Trustmark Group Benefits
Administration Manual

Welcome to Trustmark Group Benefits, a division of Trustmark Life Insurance Company. We thank you for choosing us to insure and administer your group insurance plan. This Administration Manual is designed to provide clear guidance on the day-to-day administration. It outlines your administrative responsibilities and the necessary procedures for administering your Group Benefits plan. *This manual has been designed for your assistance and in no way changes the provisions in your Certificate of Insurance or Group Policy*.

This manual may not cover all possible situations and circumstances that might occur while administering your Trustmark Group Benefits plan. It has been written to include generic insurance provisions required in almost all states. Your plan will be administered in accordance with the laws in your state. Some situations may require the personal attention of your Client Manager, Employer Service Representative or other Trustmark personnel. However, the successful administration of your Trustmark Group Benefits plan depends upon how accurately information is reported and recorded.

A review of the Certificate of Insurance or Group Policy, with particular attention to the Schedule of Benefits, will help you answer many frequently asked questions about your plan. But if we can be of assistance, please contact your Client Manager or Employer Service Representative. Employer Service Representatives may be reached at 866-670-1067. To more readily meet your needs, when contacting us; please be prepared to provide the following information:

- Company name
- Group ID number
- Insured's Name
- Insured's Social Security number or member ID

IMPORTANT NOTICE

This Manual explains general principles in your Trustmark Certificate of Insurance or Group Policy. Any information regarding a particular person's eligibility, benefit level, or right to continuation or conversion should be obtained from the Certificate of Insurance. If a conflict exists between this manual and the Certificate of Insurance or Group Policy, the Certificate of Insurance or Group Policy takes precedence. Trustmark reserves the right to change or discontinue the procedures outlined herein at any time.

Regarding sample forms used or described in this manual: *Insurance forms are frequently revised*. Please contact your Trustmark Group Benefits representative to be certain you are using the most current form available.

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Chapter 1 – Introduction

About Trustmark Group Benefits

Trustmark Group Benefits, is a division of Trustmark Life Insurance Company that meets the needs of groups with 51+ employees. Trustmark Group Benefits is geared toward clients that value pricing stability and long-term strategic focus over short-term savings and frequent carrier switching. Our goal is to partner with employers by taking a proactive, strategic approach toward the better management of their healthcare plan. Our strengths lie in delivering operational excellence in our administrative services – doing what we say we're going to do day in and day out. That's our promise.

As a group insurance specialist, we provide customer service using state-of-the-art technology that gives us the ability to process claims quickly and accurately. Trustmark Group Benefit's commitment to quality means our clients and covered members receive quality insurance protection from a company that takes employee benefit plans as seriously as you do.

Our Dedicated Staff Provides Quality Service

Delivering quality service to you and your employees' means recruiting and maintaining a quality-oriented staff. We provide an atmosphere that promotes and encourages personal and professional growth through ongoing education and training programs. In addition, quality initiatives are incorporated into every job assignment at Trustmark to assure maximum customer satisfaction and to integrate new ideas into our way of doing business.

Administering Your Plan

The Trustmark Group Benefits Administration Manual provides instructions for administering various types of plans, coverages, and provisions. To use it effectively, please familiarize yourself with the basic characteristics of your Group Plan by reviewing this manual and the Certificate of Insurance or Group Policy.

This manual also provides information you will need for the day-to-day administration of your group plan. Some situations may require the personal attention of your Client Manager, Employer Service Representative or other Trustmark personnel.

Trustmark Administered Plans

All Trustmark Group Benefits plans are administered by Trustmark Group Benefits. This means that we maintain the member eligibility records based on information received from the employer and we provide all claim payment services.

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File Maintenance

To help you keep track of your group insurance records, we recommend Enrollment and Medical Statement forms be maintained alphabetically in the following files:

Pending: Use this file for employees whose insurance coverage is subject to review of the Evidence of Insurability Form and have not yet been approved by Trustmark. Once approval is received, the Evidence of Insurability Form should be moved to the pending file. This file also includes employees waiting to be added upon completion of the waiting period.

Report: Use this file for your employees Enrollment and Medical Statement and Change Forms that have not yet been sent to Trustmark.

Active: Use this file for employees whose coverage is active. The forms should be moved to this file from the report file after the employee information has been sent to Trustmark.

Inactive: Use this file for employees whose coverage has been completely canceled and reported to Trustmark, including those who have refused group coverage.

Continuation: Forms normally maintained in this file are for terminated employees on Federal or State continuation.

Employer Responsibilities

The employer must maintain records relating to each employee's coverage under the Plan. These records are subject to review by Trustmark and must include:

1. The names and birth dates of all employees/dependents who are covered by the plan.
2. The benefits in force on each employee/dependents.
3. Salary information for salary-based benefits must be available to verify the correct benefit.
4. Payroll records confirming full-time employment dates.
5. The effective date of each employee's coverage.
6. The effective date of any change.
7. COBRA notices, coverage selections, premiums paid and related records.
8. Review and verification of the List Bill for accuracy. PLEASE DO NOT MAKE ADJUSTMENTS FOR CHARGES WHICH ARE NOT REFLECTED ON THE BILL.

The basic records for this information are the Enrollment and Medical Statement and Change forms.

Clerical Errors

Generally, clerical errors in reporting information to us on eligible or ineligible persons will be corrected, but limited to two months' back premium PRIOR TO THE CORRECTION AND IMPLEMENTATION OF SUCH CORRECTION. Coverage for an approved employee/member will be made effective on the date specified by Trustmark.

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Chapter 2 – Deliverables

Insurance Booklet

Shortly after your group becomes covered by Trustmark Group Benefits, you will receive a supply of Insurance booklets for all those employees enrolled for coverage. Each employee should receive an Insurance booklet as well as a coverage letter.

Unique Member Identifier

In order to prevent identity theft, many states have enacted laws aimed at curbing this growing problem in America by limiting the use of Social Security numbers as personal identifiers. Trustmark supports those measures and has transitioned to a Trustmark assigned Unique Member Identifier (UMI). This unique ID will replace the member's Social Security number on all correspondence, (with the exception of initial enrollment over the phone or Web) directed to the member and on the member's Identification card. As the Group Administrator, you may enter your employee's Social Security number or Unique Member ID on all correspondence to us.

Initial Enrollment over the Phone or the Web (ONLY APPLICABLE TO GROUPS OF 51-99 EMPLOYEES)

Due to the participation in our Express Connect Application process, employees who provided addresses will be mailed a copy of their enrollment information. These copies will contain confidential information such as Social Security numbers. Members will receive instructions to place their enrollment information with their Insurance booklet (if they elected coverage), or with their important papers (if they did not).

You may receive copies of enrollment forms in sealed envelopes for employees who did not provide addresses. These should be distributed to employees accordingly. Should you have any questions about this mailing, please contact your Client Manager.

Coverage Letters

As new employees are added for coverage we will forward coverage letters to you. The letters should be distributed to the employee along with their Insurance booklet. New coverage letters will be generated and distributed for the following instances:

- New employees
- Change in family status
- Addition or termination of specific coverages

We will mail the Coverage Letters to you for delivery to enrolled employees.

Certificate Amendment Pages

For most changes in coverage, you will not have to issue a new Insurance booklet. If the change is extensive we will issue a new Insurance booklet. In these cases you may receive amended pages reflecting the change. Certificate Amendment pages may only need to be issued for the following changes:

- Increased or decreased amounts of Life, AD&D, Disability Income, or Comprehensive Medical benefits.
- Addition or termination of a particular provision within the Insurance booklet.

We will mail the Certificate Amendment pages to you for delivery to your enrolled employees. You will already have a supply of Insurance booklets to give your employees.

Identification Cards

Trustmark Group Benefits I.D. Cards include:

- Employee name
- Unique Member Identifier
- Dependent names – when required by certain states
- Prescription drug benefits and/or mental health benefits
- Pre-certification requirements

Once member eligibility is in our administration system, the process of generating the individualized I.D. cards begins. They are generally produced in 7 business days. Two cards are generated for each employee and are attached to an introduction letter.

Initial I.D. card orders result in a card template in PDF format that can be used as a temporary I.D. card for employees until individualized I.D. cards are generated. Contact your Client Manager when an employee requires more than two cards. I.D. cards provide important information, so it should be presented to the provider at each visit.

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Chapter 3 – Eligibility & Enrollment Guidelines

The Eligibility & Enrollment Guidelines section contains four major segments. The name and general contents of each section are listed below.

- **Enrollments**: Description of eligibility, effective dates, and enrollment guidelines for members.
- **Beneficiary**: Guidelines and procedures to designate beneficiaries to receive insurance proceeds payable under the plan in the event of death.
- **Changes**: Guidelines and procedures for changing a member's information.
- **Terminations**: Guidelines and procedures for terminating a member's coverage.

Enrollments

Eligibility

The eligibility date is the date on which the employee meets all eligibility requirements and becomes eligible for insurance in accordance with the provisions in the Certificate of Insurance or Group Policy.

For employees, the eligibility date is the date of employment plus the waiting period (if any) specified in the Certificate of Insurance or Group Policy.

Eligibility maintenance is handled by submitting all eligibility information to Trustmark.

Eligibility maintenance can be handled two ways:

- Utilize Express, Trustmark's Benefit Administration Self Service Center - Express is a safe and secure Internet application that allows you and your employees to enter, update, and maintain benefit selections using automated transactions. Express is available 24/7 and lets your employees make their benefit selections and updates at home with their families. As a Group Administrator, you have full access to all of your employee's enrollment screens and menu choices along with additional benefit administration tools. If you would like additional information about Express and it's capabilities, please contact your Client Manager or Employer Service Representative.
- Manually submit all eligibility records and forms to Trustmark.

Effective Dates

The date on which group insurance coverage becomes effective for individual employees depends on the provisions in the Certificate of Insurance or Group Policy. In general, effective dates are calculated according to one of the following basis:

- First day of insurance month.
- Date of eligibility, if the signature date on application is on or before that date.
- First day of the month after the date of application, if the signature date is within 30 days after your date of eligibility.
- Date approved by Trustmark, if Evidence of Insurability Form is required.

Please refer to the Certificate of Insurance or Group Policy for more information on effective dates.

The interpretation of these dates depends on whether the plan is non-contributory or contributory.

Effective Dates for Non-Contributory Plans

This section explains how to determine effective dates for non-contributory plans. A non-contributory plan is a plan where the employer pays the entire premium for the insured's coverage, or the insured pays all or part of the premium with pre-tax dollars as in the case of a Section 125 Plan.

Standard Contract: After timely receipt of the Enrollment and Medical Statement, the effective date of coverage is the first of the month following the completion of the waiting period.

Immediate Contract: After timely receipt of the Enrollment and Medical Statement, the effective date of coverage is immediate following completion of the waiting period.

All employees must be enrolled as they become eligible. Non-contributory coverage may not be waived.

Effective Dates for Contributory Plans

This section explains how to determine effective dates for contributory plans. A contributory plan is a plan where the insured shares in the cost of the plan along with the employer.

Standard Contract: Upon timely receipt of the enrollment card, if the signature date on the enrollment card is on or before the date he or she is eligible, the effective date of coverage is the first of the month following the completion of the waiting period.

Immediate Contract: Upon timely receipt of the enrollment card, if the signature date on the enrollment form is on or before the date he or she is eligible, the effective date of coverage is the date on which the employee completes the waiting period.

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New Employee Enrollment

Open Enrollment

An open enrollment period may be selected. Open enrollment allows for benefits-eligible employees and dependents to enroll and make changes to specific benefit plan selections. Open enrollment typically refers to the 31-day period preceding the plan's anniversary date. It may also refer to the 31-day period after the initial eligibility date for coverage. Please refer to your Certificate of Insurance or Group Policy for more details.

Types of Enrollments

There are three types of enrollment: New Employee (Timely) Enrollment, Special Enrollment and Late Enrollment. PLEASE NOTE: In addition to completed enrollment information, the following is required for HRA and HSA plans at the time of enrollment;

- Employees who elect an HRA group plan must furnish a completed Coordination of Benefits Form.
- Employees who select an HSA group plan may need to complete additional bank custodian forms.

New Employee (Timely) Enrollment

Currently there are two ways to enroll your new members:

- Express, Trustmark's Benefit Administration Self Service Center
- Manually

Procedure for Express Enrollment of New Employees

1. Access Express and click on the Add Member menu option from your main menu. Complete the required fields by adding your employee's basic census data. You or a Trustmark User must add this key data prior to a new employee being able to enroll in benefits.

2. Inform your employee that he or she may now access Express and make their initial benefit selections. If you prefer, you may access the Member Menu option and make the benefit elections on behalf of your employee.

Procedure for Enrolling New Employees Manually:

1. Each new employee must complete, sign and date an Enrollment form. The form must be fully completed. If this form is not completed properly, the enrollment process will be delayed.

   Note: If the employee selects dependent coverage, dependent coverage must be selected on the form, along with all required information. If the employee waives coverage for himself or herself, or a dependent, the reason why must be indicated on the form. (Coverage can only be waived if the employee pays part of or the entire premium.)

2. Review the form for accuracy and completeness and mail the copy (ies) to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. Keep a copy with your group insurance records.

Special attention should be given to the following Sections of the Enrollment form:

Enrolling Dependents

Employees can provide coverage for their dependents at the time of initial enrollment through the Express System or by providing the appropriate information on the Enrollment form. If a dependent has a different last name from the member, a Verification of Dependent Eligibility form must also be submitted.

See the Verification of Dependent Eligibility section on page 14 on how to enroll dependents.

Waiving Coverage

If an employee waives coverage for himself or herself, or a dependent, the reason why must be indicated during initial enrollment through the Express System or on the Enrollment form.

Please note: Non-contributory coverage may not be waived.

Special Enrollment

As a result of HIPAA regulations there are 2 types of Special Enrollments:

- Due To Termination of Prior Coverage
- Change in Life Status

All special enrollments may be entered through the Express System or submitted to Trustmark.

Special Enrollment Due to Termination of Prior Coverage

An employee and/or dependent is eligible to enroll as a special enrollee if coverage was initially declined due to other coverage and that coverage was terminated because of:

- Legal separation
- Divorce
- Death
- Termination of employment
- Reduction in number of hours of employment
- Termination of employer contributions toward the other coverage.
- COBRA coverage expires

The above does not include loss of coverage due to:

- Failure of an individual or participant to pay premiums on a timely basis.
- Termination for cause (such as fraud or misrepresentation).

Eligible employees must request enrollment within 31 days after the event that qualifies them for special enrollee status. If more than 31 days, please refer to the late enrollee section.

The effective date will be no later than the first day of the month following the date the completed enrollment request is received.

Procedure for Express Enrollment of Special Enrollments Due to Prior Coverage

1. Access Express and click on the Add Member menu option if your employee has previously waived all coverage. Complete the required fields by adding your employee's basic census data. You or a Trustmark User must add this key data prior to an employee being able to enroll dependents in benefits.

2. Your employee may now access Express and enroll himself/herself and dependents online. If you prefer, you may access the Member Menu options and make the benefit selections on behalf of your employee.

Procedure for Manually Handling Special Enrollments Due to Prior Coverage:

1. The employee must complete, sign and date the Enrollment form, and attach a copy of the proof of prior coverage, which the employee should have received from his previous employer.

2. Review the form for accuracy and completeness and mail the copy(ies) to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. Keep a copy with your group insurance records.

4. We will notify your organization when coverage has been approved.

Special Enrollments Due to a Change in Life Status

The following people have special enrollment rights due to a life status change:

- An employee is eligible but has not enrolled. The employee can enroll if a person becomes a dependent of the employee through marriage, birth of a child or adoption or placement for adoption.

- A spouse of an employee becomes eligible when they get married, or a child becomes a dependent through birth, adoption or placement for adoption.

- An employee and spouse become eligible when they get married, or a child becomes a dependent through birth, adoption or placement for adoption.

- A dependent of an employee becomes eligible if he or she becomes a dependent through birth, marriage, adoption or placement for adoption.

- An employee and dependent become eligible if a person becomes a dependent of the employee through marriage, birth, adoption or placement for adoption.

Eligible employees must request enrollment within 31 days after life status change that qualifies them for special enrollee status. If more than 31 days, please refer to the late enrollee section.

The effective dates for special enrollments are as follows:

- Marriage—No later than the first day of the month beginning after the date the completed enrollment request was received.
- Birth—The date of birth provided a completed enrollment request is received.
- Adoption—The date of adoption or placement for adoption provided a completed enrollment request is received.

Procedure for Express Enrollment of Special Enrollments Due to Change in Life Status

1. Access Express and click on the Add Member menu option if your employee has previously waived all coverage. Complete the required fields by adding your employee's basic census data. You or a Trustmark User must add this key data prior to an employee being able to enroll dependents in benefits.

2. Your employee may now access Express and enroll himself/herself and dependents online. If you prefer, you may access the Member Menu options and make the benefit selections on behalf of your employee.

Procedure for Manually Handling Special Enrollments Due to Change in Life Status:

1. The employee must complete, sign and date the Enrollment form and attach a copy of any applicable paperwork.

2. Review the form for accuracy and completeness and mail the copy (ies) to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. We will notify your organization when coverage has been approved.

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Late Enrollment

The employee is considered a late enrollee if he or she signs an enrollment form more than 31 days after becoming eligible. An Evidence of Insurability Form is required for all late entrants selecting life or other ancillary coverages and it is important that all employees be aware of the established eligibility periods for (a) coverage under the plan, (b) an increase in benefits, and (c) a change in status, such as dependent coverage.

All employees must be enrolled as they become eligible. Non-contributory coverage may not be waived.

Employees who select to add dependent coverage after the initial enrollment must complete the Enrollment form and possibly the Evidence of Insurability Form.
Refer to your Certificate of Insurance or your Group Policy for specific information about adding newborn children or newly eligible dependents.

In order to comply with HIPAA legislation, Trustmark accepts all late enrollees for medical coverage. We continue to review ancillary coverage and will notify your company when coverage has been approved or declined.

Late enrollments may be entered through Express or submitted manually to Trustmark.

Procedure for Express Entry of Late Enrollees

1. Access Express and click on the Add Member menu option if your employee has previously waived all coverage. Complete the required fields by adding your employee's basic census data. You or a Trustmark User must add this key data prior to an employee being able to enroll dependents in benefits.

2. Your employee may now access Express and enroll as a late enrollee. If you prefer, you may access the Member Menu options and make the benefit selections on behalf of your employee.

3. The employee may be presented with an Evidence of Insurability during the enrollment process if required based on coverage's. The questionnaire may be completed online and electronically submitted to Trustmark (allows for a quick turnaround), or printed, completed, and mailed to:

   Attn: Group Premium Department
   Trustmark Insurance Company
   P.O. Box 7904
   Lake Forest, IL 60045-7904

4. The request for coverage will be reviewed and the determination will be accessible in the View Pended Transactions section of Express.

Procedure for Manual Entry of Late Enrollees:

1. The employee must complete an Enrollment form, and possibly the Evidence of Insurability Form. If a dependent has a different last name from the member, a Verification of Dependent Eligibility form must also be submitted.

2. Review the form(s) for accuracy and completeness and mail the copy(ies) of the Enrollment form, the Evidence of Insurability Form and the Verification of Dependent Eligibility form, to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. Keep a copy of the Enrollment form with your group insurance records.

4. We will notify your organization when coverage has been approved.

Verification of Dependent Eligibility

In certain circumstances, it may be necessary to verify whether or not a dependent is eligible as defined in your Certificate of Insurance or Group Policy. The following criteria is generally used for determining whether or not a Verification of Dependent Eligibility Form is necessary:

- Child's last name differs from employee
- Parent's divorced
- If dependent is identified as anything other than an adopted or step child.

These are the most common examples, but there may be other situations that occur that requires the use of the Verification of Dependent Eligibility form.

Procedure for Express Verification of Dependent Eligibility

1. The Verification of Dependent Eligibility questionnaire is presented during an Express initial enrollment or change in life status (if applicable). The questionnaire may be completed online and electronically submitted to Trustmark (allows for a quick turnaround), or printed, completed, and mailed to:

   Attn: Group Premium Department
   Trustmark Insurance Company
   P.O. Box 7904
   Lake Forest, IL 60045-7904

2. The request for coverage will be reviewed and the determination may be accessed in the View Pended Transactions section of Express.

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Procedure for Manual Verification of Dependent Eligibility:

1. The employee must complete, sign and date the Verification of Dependent Eligibility form.

2. Review the form for accuracy and completeness and mail all copies to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. Trustmark will notify your organization when coverage has been approved.

Procedure for Express Verification of Dependent Eligibility for an Incapacitated Dependent

1. The Verification of Dependent Eligibility for an Incapacitated Dependent questionnaire is presented during an Express initial enrollment or change in life status (if applicable). The questionnaire may be filled online and then printed. The dependent's physician must complete and sign the bottom portion of the form. Submit the completed form with the appropriate medical information to:

   Attn: Group Premium Department
   Trustmark Insurance Company
   P.O. Box 7904
   Lake Forest, IL 60045-7904

2. The request for coverage will be reviewed and the determination may be accessed in the View Pended Transactions section of Express.

Procedure for Manual Verification of Dependent Eligibility for an Incapacitated Dependent:

1. The employee must complete, sign and date the Verification of Dependent Eligibility for an Incapacitated Dependent form. The dependent's physician must complete the bottom portion of the form.

2. Review the form for accuracy and completeness and mail all copies to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. Trustmark will notify your organization when coverage has been approved.

Beneficiary Designations

For Life and/or AD&D coverages, the employee must designate a beneficiary on the Enrollment Form. The beneficiary is an individual, organization, endowment, trust, or estate named by the insured to receive the insurance proceeds payable under the plan at his or her death.

By designating a beneficiary, the employee is assured that Trustmark will make payment of the proceeds to the desired person(s) at the time of death, in accordance with all state and federal laws and regulations.

When no beneficiary is named, payment may be distributed according to the Certificate of Insurance or Group Policy provisions. Failure to name a beneficiary often causes a delay in payment and additional expenses for the deceased's family. Employees should be encouraged to designate a valid beneficiary (ies) upon enrollment.

Please Note: Your state may have specific regulations relating to beneficiary designations.

Individual Beneficiaries

Individual beneficiaries should be identified by first name, middle initial and last name. The beneficiary's relationship to the employee should be specified. (An insured cannot name his or her employer as beneficiary.)

Relationships

Acceptable beneficiary relationships include husband, wife, son, daughter, grandfather, cousin, uncle, sister-in-law, etc. When the beneficiary is not a relative, the relationship should be specified as non-relative, not friend or guardian.

Estates

The insured may designate his or her estate as the beneficiary. In the event of a claim, payment will be made to the person approved by a court as the executor of the Estate or administrator of the Will. The fewest complications arise when the designation is simply "My Estate" or "the Executor of my Will," not a specified designation like "Samuel Smith, Executor of my Estate."

Guardians

The guardian of a minor should not be designated as a beneficiary. The minor should be the designated beneficiary. In the event of a claim that occurs while the beneficiary is a minor, proceeds will be paid to the duly appointed guardian of the minor's estate, which might be someone other than the guardian of the minor child.

Multiple Beneficiaries

Two or more persons named as co-beneficiaries will share the proceeds equally, unless otherwise specified. If an insured does not want equal distribution, the insured should specify the percentage or proportion that each beneficiary is to receive, rather than the dollar amount. This practice eliminates the need to redesignate the beneficiary when the amount of coverage changes. When percentages are used, they must total 100 percent.

Primary and Contingent Beneficiaries

Proceeds are paid to the Primary Beneficiary, if living at the time of the insured's death. If the Primary Beneficiary is deceased, proceeds are payable to the Contingent Beneficiary, if one was designated by the insured.

Titles

Titles such as Mr., Mrs., Miss, Ms., Dr., should not be used in beneficiary designations. A married woman should be referred to by her given name. For example, Jane E. Carlton, not Mrs. Raymond W. Carlton.

Organizations or Endowments

The insured may designate a corporation or charitable organization other than the employer as beneficiary. The name and address by which the organization or corporation takes title to property should be indicated. The organization must have representatives who are empowered to accept such funds – such as a board of directors or board of trustees – and the existence of, which should be continuous, so that payment can be made safely to such representatives in the event of a claim. The beneficiary designation should indicate whether or not there are directors or trustees.

Trusts

The insured may designate a Trust as beneficiary. In the event of a claim, payment will be made to the Trust named in the Trust Agreement. The beneficiary designation must include the full name and address of each Trustee and the title and the date of the Trust Agreement. A Trust should not be designated unless each Trustee is named in an existing Trust arrangement.

Effect of Divorce

In the event of divorce between the insured and a beneficiary, the insured beneficiary designation should not conflict with the terms of the divorce decree. If you learn of an insured's divorce, you should meet with the insured to review the beneficiary designation. If relationships are changed, the designation should reflect the change. For example, wife should be changed to ex-wife to distinguish from the wife of a new marriage.

When there is any question about conforming to the law, the insured should be referred to his or her attorney.

Procedure to Make Beneficiary Changes Through Express

Insureds should be urged to review and update their beneficiary designations as soon as a change is required to avoid possible difficulty in determining the beneficiary of choice in the event of death.

1. You or your employees may access the Maintain Beneficiaries menu option in Express to change an existing beneficiary, add additional beneficiaries, or delete a beneficiary.

2. Benefits Save and Continue to complete the Transaction.

Procedure to Manually Make Beneficiary Changes:

Members should be urged to update beneficiary designations as soon as a change is required to avoid possible difficulty in determining the beneficiary of choice in the event of death.

1. The employee must complete, sign and date the Beneficiary Change Form.

2. Review the form for accuracy and completeness and mail all copies to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. Keep a copy with your group insurance records and give the other copy to the employee.

Changes

Changes to the information provided on an employee's Enrollment form must be reported to Trustmark as soon as possible. Changes of name, class or benefit level, dependent status, and salary must be reported. Certain changes (for example, correction to date of birth or clerical errors) require a detailed note of explanation accompanying the appropriate form.

There are two ways to update your employee's records:

- Express, Trustmark's Benefit Administration Self Service Center
- Manually

Procedure to Make a Change using Express

1. You or your employee may access the appropriate Member Menu options available in Express to maintain personal, dependent and beneficiary data, add dependent coverage, terminate dependent coverage, and reduce (waive) coverage.

2. As the Group Administrator, you may update an employee's key data (date of birth, hire date, salary, etc.) by accessing the Update Member link on your main menu.

Procedure to Make a Change Manually:

These changes are reported on the Request for Change Form or on the Enrollment form. Only the sections relevant to the specific change must be completed. Changes in salary must be reported only when there is a salary-based benefit.

1. The employee must complete, sign and date the Request for Change Form.

2. Review the form for accuracy and completeness and mail a copy to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. Keep a copy with your group insurance records and give a copy to the employee.

Retroactive eligibility changes that result in premium adjustments are subject to the provisions in the Certificate of Insurance or Group Policy and are limited to an adjustment period of no more than two months.

Canceling Coverage

Active employees may wish to cancel certain coverage for himself/herself or a dependent. Please note that coverage for a non-contributory coverage may not be cancelled.

Procedure for Canceling Coverage through Express

1. You or your employee may access the Reduce Coverage option on the Member Menu available in Express to reduce coverage and cancel specific benefits for himself/herself or a dependent.

Procedure for Canceling Coverage Manually

1. The employee must complete, sign and date the Request for Cancellation Form.

2. Review the form for accuracy and completeness and mail a copy to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. Keep a copy with your group insurance records and give a copy to the employee.

Retroactive eligibility changes that result in premium adjustments are subject to the provisions in the Certificate of Insurance or Group Policy, and are limited to an adjustment period of no more than two months.

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Terminations

The termination date is the date on which the insurance coverage ends for a member, including the date the member no longer meets the eligibility requirements outlined in the Certificate of Insurance or Group Policy.

The effective date of coverage termination is calculated in one of the following ways, depending on the provisions in your Certificate of Insurance or Group Policy:

Standard Contract: The effective date of termination is the first day of the calendar month at 12:01 a.m. (one minute past midnight) following the employees' termination date, or the first day of the calendar month at 12:01 a.m. following the date coverage is terminated.

Immediate Contract: The effective date of termination is at 12:01 a.m. on the date coverage is terminated.

There are two ways to update your employee's records:

- Express, Trustmark's Benefit Administration Self Service Center
- Manually

Procedure to Terminate Members from the Group Insurance Plan through Express

1. Access the Terminate Member menu option from your main menu. Enter the termination date (e.g. last date of full-time employment) and Benefits a termination reason from the drop-down box.

Procedure to Terminate Members from the Group Insurance Plan manually:

1. Complete the Termination Listing Form for terminated employees providing their last date of full-time employment. Trustmark will enter the correct termination date based on the above provisions.

2. Review the form for accuracy and completeness and mail a copy to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. Keep a copy with your group insurance records

Retroactive eligibility changes that result in premium adjustments are subject to the provisions in the Certificate of Insurance or Group Policy and are limited to an adjustment period of no more than two months.

When the coverage ends, the members may be eligible to convert their group insurance to an individual form of insurance. Under certain conditions, they may be eligible to continue their group coverage at their own expense. See the When Coverage Ends section for more details regarding this issue.

Trustmark
GROUP BENEFITS

Chapter 4 – Premium Submission

List Bill

Under this billing method, we send your organization automated billing statements based on your group's eligibility information. When you report current-month or prior-month (retroactive) eligibility adjustments to Trustmark, the appropriate premium adjustments will appear on your next list bill.

List Bill Statements are issued automatically on a given date every month via email for Express or regular mail and should arrive before the first of the month for which your organization is being billed. Trustmark issues a List Bill Statement for each division within your group (a division is usually a billing location).

The bill should be verified for accuracy. Any changes in eligibility will be reflected on the next bill provided Trustmark receives the proper forms in a reasonable amount of time prior to the next bill being generated.

Procedure for Premium Submission with a List Bill:

1. Review the statement to verify accuracy.

2. When corrections are required, complete and submit Request for Change Forms. Change forms and/or Enrollment forms received and processed prior to the bill being generated will be reflected on the next List Bill Statement.

3. If you have any questions regarding your statement, please contact the Premium Department Customer Service Team at 1-800-351-2526.

4. If you do not have Automatic Payment Withdrawal (APW), **PAY THE EXACT AMOUNT SHOWN** after "Total Due" on the List Bill Statement. Mail one copy of your statement along with your premium payment to:

   Trustmark Group Insurance
   P.O. Box 75317
   Chicago, IL 60675-5317

Please Note: Premiums are payable on or before each premium due date. Timely payments maintain insurance coverage until the next premium due date.

In an unusual situation, if you need to overnight your payment, please send your payment to:

Trustmark Group Insurance #75317
350 N Orleans Street, Suite 5317
Receipt and Dispatch 8th floor
Chicago, IL 60654

Automatic Payment Withdrawal

The Automatic Payment Withdrawal (APW) service is a convenient, cost-efficient way to pay your premium every month. With APW, there's no need to bother with writing checks or worrying about getting your payment to us in time. Trustmark Group Benefits takes care of it for you.

This service option, provided at no extra charge, authorizes Trustmark Group Benefits to withdraw monthly premium payments directly from your company's bank account on a date you determine between the 1st and 22nd of each month. APW is a valuable way to manage cash flow, guarantee timely premium payments, and reduce the risk of coverage interruptions, denied benefits and employee complaints.

APW works like this: Your group picks the day of the month between the 1st and the 22nd to be the “Determination Day.” The Determination Day, or the first business day following that day if the Determination Day falls on a weekend or a holiday, initiates the process.

Once the process is initiated, several things happen:

1. First, we will request a wire/ACH transaction through the banking network.

2. We will then automatically credit the premium payment to the proper premium account.

3. A notification will be sent via e-mail to your group the next day. Your group must make sure that funds are available in the necessary bank account on the Determination Day to cover the amount of the bill. The actual draw on the bank account may take place at anytime over the next three days.

Groups with multiple divisions can use the APW on any division they choose to, however, not all divisions within a group are required to utilize the APW. Multiple divisions can share bank accounts or use separate ones.

Grace Period

Except for the first premium payment, Trustmark allows a grace period for the payment of each premium due. The grace period is 31 days from your premium due date. Benefits, including prescription drug claims, will not be paid during the grace period.

If we do not receive your payment by the end of the grace period, your coverage will terminate for nonpayment of premium at the end of the month for which premium has been paid. You will be notified as to the date of termination in a written termination letter.

Trustmark GROUP BENEFITS

Chapter 5 – Claims Administration

At Trustmark Group Benefits, accuracy and timeliness in claims processing is a top priority. Our claims processing area randomly checks the accuracy and productivity of our claims processors. This auditing system enables us to maintain high levels of accuracy, quality and customer service.

Our claims processing teams strive to process claims as efficiently as possible. However, some claims may require additional processing time, including:

- Claims that require requests for additional information to determine correct benefits, such as operative reports for multiple medical procedures.
- Claims on which Coordination of Benefits information has been omitted.
- Claims that require a signed reimbursement agreement because third-party liability is indicated or probable.
- Claims that require further investigation due to questionable or unusual healthcare provider billing practices.

Below is pertinent information about claim submission and instructions for submitting the following types of claims to us:

- Medical
- Dental
- Prescription Drugs
- Life
- Accidental Death and Dismemberment
- Long Term/Weekly Disability Income

If employees have questions about where to send various types of claims, please have them contact the Eligibility/Benefits phone number on the back of their ID card.

Claim Submission

All claims or statements must be itemized and include the following information:

- The member's name
- The patient's name (if it's a dependent)
- Fully itemized bills including diagnoses, procedure codes, dates of service, and place of service
- Healthcare providers name, Tax Identification Number (TIN) and mailing address
- For accidental injury, provide details of how, when, and where the accident occurre

Coordination of Benefits (COB)

With the Coordination of Benefits (COB) provision, any benefits paid under another group health plan must be taken into account to determine the benefits payable under your health plan. Therefore, you should inform members that the primary carrier must determine benefits before the secondary carrier can determine benefits, otherwise, delays in claim processing may occur.

When Trustmark is the secondary payer, the best way to shorten the claim processing time is to supply as much information as possible about the other coverage and any other insurance payments that are made (refer to the Coordination of Benefits section of your Certificate of Insurance or Group policy).

Medical Claims

To assist the member in finding a preferred provider we have provided network directories. Up to date information is available by calling the provider network phone number on the back of their ID Card, or visit us online.

- For groups of 51 to 99 employees visit: www.trustmarkins.com/groupselect/.
- For groups of 100+ employees visit: www.trustmarkins.com/group/.

Online you can access our Physician/Hospital look up feature. You may also check your provider networks' website.

Healthcare Providers

Procedure for submitting Medical Claims:

1. When a member visits a healthcare provider, the provider will make a copy of the back of the ID card.

2. In most all instances, your healthcare provider will bill Trustmark directly for healthcare services and supplies you receive. The member's claim will either be electronically filed or mailed by the provider to the medical claim address on the back of the ID card for processing.

Members:

1. In the event the provider does not send a medical claim to Trustmark, the member should submit the claim by using a Medical Claim form. These are available within your Group Administration Kit or can be found by visiting us online.

    - For groups of 51 to 99 employees visit: www.trustmarkins.com/groupselect/.
    - For groups of 100+ employees visit: www.trustmarkins.com/group/.

A medical claim form is not required in order to submit a claim, but it does assist in the claim paying process.

2. The member should fill out the information on the claim form.

3. The member should enclose all itemized medical bills. Bills for drugs prescribed by a healthcare provider and payable under the medical plan should also be enclosed with the claim form.

4. The member should mail the claim form and all other items to the address listed on the back of the ID card.

Prescription Drug Claims

Procedure for submitting Prescription Drug Claims:

If your plan includes a prescription drug card with copays, instruct members to call the Eligibility/ Benefits phone number found on the back of the ID Card for assistance.

If your plan includes the Rx Price Assurance plan, where prescription drug claims are paid under the medical plan, submit the claim for processing using the same procedures for submitting a medical claim.

Dental Claims

Procedure for submitting Dental Claims:
There are two ways for a member to submit dental claims:

Providers

1. When a member visits a dental care provider, the provider will make a copy of the back of the ID card.

2. In almost all instances, your dental provider will bill Trustmark directly for dental services and supplies you receive. The member's claim will either be electronically filed or mailed by the provider to the dental claim address on the back of the ID card for processing.

Members

1. In the event the provider does not send a dental claim to Trustmark, the member should submit the claim by using a Dental Claim form. These are available within your Group Administration Kit or can be found by visiting us online.

    - For groups of 51 to 99 employees visit: www.trustmarkins.com/groupselect/.
    - For groups of 100+ employees visit: www.trustmarkins.com/group/.

    A Dental claim form is not required in order to submit a claim, but it does assist in the claim paying process.

2. The member should fill out the information on the Dental Claim form.

3. The member should enclose all itemized dental bills and mail along with the dental claim form to the address listed on the back of the ID card.

Explanation of Benefits

Once a claim is processed, an Explanation of Benefits (EOB) will be sent to the member. EOBs are used to convey the details of how benefits are paid and to request information on a claim that remains pending. The EOB includes information important for the member to read and review so they can understand the specifics of their claim payment.

Refer to the Group Benefits marketing piece entitled: How to Interpret the Explanation of Benefits. This marketing piece presents a sample EOB and provides a detailed explanation of how to read and understand the EOB.

Life Claims

Procedure for Submitting Life Claims:

1. Complete and sign the Administrator's or Employer's Statement section on the Proof of Death Claim Form. The beneficiary(s) must complete and sign the Beneficiary's Statement.

2. Submit the Proof of Death Form to the address on the top of the form with a certified copy of the final death certificate. Also provide a copy of the insured employee's Group Enrollment Form and, if applicable, the Beneficiary Change Form to your Trustmark Claims Office.

3. We will contact you, if any additional information is required.

Waiver of Premium

A member, who becomes totally and permanently disabled, may qualify for continued life insurance coverage without payment of premium. In order for the member to qualify, the following criteria must be met:

- Disability must begin before age 60.
- Disability must begin before retirement.
- The member must be eligible for the Life Benefit.
- Member must have been disabled for nine months from the date last worked.
- Proof of permanent disability from any occupation must be furnished to the Company after nine months and before one year from the date last worked due to disability.

Procedure for Waiving Premium:

1. Complete and sign the employer section of the Group Waiver of Premium/Extended Death Benefit Form. The member's physician must complete and sign the Attending Physician section of the form. If the member has more than one treating physician, give the member additional forms for completion. The member must complete and sign the Authorization for Release of Information section on the back of the Waiver of Premium/Extended Death Benefit Form.

2. The member must send a copy of his or her birth certificate, the group insurance enrollment card and a description of his or her work experience and educational history to:

   Attn: Group Waiver of Premium Department
   Trustmark Group Insurance
   P.O. Box 7948
   Lake Forest, IL 60045-7948

3. All forms must be completed in its entirety to avoid delay in processing.

Accidental Death Claims

Procedure for Submitting Accidental Death Claims:

1. Complete and sign the Administrator's or Employer's Statement section on Proof of Death Claim Form. The beneficiary(s) must complete and sign the Beneficiary Statement.

2. Submit the complete Proof of Death Claim Form, a certified copy of the final death certificate and a copy of the accident or police report. If available, please submit a newspaper account of the accident. Also provide a copy of the insured employee's Group Enrollment Form and if applicable, the Beneficiary Change Form.

3. Review this form for completeness and accuracy and mail to:

   Trustmark Group Insurance
   P.O. Box 7948
   Lake Forest, IL 60045-7948

Accidental Dismemberment Claims

Procedure for Submitting an Accidental Dismemberment Claim:

1. For Accidental Dismemberment, the Proof of Loss of Limb(s) or Sight Statements Forms must be filled out completely. The member must complete and sign Part I and have an eyewitness complete Part II. If no eyewitness was present at the time of the accident, Part II should be completed by the first person to reach the member immediately after the accident. The Group Administrator must complete and sign Part III and the Attending Physician must complete sign Part IV.

2. If available, please submit a newspaper account of the accident or a police report.

3. Review the form for completeness and accuracy and mail to:

   Trustmark Group Insurance
   P.O. Box 7948
   Lake Forest, IL 60045-7948

Trustmark
GROUP BENEFITS

Short Term Disability Claims

Procedure for Submitting Short Term Disability Claims

1. Complete the Employer section for the Short Term Disability Claim Form.
2. Inform the employee to complete the Employee sections and to have the Attending Physician complete the Attending Physician section.
3. Submit this form to:

   The Trustmark Companies
   P.O. Box 7948
   Lake Forest, IL 60045-7948

4. When the employee's return-to-work date is known, please call your Trustmark disability claims office at 800.290.8899.

To avoid delay of disability benefits, do not submit medical bills with disability claims. If any additional information is required, we will contact the Group Administrator.

Long-Term Disability (LTD) Claims

Long Term Disability (LTD) coverage provides monthly benefits to eligible members for periods of extended total disability. These benefits are payable after the elimination period specified in your group policy has passed. Have members refer to their group policy for details about the elimination period, benefit amounts, and length of time for which benefits are payable.

When it appears that one of your covered members will be disabled beyond the end of the elimination period, they should submit a claim as soon as possible. We request that this be submitted one month before the end of the elimination period.

Procedure for Submitting a Long Term Disability Claim

1. Complete and sign the Employer's Report of Claim section on the Group Long Term Disability Claim Form and include a copy of the employee's job description.
2. The member must complete and sign the Employee's Authorization for Release of Information section of the form.
3. The Attending Physician completes the Attending Physician's Statement portion of this form.
4. Review the application for completeness and accuracy and mail to the address below. This should be done at least 31 days prior to the date benefits become due. Mail to:

   The Trustmark Companies
   P.O. Box 7948
   Lake Forest, IL 60045-7948

Periodically, additional medical information regarding the disability is necessary. Prompt compliance with our requests for this information will avoid disruption of regular benefit payments.

NOTE: ***Trustmark must receive information about other forms of income such as Social Security, Worker's Compensation, State Disability Benefits, and any other employer or government-sponsored plans providing disability benefits to the employee, prior to determining LTD benefits. ***

Trustmark GROUP BENEFITS

Chapter 6 – When Coverage Ends

Coverage ends when the employee/member no longer meets the eligibility requirements outlined in the Certificate of Insurance or Group Policy. Upon termination, qualified employees and dependents can convert their group medical insurance (only available in certain states) and/or their life insurance to an individual form of insurance.

For groups of 20 or more employees, federal regulations (COBRA – Consolidated Omnibus Reconciliation Act) allow qualified employees and their eligible dependents to continue their group health coverage at their own expense for a specified period of time.

This section discusses the conversion and continuation options that may be available when coverage ends. If you have questions about the conversion or continuation options, contact your Trustmark Client Manager or Employer Service Representative.

Conversion of Insurance

When members are no longer eligible for group coverage, they may have the right to "convert" coverage to an individual form of insurance without providing evidence of insurability. Separate conversion applications are required for medical and life insurance. Conversion privileges are only available in certain states and the group insurance coverage must be in force for the Conversion privileges to apply. Refer to your Certificate of Insurance or Group Policy for specific conversion guidelines and requirements.

Conversion of Life Insurance

This section describes the requirements and procedure for conversion of Group Life insurance.

Requirements

To qualify for conversion of life insurance, an employee or dependent must meet the following requirements:

- Not excluded by the conversion restrictions specified in the Certificate of Insurance or Group Policy.
- Not continuing on waiver of premium or waiver of premium has ended. (Must have terminated coverage.)

Procedure for Conversion of Life Insurance:

1. The Group Administrator must complete, sign and date the Group Conversion Request Form within 31 days* of the termination.

*The number of days may vary by state.

2. Mail the form to:

   Attn: Group Premium Conversion
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. An application for conversion will be mailed to the former employee.

Conversion of Medical Insurance

This section describes the requirements and procedure for conversion of group medical insurance.

Requirements

To qualify for conversion of medical insurance, a member must meet all of the following requirements:

- Not eligible for Medicare or similar insurance benefits.
- Not excluded by the conversion restrictions specified in the Certificate of Insurance or Group Policy.

When an individual qualifies for and elects continuation of coverage, the conversion privilege applies on the date the continuation ends.

Procedure for Conversion of Medical Insurance:

1. The Group Administrator must complete, sign and date the Group Conversion Request Form within 31 days of the termination.

2. Mail the form to:

   Attn: Group Premium Conversion
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

3. An application for conversion will be mailed to the former employee.

IMPORTANT:

Your organization is responsible for informing employees of their conversion rights. It is important to keep a record of notifications for verification purposes.

Trustmark's contractual conversion obligations do not extend beyond the time period specified in the Certificate of Insurance or Group Policy, whether or not an individual has been notified of the conversion privilege.

Trustmark
GROUP BENEFITS

Continuation of Coverage

Continuation of coverage is an option for an employee or an employees' dependents that are no longer eligible for coverage through an employer's group health plan. The continuation for health plans may be in the form of either state continuation or COBRA.

All employers with 20 or more employees including part-time employees on at least 50 percent of the working days in the previous calendar year must offer COBRA for certain qualifying events. In many states, state continuation is an option for an employee. For information concerning your plan options on continuation, check the Certificate of Insurance or Group Policy.

Any member (employee, spouse or dependent child who was covered by an employer's plan) may be eligible for continuation. Eligible events include: termination of employment; reduction of hours; death of covered employee; divorce or legal separation; loss of dependent child status; or disability at the time of a qualifying event or during the first 60 days.

The benefits offered would be identical to the benefits the member had prior to continuation. The period of coverage varies; however, under no circumstances may the continuation period be longer than 36 months under COBRA.

There are two ways to update your employee records:

- Express, Trustmark's Benefit Administration Self Service Center
- Manually

Procedure for Express Entry into Continuation of Coverage

1. Access Express and click on the Move Member to continuation menu option if your employee has previously been terminated. Complete the required fields and click Move Member to Continuation to complete the transaction.

Procedure for Manual Entry into Continuation of Coverage

1. The member must complete, sign, and date the Application for Continuation of Coverage. For dependents, a completed enrollment form should be Included with the application.

2. Review the form for accuracy and completedness and mail all copies to:

   Attn: Group Premium Department
   Trustmark Group Insurance
   P.O. Box 7904
   Lake Forest, IL 60045-7904

Ceridian COBRA Continuation Services

As a service to our clients, Trustmark Life Insurance Company, through a relationship with Ceridian COBRA Continuation Services, is pleased to provide a service that will make your administration of COBRA easier. Ceridian will provide eligible employers with COBRA compliance systems and procedures designed to make the complicated task of COBRA administration as simple as possible. It is offered at no charge to you.

If you did not receive a COBRA Compliance packet when you became a Trustmark client, please call Ceridian toll-free at 800-790-9059. You will be sent a COBRA Compliance packet and be contacted by a member of Ceridian's implementation team to review the materials and discuss how Ceridian can best meet your needs.

Ceridian does it all, from assuming administration of your COBRA continuants, to performing future billing and adjudication of eligibility, to collecting and processing all related transactions.

Trustmark GROUP BENEFITS

Chapter 7 – Tax Issues

Trustmark Responsibilities related to Disability insurance

Monthly

We deduct and pay the employee portion of Federal Income Contribution Applied (FICA) from the employee disability check and Federal Income Tax (FIT) if elected by the employee. We send a monthly report to the employer identifying amounts deducted and reported to the IRS. FICA is automatically deducted from weekly disability income (short-term disability) benefits for payments made in the first six calendar months after the last calendar month the employee worked. Long-term disability is not subject to FICA, unless the elimination period is less than six calendar months after the last calendar month in which the employee worked, and benefits are paid during this period. The portion of the benefits where the employer pays premium will always be fully taxable.

Quarterly

Trustmark reports and pays the employee portion of FICA and FIT within Form 941 under our tax ID number.

Annually

We send a summary FICA report in mid-January for the preceding year to each Group Plan Administrator. The report will list each employee on disability and the corresponding amounts withheld, reported, and paid to the IRS.

Group Employer Responsibilities

Monthly

Employers receive a monthly report of taxable income from us. The amount of FICA withheld on the employee's disability payment should be matched by the employer and filed with regular payroll taxes. The monthly reports will summarize the amounts indicated on the check copies issued to the group at the time of benefit payment.

Quarterly

Employers file their portion of FICA payments on Form 941 under their group tax ID number along with other payroll filings.

Annually

Employers receive an annual report from us, which includes the employee portion of FICA and FIT on the W-2 along with other regular wages and amounts withheld. Please note that you can issue separate W-2 sick pay forms, which include the amount of disability paid, and amounts withheld.

A note about federal tax: Employees on disability may opt for Trustmark to withhold federal taxes from their disability checks. If taxes are withheld, this information will appear on the monthly reports and the employer needs to include this tax information on W-2s. If the employee does not have taxes withheld from disability checks, the employee is responsible for federal income tax payment and filing to the extent that the benefit is taxable.

Disability Benefits, Taxes and Section 125

If the employer provided 100% payment of premiums, all benefits are subject to taxes. If the employee pays any percent of the premium with pre-tax dollars, all benefits will be subject to taxes. For example, if the employer paid 50% of premiums and the employee paid the other 50% of premiums with pre-tax dollars, all benefits would be subject to taxes.

If the employee pays any percent of the premium with after-tax dollars, all benefits will not be subject to taxes. For example, if the employer paid 50% premium and the employee paid the other 50% premium with after-tax dollars, 50% (or any other percentage of employee premium paid with after-tax dollars) of benefits would not be subject to taxes.

It is important to remember when employees use pre-tax dollars to pay premiums, benefits are taxable, but when employees use after-tax dollars to pay premiums, that percentage portion is not taxable.

NOTE: *** Please note, FICA and FIT handling is different for Administrative Services Only (ASO) groups. The group is responsible for paying the employee and employer portion of FICA and any FIT withheld. We will send the group a check, issued from their claim account, reimbursing them for any employee portion of FICA and FIT withheld.***

WE HAVE PROVIDED THIS INFORMATION FOR GUIDANCE PURPOSES ONLY. CONSULT YOUR TAX ACCOUNTANT WITH ANY SPECIFIC QUESTIONS.

Administrations Forms

Trustmark Group Select (groups of 51-99 employees)
Administration forms are available at:
http://www.trustmarkgroupselect.com/groupselect/employers/manual/adminforms.cfm

Trustmark Group Insurance (groups of 100+ employees)

Administration forms are available at:

http://www.trustmarkins.com/group/employers/manual/adminforms.cfm

Trustmark GROUP BENEFITS

Glossary

Accidental Death/Dismemberment
A benefit that provides for the payment of a specified amount due to an accidental injury resulting in death or loss of sight.

Administrator
The person at the employer responsible for the administration of a group insurance plan. May also be referred to as the “plan administrator”.

Anniversary
The annual renewal date of the Certificate of Insurance or Group Policy.

Beneficiary
The person or persons designated by the insured to receive the benefits of insurance upon his or her death.

Benefit
The amount payable by an insurer to a claimant, assignee or beneficiary under each coverage in the Certificate of Insurance or Group Policy.

Beneficiary Change Form
A form signed by an eligible person as notice of his or her desire to change the beneficiary.

Change Form
A form prepared by the plan administrator. The form lists each insured for whom there has been a change to the information previously reported on an enrollment form.

Claim
A demand by an insured person for the benefit provided by the Certificate of Insurance or Group Policy.

Class
A category within a division into which insureds are placed in order to determine benefits for which they are eligible under the Certificate of Insurance or Group Policy.

Contributory Plan
A group insurance plan under which the insured shares in the cost of the plan along with the employer.

Conversion Privilege
The right given to an insured to change his or her group insurance to a form of individual insurance, without medical examination, upon termination of his or her insurance under the Certificate of Insurance or Group Policy.

Coverage
The benefit or amount of insurance, stated in the Certificate of Insurance or Group Policy, for which the insured is eligible.

Decrease
The amount of coverage reduction caused by a change in classification due to attainment of a specified age, demotion, salary decrease, etc., as provided in the Certificate of Insurance or Group Policy.

Dependents
An insured's spouse (wife or husband not legally separated from the insured) and unmarried children who meet certain eligibility requirements.

Disability Income Insurance
A form of health insurance that provides for periodic payments when the insured is unable to work as a result of illness, disease or injury.

Division
A category within a group, commonly characterized as a billing location containing various classes.

Effective Date
The date on which insurance coverage goes into effect.

Eligibility Date
The date on which the employee meets all of the eligibility requirements outlined in the Certificate of Insurance or Group Policy and becomes eligible for insurance.

Eligibility Period
See waiting period.

Enrollment Form
A form signed by an eligible person as notice of his or her desire to participate in the group insurance plan.

Grace Period
A specified time period following the premium due date in which the payment of the premium can be made without penalty.

Group Number
A number assigned by Trustmark Group Benefits to identify each Certificate of Insurance or Group Policy.

Group Policy
A contract of insurance made with an employer or organization that covers their employees or members.

Increase
An increase in benefits that becomes effective for an insured or group of insureds as a result of a change in class.

Insured
The person (employee or member) who is covered by insurance provided within the Certificate of Insurance.

Insurer
The party to the Certificate of Insurance who promises to pay losses or benefits.

Life Insurance
Insurance that provides benefits to be paid to a beneficiary upon the insured's death.

List Bill
A report listing all insureds associated with a certain bill. This report includes active insureds, insureds whose coverages were terminated in the middle of a billing period and customers who are pending Trustmark approval.

Long-Term Disability
A form of disability insurance that provides benefits for long-term illness or injury.

Medical Insurance
Insurance that provides benefits to pay medical expenses incurred for illness or injury.

Non-contributory Plan
A group insurance plan under which the employer pays the entire cost, or the employee pays part or all of the cost with pre-tax dollars.

Premium
The periodic payment required in order to maintain a Certificate of Insurance or Group Policy in force.

Rate
The premium charged for each insured in a particular class.

Termination Date
The date on which insurance coverage ends for an employee and/or the employee's dependents no longer meet the eligibility requirements outlined in the Certificate of Insurance or Group Policy.

Trustmark administration
A method of administration under which Trustmark maintains the insurance records pertaining to the persons covered. The employer reports the changes that have occurred each month.

Volume
A method of premium payment used for life, AD&D or disability insurance.

Waiting Period
The period of time that must elapse before an employee is eligible for insurance coverage. The waiting period is specified in the Certificate of Insurance or Group Policy.

Waiver of Premium
A provision for keeping a person's insurance in force without further payment of premium, under certain circumstances.