



UNITARIAN UNIVERSALIST ASSOCIATION
Quick Reference Guide to UUA GIP Benefits
Group Insurance Plans: LTD, Life, Dental– 2010 UPDATE

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Under a contract with Unum the UUA is able to offer affordable group term life and long-term disability insurance to all employees of UU organizations who work at least 750 hours per year or more. Dental insurance continues to be available through our contract with MetLife.

OPEN ENROLLMENT for LTD, Life, and Dental insurance is occurring during FEBRUARY 2010. Employees, who previously declined coverage and would otherwise be “late entrants,” are permitted to enroll for LTD and/or Life without submitting a statement of health. NOTE: New employees must enroll within 60 days of their date of hire to avoid medical underwriting for Life & LTD insurance and restrictions on Dental coverage.

Long-term Disability Insurance (LTD)

Long-term disability insurance is meant to replace income lost by being unable to work for longer than 90 days due to disease or injury. Benefits in the UUA plan now provide 66.67 percent of the salary of the insured person (salary plus housing allowance in the case of ordained clergy) – this is an increase in benefit from the 60 percent previously available. In addition, if you are participating in your employer’s health plan, including the UUA Health Plan, at the time of disability, our new LTD policy includes up to \$600/month to pay your health insurance premium for up to 30 months. A Work/Life Balance Employee Assistance Program and Worldwide Emergency Travel Assistance Services are also made available to participants in the LTD insurance at no additional charge.

LTD benefits are paid for two years to disabled persons who cannot work in their primary occupation, and until age 65 for persons whose disability prevents their earning 80 percent of your pre-disability income in any profession. Benefits are paid for 24 months to persons disabled due to mental health disorders. After age 65, the maximum payment period declines until benefits are for one year at age 69 or older. Most employer/congregations “self-insure” the first 90 days of long-term disability of their ordained ministers.

The annual premium for this long-term disability coverage is 1% of the amount insured; *divide that amount by 12 to obtain the monthly premium.* Note that beginning on 01/01/2010 with our new contract with Unum the LTD benefit is enhanced as above, but the rate (for calculating premiums) did not increase.

To calculate the per-paycheck cost for this coverage, complete the calculation below:

Annual Salary divided by 100 = _____ x \$1.00 = Annual Cost.

Divide Annual Cost by # paychecks/year = Cost per Paycheck (final cost may vary slightly due to rounding).

Examples: The annual LTD premium for a minister with a combined salary and housing allowance of \$57,000 will be \$570. Divide that annual premium by the number of paychecks per year to obtain the per paycheck cost OR divide the annual cost by 12 to obtain the monthly premium – in this example \$47.50/month.

The premium for a staff member with earnings of \$28,000 will be \$280 per year, divided by 12 equals \$23.33 per month.

If long-term disability premiums are paid out of after-tax earnings, any benefits received are **exempt** from federal income tax. If the premiums are paid by the congregation the tax treatment of the benefits may be different. Our office can help explain the available options.

Term Life Insurance

Group term life insurance policies have a face value of 200 percent of annual salary (salary plus housing allowance in the case of ordained ministers), up to a maximum of \$200,000 (this is an increase from the prior maximum of \$150,000). Even with these benefit enhancements, the premium rate has not increased. **The rate for group term life premium is a flat unisex rate of 32 cents per month per thousand dollars of coverage.**

In addition, employees leaving UUA-related employment are able to take their coverage with them although at a higher premium.

This life insurance is offered without a medical exam and without regard to age if the person enrolls within the first 60 days of employment or during Open Enrollment of February 2010.

Examples: A minister with a combined salary and housing allowance of \$57,000 per year receives \$114,000 in life insurance protection for a monthly premium of \$36.48, regardless of gender or age (114 x .32). An employee whose annual wages are \$28,000 will have a policy for \$56,000 for a premium of \$17.92 per month (56 x .32).

In order to adjust for actuarial risk, the amount paid in the event of death at age 65 is 65% of the original amount. At age 70 the benefit payable is 50% of the original amount. The life insurance policy includes an AD&D (accidental death and dismemberment) benefit that pays double the face value if death results from an accident. Life insurance premiums are waived if the policyholder is disabled for longer than 90 days. The life insurance stays in force during disability. *An enrolled employee may elect life insurance coverage for their dependents as follows:*

- A flat \$5,000 policy may be selected for the spouse/partner of the enrolled employee for \$4.00/month.
- A flat \$2,000 policy (\$1,000 for children under 6 months of age) may be selected for the children of the enrolled employee for \$2.00/month.
- To enroll the spouse/partner **and** all dependent family members at coverage noted just above, the premium is \$5.00/month.

Dental Insurance

The MetLife dental policy provides Preventive Services every six months at no charge (complete checkup with X-rays and cleaning with no deductible). The plan then pays 80 percent of Basic Services and 50 percent of Major Services after a \$25 deductible, to a maximum of **\$1,500 per person per year**. Enrollees may use any dentist with this program, but MetLife has contract dentists who have agreed to reduce their fees. If patients use a non-contract dentist, the benefits paid are based on a percentage of the usual, customary, and reasonable rates for that area. To locate a contract dentist in your area, look at www.metlife.com/dental or www.metlife.com/mybenefits and enter "UUA Congregations", or call 800/474-7371. **The monthly dental premium is \$46.50 for individual employees or \$112.75 for families of any size, including domestic partners.**

**To obtain enrollment forms, claim forms, or for answers to questions, contact
Linda Rose at the UUA, 617-948-4265, or lrose@uua.org.**

Persons filing term life or long-term disability *claims* should first submit the *claim* forms to Linda Rose at the UUA to ensure completion before submitting them to the insurance company.