Lincoln Financial Group claims process reference guide

Life

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Life

At Lincoln Financial Group, we take a streamlined, coordinated approach to claims management to ensure the process from intake to benefit decisions are coordinated and clearly communicated, with experts supporting the process every step of the way.

What is a complete claim?

A complete claim includes complete employer information, complete beneficiary information and a copy of the death certificate.

In most cases we will only need a copy of the certified death certificate. Some exceptions would be foreign deaths or potential fraud situations.

Intake options:

We offer multiple intake options for life claims:

- **Telephonic intake:** 866-783-2255
- **Email:** LifeClaims@lfg.com
- **Mail:** The Lincoln National Life Insurance Company, PO Box 2649, Omaha, NE 68103

  If group is sitused in New York send to: Lincoln Life & Annuity Company of New York, PO Box 2649, Omaha, NE 68103
- **Fax:** 1-800-462-4660
- **Web:** LincolnFinancial.com

Turnaround times

- Initial claim review—within 5 business days
- Correspondence—within 3 business days
- Email/phone—within 24 business hours

Life—Incomplete process:

1. The intake team will enter the claim within 24 hours (real time if submitted telephonically). If claim does not have the minimal information to make it complete (allowing for the full claim review) then the claim goes into an incomplete claim queue.

2. A life claims examiner reviewing the incomplete claim queue will make a call within 1 business day to the appropriate party to request the missing minimal information needed to make the claim complete.
3. If the missing information is not received within 3 business days of the claim receipt a missing information letter is sent.
4. If the missing information is not received within 10 business days of the claim receipt a closure letter is sent.
5. Once this basic information is received, then the claim is updated and moves into the complete life claims queue. Within 5 business days of it becoming complete, a separate life claims examiner will pull the claim. At this point, the claim will go through a thorough review to determine if the claim decision can be made to pay, pend for additional information, or deny the claim.

Eligibility/Benefit verification (self-billed groups)

We will need confirmation of coverage (below are some examples):

- Enrollment form from group confirming coverage
- Census/billing (employee list)
- Benefit screen print showing the amount of life insurance coverage in force at the time of death

If benefit is salary-based verification of salary as of last day worked is required along with verification of the current salary-based benefit amount (Human Resource compensation screen print or payroll record). Lincoln policies will standardly round up to the next higher $1,000, but other options include rounding down or rounding to the nearest closest $1,000 increment (refer to policy).

If benefit is optional or voluntary (contributory), include verification of the initial coverage election date and benefit amount along with any increases or Human Resource verification of initial and current coverage to confirm compliance of eligibility guidelines.

There are instances when eligibility may change. Examples include:

- Change in full time to part time employment status based on minimum number of hours provision in your policy.
- Dependent children may no longer be eligible for insurance coverage for different reasons (i.e. student status, marriage and age).
- Requested increase of insurance will not take place until employee returns to active employment if an employee is not actively at work because of injury, sickness, or leave of absence (see specific provision).
- Divorced spouses are not eligible dependents.

Voluntary Plans

We will need enrollment with date and signature (either enrollment form or screenshot) to verify enrollment within the 31 days of eligibility. If an employee completes, signs and dates the enrollment form after the 31-day enrollment period, they are considered a late entrant and must complete the Evidence of Insurability (EOI) form unless the coverage is elected during an approved Open Enrollment period. Please refer to your policy for guidelines relative to the appropriate time when late enrollees may elect coverage.

If an employee elects an amount over the Guarantee Issue amount or increases by more increments, as stated in your policy, they will need to complete an EOI form.

Employees who declined voluntary coverage during their initial enrollment must provide EOI form.

Beneficiary

Employees must designate a beneficiary for Basic Life and/or Voluntary Life Insurance. If there is no beneficiary designation, we will pay benefits per the policy. If the beneficiary designation references specific policy number (i.e. Voluntary policy number), then it will only apply to the policy indicated on the form and we will follow the policy to determine who is to receive payment.

- Beneficiary Designation Form – a designation that names who the insured wants to receive life insurance benefits in the event of death.
- Claim Form Beneficiary Statement – part of the life claim form and provides contact and payment information for the beneficiary(ies). Used for employee death where a claim is paid using the most current beneficiary designation or employee death claims paid under the order of precedence policy.

Terminations

When an employee terminates employment or has been terminated by your company, that employee may be eligible for continuation of coverage. It is the plan administrator's responsibility to inform terminating employees, in a timely manner of continuation of coverage rights. Rights may include Portability or Conversion.

If the employee's termination was a result of total disability, that employee may be eligible for waiver of premium. Please refer to the Extension of Death Benefit for details.

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Lincoln Financial Group's LINKS process

Our LINKS process allows for automatic transfer of information from a life waiver claim to the start of a death claim; no separate group claim form needs to be submitted for term and supplemental
life insurance.

Communication

- Communication method
- Secure email
- At each status change correspondence will be sent

Payment options

- Direct deposit
- Check
- SecureLine (retained asset account) if claim is over $5,000 the beneficiary may elect to receive a SecureLine account. These accounts earn interest and the beneficiary receives a check book to access the account. The account is completely free for the beneficiary. Please note: Retained asset/SecureLine accounts are not available to New York sitused groups or beneficiaries living in New York. The beneficiary must provide a street address (no PO Box) when the account is opened.

  *Our claim form contains the options for the beneficiary to select the payment method. All payments will be mailed or deposited to the beneficiary directly.

Appeal Process

- 2 appeal reviews for life
- 180 days to request a review of an adverse decision

Taxability

- We issue 1099INT for any interest payment made over $10 paid to each beneficiary
- 1099LTC will be issued when an Accelerated Death Benefit is paid.
- Tax forms are mailed the following January after claim payment.

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Other Topics:

- **Accelerated Death Benefit–**The Accelerated Death Benefit is also called the Living Benefit. This benefit allows advance payment of part (based on policy language) of the insured person's personal life insurance. It may be paid to a terminally ill insured person in a lump sum, once during his or her lifetime. To qualify, in most states the insured person must:
    1. satisfy the actively at work requirement under the policy.
    2. be insured under the policy for at least minimum # of months specified in the policy (some states may vary - check the policy to verify timeline).
    3. have a minimum amount of personal life insurance under the policy on the date the Living Benefit is paid (2,000 is standard – check the specific policy to verify the amount).
    4. be insured under the policy on the date the Living Benefit is applied for.

  The insured person (or his or her legal representative) must apply for the benefit by:
    1. completing a Request for Living Benefit claim form.
    2. providing satisfactory proof that the insured person is terminally ill, including a physician's written statement indicating the approximate life expectancy.

  Terminally ill means the insured person has a medical condition which is expected to result in death within the timeframe specified within the policy, despite appropriate medical treatment (State requirements vary, please see your specific policy for details.)

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