



# Your Employee Benefits Proposal

**Prepared for:** Sheldon Independent School District

**Presented by:** First Financial Group of America

**Proposal Prepared on:**  
June 24, 2024

Life and AD&D Insurance  
Additional Life Insurance

**Proposed Effective Date:**  
September 1, 2024

Standard Insurance Company





# Life and AD&D Insurance

Handling a Life insurance claim takes a special touch. All of our Life benefits employees complete annual grief training helping them to empathize with beneficiaries and recognize when they need special attention. And we're focused on settling claims quickly: Our median calculation turnaround time in 2023 was 2 days for clean claims and 3 days for all claims (internal company data as of January 2024).

## Covered Members

An active employee of the Employer working 30 or more hours per week.

	Basic
<b>Benefit Schedule</b>	Flat \$10,000
<b>Guarantee Issue</b>	Full Benefit
<b>AD&amp;D Benefit</b>	Matches Life Benefit
<b>Age Reduction Schedule</b>	To 65% at age 70 To 50% at age 75
<b>Employer Contribution</b>	100%
<b>Minimum Participation</b>	100%

## Life Highlights

	Basic
<b>Waiver of Premium</b>	Eligible to age 60 Waived to SSNRA Age reductions apply
<b>Conversion</b>	Included
<b>Portability</b>	Included
<b>Continuity of Coverage</b>	Included
<b>Repatriation Benefit</b>	Included
<b>Travel Assistance</b>	Included
<b>Life Services Toolkit</b>	Included



## AD&D Highlights

	Basic
<b>Loss of life</b>	100% (including disappearance and exposure)
<b>Loss of one hand or one foot</b>	50%
<b>Loss of sight of one eye</b>	50%
<b>Loss of speech</b>	50%
<b>Loss of hearing in both ears</b>	50%
<b>Any combination of the above losses</b>	100%
<b>Loss of thumb and index finger of same hand</b>	25%
<b>Quadriplegia</b>	100%
<b>Triplegia</b>	75%
<b>Paraplegia</b>	75%
<b>Hemiplegia</b>	50%
<b>Uniplegia</b>	25%
<b>Seat Belt Benefit</b>	10% of AD&D benefit payable up to \$25,000
<b>Air Bag Benefit</b>	5% of AD&D benefit payable up to \$5,000
<b>Helmet Benefit</b>	10% of AD&D benefit payable up to \$5,000
<b>Family Benefits Package</b>	Included
<b>Portability</b>	Included



## Additional Plan Design Details

- An Accelerated Death Benefit is included. Terminally ill members may withdraw up to 80% of their Life benefit to a maximum of \$500,000 (when Basic Life and any Additional Life are combined).
- If Life is sold with Standard's LTD, then the LTD claim will initiate a claim for Standard's Life Waiver of Premium.
- The Family Benefits Package includes:
  - The Higher Education Benefit reimburses tuition expenses up to \$5,000 per child per year towards a 4-year college education for the deceased's children - not to exceed a cumulative total of \$20,000 or 25% of the AD&D benefit per child, whichever is less.
  - Career Adjustment Benefit reimburses tuition expenses up to \$5,000 per year to help a spouse to return to the workforce after the death of their spouse - not to exceed the cumulative total of \$10,000 or 25% of the AD&D benefit, whichever is less.
  - Child Care Benefit reimburses a family's child care expenses up to \$5,000 per year - not to exceed \$10,000 or 25% of the AD&D benefit, whichever is less.
- The Helmet Benefit pays a benefit for a loss of life due to an accident that occurs when riding a bicycle or a motorcycle and wearing a helmet.
- A hand and/or foot that is lost and later surgically reattached will still be considered a loss.
- Travel Assistance is included and provides assistance with pre-trip planning, medical assistance services, emergency transportation services, travel and technical assistance services and legal referral.
- The Life Services Toolkit is included and helps beneficiaries cope with grief and loss, get answers to legal questions, plan a memorial or a funeral, and address financial concerns. Additionally, all covered employees will have access to online will preparation and other estate planning documents as well as articles to help deal with identity theft, improve wellness and more.
- An automated portability and conversion notification service is included. Based on data provided by the policyholder, The Standard will notify members of potential eligibility for conversion and/or portability.
- The AD&D Occupational Assistance service is included and provides access to a Workplace Possibilities (SM) Consultant who helps those with a specified accidental dismemberment return to productive work and life.



## Cost

	Basic
<b>Life</b>	
Members	1,621
Volume	\$16,137,500
Rate: Per \$1,000	.065
Monthly Premium	\$1,049
<b>AD&amp;D</b>	
Members	1,621
Volume	\$16,137,500
Rate: Per \$1,000	.010
Monthly Premium	\$161
<b>Total Billed Premium</b>	<b>\$1,210</b>
Rate Guarantee	3 years

## Optional Features & Services

- To provide EAP services to members enrolled in Life, there is a fee of \$0.60 per member per month, for 6 face-to-face sessions.

## Assumptions

- Rates include electronic documents. Printed certificates are available for an additional cost.
- Rates assume billing is centralized in one location.
- The proposed rates assume coverage currently in force.
- If the current contract contains a Waiver of Premium provision, The Standard assumes all waiver claims before the effective date of coverage with The Standard have been filed with the current carrier.
- Series 20.

## Conditions

- Member must be insured under Basic Life in order to be eligible for Basic AD&D.
- The elected benefit amount for Basic AD&D must match the benefit amount for Basic Life.

## More Information

For additional information on the available features and benefits of Life and AD&D Insurance from The Standard, click here:  
[https://www.standard.com/group\\_life\\_add](https://www.standard.com/group_life_add)



## Additional Life Insurance

### Covered Members

An active employee of the Employer working 30 or more hours per week.

	Employee	Spouse	Child
<b>Benefit Schedule</b>	Increments of \$10,000	Increments of \$5,000	Increments of \$1,000
<b>Maximum Benefit</b>	\$500,000	\$250,000	\$10,000
<b>Minimum Benefit</b>	\$10,000	\$5,000	\$1,000
<b>Guarantee Issue</b>	\$100,000	\$50,000	Full Benefit
<b>Age Reduction Schedule</b>	To 65% at age 70 To 50% at age 75	To 65% at age 70 To 50% at age 75	None
<b>Employer Contribution</b>	0%	0%	0%
<b>Minimum Participation</b>	Greater of 20% or 10 Lives	20%	20%

### Life Highlights

	Employee	Spouse	Child
<b>Waiver of Premium</b>	Eligible to age 60 Waived to SSNRA Age reductions apply	Not Included	Not Included
<b>Conversion</b>	Included	Included	Included
<b>Portability</b>	Included	Included	Included
<b>Continuity of Coverage</b>	Included	Included	Included



## Additional Plan Design Details

- On the policy effective date, all members (enrolled or eligible) may increase their benefit amount up to the guarantee issue amount without providing evidence of insurability.
- On the policy effective date, all members (enrolled or eligible) may increase their spouse's benefit amount up to the guarantee issue amount without providing evidence of insurability.
- On the policy effective date, all members (enrolled or eligible) may increase their child's benefit amount up to the guarantee issue amount without providing evidence of insurability.
- No evidence of insurability is required for child coverage.
- An Accelerated Death Benefit is included. Terminally ill members may withdraw up to 80% of their Life benefit to a maximum of \$500,000 (when Basic Life and any Additional Life are combined).
- An Accelerated Benefit is not available for dependents.
- Life insurance for dependents continues automatically, without premium payment, for five months after the death of the insured member.
- Dependents coverage includes child(ren) from live birth through age 25. The first eligible newborn child is automatically covered at the minimum benefit amount for up to 31 days. After the first child is enrolled, subsequent children will be automatically covered at the elected child benefit amount.
- The benefit amounts under the current plan are carried forward to this plan.



**Cost**

Employee					
<b>Life</b>					
<b>Members</b>	340				
<b>Volume</b>	\$27,795,000				
<b>Rate: Per \$1,000</b>	<b>Lives</b>	<b>Age</b>	<b>Rate</b>	<b>Volume</b>	<b>Premium</b>
	4	0-24	.080	\$380,000	\$30
	18	25-29	.090	\$1,600,000	\$144
	44	30-34	.110	\$3,760,000	\$414
	57	35-39	.130	\$4,840,000	\$629
	59	40-44	.180	\$5,730,000	\$1,031
	51	45-49	.280	\$3,870,000	\$1,084
	44	50-54	.440	\$3,110,000	\$1,368
	39	55-59	.700	\$3,010,000	\$2,107
	12	60-64	.870	\$760,000	\$661
	9	65-69	1.490	\$570,000	\$849
	3	70-74	2.370	\$165,000	\$391
	0	75-999	3.640	\$0	\$0
<b>Monthly Premium</b>					\$8,708
<b>Rate Guarantee</b>					3 years

Spouse					
<b>Life</b>					
<b>Members</b>	126				
<b>Volume</b>	\$5,287,750				
<b>Rate: Per \$1,000</b>	<b>Lives</b>	<b>Age</b>	<b>Rate</b>	<b>Volume</b>	<b>Premium</b>
	0	0-24	.080	\$0	\$0
	1	25-29	.090	\$50,000	\$5
	10	30-34	.110	\$500,000	\$55
	18	35-39	.130	\$800,000	\$104
	25	40-44	.180	\$1,255,000	\$226
	25	45-49	.280	\$875,000	\$245
	22	50-54	.440	\$880,000	\$387
	15	55-59	.700	\$580,000	\$406
	6	60-64	.870	\$255,000	\$222
	3	65-69	1.490	\$70,000	\$104
	1	70-74	2.370	\$22,750	\$54
	0	75-999	3.640	\$0	\$0
<b>Monthly Premium</b>					\$1,808
<b>Rate Guarantee</b>					3 years





Child	
Elective: Paid by each Member electing coverage	
<b>Life</b>	
<b>Members</b>	146
<b>Rate: Per \$1,000</b>	.100
<b>Rate Guarantee</b>	3 years

## Assumptions

- Final Spouse Life rates are subject to change if actual enrollment varies from the assumed enrollment of 20%.
- Final Additional Life rates are subject to change if actual enrollment varies from the assumed enrollment of 21%.
- Rates include electronic documents. Printed certificates are available for an additional cost.
- Rates assume billing is centralized in one location.
- The proposed rates assume coverage currently in force.
- If the current contract contains a Waiver of Premium provision, The Standard assumes all waiver claims before the effective date of coverage with The Standard have been filed with the current carrier.

## Conditions

- Additional Life can only be purchased in conjunction with Basic Life.
- Member's Basic Life benefits plus Additional Life benefits may not exceed 8 times annual earnings.
- Until coverage has been in force for two years (one year in Colorado, Minnesota, Missouri and North Dakota), death that results from suicide or other intentionally self-inflicted injury is not covered. This exclusion does not apply to plans written in Washington.
- We require evidence of insurability for:
  - Increases in elected benefit amounts from the current plan to this plan.
- Except as provided in the Additional Plan Design Details, we require evidence of insurability for:
  - Increases in elected benefit amounts from the current plan to this plan.
  - Members who are eligible under the current plan but are not enrolled.
  - Spouses who are eligible under the current plan but are not enrolled.
  - Children who are eligible under the current plan but are not enrolled.
  - Individuals who enroll more than 31 days after they are first eligible for coverage.
  - Increases in elected benefit amounts after initial enrollment.
- Member must be enrolled in Additional Life to enroll in the Spouse Life plan.
- Member must be enrolled in Additional Life to enroll in the Child Life plan.
- Spouse Life can't exceed 100% of member's enrolled benefit for Additional Life.

**Proposed Effective Date**  
September 1, 2024

**Prepared for:**  
Sheldon Independent School District



## Conditions (continued)

- Child Life can't exceed 100% of member's enrolled benefit for Additional Life.

## More Information

For additional information on the available features and benefits of Dependent Life Insurance from The Standard, click here:  
[https://www.standard.com/group\\_life\\_add](https://www.standard.com/group_life_add)



## Producer Compensation Disclosure

We recognize the valuable role of insurance advisors, consultants and brokers ("producers") in helping their clients design an employee benefits program, and we support reasonable and fair compensation for these services. Producers may be eligible to receive compensation from The Standard.

The commission quoted in this proposal are noted below. Additionally, fees for administrative, marketing or consulting services may apply. If applicable, fees are noted below.

Flat 15% commission included for Life.

Override of 1.05 included on Life. An override is compensation paid in addition to or in lieu of commissions.

Unless participation is declined by the producer or client, contingent compensation is additional compensation that may also be paid and is dependent on the satisfaction of one or more minimum requirements, such as a specified amount of new premium volume or persistency in connection with the producer's block of business. For information about our customary producer rewards program visit [www.standard.com/financial-professional/insurance-benefits/compensation](http://www.standard.com/financial-professional/insurance-benefits/compensation). Some producers may have a contingent compensation arrangement that differs from our customary program. Please consult with your producer for additional details.

## About This Employee Benefits Proposal

We appreciate the opportunity to provide you with this benefit and cost summary proposal from The Standard. This document outlines certain important features of the group insurance coverages available. This is not a contract or an offer to contract for such coverages. Detailed information about other important features of the coverage proposed is available on request. Just ask your broker/consultant or your representative at The Standard.

A completed application must be submitted before a group can be considered for coverage. Insurance will be effective after the application is accepted by The Standard. If approved, we will issue a contract containing our customary language. It will not duplicate policy language from another carrier. The group contract will contain provisions and defined terms not described in this Employee Benefits Proposal. The group contract will control if there are discrepancies between it and this proposal.

This benefit and cost summary proposal expires on September 22, 2024, unless replaced or withdrawn by The Standard.

The proposed premium rate and plan design for each coverage are based on the underwriting data received by The Standard. Final premium rates and plan provisions will be determined by The Standard on the basis of: applicable state laws, policyholder contributions, confirmation of occupations, the actual composition of the group of persons who will become insured and our current underwriting rules and practices.

## Financial Strength Ratings

For information about our Financial strengths ratings visit: <https://www.standard.com/about-standard/company/financial-strength>

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