



TERM LIFE/AD&D INSURANCE

SHORT- AND LONG-TERM DISABILITY

Plan Years 2022-2025



101 S. Washington Square Suite 900
Lansing, MI 48933
1-800-362-5461
MemberCare@sbam.org
www.sbam.org

Coverage that is unique for small business owners and their employees.

Purchasing Dearborn Life Insurance Company's **Group Term Life** and **Group Disability Insurance** products, which are offered as Specialty Benefits in cooperation with Blue Cross Blue Shield of Michigan, makes it easy to offer financial protection.

Learn more by contacting (800) 362-5461 or sbam.org/groupspecialty

- All products are available to groups with 1 to 99 eligible employees.
- Groups are not asked to provide SIC codes.
- Basic life, short-term disability and long-term disability can be written on a standalone basis.
- Basic life is required in order to purchase dependent and voluntary life.
- Basic life, short-term disability and long-term disability are non-contributory (employer pays for 100% of premium for all eligible employees).
- 100% participation of all eligible employees for the basic life, short and long-term disability coverages is required.
- Definition of eligible full-time employment can be as high as 40 hours per week or as low as 20 hours per week for employees and owners.
- For basic, short-term and long-term disability, a **separate** earning definitions for owners is included.
- Must be in business at least 1 year for life and short-term disability coverage and at least 2 years for long-term disability coverage.

DearbornCaresSM

**Payment now.
Paperwork later.**



Losing a loved one can be emotionally and financially overwhelming. DearbornCares* provides an advance payment of the life insurance benefit to help beneficiaries cover their immediate expenses, such as funeral costs and medical bills.

- Pays up to a total of \$100,000 per beneficiary of Employer-Paid Basic Life insurance benefits
- Available for covered employees
- Available on claims with 1, 2 or 3 named beneficiaries
- No death certificate required

DearbornCares claims process

Once the employer is notified of the death, they will submit the life insurance claim and the payment check will be mailed within 48 hours of confirmation. No additional paperwork is required at that time. Any remaining Basic Life benefit, if available, will be handled using our standard process.

GROUP TERM LIFE/AD&D INSURANCE

Term life insurance helps provide financially for loved ones in the event of a loss. By including Accidental Death & Dismemberment (AD&D), the plan also covers severe accidental injuries.

Basic life and AD&D amounts

- \$15,000
- \$25,000
- \$50,000
- 1x Basic Annual Earnings to \$75,000

Option 1 – Dependent life amounts**

- Spouse \$5,000
- Child(ren) \$2,000 – ages 6 months to 26 years
- Child(ren) \$500 – birth to age 6 months

Dependent life rate* (per family unit) is \$1.717

All options are guaranteed issue to full amount elected.

Basic life rate*

- \$0.371 per \$1,000

AD&D rate*

- \$0.021 per \$1,000

*Rates are guaranteed until 12/31/2025

**Can only be purchased in conjunction with basic life and AD&D

Age reduction schedule

Employee benefits will be reduced to:

- 65% at age 65;
- 40% of original amount at age 70; and
- 25% of original amount at age 75.
- Benefits terminate at retirement
- Spouse benefits terminate at age 70

Waiver of premium if disabled

If an insured is totally disabled for more than six months in a row from any occupation for which the insured is qualified (as set forth in the policy), premiums for the life insurance are waived.

AD&D can double the life benefit

With AD&D, a benefit is paid for loss of limb or eyesight due to the covered accident. If the insured loses his or her life as the result of the accident, the value of the life insurance is doubled.

Beneficiary Resource Services™***

Combines grief, legal, and financial counseling to support beneficiaries during their time of loss. These services are available to beneficiaries for up to one year from the date the beneficiary makes contact for services. Services are also available to insured individuals who qualify for an accelerated benefit from the group's life insurance plan. The insured person or beneficiary simply calls the toll free number to receive immediate access to the program's services.

Travel Resource Services™**

Helps employees and their families when they are traveling more than 100 miles from their place of residence. It provides the protection they need when circumstances result in the need for medical care away from home. This includes domestic as well as international travel.

Among the services included in this program are: referral to a local qualified doctor through a network of providers, evacuation to the closest adequate medical facility, repatriation from a place of hospitalization to the insured's home, return of a travel companion to their home, return of dependent children of the insured to their home, pre-trip information on the destination (including weather, inoculation requirements, and travel advisories).

*Pays up to a total of \$100,000 to beneficiaries (maximum 3) of employer-paid basic life insurance claims in 48 hours of confirmation of eligibility. The advance payment is either distributed to 1 beneficiary or divided up between 2 or 3 beneficiaries, as designated by the insured.

**Travel Resource Services is administered by Assist America, Inc. Assist America is an independent organization that does not provide Dearborn Life Insurance Company, Blue Cross Blue Shield of Michigan or Specialty Benefits products or services. Assist America is solely responsible for the products and services associated with Travel Resource Services.

***Beneficiary Resource Services is provided by LifeWorks. LifeWorks is an independent organization that does not provide Dearborn Life Insurance Company, Blue Cross Blue Shield of Michigan or Specialty Benefits products or services. Legal services will not be provided for court proceedings or for the preparation of briefs for legal appearances or actions or for any action against any party providing Beneficiary Resource Services. Legal services provided under Beneficiary Resource Services are not intended for adversarial matters. May include face-to-face sessions, over-the-phone sessions or time taken for research or document preparation. Neither LifeWorks, Dearborn Life Insurance Company, Blue Cross Blue Shield of Michigan nor Specialty Benefits are responsible or liable for care or advice rendered by any referral resources.

VOLUNTARY LIFE/AD&D INSURANCE

Employee elections

Minimum \$10,000/Maximum \$500,000*

Spouse elections

Minimum \$5,000/Maximum \$20,000

Dependent child(ren)

\$250 (14 days to 6 months of age)

\$10,000 after 6 months of age

*Maximum amount not to exceed 5x annual salary

Guarantee issue limitations

Employee*: the lesser of \$100,000 or 3 times annual salary

Spouse: Guarantee issue

Child(ren): Guarantee issue

*Employees age 70-74: \$20,000

*Employees age 75 and over: All amounts require evidence of insurability

Monthly rates per \$1,000

Age	<30	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
Rate	\$0.122	\$0.143	\$0.164	\$0.239	\$0.366	\$0.673	\$1.065	\$1.299	\$2.210	\$5.157	\$19.488

Guaranteed through 12/31/2025

- Spousal Voluntary Life benefits cannot exceed 50% of the employee elected amount.
- Voluntary Life is both portable and convertible.
- Voluntary Life or AD&D can only be purchased in conjunction with the group Basic Term Life or AD&D.
- Voluntary Life or AD&D must be written with a policy effective date of not more than 60 days after the effective date of the group Basic Term Life or AD&D.
- Any Voluntary Life or AD&D plan with an effective date of more than 60 days after the group Basic Life or AD&D plan effective date will require Evidence of Insurability.
- 25% employee participation is required for Voluntary Life.
- If Voluntary Life or AD&D is canceled, the group must wait 12 months to re-enroll.
- Each sub-group must achieve 25% participation.

Age reduction schedule

Employee benefits will be reduced to:

- 65% at age 65
- 40% of original amount at age 70
- 25% of original amount at age 75
- Benefits terminate at retirement

Spouse benefits will be reduced to:

- 65% at employee age 65
- Spouse benefits terminate at employee age 70 or retirement, whichever occurs first

Group Basic/Voluntary Term Life exclusion

Two-year suicide exclusion applies to Voluntary Term Life coverage. Will not pay AD&D benefits for any loss that directly or indirectly, results in any way from or is contributed to by: Disease of the mind or body, or any treatment thereof | Infections, except those from an accidental cut or wound | Suicide or attempted suicide | Intentionally self-inflicted injury | War or act of war | Travel or flight in any aircraft while a member of the crew | Commission of, or participation in a felony | Under the influence of certain drugs, narcotics, or hallucinogen unless properly used as prescribed by a physician | Intoxication as denied in the jurisdiction where the accident occurred | Participation in a riot.



GROUP SHORT-TERM DISABILITY INSURANCE

The ability to earn an income is sometimes the only financial security an employee has. If so, a disabling injury or illness can be devastating. That's why having **Group Short-Term Disability (STD)** insurance is an important employee benefit for your company. This product is available for 13- or 26-week benefit durations with a variety of standard and optional benefits.

Preexisting conditions

A preexisting condition is a sickness or injury for which the Insured received treatment or advice was recommended, within 3 months prior to his or her effective date. Any disability contributed to or caused by a preexisting condition within the first 12 months of the Insured's effective date will not be covered.

Benefits are payable on: 1st day accident or 8th day illness; 15th day accident or 15th day illness

Benefit duration options: 13 weeks or 26 weeks

Percentage of Salary: 66.67%

Weekly Benefit Maximum: \$1,000

STD rates per \$10 of weekly benefit*

1st day accident/8th day illness/13 weeks of coverage = \$.477

1st day accident/8th day illness/26 weeks of coverage = \$.604

15th day accident/15th day illness/13 weeks of coverage = \$.339

15th day accident/15th day illness/26 weeks of coverage = \$.488

A lenient zero-day residual for the elimination period:

This allows the insured to satisfy the elimination period with either total or partial workdays, so that an employee can work part time without starting a new elimination period. Generous partial disability calculation: This allows a claimant to receive up to 100% of predisability employment combined with the STD benefit payment for the duration of the claim.

Enhanced disability benefits

Survivor benefit

If a family's primary income provider should die while disabled, the family may have no income to help pay for unexpected medical and care expenses. Survivor benefit provides an additional benefit payment upon death to help fill the gap.

Pregnancy claim management

The birth of a child is one of the greatest joys a person can experience. However, it can also come with its share of stress. The short-term disability claim experience is as stress-free as possible.

Typical features of short-term disability program:

- 6 week approval* for traditional delivery
- 8 week approval* for C-Section
- One-time lump sum payment for the approved period for birth of a child

Exclusions

Does not pay benefits for any loss or disability caused by, resulting from, arising out of or substantially contributed to, directly by any one or more of the following:

Loss of professional license, occupational license or certification | Commission of, participation in, or an attempt to commit an assault or felony | Intentionally self-inflicted injuries | Attempted suicide, regardless of mental capacity | Cosmetic surgery except when required due to illness or injury | Occupational sickness or injury | Participation in a war, declared or undeclared, or any act of war | A preexisting condition.

*From date of delivery

GROUP LONG-TERM DISABILITY INSURANCE

Group Long-Term Disability (LTD) insurance helps protect an employee's income for a disability lasting longer than the elimination period defined in the policy (typically 13 or 26 weeks).

Lenient zero-day residual for the elimination period:

The insured is able to satisfy the elimination period with either total or partial workdays. Therefore, employees can work part time without starting a new elimination period.

Aggressive work incentive benefit for part-time work:

Encourages the insured to return to work part time by allowing them to keep up to 100% of their predisability income for up to 12 months.

Catastrophic Disability Benefit: The core benefit is automatically increased by 10% of your salary or permanent loss resulting in serious cognitive impairment or the inability to perform two or more Activities of Daily Living.

Rehabilitation Incentive Income Benefit:

Provides benefits to disabled employees who are offered a vocational rehabilitation plan designed to return them to gainful employment.

Rehabilitation Assistance: Rehabilitation Assistance is designed to encourage disabled employees to take part in valuable rehabilitation programs. Vocational rehab programs can be tailored to individual needs to help the employee return to work in less time. This can also benefit the employer by helping their valued employees return to work sooner.

Disability Resource Services™:** When personal problems arise, many choose to cope alone. The effects at home and the workplace can be very negative. Whether it's an emotional, legal or financial issue, resources for support and solutions are available.

Disability Resource Services helps:

- Work through the challenges of a long-term disability with professional counseling.
- Address, manage and learn about many issues related to disabilities.
- Cope with emotional, financial, and legal issues.

Face-to-face sessions: Insured Long-Term Disability employees and their family members receive three face-to-face counseling sessions in a geographically accessible location to address behavioral issues.

Unlimited telephonic counseling: Employees insured with Long-Term Disability and their family members also have access to unlimited telephonic counseling (24 hours a day, 7 days a week) to help address behavioral issues. Master's level degree counselors are on hand to identify issues, assess needs and refer participants to specialists to help resolve issues.

Web-based services: GuidanceResources® Online*** is a secure, password-protected, interactive website. It's available to Long-Term Disability insured employees and their family members, free of charge.

The site features:

- Self-assessments and search tools
- Expert content and tools to help with personal, relational, legal, health and financial concerns
- Personalization to treat an individual's unique needs

Elimination period options

90 or 180 days

Benefit maximum

\$6,000 per month

Benefit percentage

60%

Own occupation period

24 months

Benefit duration options

5 years or to age 70, whichever occurs first
Social Security Normal Retirement Age (SSNRA)

LTD Rates per \$100 of monthly covered payroll*

90 day elimination period

5 year = \$.445

SSNRA = \$.689

180 day elimination period

5 year = \$.371

SSNRA = \$.583

*Rates are guaranteed until 12/31/2025. 24 Month self-reported limitation.

**Disability Resource Services is offered and administered by ComPsych Corporation. ComPsych Corporation is an independent organization that does not provide Dearborn Life Insurance Company, Blue Cross Blue Shield of Michigan or Specialty Benefits products or services.

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GROUP LONG-TERM DISABILITY INSURANCE

Preexisting conditions

A preexisting condition is a sickness or injury for which the Insured received treatment or advice was recommended, within 12 months prior to his or her effective date. Any disability contributed to or caused by a preexisting condition within the first 24 months of the Insured's effective date will not be covered, unless he or she received no treatment of the condition for 6 consecutive months after his or her effective date.

Group Long-Term Disability exclusions

Does not pay benefits for any loss or disability caused by, resulting from, arising out of or substantially contributed to, directly by any one or more of the following: A preexisting condition (12/6/24) | Commission of, participation in, or an attempt to commit an assault or felony | Intentionally self-inflicted injuries | Attempted suicide, regardless of mental capacity | Participation in a war, declared or undeclared, or any act of war | Active military duty | Active participation in a riot | Commission of a crime for which the insured has been convicted | Being under the influence of any narcotic, hallucinogen, barbiturate, amphetamine, gas or fumes, poison or any other controlled substance as defined in Title I of the comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed by your doctor and used in the manner prescribed. Conviction is not necessary for a determination of being under the influence; Intoxication as defined by the laws of the jurisdiction in which the accident occurred. Conviction is not necessary for a determination of being intoxicated, engaging in any illegal or fraudulent occupation, work or employment.

How to enroll in SBAM

Simply join SBAM as a Basic, Premium, VIP or Elite Member and submit the completed Group Agreement and each individual Employee Enrollment form, along with a check for the first month's total premium made payable to Small Business Insurance Services (SBIS)'.

Please note: there is a \$7.50 monthly fee included on the premium invoice for the consolidated billing administration and customer service.

Employees can only be insured under one SBAM Participating Employer plan.



101 S. Washington Square, Suite 900
Lansing, MI 48933
(877) 949-7226
MemberCare@sbam.org
www.sbam.org

For employer and agent use only.

Dearborn Life Insurance Company's group insurance products are offered as Specialty Benefits in cooperation with Blue Cross Blue Shield of Michigan. Specialty Benefits group insurance products are issued by Dearborn Life Insurance Company, 701 E. 22nd St. Suite 300, Lombard, IL 60148. Dearborn Life is a separate company and does not provide Blue Cross Blue Shield of Michigan products and is financially responsible for the products it issues.

Dearborn Life Insurance Company is an independent licensee of the Blue Cross and Blue Shield Association.

Blue Cross Blue Shield of Michigan and Blue Care Network are nonprofit corporations and independent licensees of the Blue Cross and Blue Shield Association.

For illustrative purposes only. May not be available in all jurisdictions. Coverage may be subject to limitations, exclusions and other coverage conditions contained in the issued policy. Please consult the policy for the actual terms of coverage.