

New Long Term Disability Program Announcement & Enrollment Packet

TO: Chelmsford Public School Employees

FROM: Lauren Cochran, CFT President
Katy Sullivan, CFT Vice President
Jay Lang, Superintendent

DATE: November 9, 2022

RE: New Benefit - Long Term Disability One Time Open Enrollment

Chelmsford Public Schools is pleased to announce a new group benefit for our staff, Group Long Term Disability Insurance. This new benefit is designed to pay monetary benefits (60% of your salary income tax free) for extended periods of time (to age 65 or beyond) when an injury or illness prevents you from earning an income. In essence, it is income replacement insurance, or *paycheck insurance*. All employees in our schools have some form of sick leave accrual, which allows for some compensation due to brief incapacitation. However, once the accrued time is exhausted there are limited opportunities for extended illness leave.

Unlike other benefit programs, existing staff may only receive guaranteed coverage in this program when it is initially offered. Future employees may enroll within their first month of employment. We would like to stress that there is a *full waiver* of our pre-existing condition limitation for current staff during this special initial enrollment period. **So there will be no pre-existing condition limitation for all those that enroll during this initial enrollment period.** Anyone that enrolls during this time that has a medical pre-existing condition will not be affected by our plan's clause and that condition will be covered as of the effective date. Employees must be actively at work and not on any leave of absence in order to enroll. If you decide against electing coverage in this initial offering and wish to sign up later, you are not guaranteed coverage in the plan.

Included in this packet is additional information of the benefits of our program, the premium costs of the plan and an enrollment form for employees to complete. Our consultants will be coming to our buildings to conduct informational sessions and the schedule for the sessions is included in this packet. Employees can also reach out to our lead consultant, Brian Fitzgerald, at any time at 781-342-1198 or brf@mosseservices.com as he'll be happy to answer any questions you have.

Each school will have a folder in its main office to collect the enrollment forms. All completed forms should be returned by Friday, December 2nd.

LONG TERM DISABILITY INSURANCE ENROLLMENT SCHEDULE

DATE	SCHOOL	LOCATION/TIME
Monday, November 14th	Parker Middle School	2:55pm Cafe
Monday, November 14 th	Harrington Elementary School	3:40pm Cafe
Tuesday, November 15 th	Chelmsford High School	2:10pm Cafe
Tuesday, November 15 th	Byam Elementary School	3:40pm Cafe
Wednesday, November 16 th	McCarthy Middle School	2:55pm Cafe
Wednesday, November 16 th	Center Elementary School	3:40pm Cafe
Thursday, November 17 th	Community Education & CHIPs	2:45pm Cafe
Thursday, November 17 th	South Row Elementary School	3:40pm Cafe

Employees that can't make the session at their school should feel free to attend any session they are able to join.



Chelmsford Public Schools Long Term Disability Plan Outline

- **Guaranteed Issue.** *The benefit is a guaranteed issue product, meaning if you sign up during this one time open enrollment, you cannot be denied access to the plan for any reason. However, if you do not elect the coverage during the open enrollment and then wish to join the plan at a later date, you have to prove evidence of insurability and you may be denied access to the plan.*
- Benefit: **60% of gross pay** to a maximum of \$10,000 per month. All benefits will be paid income tax free, both federal and state, because the employees are paying the premium with post tax deductions.
- **Elimination Period: 90 Calendar days.** This is the length of time that one has to be out of work before collecting benefits.
- **Benefit Duration:** benefits payable for disability to age 65/SSNRA (age 60 and older follow ADEA schedule, see attached).
- **Exclusions:**
 - Intentional self-inflicted injury
 - War, declared or undeclared, or any act of war
 - Active participation in a riot, rebellion or insurrection
 - Committing or attempting to commit an assault, felony or other illegal act
- **Two year limitation** on benefits for:
 - Outpatient drug and alcohol abuse
 - Outpatient mental and nervous disorder
- **Residual/Partial Benefit:** During elimination and benefit period, an employee showing a 20% or greater earnings loss due to disability is benefit eligible. In the elimination period, the days worked on partial basis count towards fulfillment of period.
- **Integration/Minimum benefit:** “the double dip rule” - plan offsets with other forms of income including: workers’ compensation, social security and disability retirement awards. Minimum benefit is \$100 per month.
- **Extended Own Occupation Protection to retirement age.** This is the definition of disability and states when an individual is considered disabled. This definition states that an individual is disabled if he or she is unable to perform the material duties of his or her own occupation.
- **3% Cost of Living Adjustment (COLA)** each year for a maximum of 5 adjustments
- **One Time Waiver of 3/12 pre-existing condition clause.** Actively-at-work employees that have a pre-existing condition and enroll during this one time open enrollment will not have to fulfill a pre-existing condition clause and will be covered on the effective date of the plan. *Enrollees must be actively at work on the effective date and not on any leave of absence.*

How much does the plan cost?

The rate for our plan is the most competitive in the marketplace for the benefits in our contract. The rate is \$0.80 per \$100 of income and each employee will have the same rate regardless of age or salary. Below are several examples of the costs associated with our plan but the actual cost will be tailored specifically to each employee's individual annual salary.

Annual Salary	Annual Cost	Monthly Cost	Cost Per Pay Period	
			26 Pays	21 Pays
\$20,000	\$160.00	\$13.33	\$6.15	\$7.62
\$30,000	\$240.00	\$20.00	\$9.23	\$11.43
\$40,000	\$320.00	\$26.67	\$12.31	\$15.24
\$50,000	\$400.00	\$33.33	\$15.38	\$19.05
\$60,000	\$480.00	\$40.00	\$18.46	\$22.86
\$70,000	\$560.00	\$46.67	\$21.54	\$26.67
\$80,000	\$640.00	\$53.33	\$24.62	\$30.48
\$90,000	\$720.00	\$60.00	\$27.69	\$34.29
\$100,000	\$800.00	\$66.67	\$30.77	\$38.10

Formula for cost per pay period: Annual Salary x \$0.0080 / Number of Pay Periods

Example of an Employee earning \$50,000 with 26 pay periods:

1. $\$50,000 \times \$0.0080 = \$400.00$
2. $\$400 / 26 \text{ pay periods} = \$15.38 \text{ per pay period}$

*Program requires minimum participation of 50%

How do I sign up?

If you wish to take advantage of this coverage, please complete the enrollment form by filling out your name, date of birth, check "I Elect" and sign the bottom of the form. If you do not choose to enter the program, simply check "I refuse" and sign the bottom of the form. All employees need to complete a form, even if they don't wish to participate in the program.

If you have any questions about our new LTD plan, please feel free to contact our consultant, Brian Fitzgerald, directly at **781-224-1709 x139** or email him at brf@mosseservices.com. He will be happy to go over the program with you in more detail and answer any questions you may have.

Brian will also be visiting each school over the coming weeks to conduct informational sessions.

Maximum Benefit Duration Schedule

Duration of Benefit Schedule - SSNRA

<u>Year of Birth</u>	<u>Normal Retirement Age</u>
Before 1938	Age 65
1938	Age 65 and 2 months
1939	Age 65 and 4 months
1940	Age 65 and 6 months
1941	Age 65 and 8 months
1942	Age 65 and 10 months
1943 through 1954	Age 66
1955	Age 66 and 2 months
1956	Age 66 and 4 months
1957	Age 66 and 6 months
1958	Age 66 and 8 months
1959	Age 66 and 10 months
After 1959	Age 67

Duration of Benefit Schedule – ADEA

<u>Age at Disablement</u>	<u>Duration of Benefit</u>
Age 65 but before 68	24 months of disability
Age 68 but before 70	18 months of disability
Age 70 but before 72	15 months of disability
Age 72 or more	12 months of disability

*Maximum Benefit Period is SSNRA or ADEA whichever is greater

Client	Location	Client Since:
Agawam Public Schools	Agawam, MA	2015
Agawam, Town Of	Agawam, MA	2020
Amesbury Public School Administrators	Amesbury, MA	2004
Ashburnham/Westminster Regional School District AFSCME Union	Westminster, MA	2002
Ashburnham/Westminster Regional School District Paraprofessionals	Westminster, MA	2010
Ashburnham-Westminster Regional School District Administrators	Westminster, MA	2011
Ashland Public Schools	Ashland, MA	2016
Assabet Valley Vocational Technical School	Marlborough, MA	1997
Avon Public Schools	Avon, MA	2003
Bay Path Regional Vocational Technical High School	Charlton, MA	2007
Bennington-Rutland Supervisory Union	Manchester Center, VT	2000
Berlin/Boylston Public Schools & Tahanto Regional School District	Boylston, MA	1995
Billerica Public Schools	Billerica, MA	2011
Blackstone Valley Technical School	Upton, MA	2011
Bristol-Plymouth Regional Technical School	Taunton, MA	2017
Brookline Educators Union	Brookline, MA	2008
Brookline Public Schools Administrators	Brookline, MA	1999
Brookline Town Department Heads & Managers	Brookline, MA	2007
Brookline, Town of	Brookline, MA	2009
Caledonia North Supervisory Union	Lyndonville, VT	2016
Cape Cod Technical High School	Harwich, MA	2016
Central Berkshire Regional School District	Dalton, MA	2010
Chester School District -SAU #82	Chester, NH	2010
Danvers Public Schools Administrators	Danvers, MA	2002
Diman Regional Vocational School Administrators	Fall River, MA	2006
Diman Regional Vocational School All Staff	Fall River, MA	2018
Dudley-Charlton Regional School District	Dudley, MA	2007
Duxbury Public Schools and Town of Duxbury	Duxbury, MA	2021
Everett Public Schools	Everett, MA	2017
Fall River Educators Association	Fall River, MA	2012
Franklin County Technical School	Turners Falls, MA	1999
Freetown-Lakeville Regional School District	Lakeville, MA	2012
Freetown-Lakeville Regional School Administrators	Lakeville, MA	2012
Gilbert School	Winstead, CT	2013
Greater Lawrence Technical School	Andover, MA	2017
Greater Lowell Technical School	Tyngsboro, MA	2005
Greater New Bedford Regional Vocational Technical High School	New Bedford, MA	2017
Hampton School District & SAU #90	Hampton, NH	2011
Harwich, Town of	Harwich, MA	2002
Hopkinton Public Schools	Hopkinton, MA	1999
Hopkinton School District #66 & the Town of Hopkinton, NH	Contoocook, NH	2011
Hopkinton, Town of	Hopkinton, MA	2001
Ipswich Public Schools	Ipswich, MA	2000
Laconia School Administrators	Laconia, NH	2014
Leicester Public Schools	Leicester, MA	2004
Leominster Public Schools	Leominster, MA	2013
Lincoln Public Schools	Lincoln, MA	2000

Client	Location	Client Since:
Lincoln-Sudbury Regional Schools	Sudbury, MA	1996
Lynn Public School Administrators	Lynn, MA	2013
Lynn Public Schools	Lynn, MA	2018
Mashpee Public School Administrators	Mashpee, MA	2018
McCann Technical School	North Adams, MA	2017
Methuen Public Schools	Methuen, MA	2008
Minuteman Regional High School	Lexington, MA	2008
Monomoy Regional School District	Harwich, MA	2012
Monroe SAU #77	Monroe, NH	2021
Nashoba Valley Vocational Technical School	Westford, MA	2005
New Salem/Wendell Union School District	Erving, MA	1999
Newport County Regional Special Education Department	Middletown, RI	2011
North Country Supervisory Union	Newport, VT	2013
North Shore Regional Vocational School District	Middleton, MA	1999
Northborough-Southborough & Algonquin Regional High School	Northborough, MA	1994
Northeast Metropolitan School District	Wakefield, MA	1999
Norwood Public Schools	Norwood, MA	2007
Old Colony Regional Vocational School	Rochester, MA	2002
Old Rochester Regional School District	Mattapoisett, MA	2020
Oxford Public Schools	Oxford, MA	2009
Town of Oxford	Oxford, MA	2014
Pathfinder Regional School District	Palmer, MA	2017
Pelham School District SAU #28	Pelham, NH	2015
Pentucket Regional School District	West Newbury, MA	1996
Pentucket Regional School District Paraprofessionals	West Newbury, MA	2011
Portsmouth School Department	Portsmouth, NH	2010
Ralph C. Mahar Regional School District	Orange, MA	2000
School Administrative Unit #21	Hampton, NH	2010
School Administrative Unit #50	Greenland, NH	2018
School Administrative Unit #70	Hanover, NH	2012
Sharon Public School Administrators	Sharon, MA	2002
Shawsheen Valley Regional Vocational School	Billerica, MA	1999
Shrewsbury Public Schools	Shrewsbury, MA	2011
Shrewsbury Public Schools Administrators	Shrewsbury, MA	1999
Somerville, City and Public Schools	Somerville, MA	2018
Southern Worcester County Educational Collaborative	Dudley, MA	2010
South Shore Regional Vocational Technical High School	Hanover, MA	2019
Swampscott Teacher Aides	Swampscott, MA	2006
Tantasqua Regional School District	Fiskdale, MA	2007
Tewksbury Public Schools	Tewksbury, MA	2017
Tri-County Regional Vocational Technical School	Franklin, MA	2005
Triton Regional School District	Byfield, MA	2012
Upper Cape Cod Regional Technical School District	Bourne, MA	2017
Uxbridge Public Schools	Uxbridge, MA	2019
Westwood Public Schools	Westwood, MA	2000
Town of Westwood	Westwood, MA	2014
Whittier Regional Vocational School District	Haverhill, MA	2000
Winthrop Teachers Association	Winthrop, MA	1998

Sun Life Assurance Company of Canada

Group Enrollment Form

Employer Name	Policy Number	Current Active Employment Type	<input type="checkbox"/> Full Time <input type="checkbox"/> Part Time	Occupation (Title)
Employee's Full Legal Name (First, MI, Last)	<input type="checkbox"/> Male <input type="checkbox"/> Female	Date of Birth	Annual Salary	

Please elect or refuse coverage below during this special one time open enrollment period by placing a check mark in the appropriate box. All employees must be actively at work and not on any leave of absence to enroll in the program.

Long Term Disability Plan I Elect I Refuse

Note: Medical Evidence of Insurability will be required for any employee who applies for coverage more than 31 days past his/her eligibility date and later requests to be covered. Medical Evidence of Insurability is obtained at the employee's expense.

By signing below, you are verifying that the information you have provided is true and correct, and that you have read and understand the fraud warning on the reverse side.

X

Employee Signature

Today's Date

You must sign and date this form to become covered.

Employees: Make a copy of of this form for your records before submitting it to your employer.

Employers: This original enrollment form should remain at the employer's site. Family status, coverage or beneficiary changes should be recorded on another enrollment form.