

**RIVER VALLEY COUNSELING CENTER, INC.**

**POLICY/PROCEDURE # HR50.03**

**SUBJECT: LIFE INSURANCE**

**DATE REVIEWED/REVISED: 2/95, 9/98, 5/16, 5/20**

**POLICY STATEMENT:**

RVCC provides term life insurance to each eligible employee. Group life insurance is provided to aid an employee's beneficiary in the event of that employee's death. Employees should be encouraged to review their individual situations at least annually to be certain their beneficiary information is up to date.

A. Coverage

Term life insurance is provided to each eligible employee. The entire premium is paid by RVCC. Life insurance coverage shall be for an amount equal to the employee's basic annual salary, rounded to the nearest one hundred (\$100.00) dollars. The employee's basic annual salary is their hourly base rate, multiplied by their approved weekly hours multiplied by fifty-two (52) weeks. It does not include earnings for overtime.

B. Eligibility

Each employee approved to work twenty (20) or more hours per week is eligible for coverage. This coverage will be effective on the first day of the month following completion of 90 days of employment at 20 or more approved hours per week. Employees will be added to the program as they meet the eligibility requirements. Each eligible employee must complete an insurance enrollment card, designating a beneficiary.

Each covered employee's life insurance amount will be adjusted automatically if changes in their salary occur. The insurance amount in force will be predicated on the employee's current annual base rate of pay.

C. Termination

1. Coverage under this program ends on the last day the individual works for RVCC.
2. Any person no longer eligible for coverage under RVCC's Group Life Insurance Plan may convert his or her coverage to an individual policy with the insurance company without evidence of insurability, provided this is done within 30 days of discontinuation of the group life insurance. If an individual should die during this 30 day period, the amount of insurance payable to their beneficiary of record would be the amount of life insurance in force as of their date of termination.