



# Why should you consider purchasing disability insurance protection at your workplace?

Less than 5% of disabling accidents and illnesses are work related. The other 95% are not, meaning Workers' Compensation doesn't cover them.

*(Source: Council for Disability Awareness, Long-Term Disability Claims Review, 2011. [http://www.disabilitycanhappen.org/research/CDA\\_LTD\\_Claims\\_Survey\\_2011.asp](http://www.disabilitycanhappen.org/research/CDA_LTD_Claims_Survey_2011.asp))*

90% of disabilities are caused by illness.

*(Source: Council for Disability Awareness, [http://www.disabilitycanhappen.org/chances\\_disability\\_stats.asp](http://www.disabilitycanhappen.org/chances_disability_stats.asp), August, 2012.)*

64% of wage earners believe they have a 2% or less chance of being disabled for 3 months or more during their working career. The actual odds for a worker entering the workforce today are about 30%.

*(Source: Social Security Administration website, [ssa.gov](http://ssa.gov), Fact Sheet, March 18, 2011.)*

Less than half (35.6%) of the 2.9 million workers who applied for Social Security Disability Insurance (SSDI) benefits in 2011 were approved.

*(Source: Social Security Administration website, [ssa.gov](http://ssa.gov), Monthly Statistical Snapshot, December 2012.)*

**Many of us lead busy lives and seldom take time to think about life's risks. Consider the following reasons many people purchase disability insurance:**

- Lost wages
- Daily living expenses, such as:
  - Mortgage / rent
  - Utilities
  - Car
  - Food
  - Childcare
  - Eldercare
  - Hobbies
  - Pet care
- Ongoing medical expenses

**Advantages of shopping at work include:**

- Affordable group rates
- Convenient payroll deduction
- Guaranteed issue for timely applicant
- Easy access



## AUL's Group Voluntary Disability Insurance Terms and Definitions

<b>Eligible Employees:</b>	This benefit is available for employees who are actively at work on the effective date and working a minimum of 30 hours per week.
<b>Flexible Choices:</b>	Since everyone's needs are different, these plans offer flexibility for you to choose a benefit option that fits your income replacement needs and budget.
<b>Guaranteed Issue:</b>	If you enroll timely, you may be eligible for coverage without having to answer any health questions. If you decline insurance coverage now and decide to enroll later, you will need to provide Evidence of Insurability.
<b>Timely Enrollment:</b>	Enrolling timely means you have enrolled during the initial enrollment period when benefits were first offered by AUL, or as a newly hired employee within 31 days following completion of any applicable waiting period.
<b>Evidence of Insurability:</b>	If you do not enroll timely, you will need to submit a Statement of Insurability form for review. Based on health history, you will be approved or declined by AUL.
<b>Portability:</b>	Should your coverage terminate, you may be eligible to take this disability insurance with you without providing Evidence of Insurability. You must apply within 31 days from the last day you are eligible.
<b>Waiver of Premium:</b>	If approved, this benefit waives your Disability insurance premium in case you become disabled and are unable to collect a paycheck.
<b>Elimination Period:</b>	This is a period of calendar days of disability before benefits may become payable under the contract.
<b>Partial Disability:</b>	You may be paid a partial disability benefit, if because of injury or sickness, you are unable to perform every material and substantial duty of your regular occupation on a full-time basis, are performing at least one of the material and substantial duties of your regular occupation, or another occupation, on a full or part-time basis, and are earning less than 80% of your pre-disability earnings due to the same injury or sickness. Partial Disability is applicable to options 1,2,3,4 and 5.
<b>Pre-existing Condition Limitations:</b>	Certain disabilities are not covered if the cause of the disability is traceable to a condition existing prior to the effective date of the contract. A pre-existing condition is a sickness or injury for which the employee received medical treatment, service, or incurred expenses within a timeframe specified in the contract.

This invitation to inquire allows eligible employees an opportunity to inquire further about AUL's group insurance and is limited to a brief description of any losses for which benefits are payable. The contract has exclusions, limitations reduction of benefits, and terms under which the contract may be continued in force or discontinued.

## **Group Voluntary Disability Insurance Coverage**

About your benefit options:

- Short Term Disability (STD) benefits are illustrated monthly, but are paid on a weekly basis.
- Amounts not requested timely will require Evidence of Insurability.
- Benefit amounts are based upon a percentage of covered monthly earnings. Potential benefits may be reduced by other income offsets including but not limited to Social Security benefits.
- Maximum benefit periods that are based on Social Security Full Retirement Age (SSFRA), are payable under the contract based on your age at time of disability and may vary in duration.

### **Employee Options (Class 1)**

	<b>Benefit Percentage</b>	<b>Maximum Covered Monthly Earnings</b>	<b>Maximum Monthly Benefit</b>	<b>Elimination Period</b>	<b>Maximum Benefit Duration</b>	<b>Pre-Existing Condition Period</b>
Option 1 - STD	66.66%	\$9,000.90	\$6,000	7 days	12 weeks	3/12
Option 2 - STD	66.66%	\$649.56	\$433	7 days	12 weeks	3/12
Option 3 - STD	66.66%	\$1,300.63	\$867	7 days	12 weeks	3/12
Option 4 - STD	66.66%	\$2,275.73	\$1,517	7 days	12 weeks	3/12
Option 5 - STD	66.66%	\$3,250.82	\$2,167	7 days	12 weeks	3/12

### **To Determine Your Estimated Monthly Benefit:**

1. Enter the LESSER of your Monthly Salary or the Maximum Covered Monthly Earnings from the Plan Options above: \_\_\_\_\_
2. Multiply Step 1 by 66.66%: \_\_\_\_\_. This is your Estimated Monthly Benefit.

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## **Group Voluntary Disability Insurance Coverage for Eligible Employees** *Payroll Deduction Illustration*

### Steps to Calculate Bi-weekly Deduction (Class 1)

<u>*Example</u>	Opt 1	Opt 2	Opt 3	Opt 4	Opt 5
	<u>STD</u>	<u>STD</u>	<u>STD</u>	<u>STD</u>	<u>STD</u>

**Note: Please use the following formula to calculate the cost for this benefit. You can only elect one STD plan option and/or one LTD option.**

1A: Enter your Monthly Salary	<u>\$2,083</u>	_____	_____	_____	_____	_____
1B: Maximum Covered Monthly Earnings	<u>\$9,001</u>	<u>\$9,001</u>	<u>\$650</u>	<u>\$1,301</u>	<u>\$2,276</u>	<u>\$3,251</u>
1C: Enter the lesser amount of 1A or 1B	<u>\$2,083</u>	_____	_____	_____	_____	_____
2. Divide Step 1C by 100	<u>\$20.83</u>	_____	_____	_____	_____	_____
3. Enter Rate from chart below	<u>X \$0.51</u>	<u>X</u> _____				
4. Multiply Step 2 by Step 3 (Mo Prem)	<u>= \$10.62</u>	= _____	= _____	= _____	= _____	= _____
5. Multiply Step 4 by 12 and divide by 26	<u>= \$4.90</u>	= _____	= _____	= _____	= _____	= _____

to get Bi-weekly Deduction Amount

\*Example: Based on an Employee Age 36 with an annual salary of \$25,000 choosing Opt 1

### Monthly Premium Rates per \$100 of Covered Monthly Earnings (Based on Age as of 1/1)

Age Brackets:	Opt 1 <u>STD</u>	Opt 2 <u>STD</u>	Opt 3 <u>STD</u>	Opt 4 <u>STD</u>	Opt 5 <u>STD</u>
0 - 19	\$ .540	\$ .540	\$ .540	\$ .540	\$ .540
20 - 24	\$ .540	\$ .540	\$ .540	\$ .540	\$ .540
25 - 29	\$ .540	\$ .540	\$ .540	\$ .540	\$ .540
30 - 34	\$ .540	\$ .540	\$ .540	\$ .540	\$ .540
35 - 39	\$ .510	\$ .510	\$ .510	\$ .510	\$ .510
40 - 44	\$ .580	\$ .580	\$ .580	\$ .580	\$ .580
45 - 49	\$ .720	\$ .720	\$ .720	\$ .720	\$ .720
50 - 54	\$ .890	\$ .890	\$ .890	\$ .890	\$ .890
55 - 59	\$ 1.170	\$ 1.170	\$ 1.170	\$ 1.170	\$ 1.170
60 - 64	\$ 1.400	\$ 1.400	\$ 1.400	\$ 1.400	\$ 1.400
65 - 69	\$ 1.400	\$ 1.400	\$ 1.400	\$ 1.400	\$ 1.400
70 - 74	\$ 1.400	\$ 1.400	\$ 1.400	\$ 1.400	\$ 1.400

About Premiums: The premiums shown above may vary slightly due to rounding; actual premiums will be calculated by American United Life Insurance Company® (AUL), and may increase upon reaching certain age brackets, according to contract terms, and are subject to change.

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a ONEAMERICA® company. Visit us at [www.oneamerica.com](http://www.oneamerica.com) for more information.