

# BENEFIT HIGHLIGHTS ILLUSTRATION



## **BLET UP Western Lines GCA** **Group Plan Benefits** **Life, AD&D, STD, LTD**

(Underwritten by Lincoln Financial Group – Rated A+ “Superior” by AM Best)

Railroad Retirement and Social Security Benefits fall short of giving you and your family complete income protection from death and disability.

**This plan helps “fill the gaps” and protects you and your family from loss of income due to:**

- **Injury**
- **Illness**
- **Death**
- **Dismemberment**

**Open Enrollment ends on 1/15/2015**

**Coverage begins on 2/1/2015**

This presentation is not a contract or policy of insurance. It contains general information intended to explain some of the major features of the coverage provided by the group policy and certificate. The specific terms of your group policy and certificate will govern any claim for benefits you may make. Visit [www.rrb.gov](http://www.rrb.gov) for specific information regarding RRB disability benefits.

# Group Voluntary Life Insurance and Accidental Death & Dismemberment (AD&D)

## Life Insurance and AD&D Benefits

- Guaranteed Issue amounts up to **\$250,000**
  - Member max is the lesser of \$500,000 or 5x annual salary
- Includes equal amount of AD&D (Double Indemnity) for the member and spouse
- No pre-existing condition limitations
- Premium rate is the same for all members and all ages
- Can add spouse and children to policy
  - Spouse is guaranteed issue **\$30,000**
  - Spouse can apply for up to 50% of what member elects
  - Children are guaranteed issue **\$15,000** (per child)

\*\*Electing child coverage covers all children at one fixed cost, regardless of how many children you have

- Portability options available upon retirement or termination.

# Short Term Disability - Option A (Flat \$500 per week) Payout Example 90k

**Member earning \$90,000 per year (\$1,730 per week)**

	Week 2	Week 3-13
<b>Current Benefits (RRB)</b>	\$300.00 (RRB)	\$300.00 (RRB) + \$402.00 (MetLife) = \$702.00
Lincoln Financial benefit non-taxable	\$500.00	\$500.00
Combined Total Payment	\$800.00	\$1,202.00

**13 week working income = \$22,500 (\$1,730 per week)**

**Current maximum 13 week RRB income if off on disability = \$8,022 (RRB + MetLife)**

**13 week income if participating in Option A STD plan = \$14,022 (non-taxable)**

## Lincoln STD Benefits – Option A

- Pays a flat **\$500 Per Week**
- Starts paying on **DAY 8** for injury
- Starts paying **DAY 15** for sickness
- Pays for a maximum of 13 weeks (ends on day 91)
- A pre-existing condition means a sickness or injury for which the insured person received treatment within 12 months prior to his or her effective date. Benefits for disabilities resulting from a pre-existing condition will be limited to a maximum benefit of 6 weeks. The limitation exists only for your first 12 months on the plan. Pre-existing conditions are covered after you have been continuously covered for 12 months on the plan.
- No offsets until **100%** of pre-disability earnings are attained

**\*Lincoln covers you on and off the job (24hr coverage)**

# Short Term Disability - Option B (60% of weekly Income) Payout Example 90K

**Member earning \$90,000 per year (\$1,730 per Week)**

	Week 2	Week 3-13
<b>Current Benefits (RRB)</b>	\$300.00 (RRB)	\$300 (RRB) + \$402 (MetLife) = \$702
Lincoln Financial Benefit non-taxable	\$1,038.00	\$1,038.00
Combined Total Payment	\$1,338.00	\$1,730.00

**13 week working income = \$22,500 (\$1,730 per week)**

**Your current maximum 13 week income if off on disability = \$8,022 (RRB + MetLife)**

**13 week income if participating in Option B STD plan = \$20,368 (non-taxable)**

## Lincoln STD Benefits – Option B

- Pays **60%** of income per week (to a max of \$1,200/week)
- Starts paying on **DAY 8** for injury
- Starts paying **DAY 15** for sickness
- Pays for 13 weeks (ends on day 91)
- A pre-existing condition means a sickness or injury for which the insured person received treatment within 12 months prior to his or her effective date. Benefits for disabilities resulting from a pre-existing condition will be limited to a maximum benefit of 6 weeks. The limitation exists only for your first 12 months on the plan. Pre-existing conditions are covered after you have been continuously covered for 6 months on the plan.
- No offsets until **100%** of pre-disability earnings are attained

**\*Lincoln covers you on and off the job (24hr coverage)**

## Long Term Disability - Option A (Flat \$2,500)

### Payout Example 90K

**Member earning \$90,000 per year (\$7,500 per Month)**

	Example 1	Example 2	Example 3
Railroad Retirement Board (Occupational Long Term Disability)	\$0*	\$1,900	\$3,300
Lincoln Financial Benefit (non-taxable)	\$2,500	\$2,500	\$2,500
Combined Total Payment	\$2,500	\$4,400	\$5,800

\*RRB requires 240 months of service to qualify for Occupational Long Term Disability benefits

\*\*All members are eligible for LFG Long Term Disability regardless of years of service

**The average disability annuity awarded by RRB for 2013 is \$2,885**

### Lincoln Financial Group LTD Benefits – Option A

- Pays a flat \$2,500 per month for **5 years** if disabled prior to age 65; the greater of to age 70 or 12 months if disabled at or after age 65
- 90 Day Waiting Period (STD lasts 91 days)
- Benefit is not offset
- A pre-existing condition means a sickness or injury for which the insured person received treatment within 12 months prior to his or her effective date. Benefits for disabilities resulting from a pre-existing condition will not be paid for the first 24 months, unless no treatment is received for the condition in the first 12 months following your effective date. In the case of the latter, the pre-existing condition limitation no longer applies after those 12 months. In all events, pre-existing conditions are covered after you have been continuously covered for 24 months on the plan.

This benefit is recommended for members with more than 30 years of service.

**IMPORTANT:** By contacting the RRB you can find out what your current Occupational Disability Annuity or Full Disability Annuity amount would be. Call RRB at (877) 772-5772

**\*\*Lincoln covers you on and off the job (24hr coverage)**

# Long Term Disability - Option B (60% of monthly income) Payout Example 90k

**Member earning \$90,000 per year (\$7,500 per Month)**

	Example 1	Example 2	Example 3
Railroad Retirement Board (Occupational Long Term Disability)	\$0*	\$1,900	\$3,300
Lincoln Financial Benefit (non-taxable)	\$4,500	\$2,600	\$1,200
Combined Total Payment (60% of Monthly)	\$4,500	\$4,500	\$4,500

\*RRB requires 240 months of service to qualify for Occupational Long Term Disability benefits

\*\*All members are eligible for LFG Long Term Disability regardless of years of service

**The average disability annuity awarded by RRB for 2013 is \$2,885**

## Lincoln Financial Group LTD Benefits – Option B

- Pays 60% of monthly earnings to a max of \$5,000/month
- 90 day waiting period (STD lasts 91 days)
- **Pays for 10 years**
- Benefit is offset (reduced) by RRB
- A pre-existing condition means a sickness or injury for which the insured person received treatment within 12 months prior to his or her effective date. Benefits for disabilities resulting from a pre-existing condition will not be paid for the first 24 months, unless no treatment is received for the condition in the first 12 months following your effective date. In the case of the latter, the pre-existing condition limitation no longer applies after those 12 months. In all events, pre-existing conditions are covered after you have been continuously covered for 24 months on the plan.

This benefit is recommended for members with less than 30 years of service.

**IMPORTANT:** By contacting the RRB you can find out what your current Occupational Disability Annuity or Full Disability Annuity amount would be. Call RRB at (877) 772-5772

**\*\*\*Lincoln covers you on and off the job (24hr coverage)**

# Eligibility Requirements

## Are you eligible?

- All working members (officers and employees) of the BLET UP Western Lines are eligible
- Must be working when the policy goes into effect
- Non working members who are out because of injury, illness or loss of job status (discipline, furlough, etc.) are covered the day they go back to work, if they enroll during open enrollment. Non working members who do not enroll during open enrollment are treated as new members when they return to work.
- New members may enroll on the anniversary of the policy.

Need help? Please call Andrew Haley at 847-815-4173

Cornerstone Assurance Group  
[www.railroaddisability.com](http://www.railroaddisability.com)  
Phone: 847-387-3555  
Fax: 815-425-5349

# BLET UP Western Lines GCA - Lincoln Financial Group

## Monthly Premium Rate Grid and Benefit Amounts

Short Term Disability Options			Long Term Disability Options		
Option A - Pays a Flat \$500 Per Week			Option A - Pays a Flat \$2,500 Per Month		
Benefit Pays for 13 weeks			90 Day Wait (13 Weeks) - Pays for 5 years		
Stackable to 100% of Pre-Disability Income			Stackable to 100% of Pre-Disability Income		
Income	Weekly Benefit	Monthly Premium	Income	Monthly Benefit	Monthly Premium
Any Income	\$500.00	\$55.00	Any Income	\$2,500.00	\$56.25
Option B - Pays 60% of Weekly Income Per Week			Option B - Pays 60% of Monthly Income Per Month		
Benefit Pays for 13 weeks			90 Day Wait (13 Weeks) - Pays for 10 years		
Stackable to 100% of Pre-Disability Income			Offset by RRB and Other Contract Benefits		
Income	Weekly Benefit	Monthly Premium	Income	Monthly Benefit	Monthly Premium
\$70,000	\$807.69	\$66.23	\$70,000	\$3,500.00	\$68.25
\$75,000	\$865.38	\$70.96	\$75,000	\$3,750.00	\$73.13
\$80,000	\$923.08	\$75.69	\$80,000	\$4,000.00	\$78.00
\$85,000	\$980.77	\$80.42	\$85,000	\$4,250.00	\$82.88
\$90,000	\$1,038.46	\$85.15	\$90,000	\$4,500.00	\$87.75
\$95,000	\$1,096.15	\$89.88	\$95,000	\$4,750.00	\$92.63
\$100,000	\$1,153.85	\$94.62	\$100,000	\$5,000.00	\$97.50
\$104,000	\$1,200.00	\$98.40	Max Benefit for LTD is \$5,000 Per Month		

Max Benefit for STD is \$1,200 Per Week

### Option B Premium Calculation:

Rate: \_\_\_\_\_  $\div 52 \times .6 \div 10 \times .82 =$  \_\_\_\_\_  
 (annual income) (monthly premium)

Rate: \_\_\_\_\_  $\div 12 \div 100 \times .6 \times 1.95 =$  \_\_\_\_\_  
 (annual income) (monthly premium)

### Option B Premium Calculation:

## Life Insurance and AD&D

All coverage includes an equal amount of AD&D (double indemnity if death is caused in an accident)

Member is guaranteed approved up to \$250,000 and Spouse is guaranteed approved up to \$50,000

Member Life Insurance and AD&D		Spouse Life Insurance and AD&D		Dependent Life Insurance and AD&D	
Insurance Amount	Monthly Premium	Insurance Amount	Monthly Premium	Insurance Amount	Monthly Premium
\$10,000	\$3.40	\$5,000	\$1.70	\$15,000	\$2.85
\$20,000	\$6.80	\$10,000	\$3.40		
\$30,000	\$10.20	\$15,000	\$5.10		
\$40,000	\$13.60	\$20,000	\$6.80		
\$50,000	\$17.00	\$25,000	\$8.50		
\$60,000	\$20.40	\$30,000	\$10.20		
\$70,000	\$23.80	\$35,000	\$11.90		
\$80,000	\$27.20	\$40,000	\$13.60		
\$90,000	\$30.60	\$45,000	\$15.30		
\$100,000	\$34.00	\$50,000	\$17.00		
\$110,000	\$37.40	\$55,000	\$18.70		
\$120,000	\$40.80	\$60,000	\$20.40		
\$130,000	\$44.20	\$65,000	\$22.10		
\$140,000	\$47.60	\$70,000	\$23.80		
\$150,000	\$51.00	\$75,000	\$25.50		
\$160,000	\$54.40	\$80,000	\$27.20		
\$170,000	\$57.80	\$85,000	\$28.90		
\$180,000	\$61.20	\$90,000	\$30.60		
\$190,000	\$64.60	\$95,000	\$32.30		
\$200,000	\$68.00	\$100,000	\$34.00		
<b>\$250,000</b>	<b>\$85.00</b>	\$125,000	\$42.50		
\$300,000	\$102.00	\$150,000	\$51.00		
\$350,000	\$119.00	\$175,000	\$59.50		
\$400,000	\$136.00	\$200,000	\$68.00		
\$450,000	\$153.00	\$225,000	\$76.50		
\$500,000	\$170.00	\$250,000	\$92.50		

### Life and AD&D Premium Calculation (Member and Spouse):

Rate: \_\_\_\_\_  $\div 1000 \times .34 =$  \_\_\_\_\_  
 (elected benefit) (monthly premium)