



**CONSUMERS LIFE**<sup>®</sup>  
A MEDICAL MUTUAL COMPANY

**COSE**<sup>™</sup>  
council of smaller enterprises



# Life & Disability Insurance

**For COSE Employer Groups with 1–9 Employees**



# Life and Disability Insurance

**Offering a great benefit like life and disability insurance is an excellent way to help attract and retain talented employees. As a COSE member, you have access to high-quality plans through Consumers Life, a subsidiary of Medical Mutual of Ohio.<sup>®</sup> Consumers Life is proud to be a Ohio-based company with a track record of providing flexible cost-sharing options and award-winning service.**

## Planning for the Unexpected

Life insurance can help your employees create a financial safety net for their loved ones. One-third of Americans believe they would feel the financial impact from the loss of a primary wage earner within a month of the wage earner's passing. Half say they would feel an impact within six months. Younger people say they'd feel an impact sooner than older people.

Studies find that consumers overestimate the cost of life insurance by nearly three-fold. This is particularly true among younger consumers, who are generally more likely to qualify for preferred rates because of their age and health status.<sup>1</sup>

Consumers have a great deal of misunderstanding about disability insurance. Nearly 90 percent of disabilities are not work-related and, therefore, are not covered by workers' compensation. Illness, not accidents, is responsible for most of the disabilities people suffer. Insurance statistics show that only 9 percent of long-term disabilities actually are the results of serious accidents. The top causes of disability are often triggered by more common, chronic conditions.

The Social Security Administration estimates that one out of three Americans entering the workforce today will become disabled before they retire.<sup>2</sup>

## Options to Fit Your Needs

Consumers Life offers two excellent options to COSE members. If you choose a Group-Sponsored Plan, you must pay at least 25 percent of the cost of the insurance and meet a minimum enrollment based on the number of people you employ. A Voluntary Plan is fully paid by your employees and does not have a minimum enrollment requirement.

The following plans are available to COSE members:

- **Group-Sponsored Benefits**
  - Life and accidental death and dismemberment insurance (AD&D)
  - Dependent life insurance
  - Short-term disability insurance
  - Long-term disability insurance
- **Voluntary Benefits (employee-paid)**
  - Life insurance
  - Short-term disability insurance

**For more information about what options are right for your company, call (440) 878-5930 or email [COSEBenefits@MedMutual.com](mailto:COSEBenefits@MedMutual.com).**

**This is an overview only. For a complete listing of benefits and exclusions, please refer to your certificate and/or policy. This document does not secure coverage or rates and is for informational purposes only.**

**Footnotes:**

1. Facts are from LIMRA's life insurance consumer studies, 2014.
2. Facts are from LIMRA, Life Happens, Council for Disability Awareness (CDA), and Social Security Disability Insurance (SSDI)

# Group-Sponsored Benefits



## Life and AD&D Insurance

This plan pays a full benefit for a covered employee death that occurs anytime, anywhere, from any cause. Coverage includes a conversion privilege and a waiver of the premium if an employee becomes disabled before age 60. An accelerated death benefit is also available if an employee becomes terminally ill.

If a covered employee dies as the result of an accident at any time, on or off the job, a full benefit would be paid. A covered employee involved in an accident that causes dismemberment or disability could also be eligible for a benefit. Amounts may vary depending on the severity.

### Group-Sponsored Life and AD&D Rates

Employer groups with 1–9 employees (10+ groups composite-rated)

Age Range	Monthly Rate
Under 30	\$0.07
30 to 39	\$0.08
40 to 44	\$0.15
45 to 49	\$0.26
50 to 54	\$0.43
55 to 59	\$0.66
60 to 64	\$0.96
65 and older	\$1.35

Life and AD&D monthly rates are per \$1,000 of coverage.

### Additional Benefits

The following benefits may also be paid in addition to the life insurance and accidental death and dismemberment benefit:

- **Seatbelt Benefit**  
If a covered employee dies as a result of an accident while wearing a seatbelt
- **Airbag Benefit**  
If a covered employee dies as a result of a vehicle accident while positioned in a seat equipped with a factory-installed airbag
- **Repatriation Benefit**  
If a covered employee dies in an accident more than 75 miles from home and his/her body needs to be transported to a mortuary
- **Dependent Education Benefit**  
Reimburses dependents of a deceased covered employee for educational expenses incurred in a school of higher education beyond the 12th grade
- **Coma Benefit**  
If a covered employee becomes comatose within 31 days of an accident and remains comatose for more than 31 days

### Non-Medical Maximum

This is the maximum amount of Life and Accidental Death and Dismemberment coverage not subjected to evidence of insurability. Evidence of insurability is required for amounts in excess of the non-medical maximum of \$35,000. Current groups that wish to increase may be subject to Evidence of Insurability for any amount.

### Coverage Amounts Available

The minimum coverage is \$10,000 but additional amounts are available in multiples of \$5,000 or a multiple of annual base earnings (e.g. 1, 1 ½, 2) to a maximum of \$100,000. Benefits reduce by 50 percent of the original amount at age 70 and further reduce to 25 percent of the original benefit at age 75.



### Eligibility

- You must be a member of COSE
- You must contribute at least 25 percent of the cost of insurance
- If you choose to contribute 100 percent of the premium, all eligible employees must enroll
- Employees must be full-time, working 20 –25 hours or more per week
- Coverage will become effective on the first of the month following enrollment
- Premium continuation is required during disability
- Benefits terminate at retirement

### Minimum Enrollment Requirements

Basic and Dependent Life Insurance

Number of Full-Time Employees	Minimum Enrollment
1	1
2	2
3	3
4	4
5 to 6	5
7 to 8	6
9	7
10	8
11	9
Over 11	75%

### Dependent Life Insurance Benefits

Dependent life insurance benefits are available only in conjunction with employee Life and AD&D coverage.

- For spouse/domestic partner: \$5,000
- Children ages 14 days to 6 months: \$100
- Children ages 6 months to age 21: \$5,000 (to age 25 if a full-time student and dependent of the insured)
- \$0.93 per month per covered family

## Short-Term Disability Insurance Benefits

If an employee suffers a non-occupational accident, an illness or a pregnancy-related disability or complication, short-term disability insurance can provide a bi-weekly benefit payment to help replace lost income for up to 26 weeks. You can choose a maximum weekly benefit of up to 70 percent of an employee's basic weekly income. The minimum benefit is \$100 per week while the maximum benefit is \$500 per week.

### Benefit Options

- **1-8-26 Plan**

Benefits are payable on the 1st calendar day of absence due to an accident or the 8th calendar day due to sickness and are payable for up to a maximum of 26 weeks.

- **15-15-26 Plan**

Benefits are payable on the 15th calendar day of absence due to an accident or the 15th calendar day due to sickness and are payable for up to a maximum of 26 weeks.

### Weekly Benefit Amount

Weekly Benefit	Minimum Annual Employee Salary
\$100	\$7,430
\$150	\$11,140
\$200	\$14,860
\$250	\$18,570
\$300	\$22,285
\$350	\$26,000
\$400	\$29,715
\$450	\$33,430
\$500	\$37,145

### Eligibility

- You must be a member of COSE
- You must contribute at least 25 percent of the cost of insurance
- If you choose to contribute 100 percent of the premium, all eligible employees must enroll
- Employees must be full-time, working 20–25 hours or more per week
- Coverage begins on the first day of the month following enrollment
- Premium continuation is required during disability
- Benefits terminate after retirement

### Minimum Enrollment Requirements

Number of Full-Time Employees	Minimum Enrollment
1	1
2	2
3	3
4	4
5 to 6	5
7 to 8	6
9	7
10	8
11	9
Over 11	75%

### Group-Sponsored Short-Term Disability Coverage Rates

Employer groups with 1 – 9 employees (10+ Groups composite-rated)

Age Range	1-8-26 Plan Rate	15-15-26 Plan Rate
Under 40	\$0.48	\$0.37
40 to 44	\$0.48	\$0.39
45 to 49	\$0.56	\$0.44
50 to 54	\$0.68	\$0.53
55 to 59	\$0.81	\$0.64
60 to 64	\$0.94	\$0.75
65 to 69	\$1.24	\$0.98
70 and older	\$1.67	\$1.35

Short-term disability monthly rates are per \$10 of benefits.

## Long-Term Disability Insurance Benefits

Some non-occupational accidents or illnesses can cause an employee to lose income for months or even years. Long-term disability insurance can provide a payment benefit of between \$100 and \$5,000 per month, depending on an employee's basic monthly earnings. Maximum insured earnings are \$100,000 per year.

### Eligibility

- You must be a member of COSE
- Employ less than 60 percent blue-collar employees
- 60 percent or fewer insured employees over age 50
- Engaged in business for at least one year
- You must contribute at least 25 percent of the cost of insurance
- If you choose to contribute 100 percent of the premium, all eligible employees must enroll
- Employees must be full-time, working 30 hours or more per week
- Coverage begins on the first day of the month following enrollment
- Immediate family members on staff must have worked for at least 2 years

### Minimum Enrollment Requirements

Number of Full-Time Employees	Minimum Enrollment
1	1
2	2
3	3
4	4
5 to 6	5
7 to 8	6
9	7

### Residual Disability Benefit

For a disability caused by an injury or illness, the benefit will be paid after the insured has satisfied the elimination period, provided a loss of at least 20 percent of earnings is incurred. The elimination period can be satisfied with either total or partial disability or a combination of both.

- Plan 1: 90 days
- Plan 2: 180 days

### Benefit Reduction Schedule

Age Range	Duration
Under 60	To age 65
60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and older	12 months

**Benefits are payable to age 65 with reduced benefit duration in compliance with ADEA.**

### Definition of Disability

Disability means that an employee is unable to perform his or her regular occupation with reasonable continuity during the elimination period and the first 24 months of receiving disability benefits and, as a result, the income he or she is able to earn is less than or equal to 80 percent of his or her pre-disability earnings. Thereafter, disability means the employee is unable to perform any gainful occupation with reasonable continuity and the income he or she is able to earn is less than or equal to 80 percent of his or her pre-disability earnings.

### Full Family Integration

Benefits paid under this plan will be reduced by other income amounts as defined in the master policy. This can include Workers' Compensation, unemployment benefits, retirement benefits, etc. See the master policy for terms and conditions.

**24-Month Mental Illness or Substance Abuse Limitation**

Benefits for a disability caused by or contributed to by mental illness or substance abuse will be limited to 24 months in the employee’s lifetime.

**Pre-Existing Condition Exclusions**

Benefits may not be paid for disabilities caused or contributed to by, or resulting from conditions for which an employee received treatment 12 months prior to his or her effective date. See the master policy for terms and conditions.

**Other Exclusions**

Benefits are not payable for a disability that was:

- Caused during an act of war
- Self-inflicted
- The result of active participation in a riot
- Suffered while serving in the armed forces
- The result of cosmetic or reconstructive surgery
- Caused by an accident while operating a motor vehicle while intoxicated
- Suffered while incarcerated in a penal or correctional facility for 30 or more consecutive days

**Group-Sponsored Monthly Long-Term Disability Insurance Rates**

Plan 1: 90-Day Elimination Period\*

Age Range	< 20%	20% to 29%	30% to 39%	40% to 49%	50% to 59%
Under 35	\$0.41	\$0.47	\$0.53	\$0.60	\$0.66
35 to 39	\$0.47	\$0.55	\$0.61	\$0.68	\$0.77
40 to 44	\$0.66	\$0.75	\$0.86	\$0.95	\$1.06
45 to 49	\$1.03	\$1.18	\$1.33	\$1.48	\$1.65
50 to 54	\$1.57	\$1.80	\$2.05	\$2.27	\$2.50
55 to 59	\$2.20	\$2.52	\$2.86	\$3.18	\$3.52
60 to 64	\$2.26	\$2.60	\$2.93	\$3.27	\$3.61
65 and older	\$2.62	\$3.01	\$3.40	\$3.80	\$4.18

Plan 2: 180-Day Elimination Period\*

Age Range	< 20%	20% to 29%	30% to 39%	40% to 49%	50% to 59%
Under 30	\$0.22	\$0.26	\$0.31	\$0.33	\$0.37
30 to 34	\$0.28	\$0.33	\$0.38	\$0.42	\$0.46
35 to 39	\$0.38	\$0.45	\$0.51	\$0.55	\$0.61
40 to 44	\$0.57	\$0.66	\$0.73	\$0.82	\$0.91
45 to 49	\$0.87	\$1.01	\$1.13	\$1.27	\$1.40
50 to 54	\$1.33	\$1.53	\$1.73	\$1.93	\$2.13
55 to 59	\$1.87	\$2.15	\$2.45	\$2.72	\$3.00
60 to 64	\$1.91	\$2.20	\$2.47	\$2.76	\$3.05
65 and older	\$2.21	\$2.55	\$2.87	\$3.21	\$3.53

\* Employer groups with 1–9 employees; monthly rates per \$100 covered payroll are determined based on the percentage of the total covered payroll of blue-collar employees versus the total covered payroll for all eligible employees.

The following is a list of industries that are not eligible for long-term disability coverage.

- Airlines
- Amusement Enterprises
- Auto Wreckers, Auto Salvage & Junkyards
- Barber/Beauty Shops
- Bars/Taverns/Cocktail Lounges
- Bowling Alleys
- Building Wreckers or Movers
- Car & Truck Dealerships
- Car Washes
- Country Clubs
- Dance Halls & Studios
- Dry Cleaners/Laundries
- Entertainment Groups
- Explosives Manufacturers & Distributors
- Exterminators
- Farming/Ranching Operations
- Fishing & Boating Industries
- Foundries
- Garbage Collectors/Scavengers
- Gas Stations & Garages
- Government Funded Groups
- Greenhouses
- Guard or Watchmen Services
- Hatcheries
- Health/Sport Clubs
- Hotels & Motels
- Insurance Agencies
- Janitorial/Building Maintenance
- Liquor Stores
- Logging & Milling Operations
- Longshore Operations
- Lumber Industries
- Mining, Quarries & Drilling Operations
- Motorcycle Sales & Service
- Municipal Employees
- Nightclubs
- Nurseries
- Parking Lots
- Political Subdivisions
- Public Transportation Companies
- Religious Entities
- Residential Home Builders
- Restaurants
- Scrap Iron Dealers
- Slaughterhouses/Meat Packers
- Steel Manufacturing
- Taxi Companies





# Voluntary Benefits

**While offering similar coverage to our group-sponsored insurance options, voluntary benefits are fully paid by employees and do not have a minimum enrollment requirement.**

## Life Insurance

This plan pays a full benefit for a covered employee death that occurs anytime, anywhere, from any accident or illness. Employees can select a benefit amount in \$10,000 increments up to \$300,000. There is a non-medical maximum of \$10,000 if the employee elects coverage within 31 days of their eligibility date, plus an additional \$10,000 non-medical maximum available at annual enrollment. Coverage includes a conversion privilege and a waiver of the premium if an employee becomes disabled before age 60. An accelerated death benefit is also available if an employee becomes terminally ill.

### Eligibility

- You must be a COSE member
- Employees must be full-time, working 20–25 hours or more per week
- Coverage begins on the first day of the month following enrollment
- Benefits terminate at retirement

### Voluntary Life Insurance Rates

Employer groups with 1 – 150 employees

Age Range	Non-tobacco User	Tobacco User
Under 30	\$0.56	\$1.14
30 to 34	\$0.65	\$1.23
35 to 39	\$0.74	\$1.58
40 to 44	\$1.39	\$2.64
45 to 49	\$1.95	\$4.75
50 to 54	\$3.24	\$7.83
55 to 59	\$5.56	\$14.17
60 to 64	\$8.71	\$17.25
65 to 69	\$13.71	\$27.81
70 and older	\$21.95	\$36.78

**Voluntary life monthly rates are per \$10,000 of coverage.**



## Short-Term Disability Insurance

If an employee suffers a non-occupational accident, an illness or a pregnancy-related disability or complication, short-term disability insurance can provide a bi-weekly benefit payment to help replace lost income for up to 26 weeks. You can choose a maximum weekly benefit of up to 70 percent of an employee's basic weekly income. The minimum benefit is \$100 per week while the maximum benefit is \$500 per week.

### Benefit Options

- **1-8-26 Plan**  
Benefits are payable on the 1st calendar day of absence due to an accident or the 8th calendar day due to sickness and are payable for up to a maximum of 26 weeks.
- **15-15-26 Plan**  
Benefits are payable on the 15th calendar day of absence due to an accident or the 15th calendar day due to sickness and are payable for up to a maximum of 26 weeks.

### Eligibility

- You must be a member of COSE
- Employees must be full-time, working 20-25 hours or more per week
- Evidence of insurability is not required
- Coverage begins on the first day of the month following enrollment

### Pre-existing Condition Exclusion

Benefits may not be paid for disabilities caused or contributed to by, or resulting from conditions for which an employee received treatment 12 months prior to his or her effective date. See the master policy for terms and conditions.

### Voluntary Short-Term Disability Coverage Rates

Employer groups with 1 – 150 employees

Age Range	1-8-26 Plan Rate	15-15-26 Plan Rate
Under 40	\$0.44	\$0.35
40 to 44	\$0.45	\$0.36
45 to 49	\$0.52	\$0.42
50 to 54	\$0.63	\$0.49
55 to 59	\$0.76	\$0.60
60 to 64	\$0.88	\$0.70
65 to 69	\$1.16	\$0.91
70 and older	\$1.56	\$1.25

Short-term disability monthly rates are per \$10 of benefits.

### Weekly Benefit Amount

Weekly Benefit	Minimum Annual Employee Salary
\$100	\$7,430
\$150	\$11,140
\$200	\$14,860
\$250	\$18,570
\$300	\$22,285
\$350	\$26,000
\$400	\$29,715
\$450	\$33,430
\$500	\$37,145





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15885 West Sprague Road  
Strongsville, OH 44136-1772

**ConsumersLife.com**