov](http://www.irs.gov). Search Publication 15-A (Employer's Supplemental Tax Guide).

# PRIVACY NOTICE

This notice describes the privacy rules the Kansas City Life Insurance Company Group of Companies follows with respect to the non-public personal information of its customers. We follow these rules for both current and former customers.

The companies are:

- Kansas City Life Insurance Company, Old American Insurance Company, and Grange Life Insurance Company, which are life insurance companies;
- Sunset Financial Services, Inc., a broker dealer; and
- KCL Service Company, an insurance agency.

As we provide products and services to you, we may collect certain information. This may include information:

- that you give us on applications and other forms, including address, social security number, or other personal identifiers.
- about your transactions with us, such as the kinds of products you buy and your payment history; or
- that we receive from outside sources, such as a consumer reporting agency and health care providers.

**We do not sell your non-public personal information to third parties.** Each affiliated company will only disclose its customers' non-public personal information:

- among the other affiliates;
- to provide services to its customers;
- to administer its business;
- to market products; and
- as allowed by law.

We may disclose customers' non-public personal information to our agents. We may also disclose it to others to provide service, to help us market our own products, or to establish retained asset accounts for settlement proceeds or benefits.

We will require in writing that your information be kept confidential. We will also require in writing that the information must be used only for the reason we disclosed it. This includes information we get from a consumer reporting agency. If we ever change this policy, we will give you a chance to opt out.

Sometimes we acquire medical information about our customers. We may need this information to process a claim or issue a policy. We will only disclose medical information:

- to administer our business;
- to perform services and transactions you ask for;
- to comply with laws and regulations; and
- as you or your representative approve.

There are federal rules that may apply to use and disclosure of your personal health information if you are covered by a health insurance policy or group dental or vision insurance plan. In these cases, you will receive a separate notice.

We have security controls in place to protect your non-public personal information. We limit use of our customers' information to our employees who need such information to do their jobs and to outside entities as required or permitted by law. We also have physical and electronic safeguards that are intended to assure the privacy of your non-public personal information.

You may review the information we have on file about you. If you think it is wrong, you may ask for a change. If we agree, we will make the change.

We have the right to change our privacy rules. If we do that, we will send a written notice to all customers who may be affected by the change.



KANSAS CITY LIFE

GROUP BENEFITS

Underwritten by: Kansas City Life Insurance Company  
3520 Broadway • Kansas City, MO 64111-2565  
P.O. Box 219425 • Kansas City, MO 64121-9425  
Toll-free: 877-266-6767, ext. 8302 • Fax: 816-753-2964  
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