A DEATH IN THE FAMILY

Dealing with the death of a family member can be painful and difficult. Not only are you grieving the loss of a loved one, but there are many decisions you need to make. This help page will guide you through many of the alternatives you should consider concerning your benefits and insurance, and will hopefully relieve some of your stress.

THINGS TO CONSIDER

- Following the death of an employee or retiree, DMBA waives the health-plan premium for one year for surviving spouses and dependent children. This waiver doesn’t apply to retiree dental coverage, supplemental life insurance, or if the employee or retiree was on COBRA immediately before death.

- Although life insurance benefits are generally tax-free, retirement and Deseret (401k) Plan benefits are subject to state and federal income tax. Consider contacting a professional tax advisor to help with your personal situation.

CHECKLIST

If an employee or retiree dies:

- Send us a certified copy of the death certificate.
- Notify the deceased participant’s employer.
- Make sure we receive any death-related medical claims within 12 months from the date services were received.

- Review your health plan and life insurance options as a surviving spouse.
- Complete a new privacy authorization form as a surviving spouse.
- Consider whether government benefits are available, either through Social Security (800-772-1213) or the Department of Veterans Affairs (800-827-1000).
- Consider contacting professional legal and tax advisors.

If a spouse or child dies:

- Send us a certified copy of the death certificate.
- Update your beneficiary information on file at DMBA.
- Consider adjusting your Flexible Spending Account (FSA) election within 60 days of death.
- Create or update your will or trust.
- Review your group auto and home insurance, if applicable.

FREQUENTLY ASKED QUESTIONS

Can DMBA discuss death benefits with anyone in the family?

No. DMBA can only discuss death benefits with:

- The personal representative or executor of the individual’s estate.
What if there isn't a beneficiary on record or the beneficiary has already died?

Generally, the participant’s account will be distributed to the spouse if he or she was married. If the spouse is also deceased, the account will be distributed to the participant’s estate. If the participant is single and without beneficiaries, the account will be distributed to the participant’s estate. In either case, the family must contact an attorney to have a personal representative appointed to represent the estate. The personal representative should then contact DMBA.

What if the beneficiary is a minor?

The court must appoint a guardian to receive benefits on behalf of the minor beneficiary. If a guardian is not appointed, DMBA will hold the funds until the beneficiary comes of age and requests the money.

What if the deceased participant had an unpaid Deseret (401k) Plan loan?

If the beneficiary is the spouse, the loan can be paid off or the unpaid balance will be considered taxable income for the year. If the beneficiary is not the spouse, the unpaid loan will be treated as taxable to the estate.

What about life insurance?

Surviving spouses may be eligible for $5,000 of Supplemental Group Term Life (SGTL) insurance. Those who didn’t already have life insurance must meet certain health standards to qualify. If you were already enrolled in SGTL insurance and later become a surviving spouse, your coverage amount will continue as outlined by the plan.

What if the beneficiary is a trust?

DMBA will pay benefits to the trust account. Please have the trustee contact us.

What about retiree dental coverage?

Senior Dental Plan coverage is only available for surviving spouses and dependents who already had the coverage before the retiree passed away. So if a retired employee didn’t have dental coverage before dying, the surviving spouse cannot enroll.