

# Case Study: Two Options for This Teacher



Madison\* is a 26-year-old who just started her second teaching job at a new school, making \$40,000. The school has a disability benefit available, but it doesn't start until the teacher is vested in the pension, beginning in year five.

Teachers fall into Assurity's government occupation guidelines, so she is eligible for \$2,400 of disability coverage. The agent gives her two choices.

## OPTION 1

- \$1,000 base policy\*\* .....23.26
- \$1,400 SDIR\*\* .....16.97
- Retroactive Injury Rider.....0.63
- Return of Premium Rider .....28.60

▶ **TOTAL MO. PREMIUM.....\$69.46**

*Plus, she could receive \$32,507 at age 65!*

## OPTION 2

- \$1,000 base policy\*\* .....23.26
- \$1,400 SDIR\*\* .....16.97
- Retroactive Injury Rider.....0.63
- \$25,000 Critical Illness Rider .....7.81

▶ **TOTAL MO. PREMIUM.....\$48.67**

Both options include a 90-day elimination and To-age-65 benefit.

### Money back?

After completing 25 policy years (at age 51), Madison may terminate the policy, receiving 100 percent of premiums paid less any benefits paid.

### Filling in the gaps

If Madison suffers an accidental injury that, within 30 days, causes total disability lasting at least 90 days, she would receive a lump sum of \$3,000 (three \$1,000 monthly benefits) to retroactively cover the elimination period.

### Coordinating benefits

If Madison becomes disabled, meeting the definition of total disability and satisfying the elimination period, Assurity would pay her the \$1,000 base and \$1,400 SDIR monthly benefits. If, one year after her disability began, she qualifies for Social Security disability, receiving a \$600 monthly benefit, Assurity would still pay the \$1,000 base monthly benefit, but the SDIR would be reduced to \$800.

### In case of a serious illness

If Madison has a first-ever diagnosis of invasive cancer while coverage is in force, Assurity would pay \$25,000. If, one year later, she has a heart attack, Assurity would again pay \$25,000 (subject to policy provisions).

\* Female, age 26, non-tobacco, occupational Class 4A. \*\* Government employees are allowed up to a \$1,000 base benefit and up to the maximum Supplemental Disability Income Rider (SDIR) of \$1,800, based on income.

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