



Stanley-Boyd  
School District

"Where all students learn at a high level."

Jim Jones <jjones@s-bschools.org>

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## Long Term Disability

1 message

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Katz, Matthew <Matthew.Katz@associatedbrc.com>

Thu, Oct 13, 2016 at 4:31 PM

To: "jjones@stanleyboyd.k12.wi.us" <jjones@stanleyboyd.k12.wi.us>, "smkiraly@stanleyboyd.k12.wi.us"

(smkiraly@stanleyboyd.k12.wi.us)" <smkiraly@stanleyboyd.k12.wi.us>

Cc: "Freund, Martha" <Martha.Freund@associatedbrc.com>, "Svihovec, Debbie" <Debbie.Svihovec@associatedbrc.com>

Hello Jim and Sue,

Assurant/ Sun Life agreed to hold the current LTD rate of \$0.33 for the extended employee coverage. Right now you pay about \$1,115 a month for the 79 employees. By adding the additional covered payroll for all 109 employees, the premium goes up to approximately \$1,461/month. Please let us know your thoughts-we have this rate guarantee until 1/1/18.  
Thanks,

mdk



Matthew Katz

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**Stanley-Boyd School District - revised LTD proposal.pdf**

134K



## Assurant Employee Benefits is now part of Sun Life Financial

On March 1, 2016, Sun Life Financial completed the purchase of Assurant Employee Benefits from Assurant, Inc.<sup>1</sup> As you consider the attached proposal, we want to share some important information about how we will serve you as your employee benefits partner.

### **Experience and strength you can trust.**

Sun Life is one of the leading group benefits insurers in North America. We are an international company with roots dating back to 1865, and we have been operating in the U.S. for more than 120 years.

Beginning March 1, 2016, the Assurant Employee Benefits plan(s) included in this proposal are administered by Sun Life Assurance Company of Canada, based in the U.S. in Wellesley Hills, MA, or if your company is located in New York, by Sun Life and Health Insurance Company (U.S.), based in Lansing, MI.<sup>1</sup>

### **Looking ahead.**

We are working diligently to combine the strengths of Assurant Employee Benefits and Sun Life together under the Sun Life brand. The Sun Life logo has started to appear on certain communications and customers now have access to an even broader array of products and services.

### **We're here to help.**

We invite you to join us and we look forward to the opportunity to serve you. Should you have any questions, we encourage you to contact your benefits advisor or sales representative.

1. "Assurant Employee Benefits," the Assurant name, and related logos are trademarks of Assurant, Inc. and are used under license. Assurant Employee Benefits is the brand name for insurance and prepaid dental product underwritten or provided by Union Security Insurance Company (USIC) (Kansas City, MO) and administered by Sun Life Assurance Company of Canada (SLOC) (Wellesley Hills, MA) in all states except New York. Prepaid dental products are provided by USIC and are administered by SLOC, and are provided by prepaid dental companies affiliated with SLOC in certain states except New York. Prepaid dental companies are Denticare of Alabama, Inc., United Dental Care of Arizona, Inc., UDC Dental California, Inc., United Dental Care of Colorado, Inc., Union Security DentalCare of Georgia, Inc., United Dental Care of Michigan, Inc., United Dental Care of Missouri, Inc., Union Security DentalCare of New Jersey, Inc., United Dental Care of New Mexico, Inc., UDC Ohio, Inc., United Dental Care of Texas, Inc., and United Dental Care of Utah, Inc. In New York, insurance products and prepaid dental products are underwritten or provided by Union Security Life Insurance Company of New York (Fayetteville, NY) and administered by Sun Life and Health Insurance Company (U.S.). AEB is also the brand name for Group Hospital Confinement Indemnity "Gap" or Supplemental Medical Expense "Gap" insurance underwritten by Fidelity Security Life Insurance Company (Kansas City, MO) and administered by SLOC.

**LONG-TERM DISABILITY**

Group Name: Stanley-Boyd School District  
 Presented By: Associated Financial Group LLC

This proposal is good for a future effective date through 03/01/2017.

<b>LONG-TERM DISABILITY INSURANCE SCHEDULE</b>
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<b>Description</b>	new census with all employees
<b>Monthly Benefit</b>	70% of covered monthly pay
<b>Maximum</b>	\$9,000
<b>Minimum</b>	\$100
<b>Elimination Period</b>	60 days; Zero day residual
<b>Maximum Benefit Duration</b>	For disabilities occurring before age 60, to age 65
<b>Dual Definition of Disability</b>	Unlimited partial disability
<b>Own Occupation Test</b>	24 months, excluding the Elimination Period; then any occupation
<b>OR Earnings Test</b>	80%; indexed at 7.5%
<b>Benefit Integration</b>	Full Family Direct
<b>Pre-Existing Condition</b>	
<b>At Issue</b>	3/3/12 with transfer
<b>New Entrants</b>	3/3/12
<b>Rate Guarantee</b>	24 months

RATE (PER \$100 OF MONTHLY PAYROLL)	COVERED MONTHLY PAYROLL	MONTHLY PREMIUM	ELIGIBLE EMPLOYEES
0.33	442,776	\$1,461.16	109

All products and insurance policies contain limitations, exclusions, restrictions, and may contain reductions and terms under which the policy or product may be continued in force or discontinued. Issued contracts determine all plan features and benefits. Products are subject to state variations and availability. Contact Assurant Employee Benefits for additional information.

Assurant Employee Benefits is the brand name used for insurance products underwritten and issued by Union Security Insurance Company.

<b>LONG-TERM DISABILITY INSURANCE SCHEDULE</b>
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<b>Guarantee Issue</b>	\$6,000
<b>Quality of Care Benefit</b>	Yes
<b>Rehabilitation Benefit</b>	Managed
<b>Survivor Benefit</b>	3 months
<b>Contributions</b>	100% employer; 0% employee
<b>Participation Requirement</b>	100% minimum participation required
<b>Alcohol, Drug/Chemical, Mental Illness</b>	24 months Special Conditions

<b>LONG-TERM DISABILITY CONDITIONS OF QUOTE</b>
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**RATE ASSUMPTIONS**

- Rates are valid for a 01/01/2017 effective date and are guaranteed for 24 months.
- Rates assume the participation stated in the Schedule with a minimum of 10 employee lives.
- Rates assume 24-hour coverage.
- Rates assume that no short-term disability plan, either fully insured or self-insured, covers the group being quoted. If this assumption is incorrect, please contact us for a new quote.
- The rates quoted are based on the information provided to us at the time of proposal and reflect the risk presented and benefits requested at that time. Any change in our risk or any change in the benefits requested may result in a change of premium rates, a change in the plan offered, or a withdrawal of the proposal.
- Acceptance of the proposed group, plan design and/or rate is subject to evaluation by group underwriting at our Home Office. Upon receipt of all required forms and documentation the group will be reviewed and, if accepted, acceptance communicated to the policyholder.

**GENERAL INFORMATION**

- Online Advantage is an e-service solution providing employers a powerful online tool to administer their policy with a click of a mouse! At any time during the month, employers can log on to view their company's census, change employee records, conduct enrollments, process employee terminations, view bills, and download forms. To view a demo, go to [www.sunlife.com/us](http://www.sunlife.com/us) and click "For Businesses" and select "Online Advantage" from the "Access Your Account" box on the right-hand side of the screen.
- A Dual Definition of Disability allows insured participants to qualify for benefits under an occupation or an earnings test.
- The occupation test is satisfied if a sickness, injury or pregnancy prevents an insured participant from performing even one material duty of an occupation.
- If the earnings test is met, zero day residual stipulates that full-time work, in which the disabled employee is performing all of the material duties of his/her regular or some other occupation, will not interrupt the elimination period or the period of disability.
- Under unlimited partial disability, if a disabled employee meets the occupation test only, works less than on a full-time basis, or works but does not perform all of the material duties of his/her regular occupation, the elimination period and the period of disability will not be interrupted.
- Under the earnings test, a disabled employee can earn, or be capable of earning, up to 80% of pre-disability monthly pay. The amount an employee can earn and still meet the earnings test is increased by the indexing amount listed in the Schedule.
- Earnings are defined as basic pay for a 40-hour work week, plus the monthly average of prior calendar year commissions where applicable; monthly average of prior calendar year draw or salary for proprietors; or ordinary income on Schedule K-1 for partners.
- FICA PLUS services are included.
- No offsets apply for Individual, Franchise or Wholesale Disability Plans, Profit-Sharing Plans, Thrift Plans, 401(k) Plans, IRAs, Tax-Sheltered Annuities, and Stock Ownership Plans.
- Offsets may include retirement or government plans, other group disability plans, settlements or payments received, no-fault benefits, and return-to-work earnings.

- An individual's benefit amount prior to offsets will be reduced by 30% if we do not receive proof of loss within 180 days following the end of the Elimination Period.
- For employees who become disabled after age 60, additional benefit duration restrictions apply, however, the maximum benefit duration will be at least 12 months.
- Includes a Survivor Benefit, which is equal to 3 months of benefit payments if the insured dies while receiving LTD benefits. The Survivor Benefit is payable to the insured's spouse, if living, otherwise to any eligible dependent children.
- Pre-existing condition limitation at issue is the same as for new hires subject to our transfer treatment modifications.
- The pre-existing condition limitation for new hires is 3/3/12. A pre-existing condition is one for which an individual has seen a medical practitioner or taken medication in the 3 months prior to his or her coverage effective date. We will not pay benefits for any disability resulting directly or indirectly from a pre-existing condition unless the disability begins after the earlier of 3 consecutive months ending on or after the effective date of coverage during which the individual has not consulted with or seen a medical practitioner or received medical care, treatment or services, or taken medication for that condition; OR 12 consecutive months during which the employee is continuously insured under this plan.
- A Special Conditions Option is included which limits benefits for chronic fatigue syndrome, carpal tunnel syndrome, fibromyalgia, environmental allergic illness, certain subjective musculoskeletal and connective tissue disorders, mental illnesses and alcohol, drug or chemical abuse disabilities.

## REHABILITATION BENEFITS

- With the Quality of Care Benefit, disabled employees are entitled to support initiatives and services from our clinical staff that are targeted at helping them regain better health so they can return to work.
- The Managed Rehabilitation Benefit combines industry-leading incentives to participate in a vocational rehabilitation plan with a disciplined approach to claimant motivation.
- An increase to the Monthly Benefit of 10% of monthly pay, to a maximum of \$1,000, will be provided to disabled employees who are actively participating in a qualifying rehabilitation program.
- A maximum of 100% of an employee's first month's wages may be paid to an employer as an incentive to assist employees in their return to limited work following a period of disability.
- A 100% Return-to-Work Incentive applies for the first 12 months of trial employment; thereafter, a 70% indirect offset of return-to-work earnings applies.
- A Family Care Expense Credit to a maximum of \$350 per dependent per month is included.
- We may pay a maximum of \$3,000 to cover expenses incurred by an employer or claimant making workplace modifications that are consistent with the Americans with Disabilities Act (ADA) to enable a disabled employee's return to work.
- A Spousal Rehabilitation Benefit is included that may provide vocational services for spouses of disabled employees.
- We may provide up to 3 months of job search assistance and a maximum of 3 months of additional benefits to claimants who are unemployed when they recover from a disability.

## EMPLOYEE ELIGIBILITY

- Eligible employees, as described in the Schedule, must be full-time employees of the employer or an associated company, at active work and working in the United States of America\*. Temporary or seasonal workers are not eligible.  
\*Insured employees are covered for incidental business and personal travel outside of the United States. If a more expansive eligibility is required, please contact your sales representative. Non-standard options are available, subject to Home Office approval.

- The rates in this proposal reflect coverage only for employees who are actively at work on the effective date.
- We will require proof of good health from all individuals wanting to enroll in this plan who were declined for long-term disability coverage under the prior carrier's plan, as well as individuals who were eligible for coverage under the prior carrier's plan but chose not to participate.

**TRANSFER TREATMENT**

- If the coverage described in this quote is intended to replace any insurance plan now in effect, we intend that covered employees will not lose insurance protection because of the termination of current coverage and transfer to us.
- This quote is based on the assumption that the current insurance carrier will continue coverage on any insured individual who is disabled on the date the existing contract terminates (even if it terminates while a disabled person is satisfying any applicable waiting period.)

**PROPOSAL CONDITIONS**

This proposal is not a contract. If there is any conflict between the proposal and the subsequently issued group policy, the latter controls. The rates quoted are based on the group's characteristics and benefits requested at the time the proposal was requested. Any changes in these factors may result in a change of the rates.

This proposal provides a general description of our contract. State mandated provisions are not shown, but all issued policies comply with applicable state law.

To become insured, all persons must be actively at work on a full-time basis at their usual place of business on the proposed effective date. If they are not actively at work (due to disability, leave of absence, etc.) on a full-time basis on that day, the date of coverage will be deferred until they return to active work.

**EXCLUSIONS**

We will not pay benefits for any time the insured is confined to any facility because he or she was convicted of a crime or public offense. We will not pay benefits for any disability caused by: war or any act of war, whether declared or not; intentionally self-inflicted injury, while sane or insane; or taking part in or the result of taking part in committing an assault or felony. No benefits will be paid to an individual when: the employer, the policyholder, or an associated company has offered the individual the opportunity to return to limited work while he or she is disabled; the individual is functionally capable of performing the limited work which is offered; and the individual does not return to work when and as scheduled.



## Why Choose Our Long-Term Disability Policy?

- **Dual Definition of Disability** – Employees can qualify for disability benefits by satisfying either an own occupation or an earnings test.
- **One Material Duty** – The own occupation and any occupation tests are satisfied if a disability prevents the employee from performing even one material duty of an occupation.
- **Assurant Answers™** – Optional self-service tools that provide time-saving resources for disability care planning (Care Options On Line) and financial concerns (askAFS). These non-insured services are provided by third-party vendors. Not available in all states.
- **Will Return®** – We use the demographic and psychographic information contributed by the Menninger Return to Work Centers and The Gallup Organization to better direct resources at an earlier stage of disability, in an effort to provide more efficient and effective disability claims management.
- **Certified Disability Claims Staff** – Every disability claims representative has attained or is completing course work leading to the Disability Claims Professional (DCP<sup>SM</sup>) designation.
- **Social Security Assistance Program** – For qualified disabled employees, and upon request, we will help pay for assistance in obtaining Social Security benefits that an employee may be entitled to while on disability.
- **Superior Ratings** – We have been rated A- (Excellent) by A.M. Best<sup>1</sup>.

## Customize Your Long-Term Disability Policy

- **Managed Disability Solutions®** – Combining the Quality of Care Benefit and the Managed Rehabilitation Benefit, this program provides incentives and assistance in an effort to quickly and safely return employees to health and to work.  
**Quality of Care Benefit** – We assist physicians in formulating a personalized plan to diagnose and treat an employee as well as directly assist the claimant in getting the therapeutic programs, equipment and medication they may need to follow the treatment prescribed.  
**Managed Rehabilitation Benefit** – Incentives like a 10% increase in the Monthly Benefit to rehabilitation participants, a Family Care Expense Credit, job search assistance and a 100% Return-to-Work Incentive all may aid in assisting the claimant's return to work. Employers should benefit through reimbursement of up to 100% of the first month's wages for a disabled person's return to limited work. A reimbursement of up to \$3,000 is available to employers for workplace accommodations under ADA.
- **ADL Benefit** – We believe this option can be an important protection to help with the cost of additional care and medical equipment needs that are often associated with seriously disabling conditions. This option provides a supplemental disability benefit to individuals who are unable to perform at least two of the six Activities of Daily Living. The activities are bathing, dressing, eating, toileting, continence, and transferring. Not available in all states.
- **COLA Benefit** – This option can provide a cost of living adjustment (COLA) to benefit payments. We believe that this is an important feature that should be included with all eligible plans. Several options are available, including the choice of commencement date, adjustment maximum and benefit duration, so employers can tailor a COLA Benefit to fit almost any budget.
- **Employee Assistance Program** – Short-term counseling may be selected for covered employees on a telephone or "in-person" basis, depending upon the option selected.
- **Survivor Benefit** – This option pays a benefit equal to 3 or 6 months of a disabled employee's benefit. An Accelerated Survivor Benefit is also available in all states except New Jersey.

## DISCLOSURE OF COMPENSATION

**Group Name:** Stanley-Boyd School District

**Plan:** Long-Term Disability

We are committed to full, fair, accurate, timely, and understandable disclosure of compensation paid to producers and other persons in connection with business placed through us, with us or retained by us. We believe that transparency of compensation paid in connection with our products is in the best interests of our customers and the industry.

Producers who place business through or with us\* may receive the following types of compensation\*\* from us:

- **Base Commissions** – Commissions will be payable to the producer(s) you have designated as the broker(s) of record. The actual commission scale payable will depend on the product(s) purchased, type of enrollment and/or other factors.
- **Producer Bonus Program** – The producer may qualify for additional compensation based on the producer's total qualifying new sales, block growth, and/or total cases retained with us for the prior calendar year. Any amount paid is a percentage of the producer's total qualifying premium for that same calendar year. These amounts are not charged directly to your policy and do not impact your premium rate.
- **Non-Monetary Compensation** – The producer may qualify for and receive non-monetary compensation such as meals, entertainment, prizes, awards, continuing education programs, or other promotional items. These amounts are not charged directly to your policy and do not impact your premium rate.
- **Other** – Company may pay compensation to a third party administrator or other party(ies) that provide services to the plan or that are involved in the promotion, sale or renewal of product(s) purchased.

\* Insurance products are underwritten by Union Security Insurance Company.

\*\* For additional information, please contact your Sun Life Employee Benefits Representative or call 800.708.0686.