

# **2011 Disability Renewal & Marketing Analysis**

## **Board of County Commissioner's Sumter County Florida**

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Date: September 1, 2011

**Willis**

# Sumter County Market Summary

We have listed for you the carrier(s)/vendor(s) that we sought and their responses, our compensation and Sub-Brokers (if any) in the following Summary Table:

Carrier Name	Line of Business	Response	Compensation / Additional Compensation
Aetna	Short Term Disability & Long Term Disability	Declined	N/A
Dearborn National	Short Term Disability & Long Term Disability	Quoted	Net NA Additional
Hartford	Short Term Disability & Long Term Disability	Quoted	Net 2.00% Additional
Humana	Short Term Disability & Long Term Disability	Not quoted	NA
ING	Short Term Disability & Long Term Disability	Declined	NA
Liberty Mutual	Short Term Disability & Long Term Disability	Quoted	Net NA Additional
Lincoln Financial	Short Term Disability & Long Term Disability	Quoted	Net 2% of aggregated paid premium Additional
MetLife	Short Term Disability & Long Term Disability	Quoted	Net NA Additional
Mutual of Omaha	Short Term Disability & Long Term Disability	Quoted	Net NA Additional
Principal	Short Term Disability & Long Term Disability	Not quoted	NA
Prudential	Short Term Disability & Long Term Disability	Quoted	Net NA Additional
Reliance Standard	Short Term Disability & Long Term Disability	Declined	N/A
Standard	Short Term Disability & Long Term Disability	Declined	N/A
Unum	Short Term Disability & Long Term Disability	Quoted	Net 2.5% Additional

We have listed for you the name of the carrier/vendor that submitted the renewal including our compensation and Sub-Brokers (if any) in the following Summary Table:

Carrier Name	Line of Business	Response	Compensation / Additional Compensation
Sunlife	Short Term Disability & Long Term Disability	Renewal	Net NA Additional

	SUN LIFE	DEARBORN NATIONAL	HARTFORD	LIBERTY MUTUAL	LINCOLN FINANCIAL	METLIFE	MUTUAL OF OMAHA	PRUDENTIAL	UNUM
	CURRENT	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
Eligibility	20 hrs per week	20 hrs per week	20 hrs per week	20 hrs per week	20 hrs per week	20 hrs per week	20 hrs per week	20 hrs per week	20 hrs per week
Waive Actively at Work Provision	No	No	No	No	No	No	No	No	No
Weekly Benefit Percent	60%	60%	60%	60%	60%	60%	60%	60%	60%
Benefit Duration	11 weeks	11 Weeks or until LTD begins	11 Weeks	11 Weeks	11 weeks	11 weeks	11 weeks	11 weeks	11 weeks
Maximum	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Minimum	None	\$25	None	None	10% of weekly benefit	\$20	\$15	\$25	\$25
Definition of Earnings	Includes scheduled overtime for employees regularly scheduled to work in excess of 40 hours per week; excludes commissions, bonuses and unscheduled overtime pay	Annual, monthly or weekly rate of earnings from Employer in effect immediately prior to date death or disability begins. Includes total income before taxes, including deductions made for pre-tax contributions to qualified deferred comp plan, Section 125 plan, or flexible spending account. Excludes bonuses, overtime pay or any other extra comp other than commissions. Commissions will be averaged over the 12 month period prior to date death or disability begins.	Excludes commissions, bonuses and overtime pay	Salary	Weekly earnings including commissions and excluding overtime pay and bonuses	Basic earnings only	Includes schedule overtime for employees regularly scheduled to work in excess of 40 hours per week; excludes commissions, bonuses and unscheduled overtime pay	Base salary only; excludes overtime, bonus and commission	Includes scheduled overtime for employees regularly scheduled to work in excess of 40 hours per week; excludes commissions, bonuses and unscheduled overtime pay
Definition of Disability	Own occ and any occ	Own occ and any occ	Own Occ	Own Job	Own job	Own job	Own occ and any occ	Own occ and any occ	Own occ and any occ
<b>Elimination Period</b>									
Accident	14 days	14 days	14 days	14 Days	14 Days	14 days	14 days	14 days	14 days
Illness	14 days	14 days	14 Days	14 Days	14 Days	14 days	14 days	14 days	14 days
<b>Benefit Provisions</b>									
Partial / Residual	Partial	Partial	Partial	Partial	Partial	Partial	Residual	Residual	Residual
Temporary Recovery	2 consecutive weeks	14 Days	15 work days	14 Days	14 Days	90 days	21 days	2 weeks	2 weeks
Work Incentive Benefit	Not included	Included	Not Included	Not Included	Not Included	Included	To the end of the maximum benefit period/ SSNRA	Not Included	Included
<b>Limitations</b>									
Pre-existing Conditions	Not included	None	None	None	None	None	None	None	None
<b>PREMIUM ANALYSIS</b>	<b>Current</b>	<b>Renewal</b>							
Benefit Volume	\$222,622	\$222,622	\$222,622	\$222,622	\$222,622	\$222,622	\$222,622	\$222,622	\$222,622
Rate per \$10 of weekly benefit	\$0.294	\$0.400	\$0.320	\$0.390	\$0.319	\$0.260	\$0.340	\$0.294	\$0.260
<b>Monthly Premium</b>	<b>\$6,545.09</b>	<b>\$8,904.88</b>	<b>\$7,123.90</b>	<b>\$8,682.26</b>	<b>\$7,101.64</b>	<b>\$5,788.17</b>	<b>\$7,569.15</b>	<b>\$6,545.09</b>	<b>\$5,788.17</b>
<b>Annual Premium</b>	<b>\$78,541.04</b>	<b>\$106,858.56</b>	<b>\$85,486.85</b>	<b>\$104,187.10</b>	<b>\$85,219.70</b>	<b>\$69,458.06</b>	<b>\$90,829.78</b>	<b>\$78,541.04</b>	<b>\$69,458.06</b>
\$ Variance in Current		\$28,317.52	\$6,945.81	\$25,646.05	\$6,678.66	(\$9,082.98)	\$12,288.73	\$0.00	\$47,017.77
% Variance in Current		36.1%	8.8%	32.7%	8.5%	-11.6%	15.6%	0.0%	59.9%
Rate Guarantee	2 Year	2 Year	2 Year	2 Year	1 Year	1 Year	2 Year	2 Year	2 Year
Contribution Requirement	100% Employer paid	100% Employer paid	100% Employer Paid	100% Employer Paid	100% Employer Paid	100% Employer Paid	100% Employer Paid	100% Employer Paid	100% Employer Paid
Participation Requirement	100%	100%	100%	100%	100%	100%	100%	100%	100%
Notes			Assumes packaged rates			Rehabilitation Program incentive, Family Care incentive and Moving Expense incentive included	Assumes packaged rates	Assumes packaged rates	Rate contingent on packaging with Voluntary Benefits

THIS INFORMATION IS PROPRIETARY AND SHOULD NOT BE DISTRIBUTED.  
This proposal is not to be construed as an exact or complete analysis of the policies nor as legal evidence of insurance.  
The provisions of the actual policy will prevail.  
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	SUN LIFE	DEARBORN NATIONAL	HARTFORD	LIBERTY MUTUAL	LINCOLN FINANCIAL	METLIFE	MUTUAL OF OMAHA	PRUDENTIAL	UNUM
	CURRENT	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
Eligibility	Active full time and part time employees working at least 20 hours per week	Active full time and part time employees working at least 17.5 hours per week, excluding LS EMS employees	Active full time and part time employees working at least 17.5 hours per week, excluding LS EMS employees	Active full time and part time employees working at least 17.5 hours per week, excluding LS EMS employees	Active full time and part time employees working at least 17.5 hours per week, excluding LS EMS employees	Class 1: Active full time Non Public Safety employees (30 hours) Class 2: Active full time Public Safety employees (30 hours)	Active full time and part time employees working at least 17.5 hours per week, excluding LS EMS employees.	Active full time and part time employees working at least 17.5 hours per week, excluding LS EMS employees.	Active full time and part time employees working at least 20 hours per week
Waive Actively at Work Provision	No	No	No	No	No	No	No	No	No
Monthly Benefit Percent	60%	60%	60%	60%	60%	60%	60%	60%	60%
Benefit Duration	SSNRA	SSNRA	ADEA 1 w/SSNRA	SSNRA	Later of Age 65 or SSNRA	RBD with SSNRA	RBD to SSNRA	SSNRA WITH ADEA 1	SSNRA/RBD
Maximum	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Minimum	\$50	\$100	\$50	\$50	Greater of \$100 or 10% of benefit	\$100	\$100	\$50	\$50
Definition of Earnings	Includes scheduled overtime for employees regularly scheduled to work in excess of 40 hours per week; excludes commissions, bonuses and unscheduled overtime pay	Annual, monthly or weekly rate of earnings from ER in effect immediately prior to date death or disability begins. Includes total income before taxes, including deductions made for pre-tax contributions to qualified deferred comp plan, Section 125 plan, or flexible spending account. Excludes bonuses, overtime pay or any other extra comp other than commissions. Commissions will be averaged over 12 month period prior to date death or disability begins.	Excludes commissions, bonuses and overtime pay	Salary	Standard, includes commissions; client may elect to include bonuses	Basic earnings only	Includes scheduled overtime for employees regularly scheduled to work in excess of 40 hours per week; excludes commissions, bonuses and unscheduled overtime pay.	Base salary only; excludes overtime, bonus and commission	Includes scheduled overtime for employees regularly scheduled to work in excess of 40 hours per week; excludes commissions, bonuses and unscheduled overtime pay
Definition of Disability	24 months or 20% loss of earnings; after 24 months 40% loss of earnings	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ	Class 1: 24 months and 20% loss of earnings; after 24 months 40% loss of earnings Class 2: Any occ	2 Year Own Occ 24 months or 1% loss of earnings; after 24 months 15% loss of earnings	2 Year regular occ	2 Year regular occ
Evidence of Insurability Requirement	Required for late entrants and elected increases	Required for late entrants and elected increases	Required for late entrants and elected increases	Required for late entrants and elected increases	Required for late entrants and elected increases	Required for late entrants (including takeover late entrants)	Required for late entrants	Required for late entrants	Required for late entrants
<b>Elimination Period</b>									
Elimination Period	90 days	90 days	90 Days	90 Days	90 Days	90 days	90 days	90 days	90 days
Interruption	15 days	45 days	Not Indicated	30 days	90 Days	30 business days &	90 days	15 Days	30 Days
<b>Limitations</b>									
Mental Illness Limitation	24 months	24 months	24 Months Outpatient	24 Months	24 Months	Class 1: 24 months Class 2: NA	24 Months Lifetime	24 Months Combined	24 Months
Self Reported Limitation	24 months	24 months	No Limitations	24 Months	24 Months	Class 1: 24 months Class 2: NA	24 Months Lifetime	24 Months Combined	24 Months
Pre-existing Conditions	3/12	3/12	6/6/12	3/12	3/12	6/12	3/12	3/12	3/12
<b>Benefit Provisions</b>									
Partial, Residual or Progressive	Residual	Partial	Partial	Proportionate loss earnings w/Residual	Residual w/Progressive	Zero day residual	Residual	Residual	Zero Day Residual
Indexed Monthly Earnings	Lesser of 10% or annual increase in CPI-W	3% CPI-W	Ability indexing Lesser of 10% or Change in CPI	Lesser of 10% or annual increase in CPI-W	Not Included, Progressive	Lesser of CPI or 10%	Not Included	Lesser of CPI or 10%	Included
Social Security Integration	Family	Family	Family	Family	Family	Family	Family	Family	Family
Waiver of Premium	Included	Included	Included	Included	Included	Included	Included	Included	Included

	SUN LIFE		DEARBORN NATIONAL		HARTFORD	LIBERTY MUTUAL	LINCOLN FINANCIAL	METLIFE	MUTUAL OF OMAHA	PRUDENTIAL	UNUM
	CURRENT		PROPOSED		PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
Workplace Modification	Up to \$2,000		Up to \$1,500		Up to 1 month of employee's benefit	Greater of \$2,000 or 2 x net benefit	Up to \$5,000	Included, no limit	Unlimited	Up to \$2,000	Greater of \$1,000 or twice monthly benefit
Recurrent Disability	6 months		6 months		6 Months	6 Months	6 Months	6 months	6 months	6 Months	6 Months
Return to Work Incentive	Not included		Included		Included	12 Months	24 Months	100% up to 24 months	To the end of the benefit period	12 Month	12 Month
Rehabilitation	Included, up to 10% incentive for 12 months		Included, no return to work offset for 12 months if in rehab program		Included	10% Incentive/20% Disincentive	Mandatory	Required, 10% increase in monthly benefit if participating	Not Mandatory	10% of monthly payment/12 Months	Included
Child Care Expense	Not included		Included		\$350 per month for 12 months then \$175 thereafter	Not Included	\$250 up to 12 months	Family Care Incentive included; up to \$400 per month per eligible family member during first 24 months of rehab	Not Included	Not Included	\$350 per dependent per month to \$1,000 max
Spouse or Elder Care	Not included		Not included		\$350 per month for 12 months then \$175 thereafter	Not Included	\$250 up to 12 months	Family Care Incentive included; up to \$400 per month per eligible family member during first 24 months of rehab	Not Included	Not Included	\$350 per dependent per month to \$1,000 max
Survivor Benefit	3x gross monthly benefit, lump sum		3 x		3 x	3 x	3 x	3x net monthly benefit, single sum payments	3 x	3 x	3 x
EAP	Not included		Disability Resource Services Included		Ability Assist Included	Included	Included	Not included	Not Included	Not Included	Work Life Assistance Program Included
<b>PREMIUM ANALYSIS</b>	<b>Age</b>	<b>Covered Pay</b>	<b>Current</b>	<b>Renewal</b>							
Rate per \$100 of payroll											
	0-24	\$27,600	\$0.150	\$0.170	\$0.100	\$0.143	\$0.135	\$0.150	\$0.243	\$0.150	\$0.140
	25-29	\$49,530	\$0.340	\$0.370	\$0.180	\$0.323	\$0.306	\$0.220	\$0.243	\$0.340	\$0.320
	30-34	\$60,530	\$0.270	\$0.300	\$0.290	\$0.257	\$0.243	\$0.270	\$0.243	\$0.270	\$0.260
	35-39	\$91,965	\$0.430	\$0.470	\$0.400	\$0.409	\$0.387	\$0.430	\$0.359	\$0.430	\$0.410
	40-44	\$74,751	\$0.620	\$0.680	\$0.670	\$0.589	\$0.558	\$0.590	\$0.623	\$0.620	\$0.590
	45-49	\$117,397	\$0.820	\$0.900	\$0.930	\$0.779	\$0.738	\$0.820	\$0.700	\$0.820	\$0.780
	50-54	\$42,017	\$1.050	\$1.160	\$1.100	\$0.998	\$0.945	\$1.050	\$0.958	\$1.050	\$1.000
	55-59	\$43,605	\$1.290	\$1.420	\$1.380	\$1.226	\$1.161	\$1.290	\$1.394	\$1.290	\$1.230
	60-64	\$40,573	\$1.600	\$1.760	\$1.190	\$1.520	\$1.440	\$1.600	\$1.664	\$1.600	\$1.520
	65-69	\$1,917	\$1.220	\$1.340	\$1.420	\$1.159	\$1.098	\$1.220	\$0.746	\$1.220	\$1.160
	70+	\$3,997	\$0.810	\$0.890	\$1.190	\$1.159	\$0.880	\$0.810	\$0.746	\$0.810	\$0.770
<b>Monthly Premium</b>			<b>\$3,903</b>	<b>\$4,291</b>	<b>\$3,874</b>	<b>\$3,725</b>	<b>\$3,519</b>	<b>\$3,822</b>	<b>\$3,682</b>	<b>\$3,903</b>	<b>\$3,715</b>
<b>Annual Premium</b>			<b>\$46,841</b>	<b>\$51,490</b>	<b>\$46,492</b>	<b>\$44,702</b>	<b>\$42,229</b>	<b>\$45,859</b>	<b>\$44,181</b>	<b>\$46,841</b>	<b>\$44,574</b>
\$ Variance in Current				\$4,649	-\$349	-\$2,139	-\$4,612	-\$982	-\$2,660	\$0	-\$2,266
% Variance in Current				9.9%	-0.7%	-4.6%	-9.8%	-2.1%	-5.7%	0.0%	-4.8%
Rate Guarantee	2 Year		2 Year		2 Year	2 Year	2 Year	2 Year	2 Year	2 Year	3 Year
Contribution Requirement	100% Employee paid		100% Employee Paid		Contributory	100% Employee Paid	100% Employee Paid	Class 1: 0% Employee paid Class 2: 100% Employee paid	100% Employee Paid	100% Employee Paid	100% Employee Paid
Participation Requirement	25%		30%		31%	50%	30% or 10 lives	Class 1: 100% Class 2: 30%	30%	31%	Greater of 15 employees or 25%

	SUN LIFE	DEARBORN NATIONAL	HARTFORD	LIBERTY MUTUAL	LINCOLN FINANCIAL	METLIFE	MUTUAL OF OMAHA	PRUDENTIAL	UNUM
	CURRENT	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
Notes			Confirmation is needed explaining why the census volume times inforce rate is not in line with the premium and volumes from the experience  Assumes packaged rates				Assumes packaged rates		

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