



# Group Insurance Trust Long Term Disability Insurance Plans

September 2022

# MSMA GIT's Long Term Disability Plan

- MSMA Group Insurance Trust has offered a fully-insured group long term disability plan to its participating school districts for over 30 years.
- The LTD carrier has been the Hartford since 2019.
- School districts can define their eligible employees, usually based upon one or more bargaining groups, and/or classes of employees not belonging to a bargaining group.

# MSMA GIT's LTD Plan Options and Enrollment

- MSMA GIT offers 7 LTD options with varying elimination periods, from 60 to 180 days
- Currently 61 participating member districts
- 2,128 total participants enrolled

# MSMA GIT's LTD Plan Benefits Info

- Other than the elimination period, the benefits are the same for all 7 options:

- Benefit Percentage: 60%
- Maximum Monthly Benefit: \$7,500
- Maximum Benefit Period:

Age When Disabled	Benefits Payable
Prior to Age 63	To Normal Retirement Age or 48 months, if greater
Age 63	To Normal Retirement Age or 42 months, if greater
Age 64	36 months
Age 65	30 months
Age 66	27 months
Age 67	24 months
Age 68	21 months
Age 69 and over	18 months

Normal Retirement Age: Social Security Normal Retirement Age

# MSMA GIT's LTD Plan Benefits Info

- Otherwise, the benefits are the same for all 7 options (cont'd):
  - Own Occupation Period:
    - Teachers or Administrators: 5 Years
    - All Other Employees: 3 Years
  - Do not need to be totally disabled to receive a benefit; a partial benefit is paid for partial disabilities

# MSMA GIT's LTD Contributions & Rates

- The LTD rates are one composite rate for each elimination period
- The rates are the same whether the district pays 100% of the premium or if it's a voluntary benefit with employees paying 100% of the premium
- The responsibility for premium, whether employee or employer, can vary by eligible class
- Current rate for plan with elimination period of greater of 180 days or accumulated sick leave: .329%

# Summary

- Districts already have an option to provide long term disability coverage for all of their benefit-eligible employees.
- MSMA's offering provides a competitive option for employees who don't participate in MainePERS; a mandatory MainePERS LTD plan could jeopardize coverage for those employees not eligible for MainePERS.
- MSMA's plans offer choice so districts can choose among the plan options for a plan design which works best for them.