



---

# Fort Bend County Podcasts

---

## Podcast Episode 14- UNUM Part 1: GTL & Beneficiary

August 29, 2024

**Gina:** Welcome to this week's Benefit Detective Podcast. I'm Gina.

**Wendy:** And I'm Wendy.

\*doorbell\*

**Wendy:** We have 2 special guests with us today. Please welcome Joy Horvath and Aaron Schisler with Unum.

**Gina:** Hi guys.

**Joy:** Hi.

**Aaron:** Hi.

**Gina:** Welcome. Thank you for coming.

**Aaron:** Thank you for having us.

**Wendy:** Well, before we get started, can you tell us a little bit about yourself?

**Joy:** Sure. My name is Joy Horvath. I'm a national client manager with Unum and I've been with the company for 12 years and I'm responsible for overall service for Fort Bend County account with Unum.

**Wendy:** Awesome.

**Aaron:** Excellent. And my name is Aaron Schisler. I've been with Unum for 20 years. I'm a senior account executive and overall have overall responsibility for our national clients.

**Wendy:** Great. Can you tell us what Unum is?

**Aaron:** Sure. Yeah, Unum is an insurance company. We're ranked in the fortune 500. We're one of the largest life and disability carriers in the industry. Pay out over about \$7,000,000,000 of benefits per year and here to make sure that, we take care of you and your time of need, when it comes to life and disability.

**Gina:** Awesome.



---

# Fort Bend County Podcasts

---

**Wendy:** Awesome. And, we always stress that the employee selects a beneficiary for their group term life. Can you tell us why it's important to have a beneficiary listed and can there be more than one?

**Joy:** Absolutely. Yes. There can be more than 1 beneficiary and it is very important that someone has a beneficiary because the purpose is to ensure that their life insurance proceeds are paid out according to their wishes. So, if they don't have a beneficiary, the money may end up going to someone that they didn't intend. And also, it helps to have the claim paid sooner because we don't have to do any investigatory research to find out who should be the rightful beneficiary. And also allows the beneficiary to assign proceeds to a funeral home to have the funeral home have funeral paid for sooner.

**Gina:** That's good information.

**Wendy:** That is good.

**Gina:** Yeah. Because I know a lot of people forget about their beneficiaries and we always remind them every year during annual enrollment.

**Wendy:** Yes. To check it, update it, whatever needs to be done.

**Gina:** Joy, back to this whole beneficiary, minors. So, I understand that some people here at the county want to put a minor. Anyone who's under the age of 18. And I know we've had experiences before with minors being listed as a beneficiary. What happens if a person passes, and they have a minor listed? What happens to that?

**Joy:** Yeah. That's a really good question. So, people often don't realize that we cannot pay money out to minors. So, one of two things can happen. Either we can hold the money in what we call our retained asset account until that minor turns 18, and then we can pay the money out to them at that time. Or someone can go to family court and be appointed the financial guardian of that child.

**Joy:** And then they would need to send in the paperwork to us, and then we can pay the money out to the guardian.

**Gina:** So, it goes to the guardian. So, the guardian can do anything with that money regarding the child?

**Joy:** They could. Yes.



---

# Fort Bend County Podcasts

---

**Gina:** Okay. So yeah. So we just needed some clarification because I didn't know if it went into like a trust fund for them, if it went at a certain age they can pull it out. So, yeah, that's that's good information.

**Joy:** Right. Yeah. If they don't do any of those two things since you mentioned a trust, a person could have a trust set up for their minor children as well and name the trust as a beneficiary, and we can pay money out to the trust as well.

**Gina:** Okay. That's good.

**Wendy:** So, if they have two minor children listed as their beneficiaries, one of them reaches 18 before the other one, they get paid before?

**Joy:** Mhmm. Uh-huh.

**Wendy:** If they have named how that works?

**Joy:** If they have named them both, say, at 50% each

**Wendy:** Mhmm.

**Joy:** Then the first one to turn 18 would be able to claim their share.

**Wendy:** Their share. Oh, wow.

**Gina:** That's good information. Yeah.

**Wendy:** Yeah.

**Gina:** I didn't even think about that part myself. So that's good.

**Wendy:** Yes, yes. And I understand when we get older the coverage goes down. What is the age limit for the group term life on premiums?

**Joy:** Yes, coverage does reduce and that will reduce 65% at age 70 and 50% at age 75.

**Gina:** Oh wow. Okay. That's good information too.

**Wendy:** It is.

**Gina:** Now I do have a question also, in regards to that. So, our group term life, that is something that the county pays, not the individual. So, and I know that we've had people also ask, what's the difference between the term and the whole? And we have term life. So, can you tell us a little about that difference?



---

# Fort Bend County Podcasts

---

**Joy:** So, neither of your coverages are whole life coverage. They are both terms. Whole life coverage is a plan that builds cash value. So, your term coverage is just strictly per insurance protection. It does not have any cash value in it at all.

**Gina:** So, they couldn't try to take money out of it because that's not the case. Yeah. We've had people question about that as well.

**Joy:** Mhmm. Yes.

**Aaron:** Yeah. I often describe it as a five-year renewable term

**Gina:** Mhmm.

**Aaron:** Because of those age bands, the rates go up every 5 years. But it's so it's similar to, renewable five-year term policy.

**Gina:** Yeah, we've had some employees reach out recently. They're like, "what happened? My premiums increased!" I was like, did you change that age bracket? They're like, "oh, that's right. I did." So, yeah. That happens. It gets us all. We all go up in age.

\*laughing\*

**Gina:** Well, this is very informative information on group term life. Thank you, guys. And that will conclude part 1 of UNAM's episode with Benefit Detective podcast. I'm Gina.

**Wendy:** And I'm Wendy. And be sure to stay tuned for part 2 next Thursday, and we will discuss voluntary life.

**Gina:** And remember, the Benefit Detectives are here to help.