



Worksite Stronger.

Help recruit and retain top talent

Individual Disability Income Insurance

NOT FOR USE IN CA, CT, DE, DC, FL, MT, ND, AND SD.
FOR EMPLOYERS. NOT FOR USE WITH EMPLOYEES.

The disability divide

As companies compete for top talent, the benefits offered can become the key to attracting and retaining these high performing individuals.

Employer-provided group Long-Term Disability (LTD) policies typically don't cover bonuses or incentive compensation, which can create a disability income gap for top performing, highly compensated employees. An illness or injury that prevents these executives from working for an extended period of time can cause them to lose a sizable portion of their income.

Employer-paid individual disability income insurance from Massachusetts Mutual Life Insurance Company (MassMutual®) can add to your employee benefits program* by helping to attract top talent and reducing a potential disability income gap for highly compensated employees. It involves minimal administrative time to implement and maintain.

Another option to consider is cost-free for your company — voluntary individual disability income insurance. An insurance offer can be designed specific to your company, and your employees' personal income protection needs.

* NOTE: There may be implications under the Employee Retirement Income Security Act ("ERISA") depending on how disability income insurance policies are made available to the employees and whether such an arrangement constitutes an "employee benefit plan" under ERISA. Employers should consult their own tax and legal advisors for further information on potential ERISA implications.

Meet Lauren...

See why she needs to protect a sizable portion of her income.

Lauren is a successful sales person. She leads an active life and always exceeds her sales goals.



Her annual base salary is **\$250,000** but she consistently earns another **\$100,000** in bonuses.



Her annual net income is **\$262,500** and she has a group LTD plan that covers **60% of her base income (up to \$10,000/mo)**.



The company group LTD plan will only cover **\$90,000** on an after-tax basis, leaving a sizable income gap.

Lauren can protect a greater portion of her total income with individual disability income (DI) insurance from Massachusetts Mutual Life Insurance Company (MassMutual).*

The above example assumes an effective tax rate of 25% and a group LTD plan paid for by the employer that provides up to \$10,000 of gross benefit per month (\$90,000 net, annually).

* This individual disability income insurance does not coordinate with group long-term disability coverage. Claim decisions are rendered independent of each other.

Protecting their most valuable asset – income

Making individual disability income insurance from MassMutual available to your highly compensated employees can reduce the financial risks that disability poses.

For your company

- Discounts off MassMutual's standard unisex rates.
- Differentiate your reward package for retaining and recruiting top talent.
- Help protect highly compensated employees whose benefits are limited by a group LTD plan maximum.
- Guaranteed standard issue — MassMutual will guarantee to offer your employees a policy at standard rates, provided they meet the eligibility criteria outlined in the underwriting proposal.

For your employees

- Covers a portion of variable performance pay, which can be 50% or more of an executive's compensation.
- Simplified underwriting — answering a few simple questions determines eligibility vs. full medical underwriting if they were to buy disability income insurance on their own.
- Non-cancellable coverage to age 65 (premiums must be paid on time).
- The policy is portable so employees can take their policy with them, including premium discounts, if they change employers.¹
- Flexible coverage offer allows employees to reduce the monthly benefit amount to meet their coverage objectives.

¹ Coverage increases issued under the policy's Right to Apply for Additional Monthly Benefits with Full Underwriting provision will not carry the discount if a new policy must be issued.

Riders/Endorsements

To help your employees personalize the policy to meet their financial needs, we offer a number of options.^{2, 3}

Catastrophic Disability Benefit Rider (CAT)⁴	The CAT Rider provides benefits for a catastrophic disability, as defined in the rider, to cover up to 100% of pre-disability earned income when combined with a base policy.
Cost Of Living Rider (COLA)	The COLA Rider helps benefits keep pace with inflation in the event of a disability lasting longer than 12 months. Increases start to accrue after the insured is disabled for 12 months, or the full waiting period, whichever is longer. Increases are compounded at 3% and there is no limit to the number of adjustments that may be made under the COLA Rider.
Extended Partial Disability Benefits Rider (EPR)	<p>The EPR Rider provides partial disability benefits if the insured, while still disabled, works at his/her regular occupation, or a new occupation, but in a reduced capacity due to their sickness or injury. To qualify for benefits, during the first 6 months of partial disability (including the waiting period or thereafter), the insured must have:</p> <ul style="list-style-type: none"> • a minimum 15% loss of time; or • a minimum 15% loss of income; or • the ability to do some, but not all, of the main duties of their occupation. <p>After 6 months of partial disability, the insured must have a minimum 15% loss of income.</p> <p>The Extended Partial Disability Benefits Rider also includes a recovery benefit. After a period of total disability or partial disability payments, a recovery benefit will be paid provided the insured's loss of income is at least 15% of pre-disability income, and there is a direct relationship between the insured's loss of income and the previous disability. The recovery benefit will be paid through the 6th month following the insured's full recovery and return to work.</p> <p>MassMutual will periodically evaluate the direct relationship between the insured's loss of income and the previous disability. We will continue to make monthly payments as long as the insured's loss of income is at least 15% of pre-disability income and there is a direct relationship between the insured's loss of income and the previous disability. Monthly payments will not exceed the maximum benefit period for partial disability.</p>

² All riders are offered at an additional cost. Except for the FIO rider, all riders terminate on the policy anniversary date or the next, following the insured's 65th birthday. The FIO rider terminates on the earliest of either the Option Date on or immediately before the Insured's 60th birthday, or as otherwise stated in the Termination provision of the rider.

³ The information is only a brief description and does not include all terms and conditions for payment of benefits. Refer to the riders or endorsement for complete details of coverage. If there is a conflict between the information provided and the policy terms, the terms of the policy will govern.

⁴ CAT Rider is not available in CT.

Riders/Endorsements (Continued)

Group Supplement Rider (GSR)	<p>The GSR Rider provides partial disability benefits to supplement group benefits provided by an employer.</p> <ul style="list-style-type: none"> • Coverage A (partial) provides a benefit when the insured is partially disabled, under a doctor's care, working at his/her own occupation, and suffers an income loss due to the disability of at least 15% of pre-disability income. • Coverage B (proportionate) provides a benefit when the insured is partially disabled, under a doctor's care, working in a new occupation for which he/she is reasonably suited by education, training and experience, and has an income loss due to disability of at least 15% of pre-disability income (not available with the Own Occupation Rider).
Own Occupation Rider (Own OCC)	<p>The Own OCC Rider provides a monthly benefit if, due to a disability, the insured cannot perform the main duties of his/her occupation and is working in another occupation. The insured must be under a doctor's care.</p>
RetireGuard Rider	<p>The RetireGuard Rider can help replace up to 100% of an amount equal to the retirement plan contributions, including both employee's and employer's contributions, that would have been made to the employee's eligible defined contribution plan if the employee had not become totally disabled. It is not a retirement plan, nor a substitute for one.</p> <p>When insured with RetireGuard, during a period of total disability MassMutual will pay benefits into an irrevocable trust. Benefits are not paid into an employer-sponsored retirement plan. The trust offers different investment options so that a client can select the option that best meets his/her retirement goals. Trust services are provided by The MassMutual Trust Company, FSB, a wholly-owned subsidiary of MassMutual.</p>
Future Insurability Option Rider	<p>The FIO rider allows you to purchase additional monthly disability coverage as your income increases. You must be actively at work and not disabled. Financial underwriting is required.</p> <ul style="list-style-type: none"> • If the insured's risk class at the time of application for additional benefits is more favorable, we will use the more favorable class when issuing the benefits. If the risk class at the time of application for additional benefits is less favorable, the original class will be retained. • Issue and Participation limits are guaranteed (at time of option the insured will receive original I + P limits or the current I + P limits).
Maximum Benefit Period Endorsement (MBPE)⁵	<p>The MBPE removes the 24 month Mental Disorder Limitation from the policy. If the MBPE is attached to the policy, benefits for a Disability caused, or contributed to by, a Mental Disorder will have the same Maximum Benefit Period as any other Disability. The endorsement cannot be removed once the policy is in force.</p>

⁵ Available at an additional cost. The MBPE is not available to all occupations and is subject to home office approval, except in VT where it is required by state law on all policies with a Benefit Period greater than 2 years. Refer to the DI Reference Manual for a list of occupations that are not eligible for the endorsement.

QUICK FACTS

Nearly 3 in 10 of Americans
have less than three months' worth of
expenses in an emergency fund.⁶

More than 1 in 4 of today's
20 year-olds will become disabled
before reaching age 67.⁷

Engagement made simple

We get the importance of employee enrollment and participation. Our integrated enrollment campaign includes customized messages designed for different life stages and coverage needs of employees.

Getting started

For a no-obligation estimate for adding individual disability income insurance from MassMutual to your employee benefits package, please provide a high-level employee census and your current group LTD booklet.

⁶ Bankrate Emergency Savings Survey, May 2024:
<https://www.bankrate.com/banking/savings/emergency-savings-report/>

⁷ U.S. Social Security Administration, Fact Sheet, 2024.

Our financial strength makes a difference



An insurance policy is only as good as the company that stands behind it. MassMutual has been helping people build better financial futures for over 170 years.



MassMutual has the products, guidance, and tools to help people secure their financial future, and protect the ones who matter most. As a recognized leader in workplace solutions, we are committed to helping you do more for your employees.



As a mutual company, we do not have shareholders. We manage the company with the long-term interests of its members and policyowners firmly in mind.

For more information, go to [MassMutual.com](https://www.MassMutual.com)

**NOT FOR USE IN CA, CT, DE, DC, FL, MT, ND, and SD.
FOR EMPLOYERS. NOT FOR USE WITH EMPLOYEES.**

MaxElect is not available in California.

If only MaxElect 13 (Policy Form XLS-ME-13 et al and ICC13XLSME in certain states including North Carolina) is issued by Massachusetts Mutual Life Insurance Company (MassMutual), Springfield, MA 01111-0001. Policies have exclusions and limitations. Policies may vary in some states.

New York policies: This policy provides disability income insurance only. It does NOT provide basic hospital, basic medical or major medical insurance as defined by the New York State Insurance Department. The expected benefit ratio for this policy is 61.0 percent. This ratio is the portion of future premiums which the company expects to return as benefits, when averaged over all the people with this policy.

