



Ancillary Products

Guide to Self Administration

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SELF-ADMINISTRATION

For many customers, self-administration is a popular billing method. It allows you to report total coverages to us on a monthly basis rather than reporting detailed employee changes. Self-administration of your plan means you will:

- ▲ Manage your employees' eligibility in accordance with your Group Insurance Plan.
- ▲ Complete all necessary enrollment forms and maintain records of your employees' enrollments, changes and terminations.
- ▲ Communicate changes to us only when necessary. For example, if you are required to have an employee complete an Evidence of Insurability form and communicate this to Medical Underwriting for approval prior to an employee's coverage becoming effective.
- ▲ Calculate your insurance premium and remit payment to us along with a completed Self-Administered Insurance Premium Report form on a monthly basis.
- ▲ Provide a census to us, annually.

GETTING FORMS AND CERTIFICATE BOOKLETS

WEBSITE

You can obtain forms on our website. Follow the on-screen instructions.

BENEFITS MANAGER

Our employer portal, Benefits Manager, provides a wide variety of online tools, services and information. Benefits Manager is your one-stop resource for administering your group benefits by providing the ability to:

- ▲ Access group policies and documents
- ▲ Initiate the EOI census for self-admin groups
- ▲ Enable employees to submit EOI online by using your group-specific link
- ▲ Run Evidence of Insurability (EOI) status reports
- ▲ Run life, disability and premium waiver claim status reports
- ▲ Submit a Life or AD&D claim online

To access Benefits Manager, visit our website. If you do not have a user ID and password for Benefits Manager, please contact Group Customer Service.

IDENTIFYING EMPLOYEE ELIGIBILITY

POLICIES AND DOCUMENTS

In Benefits Manager, select the Policies and Documents tab and follow the on-screen instructions to access your group's Certificate Booklets, Policy and Amendments.

Any employee who is actively at work, working the minimum number of hours, and in a class shown in the Group Policy will become eligible for coverage on the day following any waiting period. If an employee is not actively at work on the date coverage is to begin, the effective date will be deferred until the day the employee returns to active work.

The waiting period for new employees is shown in your Group Policy.

MANAGING GROUP MEMBERSHIP

As a self-administered group, you maintain all employee eligibility and enrollment records in your office. In cases where evidence of insurability is required, the Enrollment form and Evidence of Insurability form must be submitted to and approved by us before applicable coverage becomes effective.

While we do not require you to submit employee eligibility and enrollment records on a regular basis, we have the right to examine such records at any time. We require these records in the event of a claim. In addition, we require that you comply promptly with our request to provide access to or copies of these records for inspection upon reasonable notice.

NEW EMPLOYEE ENROLLMENT

Please have new employees complete and sign an Enrollment form within 31 days after the waiting period has been satisfied (even if the employee is declining all coverage):

- ▲ Review for completeness and signature
- ▲ Provide employee a copy along with a certificate booklet
- ▲ Retain the original for your records (do not send to us unless Guarantee Issue limits apply and employee is applying for coverage in excess of the limit)
- ▲ Begin withholding employee contributions (if applicable) as of that employee's effective date

If Guarantee Issue limits apply, and the employee is applying for coverage in excess of the limit, please provide the employee with a Disclosure Form and have the employee also complete an Evidence of Insurability form.

- ▲ **Important: Do not begin withholding employee contributions for the amount in excess of the Guarantee Issue limit until you receive our approval.**

EVIDENCE OF INSURABILITY (EOI)

If Guarantee Issue limits apply and the employee is applying for coverage in excess of the limit, please provide the employee with a Disclosure Form and have the employee complete an Evidence of Insurability (EOI) form. Important: Do not begin withholding employee contributions for the amount in excess of the Guarantee Issue limit until you receive our approval.

We offer two options for completing EOI:

- ▲ The applicant may complete the EOI form on our website. Instructions are provided.
- ▲ EOI forms can also be completed via paper form. Simply download the EOI form from our website. The employer should fill out the Coverage Election Summary for EOI completely. Employees (and spouses, if applicable) must answer all questions completely and accurately.

Whether completing the form online or via paper, the applicant must include the following information to submit Evidence of Insurability:

- ▲ Your group number
- ▲ Employer or sponsor name and address
- ▲ Reason EOI is required
- ▲ Completed Enrollment form
- ▲ Social security number of all applicants requiring EOI (employee and/or dependents)
- ▲ Height, weight, and state of birth of all applicants requiring EOI (employee and/or dependents)
- ▲ Treatment history and medication(s) for any health condition(s); name and address of any physician, hospital or other practitioner that provided medical care, consultation or treatment

Before submitting the paper form, please verify the above information has been included, as well as the following:

- ▲ All “yes” or “no” questions have been answered
- ▲ Complete details have been provided for every “yes” answer
- ▲ Included signatures of all applicants (including spouse and dependent children, if applicable)
- ▲ Signed and dated the form (even if he or she is not applying for coverage)

Make a copy of the EOI form and Enrollment form for your records, and send the original signed copies of both forms to us. We must receive the completed Employer and Employee sections of this form within 30 days of the signature date.

The information on this form is considered current for no longer than 90 days.

Our medical underwriting decision will be communicated to the applicant and to you in writing, along with an effective date, if approved. The first premium will generally be due the first of the month following the approval date.

Please note: An incomplete form will delay the processing of an applicant’s insurance request.

LATE EMPLOYEE ENROLLMENT

A late employee enrollee is one who previously waived his/her insurance or one who fails to enroll for insurance within 31 days after the waiting period has been satisfied. These employees are subject to the following:

- ▲ If the employee does not contribute to the cost of the insurance, the coverage effective date will be determined based upon the provisions of your Group Policy.
- ▲ If the employee chooses coverage under a voluntary or contributory plan, the employee may not be allowed to enroll late and must wait until the next Annual Enrollment period.
 - Review your Group Policy or contact us for more specific information.
- ▲ If the employee is contributing to the cost of the insurance, the employee must complete and submit an EOI form along with an Enrollment form for underwriting approval.
 - Review forms for completeness and signature.
 - Make a copy of the EOI form and Enrollment form for your records, and send us the original signed copies of both forms.
 - **Do not begin withholding employee contributions in this situation until you receive our approval.**

Our medical underwriting decision will be communicated to the applicant and to you in writing, along with an effective date, if approved. The first premium will generally be due the first of the month following the approval date.

ANNUAL ENROLLMENT

Annual Enrollment applies if your Group Policy includes an Annual Enrollment period. During this period, eligible employees may apply for voluntary coverage, additional coverage or request changes to existing coverage. Employees who were declined coverage during the initial enrollment or during past enrollment periods may re-apply during this period.

EOI or pre-existing condition limitations may apply. Please refer to your policy for “change in family status” revisions that occur outside of the Annual Enrollment timeframes (if applicable).

COMMUNICATING NEW EMPLOYEE ENROLLMENT

Complete the Necessary Forms

You can download forms from our website. Print and complete the Employee Enrollment and Change form with the employee.

Employee Enrollment Form. Please provide the employee with the following information to ensure accurate and timely processing:

- ▲ Employer Name as shown on the Group Policy
- ▲ Group Number/Account Number
- ▲ Location, if applicable
- ▲ The Employee’s Class Designation as indicated in the Group Policy

If EOI is required, please have the employee complete an EOI form and submit to us.

COMMUNICATE THE CHANGE

Since you elected self-administration, you do not have to supply us with membership changes. However, if you are required to provide EOI, you may:

- ▲ Email the forms to us
- ▲ Fax the forms to us
- ▲ Mail the forms to us

Please retain copies of all forms and records that document any changes.

EMPLOYEE MATERIALS

After you have completed the New Employee Enrollment process, explained the waiting period (if applicable) to the employee, communicated any EOI to us and received any necessary approvals, please give the enrolled employee:

- ▲ A Certificate Booklet
- ▲ A copy of the Employee Enrollment form
- ▲ A copy of the EOI form (if applicable)

MANAGING ONGOING MAINTENANCE OF GROUP MEMBERSHIP

A supply of booklets was provided to you as part of your New Case Submission Materials.

TERMINATIONS AND OTHER CHANGES

To effectively manage your Group Membership on an ongoing basis, you must record changes in a timely fashion. Examples of changes you must keep include:

- ▲ Name changes
- ▲ Salary changes
- ▲ Dependent Life insurance coverage changes
- ▲ Class changes
- ▲ Coverage or employee terminations.

These changes may be recorded by having the employee complete a new Employee Enrollment Form. Simply indicate "Change" at the top of the form.

BENEFICIARY CHANGES

You must also maintain records regarding beneficiary changes. The Beneficiary Designation form can be found on our website. Have the employee complete the form and keep it with your records. This form will be required in the event of a life claim.

SALARY CHANGES

If your benefit plan includes salary-based products (benefit amounts based on a multiple of salary), then you record salary changes as they occur.

- ▲ Determine if you have salary-based products by reviewing your Group Policy.
- ▲ Review the definition of "salary" in your policy to determine what you should report (e.g., commissionable employees). If your insurance plan contains a Guarantee Issue limit, and the salary change will result in an insurance amount in excess of the Guarantee Issue limit, the employee must complete an EOI form the first time the benefit exceeds the limit.
- ▲ If approved, future salary increases are not subject to EOI unless the salary change results in a benefit increase of more than \$50,000.
- ▲ Review forms for completeness and signature.
- ▲ Make a copy of the EOI form and Enrollment form for your records, and send the original signed copies of both forms to us.
- ▲ **Do not begin withholding employee contributions for the amount in excess of the Guarantee Issue limit until you receive our approval.**

Our medical underwriting decision will be communicated to the applicant and to you in writing, along with an effective date, if approved. The first premium will generally be due the first of the month following the approval date.

YOUR POLICY ANNIVERSARY DATE AND POLICY RENEWAL

Your policy anniversary date is listed on your Group Policy. We will notify you at least 30 days before your policy anniversary date of any rate adjustments.

TAKING PAYROLL DEDUCTIONS

Making payroll deductions for life products is an integral part of the self-administration process. The following are examples of different situations that employees may encounter, depending upon the type of plan and different Guarantee Issue levels:

Scenario	Resolution
The employee's entire Term Life amount is subject to evidence of insurability.	The entire coverage amount is subject to underwriting approval; therefore, no premiums should be deducted until the application is approved.
An employee requests \$100,000 in Term Life coverage. \$50,000 falls under the Guarantee Issue amount, and the additional \$50,000 is subject to underwriting approval.	Deduct premiums ONLY for the Guarantee Issue amount of \$50,000. No premiums should be deducted for the additional \$50,000 until the application is approved by us.
An employee's evidence of insurability application has been declined.	Deduct premiums only for any applicable Guarantee Issue amount. No premiums should be deducted for the amount in excess of the Guarantee Issue amount. If there is no Guarantee Issue amount, no premiums should be deducted for this coverage as the coverage was never in force.
An employee has submitted an Evidence of Insurability form for Term Life coverage, and you have not received either an approval or a declination from us.	You should only deduct premiums for the applicable Guarantee Issue amount. No premiums should be deducted for the amount in excess of the Guarantee Issue amount. If there is no Guarantee Issue amount, no premiums should be deducted for this coverage. Call Customer Service toll-free for a status.

REMITTING PREMIUM PAYMENTS

SELF-ADMINISTERED GROUP INSURANCE PREMIUM REPORT

Because you have elected to self-administer your group insurance plan, you will not receive a detailed billing statement containing a roster of all insured employees. You will receive a Self-Administered Group Insurance Premium Report approximately 10 to 15 days prior to your premium due date that indicates the information we need. Please submit this report with your payment. For your assistance, an example of the Self-Administered Group Insurance Premium Report is displayed here. Please refer to the section of this Guide entitled "Calculating Your Premiums" for assistance in completing this form.

SELF-ADMINISTERED GROUP INSURANCE PREMIUM REPORT

Please be aware of the following:

1. **Group and Account Number (pre-filled):** Please use your Group Billing Number on all correspondence and premium payments and have it available when contacting the Customer Service Department.
2. **Paid-to Date (pre-filled):** Date your group's premium is paid to.
3. **Billing Period (pre-filled):** Time period this premium report represents.
4. **Group Contact Info:** Fill in a contact name, phone number, fax number and email address.
5. **Coverage (pre-filled):** Active products for your group.
6. **Previous Statement:** Fill in the lives/volume fields for each coverage type utilizing the figures reported on your previous statement under the "Currently in Force" field.
7. **Net Changes:** Fill in the net changes in the number of lives and volume for each coverage. Leave blank if there are no changes.
8. **Currently in Force:** Fill in the total number of lives and volume by totaling the "previous statement" amounts to the amounts in the "Net Changes" field.
9. **Monthly Premium Calculation (pre-filled):** Reflects current rate by coverage type. For age-banded coverage types, rate will display "Varies" and basis will display "N/A."
10. **Premium Amount:** Multiply the figure under "Currently in Force" volume field by the rate under the "Premium Calculation" field. Using that figure, divide by the basis. Resulting figure represents the premium amount for the coverage. Fill in. (If rate display "Varies," then fill in the combined premium for all employees for that coverage.)
11. **Prior Month(s) Adjustment:** Fill in the dollar amount that corresponds with the figures in the "Net Changes" field.
12. **Coverage Premium Total:** Add the figure under the "Premium Amount" field to the figure under the "Prior Month(s) Adjustment" field. Fill in the total in this field.
13. **Premium Total:** Total all figures listed under the "Coverage Premium Total" column. Fill in the total in this field.
14. **Remittance Address:** Address where the check and Self-Administered Premium Report should be mailed. Before mailing, please make a copy of the report for your records.

CALCULATING YOUR PREMIUM

The following scenarios will illustrate how to calculate premium and volume based on the elected coverage:

CALCULATING YOUR PREMIUM

For each coverage, you will need to report the number of employees, the in-force volumes and premiums. Please do not begin withholding or submitting premiums for coverage that requires EOI until you receive an approval from us. Refer to your Group Policy for specifics regarding your benefit plans.

When determining the in-force volumes, please be sure to check your policy to determine:

- ▲ Appropriate salary definition
- ▲ Plan’s maximum benefits and rounding rules—do not determine volumes in excess of these amounts
- ▲ For Life and AD&D, the plan’s reduction schedule—do not determine volumes in excess of these amounts
- ▲ Guarantee Issue limits – determine volumes based on guarantee issue limits until you have received notification from us approving the additional amounts

Premium for your group benefits coverage is calculated using the following basic formula: Monthly Premium = Monthly Volume x Rate divided by Unit Value.

Volume and Rate Unit components differ by line of coverage.

Use the following charts to determine how premium is calculated based on your line(s) of coverage.

BASIC LIFE / AD&D / CRITICAL ILLNESS INSURANCE - NONCONTRIBUTORY

Line of Coverage	Type of Benefit	Rate Unit	Rate Type	Volume Per Employee	Monthly Premium Calculation
Basic Life	Multiple of Salary	Per \$1,000 of volume	Same rate for all employees, regardless of age	1. Annual Salary x Multiple of Salary = Benefit 2. Round the result from #1 as stated in your policy. The rounding rule is usually to round up to the next \$1,000. 3. Compare the benefit to the plan maximum; cap the employee’s benefit at max if necessary. 4. Reduce benefit amount if employee’s age qualifies and if applicable.	1. Total the combined volume for all covered employees. 2. Divide combined volume by 1,000. 3. Multiply #2 times the Life rate.
Basic AD&D	Multiple of Salary	Per \$1,000 of volume	Same rate for all employees, regardless of age	Same calculation as Life benefit, assuming your AD&D benefit is the same as Life benefit. If AD&D benefit is different than Life benefit, calculate AD&D volume according to type of benefit.	1. Total the combined volume for all covered employees. 2. Divide combined volume by 1,000. 3. Multiply #2 times the AD&D rate.
Basic Critical Illness	Flat Benefit	Per \$1,000 of volume	Same rate for all employees, regardless of age	Volume for each employee is the Flat Benefit amount. Reduce benefit amount if employee’s age qualifies and if applicable.	1. Total volume is number of covered employees times Flat Benefit amount. 2. Divide total volume by 1,000. 3. Multiply #2 times Critical Illness rate.
Basic Life	Flat Benefit	Per \$1,000 of volume	Same rate for all employees, regardless of age	Volume for each employee is the Flat Benefit amount. Reduce benefit amount if employee’s age qualifies and if applicable.	1. Total volume is number of covered employees times Flat Benefit amount. 2. Divide total volume by 1,000. 3. Multiply #2 times Life rate.
Basic AD&D	Flat Benefit	Per \$1,000 of volume	Same rate for all employees, regardless of age	Volume for each employee is the Flat Benefit amount. Reduce benefit amount if employee’s age qualifies and if applicable.	1. Total volume is number of covered employees times Flat Benefit amount. 2. Divide total volume by 1,000. 3. Multiply #2 times AD&D rate.

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SUPPLEMENTAL LIFE / AD&D INSURANCE – EMPLOYEE PAYS ALL

Line of Coverage	Type of Benefit	Rate Unit	Rate Type	Volume Per Employee	Premium Per Employee	Monthly Premium Calculation
Life	Multiple of Salary	Per \$1,000 of volume	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	For each employee who elected Supplemental Life, volume is Annual Salary x Multiple of Salary selected, rounded to the next \$1,000. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times the Life age rate for that employee.	Total the combined Life premium for all employees who elected Supplemental Life insurance.
AD&D	Multiple of Salary	Per \$1,000 of volume	Same rate for all employees, regardless of age.	For each employee who elected Supplemental AD&D, volume is Annual Salary x Multiple of Salary selected, rounded to the next \$1,000. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times AD&D rate.	Total the combined AD&D premium for all employees who elected Supplemental AD&D insurance.
Life	Incremental Benefit	Per \$1,000 of volume	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	For each employee who elected Supplemental Life, volume is benefit amount selected. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times the Life age rate for that employee.	Total the combined Life premium for all employees who elected Supplemental Life insurance.
AD&D	Incremental Benefit	Per \$1,000 of volume	Same rate for all employees, regardless of age.	For each employee who elected Supplemental AD&D, volume is benefit amount selected. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times AD&D rate.	Total the combined AD&D premium for all employees who elected Supplemental AD&D insurance.
Critical Illness	Incremental Benefit	Per \$1,000 of volume	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	For each employee who elected Supplemental Critical Illness, volume is benefit amount selected. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times the Critical Illness age rate for that employee.	Total the combined Critical Illness premium for all employees who elected Supplemental Critical Illness insurance.

DEPENDENT LIFE INSURANCE - NONCONTRIBUTORY OR CONTRIBUTORY

Line of Coverage	Type of Benefit	Rate Unit	Rate Type	Volume Per Employee	Monthly Premium Calculation
Dependent Life	Flat Benefit	Per unit of coverage	Same rate for all employees, regardless of age.	Flat Amount for Spouse/Flat Amount for Dependent regardless of number of dependents.	1. Total the number of employees electing coverage. 2. Multiply #1 times the Dependent Life rate.

VOLUNTARY LIFE / AD&D INSURANCE – EMPLOYEE PAYS ALL

Line of Coverage	Type of Benefit	Rate Unit	Rate Type	Volume Per Employee	Premium Per Employee	Monthly Premium Calculation
Life	Multiple of Salary	Per \$1,000 of volume	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	For each employee who elected Voluntary Life, volume is Annual Salary x Multiple of Salary selected, rounded to the next \$1,000. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times their Life age rate for that employee.	Total the combined Life premium for all employees who elected Voluntary Life insurance.
AD&D	Multiple of Salary	Per \$1,000 of volume	Same rate for all employees, regardless of age.	For each employee who elected Voluntary AD&D, volume is Annual Salary x Multiple of Salary selected, rounded to the next \$1,000. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times AD&D rate.	Total the combined AD&D premium for all employees who elected Voluntary AD&D insurance.
Life	Incremental Benefit	Per \$1,000 of volume	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	For each employee who elected Voluntary Life, volume is benefit amount selected. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times Life age rate for that employee.	Total the combined Life premium for all employees who elected Voluntary Life insurance.
AD&D	Incremental Benefit	Per \$1,000 of volume	Same rate for all employees, regardless of age.	For each employee who elected Voluntary AD&D, volume is benefit amount selected. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times AD&D rate.	Total the combined AD&D premium for all employees who elected Voluntary AD&D insurance.
Critical Illness	Incremental Benefit	Per \$1,000 of volume	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	For each employee who elected Voluntary Critical Illness, volume is benefit amount selected. Reduce benefit amount if employee's age qualifies and if applicable.	Volume for each employee divided by 1,000 times Critical Illness age rate for that employee.	Total the combined Critical Illness premium for all employees who elected Voluntary Critical Illness insurance.

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SHORT-TERM DISABILITY (STD) – NONCONTRIBUTORY OR CONTRIBUTORY

Line of Coverage	Type of Benefit	Rate Unit	Rate Type	Volume Per Employee	Monthly Premium Calculation
Short-Term Disability	Percent of Salary	Per \$10 of Weekly Benefit	Same rate for all employees, regardless of age.	1. Determine plan's weekly benefit maximum. 2. Calculate each employee's weekly benefit by multiplying their weekly salary by the benefit percentage. 3. If the employee's weekly benefit exceeds your plan's maximum from #1, cap his or her benefit at the maximum.	1. Total the combined weekly benefits for all covered employees. 2. Divide combined volume by 10. 3. Multiply #2 times the STD rate.
Short-Term Disability	Flat Benefit	Per \$10 of Weekly Benefit	Same rate for all employees, regardless of age.	Volume for each employee is the weekly Flat Benefit amount.	1. Total volume is number of covered employees times weekly Flat Benefit amount. 2. Divide total volume by 10. 3. Multiply #2 times STD rate.

VOLUNTARY SHORT-TERM DISABILITY (VSTD) – EMPLOYEE PAYS ALL

Line of Coverage	Type of Benefit	Rate Unit	Rate Type	Volume Per Employee	Premium Per Employee	Monthly Premium Calculation
Short-Term Disability	Percent of Salary	Per \$10 of Weekly Benefit	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	1. Determine plan's weekly benefit maximum. 2. For each employee who elected VSTD, calculate their volume by multiplying their weekly salary by the benefit percentage. 3. If the employee's weekly benefit exceeds your plan's maximum from #1, cap his or her benefit at the maximum.	Volume for each employee divided by 10 times the VSTD age rate for that employee.	Total the combined premium for all employees who elected VSTD insurance.
Short-Term Disability	Incremental Benefit	Per \$10 of Weekly Benefit	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	For each employee who elected Voluntary Short-Term Disability, volume = benefit amount selected.	Volume for each employee divided by 10 times the VSTD age rate for that employee.	Total the combined premium for all employees who elected VSTD insurance.

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LONG-TERM DISABILITY (LTD) – NONCONTRIBUTORY OR CONTRIBUTORY

Line of Coverage	Type of Benefit	Rate Unit	Rate Type	Volume Per Employee	Monthly Premium Calculation
Long-Term Disability	Multiple of Salary	Per \$100 of Monthly Salary	Same rate for all employees, regardless of age.	<ol style="list-style-type: none"> 1. Divide your LTD plan's Monthly Maximum Benefit by your plan's Benefit Percentage to determine your LTD plan's maximum insured monthly salary. 2. Cap any employee with salary in excess of the maximum insured monthly salary at the maximum. 	<ol style="list-style-type: none"> 1. Total the combined monthly insured salary for all covered employees. 2. Divide combined volume by 100. 3. Multiply #2 times the LTD rate.

VOLUNTARY LONG-TERM DISABILITY (VLTD) – EMPLOYEE PAYS ALL

Line of Coverage	Type of Benefit	Rate Unit	Rate Type	Volume Per Employee	Premium Per Employee	Monthly Premium Calculation
Long-Term Disability	Percent of Salary	Per \$100 of Monthly Salary	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	<ol style="list-style-type: none"> 1. Divide your VLTD plan's Monthly Maximum Benefit by your plan's Benefit Percentage to determine your VLTD plan's maximum insured monthly salary. 2. For each employee who elected VLTD, calculate their monthly salary. 3. Cap any employee with salary in excess of the maximum monthly insured salary at the maximum. 	Volume for each employee divided by 100 times the VLTD age rate for that employee.	Total the combined premium for all employees who elected VLTD insurance.
Long-Term Disability	Incremental Benefit	Per \$100 of Monthly Benefit	Step rates – employee's rate is based on age. Refer to your Group Policy to determine when employee rate changes into next age band.	For each employee who elected VLTD, volume is benefit amount selected.	Volume for each employee divided by 100 times the VLTD age rate for that employee.	Total the combined premium for all employees who elected VLTD insurance.

- EXAMPLE 1:** Group ABC has the following benefits:
- ▲ Flat \$25,000 Life, rate is \$0.25 per \$1,000 of benefit
 - ▲ Flat \$25,000 AD&D, rate is \$0.05 per \$1,000 of benefit
 - ▲ Dependent Life \$5,000/\$10,000, is \$1.25 per employee
 - ▲ 60% weekly benefit to maximum of \$500.00 STD, rate is \$0.80 per \$10 of weekly benefit
 - ▲ 60% monthly benefit to a maximum of \$5,000.00 LTD, rate is \$0.65 per \$100 of monthly salary; maximum covered salary for any one employee is \$8,333.33 or \$5,000 / 60%

Employee 1

Annual salary is \$26,000

- ▲ Life Benefit is \$25,000
- ▲ AD&D Benefit is \$25,000
- ▲ STD Benefit is \$300 per week
- ▲ LTD Monthly Salary is \$2,166.67
- ▲ Elected dependent coverage

Employee 2

Annual salary is \$75,000

- ▲ Life Benefit is \$25,000
- ▲ AD&D Benefit is \$25,000
- ▲ STD Benefit is \$500 per week—Note that Employee 2's salary gives an STD benefit that is greater than the maximum plan benefit; therefore, cap this employee's benefit at the maximum
- ▲ LTD Monthly Salary is \$6,250.00
- ▲ Elected dependent coverage

Premiums will be reported as follows:

Coverage	Number of Employees	In-Force Volume	Premium
Life	2	\$50,000.00	\$12.50
AD&D	2	\$50,000.00	\$2.50
Dependent Life	2	2 units	\$2.50
STD	2	\$800.00	\$64.00
LTD	2	\$8,416.67	\$54.71
		Total Premium	\$136.21

EXAMPLE 2:

Group XYZ has the following benefits:

- ▲ Life—2 times Annual Salary, rate is \$0.25 per \$1,000 of benefit
- ▲ AD&D—2 times Annual Salary, rate is \$0.05 per \$1,000 of benefit
- ▲ Dependent Life \$5,000/\$10,000, is \$3.00 per employee
- ▲ STD—Flat Benefit of \$200 per week, rate is \$0.80 per \$10 of weekly benefit
- ▲ 60% monthly benefit to a maximum of \$5,000.00 LTD, rate is \$0.65 per \$100 of monthly salary; maximum covered salary for any one employee is \$8,333.33 or \$5,000 / 60%

Employee 1

Annual salary is \$26,000

- ▲ Life Benefit is \$52,000
- ▲ AD&D Benefit is \$52,000
- ▲ STD Benefit is \$200 per week
- ▲ LTD Monthly Salary is \$2,166.67
- ▲ No dependent coverage

Employee 2

Annual salary is \$55,000

- ▲ Life Benefit is \$110,000
- ▲ AD&D Benefit is \$110,000
- ▲ STD Benefit is \$200 per week
- ▲ LTD Monthly Salary is \$4,583.33
- ▲ Elected dependent coverage

Employee 3

Annual salary is \$75,000

- ▲ Life Benefit is \$150,000
- ▲ AD&D Benefit is \$150,000
- ▲ STD Benefit is \$200 per week
- ▲ LTD Monthly Salary is \$6,250.00
- ▲ Elected dependent coverage

Premiums will be reported as follows:

Coverage	Number of Employees	In-Force Volume	Premium
Life	3	\$312,000.00	\$78.00
AD&D	3	\$312,000.00	\$15.60
Dependent Life	2	2 units	\$6.00
STD	3	\$600.00	\$48.00
LTD	3	\$13,000.00	\$84.50
		Total Premium	\$232.10