

# DI 301

## Comprehensive Disability Income Protection

Effective disability insurance solutions for benefit managers and employees

**For producer training only. Not for use with consumers.**



# Disability insurance protection today

- How do companies typically provide protection for their employees?
- How might plan effectiveness be improved?





# Group long term disability coverage

- Similar benefits across the full spectrum of employees in the most cost effective way possible.
- Choice of percentage of employee income to protect, up to a defined monthly maximum.
- Low cost per employee.
- Limited premium guarantees.





# The most commonly purchased LTD plan

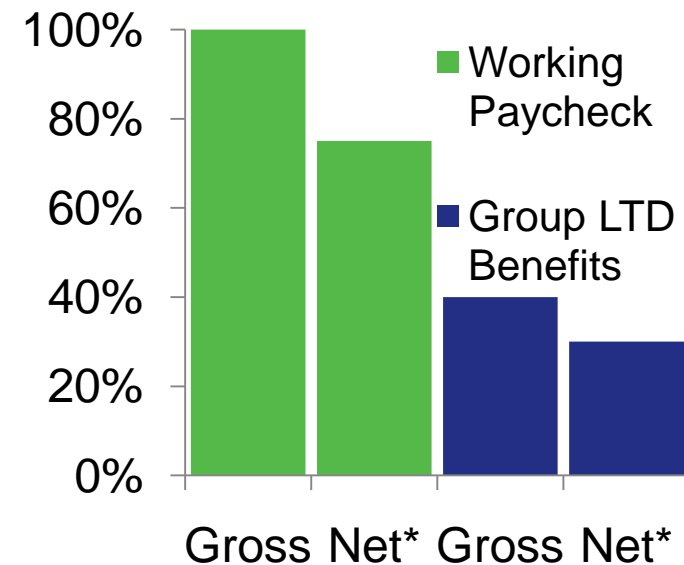
- Provides benefits for up to 60% of gross salary subject to a specified monthly benefit maximum or “cap”.
- High income earners usually exceed the cap and do not qualify for coverage representing 60% of gross salary.



# Chief Financial Officer

60% LTD coverage to \$10,000  
maximum benefit

- A CFO earns \$300,000 a year.
- Under the LTD plan, the CFO would receive \$10,000 a month before taxes, if totally disabled.
- Instead of 60% replacement, the CFO has 40% of salary protected.
- The situation becomes worse as the CFO earns more income.



\* Assuming LTD benefits are taxable.



# Individual Disability Income Insurance

Employees who recognize their own need for additional disability insurance coverage may attempt to obtain individual disability income insurance coverage on their own.





# Individual Disability Income Insurance

- Completely portable.
- Enhanced definitions and benefits are available.
- Premiums can be guaranteed.
- No benefit offsets for other coverage\*
- Fixed benefit amount.
- Benefit limits based on most forms of company compensation.

\* So long as they do not have an SSI Rider.





# Individual Disability Income Insurance

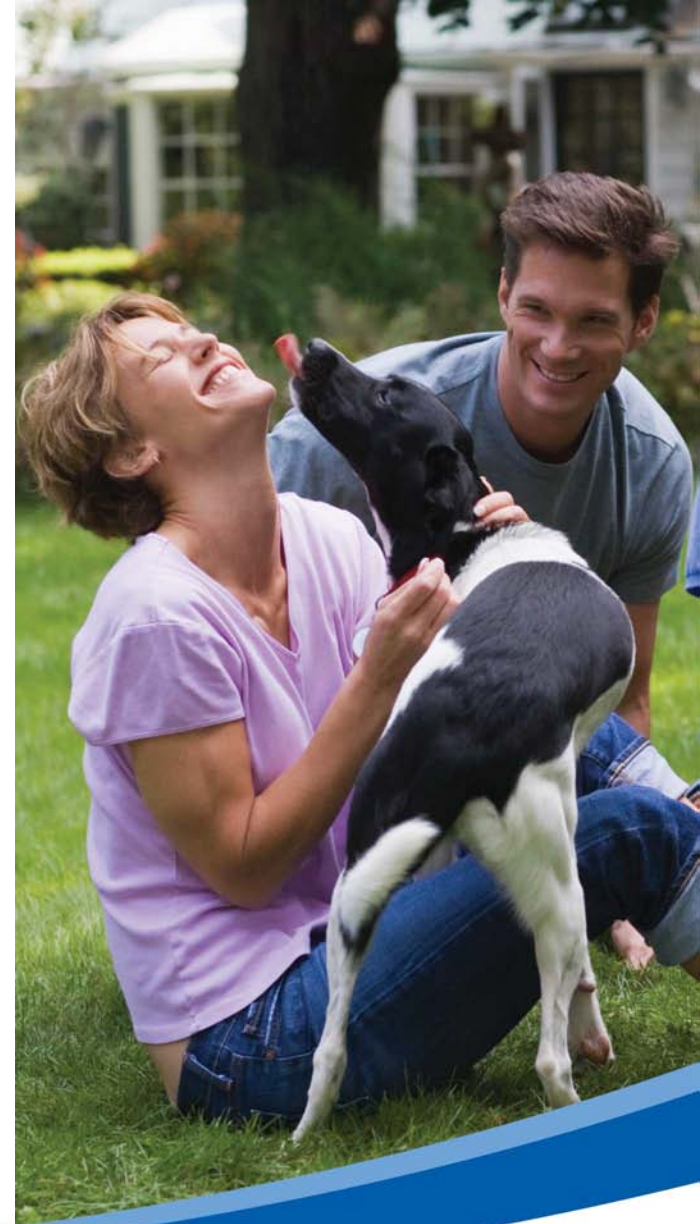
- Applicants must qualify for IDI coverage both medically and financially
- Existing medical conditions, and the possibility of higher premium costs may limit this option for many applicants.





# Comprehensive disability income protection

- Provides comprehensive disability income insurance protection, combining group LTD with IDI.
- Guarantee Issue
  - With no medical underwriting
  - Discounted rates
  - Limited enrollment forms.
- Extended to a specific class or group of employees.





# How can a company evaluate its comprehensive disability income protection needs?

- Provide existing LTD plan information to its benefits advisor.
- Provide an up-to-date census with total compensation information, titles, DOBs and genders.



# Resources for you

- The Standard's Insurance professionals individual disability insurance webpage at [www.standard.com/di](http://www.standard.com/di)
- The following presentations:
  - DI 101, [form 15082PPT](#)
  - DI 201, [form 15083PPT](#)
  - IDI at The Standard, [form 11399PPT](#)
  - Premium Discounts at The Standard, [14510PPT](#)
- Your Master General Agent
- The Standard's sales consultants at [getinfo@standard.com](mailto:getinfo@standard.com)



# The Standard

- has been keeping its promises to its customers since 1906
- ranks among the top ten disability insurance companies in the nation
- rates 1<sup>st</sup> among its peers with high levels of customer service, a sound liquidity position and strong financial flexibility\*

Click [here](#) to find out more about The Standard.

\* Peer Comparison: U.S. Specialty Employee Benefit Insurers. Standard & Poor's Rating services.





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