

Getting to know New York Life Employee Benefit Products.

An agent's guide to our new group benefits products

- **Term Life with optional AD&D**
- **Short Term Disability**
- **Long Term Disability**

*For demonstration purposes
only. Do not distribute.*

A note about state availability.

Please be aware.

All of the products referred to in this document are subject to state availability, and some or all of these products may not yet be available in all states. Visit the Worksite Resource Center on agency portal for the latest state availability information.

<https://www.ap.newyorklife.com/worksiteeb>

In this guide:

Everything agents need to get started with New York Life Employee Benefits products.

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Group Term Life with Optional AD&D

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Let's start with the basics.

Here are some of the the nuts and bolts behind New York Life's new group benefits offering:

Our Products¹

Our expanded worksite portfolio now includes the most in-demand financial protection products.

- **Group Term Life with optional AD&D**
- **Group Short Term Disability**
- **Group Long Term Disability**

Plan Types

Offering two types of plans to provide simplicity and flexibility for small and mid-size employers.

- **Groups with 2 to 9 eligible lives** - Low minimum annual premium² and simplified options make these plans ideal for the smallest of employers, and especially first-time buyers
- **Groups with 10+ eligible lives** - Includes full array of options that can be customized for each case

	2-9 Lives	10+ Lives
Plan Design	<ul style="list-style-type: none"> • Standardized plans and options* 	<ul style="list-style-type: none"> • Full array of plan options** • Ability to match existing plan design
Rates	<ul style="list-style-type: none"> • Standard individual rates based on industry and product selections 	<ul style="list-style-type: none"> • Employer-specific rates based on census, industry and plan design(s)
Rate Structure	<ul style="list-style-type: none"> • Age banded only 	<ul style="list-style-type: none"> • Composite rates for groups that are employer paid or achieve more than 75% participation • Age banded rates for voluntary and supplemental plans
Discounting	<ul style="list-style-type: none"> • Included in standard pricing 	<ul style="list-style-type: none"> • Discounting may be available based on risk characteristics and competitive information • Additional consideration for groups in worksite target industries
Quote Process	<ul style="list-style-type: none"> • Formal proposal generated by NYL 	<ul style="list-style-type: none"> • Formal proposal generated by DRMS
Commissions***	<ul style="list-style-type: none"> • Flat 20% 	<ul style="list-style-type: none"> • Match existing commissions on takeover • Standard scale for non-takeover(10-15%), graded or flat schedules available

*Plan options for 2-9 products are subject to small group underwriting guidelines

**The availability of 10+ plan options are subject to underwriting review.

***Commissions subject to state restrictions

¹ Subject to state availability

² \$500 minimum annual premium on 2-9 groups

Additional details.

Funding Options

Employers may choose from a range of employer- and employee-paid options designed to fit their benefits strategy and budget.

- **Non-contributory** – Employer pays 100% of premium
- **Contributory** – Employer and employee share the cost of premium
 - 'Base/buy-up' plans are included in this category
- **Voluntary/Supplemental** – Employee pays 100% of premium

Group Eligibility

These products are to be sold only to groups meeting the following criteria:

Eligible

- Traditional employer groups with employer/employee relationships
- Must have two or more eligible employees
- Must be in business at least two years

Not Eligible

- Unions³
- Associations
- Professional Employer Organizations (PEOs)
- Groups in one of our excluded industries⁴
- Additional exclusions may apply based on product and case characteristics

Employee Eligibility

Employees must meet the following criteria in order to be covered under a group benefits plan:

Eligible

- Full-time, permanent employees of the policy holder⁵
- Must be actively at work on the case effective date in order to be eligible for coverage
- Employee earnings are typically defined as an employee's basic monthly earnings, excluding commissions, bonuses, overtime or other extra compensation

Not Eligible

- Seasonal/temporary employees
- Contractors
- Employees working outside the United States
- Board of directors/elected officials (by exception)
- Additional exclusions may apply based on product and case characteristics

Participation Requirements

Groups must meet the following participation thresholds:

2-9 Lives	10+ Lives
<p>Non-Contributory (100% Employer Paid): 100% of eligible employees must participate</p> <p>Contributory (<100% Employer Paid):</p> <ul style="list-style-type: none"> • 2-5 lives - all eligible employees must participate • 6-9 lives - all but one eligible employee must participate 	<p>Non-Contributory (100% Employer Paid): 100% of eligible employees must participate</p> <p>Contributory (Employer and Employees share cost): Greater of 7 lives or 75% participation</p> <p>Voluntary/Supplemental* (0% Employer Paid): Greater of 7 lives or 25% of eligible employees</p>

*Supplemental plans are only available with employer-paid group plans.

³ Union members receiving benefits from their employer are eligible, but the union itself cannot be the contract holder.

⁴ Please consult the current Excluded Industry List for further information.

⁵ Full-time defined as 30 or more hours per week; Part-time employees can be considered for 10+ groups

Group Term Life with Optional AD&D

Our Group Term Life product provides valuable protection for employees and their dependents, with the option for additional protection with Accidental Death and Dismemberment coverage.

Plans at a glance

	2-9 Lives	10+	
		With Employer Contribution	Employee Pay All
Benefit Schedule	Flat Amount or a multiple of earnings	Flat Amount, increments, or a multiple of earnings	
Employee Contributions	0% to 100%	0% to 100%	100%
Employee Maximum Benefit Amount	<ul style="list-style-type: none"> Flat amount up to \$100,000 (in \$5,000 increments); or Multiple of earnings not to exceed the lesser of 3x annual earnings or \$100,000 	Up to \$300,000	
Spouse/Child Benefit Amount	<ul style="list-style-type: none"> Spouse flat \$5,000/child(ren) flat \$2,500; Or \$10,000 spouse/\$5,000 child(ren) 	<ul style="list-style-type: none"> Spouse eligible for up to 50% employee life coverage; Child(ren) flat up to \$10,000 	
Guaranteed Issue	<ul style="list-style-type: none"> 2-5 Enrolled Lives: up to \$50,000 6-9 Enrolled Lives: up to \$75,000 	Yes, varies by plan	
Age Reductions	Standard Reductions <ul style="list-style-type: none"> 35% at age 65 50% at age 70 Benefits terminate at retirement.	Various options; Benefits terminate at retirement.	
Conversion	Included	Included	
Accelerated Death Benefit	12 month life expectancy, 80%	12 month life expectancy, 80%	
Portable	No	By exception only	Yes
Premium Waiver	Included	Included	
Accidental Death and Dismemberment Coverage (AD&D)	<ul style="list-style-type: none"> Included or not If included, matching Life schedule 	<ul style="list-style-type: none"> Included or not If included, matching Life schedule 	
Retiree Coverage	Not available	On an exception basis	
Rate Guarantee	3 years	Up to 3 years	
Rate Type	Age Banded	Composite	Age Banded
Rate Basis	Per \$1,000 of Volume	Per \$1,000 of Volume	
Service waiting period	End of month following at least 60 days	Variable	

Group Term Life: Additional product details

Standard Features

- Accelerated Death Benefit
- Waiver of Premium

Optional Features

- Accidental Death and Dismemberment Coverage
- Portability (voluntary plans on 10+ groups only)

Limitations and Exclusions

Suicide Exclusion

When an employee pays all or part of the premium for their Life insurance coverage, no benefit will be paid for the specified period of time if the death is caused by, contributed to by, or results from suicide.

AD&D Exclusions

The AD&D policy contains additional exclusions including, but not limited to the following:

- intentionally self-inflicted harm;
- participation in a war, declared or undeclared, or any act of war;
- commission or attempt to commit a felony; or
- active participation in a riot, insurrection or terrorist activity.

Group Short Term Disability

Short term disability protects your employees from loss of income if they are unable to work for a short period of time due to illness, injury or pregnancy.

Plans at a glance

	2-9 Lives	10+	
		With Employer Contribution	Employee Pay All
Elimination Period (Days)	0/7, 7/7, 14/14, 30/30	0/7, 7/7, 14/14, 30/30	
Duration	Up to 26 weeks	Up to 52 weeks	
Benefit Type	% of earnings	Flat or % of earnings	Flat, Incremental, or % of earnings,
Employee Contributions	0% to 100%	0% to 100%	100%
Weekly Benefit Amount	50% or 60% of earnings, not to exceed \$1500	Up to 70% of earnings, not to exceed \$2,500	Up to 60% of earnings, not to exceed \$2,000
Minimum Weekly Benefit	\$25	Varies from flat \$15 to flat \$50	
Guaranteed Issue	\$1,500	Yes, varies by plan	
Definition of Disability	Residual	Residual, Partial, Total,	
Pre-Existing Condition Limitation	3/12	Varies by plan	
Occupational Coverage	Non-occ	Non-occ or 24 hour	
Rate Guarantee	3 years	Up to 3 years	
Rate Type	Age Banded	Composite	Age Banded
Rate Basis	Per \$10 of Weekly Benefit	Per \$10 of Weekly Benefit	
Waiting Period	End of month following at least 60 days	Varies	

Group Short Term Disability: Additional product details

Standard features

- Maternity covered as any other illness
- Waiver of Premium

Optional Features

- Family Care Expense Benefit
- FICA Match
- First Day Hospital
- Pre-Existing Condition Limited Benefit
- Survivor Benefit
- Vocational Rehabilitation Benefit
- Work Incentive Benefit

Limitations and Exclusions

Pre-Existing Condition Limitation

Individuals whose disability is caused by, contributed to by, or the result of a pre-existing condition may not qualify for benefits.

Standard Exclusions

The short term disability policy contains additional exclusions including but not limited to the following:

- intentionally self-inflicted harm;
- participation in a war, declared or undeclared, or any act of war;
- commission or attempt to commit a felony; or
- active participation in a riot, insurrection or terrorist activity

Group Long Term Disability

Long term disability insurance provides employees with income replacement when they are unable to work due to illness or injury for an extended period.

Plans at a glance

	2-9 Lives	10+	
		With Employer Contribution	Employee Pay All
Elimination Period (Days)	90 or 180	30, 60, 90, or 180	90 or 180
Duration	2 Year RBD, 5 Year SSNRA, or SSNRA	Up to SSNRA	
Benefit Type	% of earnings	% of earnings	
Employee Contributions	0% to 100%	0% to 100%	100%
Monthly Benefit Amount	50%-60% of earnings, not to exceed \$6,000	40%-70% of earnings, not to exceed \$15,000	40%-60% of earnings, not to exceed \$7,500
Minimum Benefit	>\$100 or 10%	Varies by plan	
Guaranteed Issue	2-5 Enrolled Lives: \$3,000 6-9 Enrolled Lives: \$6,000	Yes, varies by plan	
Social Security Integration	Full Family	Full Family, Primary, All Source	Full Family
Definition of Disability	2 Year Own Occupation, Residual	Residual, ranging from 1 year to SSNRA	
Work Incentive Benefit	1 year	1 year, 2 years, or unlimited	
Pre-Existing Condition Limitation	12/6/24	Varies by plan	
Mental/Nervous & Drug/Alcohol Limitation	2 years	1 year, 2 years, or unlimited	
Special Conditions Limitation	2 years	1 year, 2 years, or unlimited	
Any Occ Earnings Test	80%/60%	80%/60%, 80%/80%, or 60%/60%	
Survivor Benefit	3 months	None to 6 months	
Rate Guarantee	3 years	Up to 3 years	
Rate Type	Age Banded	Composite	Age Banded
Rate Basis	Per \$100 of Monthly Covered Payroll	Per \$100 of Monthly Covered Payroll	
Service Waiting Period	End of month following at least 60 days	Varies by plan	

Group Long Term Disability: Additional product details

Standard Features

- Social Security Application Assistance
- Survivor Benefit
- Vocational Rehabilitation Services
- Waiver of Premium
- Work Incentive Benefit
- Workplace Modification Benefit

Optional Features

- Accidental Death Benefit
- Accidental Dismemberment and Loss of Sight Benefit
- Advanced Survivor Benefit
- COBRA Premium Disability Benefit or Medical Premium Disability Benefit
- Cost of Living Adjustment (COLA)
- Critical Illness Benefit
- Education Expense Benefit
- Extended Care Disability Benefit
- Extended Earnings Adjustment
- Family Care Expense Benefit
- FICA Match
- Infectious and Contagious Disease Benefit
- Pre-Existing Condition Limited Benefit
- Progressive Disease Benefit
- Retirement Contribution Benefit
- Revenue Protection Benefit
- Supplemental Disability Benefit
- Vocational Rehabilitation Benefit

Limitations and Exclusions

Alcoholism or Drug Abuse Limitation

Disabilities related to alcoholism or drug abuse are subject to limited period of payment.

Mental Illness Limitation

Disabilities related to mental illness are subject to limited periods of payment.

Pre-Existing Condition Limitation

Individuals whose disability is caused by, contributed to by, or the result of a pre-existing condition may not qualify for benefits.

Special condition limitation

Disabilities related to specific conditions are subject to limited periods of payment.

Standard Exclusions

The long term disability policy contains additional exclusions including but not limited to the following:

- intentionally self-inflicted harm;
- participation in a war, declared or undeclared, or any act of war;
- commission or attempt to commit a felony; or
- active participation in a riot, insurrection or terrorist activity

New York Life Employee Benefit Products

We're here to help.

The New York Life Worksite team is proud to announce New York Life Employee Benefit products. Beginning in Q4 of 2016, our group term life and disability products will be available for sale by select Agents, in select states. Check our portal page for the latest information on agent eligibility and product availability in your state.

<https://www.ap.newyorklife.com/worksiteeb>

Got questions about our employee benefits offering? Start here.

Contact the worksite help desk for questions about agent eligibility, getting started or other general inquiries.

Phone: 866-695-8764, Option #1 | **Email:** worksite@nyl.com

Specific questions for building your employee benefits practice with New York Life?

Once you're eligible to sell employee benefits, your Business Development Consultants are here to help.

National Manager: John DiCalogero | (917) 488-1018 | jdicalogero@ft.nyl.com

Northeast

Jimmy McParland
(914) 217-5049
jmcparland@ft.nyl.com

South Central

Costadinos Zourzoukis
(914) 216-8205
czourzoukis@ft.nyl.com

West Central

Currently vacant.
Contact John DiCalogero

Pacific

Michelle Louie
(917) 515-3263
mlouie@ft.nyl.com

Need help with specific product questions, or have questions about claims or underwriting?

Our product, underwriting and claims support teams have you covered.

For questions about case setup on sold groups	Email: NYLnewbusiness@disabilityrms.com Phone: 888-862-4886, Option 2
Policy administration, billing and general customer service	Email: NYLcustomerservice@disabilityrms.com Phone: 888-862-4886, Option 2
Financial underwriting questions	Contact the Underwriter assigned to Case in question. Proposals will be sent by your assigned underwriter at DRMS. If you have not yet received a proposal for the case in question, contact the Worksite Help Desk (866-695-8764, Option 1).
Status updates/questions about specific Life, STD or LTD claims	Contact the Claims Analyst assigned to claim in question. If you do not know the name of the analyst, call the customer service number (888-862-4886, Option 1) to be connected to the analyst.



New York Life Employee Benefit Products

Overcoming Objections: 'Takeover' Business

When discussing New York Life's group term life and group disability products with your existing clients, refer to the following talking points for addressing common objections to switching benefits carriers, while articulating the unique value proposition of New York Life benefits.

Feel - Felt - Found

When responding to an employer's objections, be sure to acknowledge, clarify and resolve their concerns. One way to do this is through the 'feel' - 'felt' - 'found' approach:

- I can certainly appreciate how you **feel**.
- Other employers I've worked with have **felt** much the same way.
- However, I have **found** that when you compare New York Life to other benefits carriers, they are competitive in the areas that you care about most.

Objection 1: I have a strong relationship with my broker and/or the sales rep at my current carrier and they help field questions about claims, pricing, plan design, service, etc.

- Refer to our agents' focus on relationships and guidance.

I (your NYL agent) will be your primary contact as I am with your other New York Life products. In addition, we have a large Home Office team of Life and Disability experts to assist me in getting any information or service you require.

In addition, as a career New York Life Agent, I can also provide expert guidance and education to your employees that provides them with an approach to ensuring financial well being for themselves and their families.

Objection 2: I don't have the time or resources to go through a proposal process with a new carrier.

If you provide us with your current booklet and rates, we will do all the work to get you a proposal. The process will require minimal time or effort on your part.

Objection 3: Some employees may lose benefits if I move my business from my current carrier.

We have considerable flexibility that permits us to quote most plan designs. We will review your current plan design and make every effort to quote the exact plan currently in force. We can also consult on plan design changes that may be a more appropriate fit for a particular client. We are happy to prepare a proposal for you so that you can compare your current plan and rates to ours.

Your current carrier is required to continue to insure all claims incurred under their policy until the claim is resolved. In addition, the Continuity of Coverage (no loss/no gain) provision of our group policies will ensure that current employees do not suffer any loss of coverage moving from one carrier to another.

Objection 4: It is going to cost me more than I am paying now to move the business.

Let us prepare a proposal for you so that you can compare your current coverage and cost to ours. We have designed our plans and pricing to be competitive.

Objection 5: NYL is just entering the group business. How do I know their products and service are as good as other carriers who have been in the business a lot longer?

- Refer to NYL's strength and reputation, our agents' focus on relationships and guidance, as well as our partnership with DRMS.

Insurance and benefits can be complicated. That's why New York Life is so invested in a career agency system. It also sets us apart from other benefit carriers, because our business is built on relationships. As one of the most highly trained, best-supported professionals in the industry, I'm able to be there – in person – to educate your employees on their benefits options, talk to them about their needs and concerns, and even provide solutions outside of what is offered as part of their employee benefits package.

New York Life has partnered with a leading industry expert to create market competitive group products specifically designed to compete with all of the major carriers in the industry. These products have been filed with flexibility in mind and can be sold on an employer pay, employee pay, or shared contribution basis. High quality customer service is essential to being successful in the Employee Benefits market. We would be happy to introduce you to members of our service team so that you can be comfortable the service you receive on the group products will be of the same high quality as the service you receive from us today.

Objection 6: I'm nervous about moving business from a reputable carrier like Unum who is an expert in Life and Disability

- Refer to NYL's strength and reputation in Life insurance, as well as our partnership with DRMS.

New York Life is rated A++ by AM Best.¹ The A++ rating is assigned by AM Best to insurance companies that have a SUPERIOR ability to meet their insurance obligations, which is especially important when talking about a long-tail risk product such as long term disability.

New York Life is one of the largest mutual Life insurance companies in the US, continuing to build our brand and strong reputation ever since issuing our first Life policy in 1845. It is a natural extension of our robust Life product portfolio for us to be able to now offer Group Term Life and Disability to our customers.

NYL has partnered with Disability RMS (DRMS), an expert in the Disability Industry, in order to offer the most comprehensive and competitive Employee Benefits product suite to our consumers. DRMS combines unparalleled risk management expertise and service with a collaborative approach to help clients achieve their goals and enhance their brand.

- *The nation's premier provider of disability risk management products and services*
- *Have over \$375 million in premium and over 40,000 claims under management*
- *Offer services on a reinsured or service-only basis*
- *Earned market leadership by excelling in the areas that matter most to our clients*

¹ New York Life has the highest possible financial strength ratings currently awarded to any life insurer from all 4 of the major credit agencies: A.M. Best (A++), Fitch (AAA), Moody's Investors Services (Aaa), Standard & Poor's (AA+). Individual independent rating agency commentary as of 8/9/16.

Objection 7: I have had my business with XYZ Co. for many years; their claims service is outstanding. How does your compare?

DRMS has unparalleled Claims Management Expertise with

- *Over 200 claims professionals and support staff with significant industry expertise*
- *Management team with an average of 20 years of experience in the disability industry*
- *A full complement of on-site resources with disciplinary expertise in medical, vocational rehabilitation, compliance and accounting (CPA)*
- *Focus on service, return to work, accuracy of benefits payment, contractual eligibility, permanent and total disability (secure income offsets), and settlement*
- *Extensive expertise and experience in managing claims for traditional and voluntary products*

Objection 8: I have had my business with XYZ Co. for many years; their customer service is outstanding. How do your service metrics compare?

- *Refer to claims service standards.*
 - *Customer-focused service standards that are consistently out performed:*
 - *New claims acknowledged or paid within three days of receipt of all required information*
 - *Telephone calls returned within the same business day if received by 3:30 pm ET. Calls received after 3:30 pm ET returned by 10:00 am ET the following business day.*
 - *New information on ongoing claims handled within 5 business days*
 - *Strict compliance with ERISA time frames*
 - *Automated measurement and reporting of actual vs. expected service results.*

**For New York Life Internal Use Only
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State Availability

For New York Life internal use only. Not for distribution to the public.

Updated December 14

State	Life and AD&D	Disability Insurance
Alabama	✓	✓
Alaska	✓	✓
Arizona	✓	✓
Arkansas	✓	✓
California	Pending	Pending
Colorado	✓	✓
Connecticut	Pending	Pending
Delaware	✓	Pending
D.C.	Pending	Pending
Florida	Pending	Pending
Georgia	✓	✓
Hawaii	✓	✓
Idaho	✓	✓
Illinois	✓	✓
Indiana	✓	✓
Iowa	✓	✓
Kansas	✓	✓
Kentucky	✓	✓
Louisiana	✓	✓
Maine	✓	✓
Maryland	✓	✓
Massachusetts	✓	✓
Michigan	✓	✓
Minnesota	✓	✓
Mississippi	✓	✓
Missouri	✓	✓

State	Life and AD&D	Disability Insurance
Montana	✓	Pending
Nebraska	✓	✓
Nevada	✓	✓
New Hampshire	✓	✓
New Jersey	✓	✓
New Mexico	✓ Both products approved, but see note below about marketing materials	
New York	Pending	Pending
North Carolina	✓	✓
North Dakota	Pending	Pending
Ohio	✓	✓
Oklahoma	✓	✓
Oregon	✓	✓
Pennsylvania	✓	✓
Rhode Island	✓	✓
South Carolina	✓	✓
South Dakota	Pending	Pending
Tennessee	✓	✓
Texas	✓	✓
Utah	✓	✓
Vermont	✓	✓
Virginia	✓	✓
Washington	✓	✓
West Virginia	✓	✓
Wisconsin	✓	✓
Wyoming	✓	Pending

Attention agents doing business in New Mexico: Please be aware that the state of NM requires approval of marketing material prior to the group products being available for sale. Please contact worksite@nyl.com for the latest updates on what material is available for use in New Mexico.



Underwritten by New York Life.
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New York Life Insurance Company

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New York, NY 10010

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