Group Voluntary Term Life Insurance FAQ



What is Group Voluntary Term Life Insurance?

Your employer has offered you the opportunity to purchase Group Voluntary Term Life Insurance in order to protect your family or other dependents. Should you pass away during your working years, it would help them cover necessities when they lose the benefit and security of your salary. Some group Voluntary Term Life Insurance plans include an amount of coverage that doesn't require medical underwriting; however, if you wish to purchase extra coverage, that may require additional medical information.

What are the advantages of Group Voluntary Term Life?

Group Voluntary Term Life Insurance helps those who depend on your income to cover any outstanding debts, pay off a mortgage or a child's education and replace lost wages. Because it can often be obtained through the workplace, some level of coverage is usually available with no medical underwriting, sometimes on a pre-tax basis.



Is there a big need for more financial protection?

If you're making less than $149,000 a year, you're among the most in need of life insurance.[1]

While every income bracket can benefit from life insurance policies, for households with an already stretched budget, life insurance can be added financial protection that protects your family from unexpected financial stress.

Can you afford to not have life insurance?

47% of U.S. adults would feel a financial impact in less than six months if a primary wage earner were to pass away and 27% would feel it within one month.[1]

What are term life benefits used for?

Your beneficiaries can use the benefits for everything from burial expenses to paying off the mortgage. The money is payable directly to your beneficiary, and they can choose how to use it. What life insurance benefits are commonly used for:

- Burial/final expenses
- Help pay off mortgage
- Replace lost wages/income
- Home expenses
- Pay for college

How much insurance should I buy?

It really depends on your individual situation. How many dependents rely on you? Do you have a partner and/or children? How would they fare without your income? Will your kids need money for college — or did you already set up an account to cover that? Will they be left with large debts to cover or a mortgage?

What about burial costs? If there are no dependents, or if you have extensive savings for your dependents to draw on, you may not need as much insurance. One method for calculating how much insurance you need is the DIME method:

- **D**-ebt: Outstanding debts (credit cards, student loans, medical bills, etc. — but not including mortgage)
- **I**-ncome: Your income multiplied by the number of years your family will depend on it
- **M**-ortgage: The amount left on your mortgage
- **E**-ducation: The cost of your children's education

Every household's needs will differ and the amount of life insurance you need depends on your personal and financial circumstances. Adding up your expenses and what you'd like to leave behind to your dependents to cover final and future expenses can give you an outlook on how much life insurance you'll need.

What losses are not covered under Unum Life Insurance plans?

Most life insurance plans don't cover any losses where death is caused by, contributed to or results from suicide occurring within 24* months of your or your dependent's initial effective date of voluntary insurance and/or any increases or additional insurance become effective.

Do my life insurance benefits decrease with age?

Coverage may decrease as you get older, generally beginning at age 65 or 70. Increases in coverage may not be elected after a reduction has occurred. See your specific plan for age-reduction details.

Who can I name as my beneficiary?

You can name your spouse, family members, estates or trusts as your beneficiary. It's important to keep your beneficiary information up to date with your employer. For details on designating a beneficiary, please ask your employer or HR representative for additional information.

If I have more than one child, will my benefits cover all of them?

If your employer offers child coverage, you don't need to purchase coverage for each child. One election covers all of your children until they are no longer eligible for coverage.

Can I collect some of my life insurance if I'm terminally ill?

Yes. If you are diagnosed with a terminal illness and have less than 12 months to live (24 months in Washington), you can request a portion of your life insurance benefit while you are still living; this may be referred to as a "living benefit." ** The amount your beneficiary receives upon your passing will be reduced by any benefits already paid. This benefit may be taxable, so consult with a tax attorney or advisor before choosing to use it.

What happens to my Life Insurance coverage if I'm disabled?

If you are seriously disabled, you may also be eligible for a Waiver of Premium, which would allow coverage to continue without any additional premium payments until a specific age — usually 65, but it may continue until age 70. Please talk to your employer/HR representative or Unum Claims Specialist for more information.

The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.

Underwritten by Unum Life Insurance Company of America, Portland, ME. In New York, underwritten by First Unum Life Insurance Company, Garden City, NY.

1 LIMRA, 2025 Insurance Barometer Study, 2025.

*State variations may apply.

** Receipt of accelerated death benefits may affect the eligibility for public assistance programs.

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EN-933700-2 FOR EMPLOYEES (6-26)