

Group accidental death and term insurance



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One of the many benefits of being a member of the National Association of Letter Carriers is the Group Accidental Death Benefit (policy #G-001) provided by the Mutual Benefit Association (MBA). This benefit is provided free of charge to all active (including city carrier assistants [CCAs]) and retired NALC members in good standing. The basic benefit coverage is \$5,000.

Benefits under this group policy are paid in equal shares to the surviving person(s) in the first of the following categories: widow/widower, children, parents, brothers/sisters and executors/administrators. The insured member may elect to designate a beneficiary other than those as stated

above by filing out the Designation of Beneficiary form for the Group #G-001 policy; the form can be found on our website or obtained by calling our office.

Additional group accidental death and term life insurance is available for local NALC branches to purchase. The plans are administered by the MBA and come in a variety of benefit levels. The additional group coverage for branches covers only active members (including CCAs) of the branch; retired members are not covered.

The process for a branch to purchase group supplemental accidental death or term life coverage is simple. Once a branch has made the determination to purchase this additional coverage, it should contact MBA. MBA will send a group supplemental application to be completed by the branch president. The branch should return the completed application and a check for the first month's premium payment to the MBA. Coverage will become effective the first day of the following month after MBA has received the application and first month's premium. MBA will bill NALC for the branch's future monthly premiums. NALC Headquarters will deduct the monthly premium amount from the branch reimbursement check.

A branch that has elected to purchase additional supplemental group coverage must include every active member of the branch. Additionally, all covered members must be provided the same level of coverage. The following explains the plan's coverage:

- **Supplemental accidental death coverage**—Branches may elect to cover their active members with additional accidental death coverage. This coverage costs as little as 3 cents per month, per active member, per \$1,000 of coverage. Coverage is available

in nine benefit levels. Benefits are paid under this coverage when the member's death is the result of bodily injuries sustained directly by accident and independently of all other causes.

- **Supplemental term life insurance**—Branches may elect to cover their active members with additional term life insurance. This coverage can be purchased through the MBA at low group rates. These rates start at as little as 44 cents a month, per active member, per \$1,000 of coverage. Any supplemental term coverage more than \$5,000 costs only 33 cents for each additional \$1,000 of coverage per month, per active member. Coverage is available in 16 benefit levels. This coverage pays for all causes of death, whether accidental or natural.

The chart below shows an example of the cost to a branch for supplemental accidental and term life coverage:

Supplemental Accidental Death		Supplemental Term Life	
Coverage amount	Monthly premium per member	Coverage amount	Monthly premium per member
\$1,000	\$0.03	\$1,000	\$0.44
\$5,000	\$0.15	\$5,000	\$2.20
\$15,000	\$0.45	\$15,000	\$5.50
\$20,000	\$0.60	\$20,000	\$7.15

Currently, 144 branches have elected to provide their active members with one, or both, of these valuable policies. For coverage years 2018 and 2019, MBA mailed out rebate checks totaling more than \$106,000 to branches that provide their members with supplemental coverage. These pro-rata checks were based upon the type of coverage and the total amount of premiums paid as of Dec. 31, 2019. There is no contractual obligation to return these funds; however, because MBA is managed by and for letter carriers, rather than profiting on these plans, we choose to give the excess back to the local branches.

These benefits can help letter carriers provide a secure future for their family members at a very small cost to their NALC branches.

For more information regarding any of the MBA products, please call the MBA office toll-free at 800-424-5184, Tuesdays and Thursdays, 8 a.m. to 3:30 p.m., or call 202-638-4318, Monday through Friday, 8 a.m. to 3:30 p.m. Eastern time. You may also visit our website at nalc.org/mba.

Please note: Currently, due to the COVID-19 pandemic, the MBA phone lines are open only on Tuesdays and Thursdays from 8 a.m. to 3:30 p.m. Eastern time.