



Legislation Details (With Text)

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Title: Long and Short Term Disability Insurance
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Indexes:
Code sections:
Attachments: 1. Provider analysis, 2. Provider spreadsheet analysis, 3. Short and Long Term Disability Rates

Date	Ver.	Action By	Action	Result
1/8/2013	1	City Council	approved as recommended	Pass

Long and Short Term Disability Insurance

Effective January 1, 2013 the City discontinued paying for Short and Long Term Disability Insurance for employees. We are proposing to offer a voluntary product to employees, therefore it was bid out. Twenty-six bids were received. Of these twenty-six, several declined to bid because of the number of employees and because several do not cover police officers and fire fighters. We are recommending Lincoln National Life Company for this product. This company meets all of our bid specifications. Packets will be given to each employee stating their cost for both Short Term and Long Term Disability. If approved, mandatory employee meetings for sign up will be held the week of January 21, 2013.

Employees will be able to insure any amount, up to their W-2 amount, but not more than that. These rates will be paid by employees via payroll deductions and would not be included in their pre-tax selection.

These rates are not based on gender and will be effective 1/1/13, so there will be no lapse in coverage or pre-existing conditions.

Premiums are based on age and coverage amount. For example,
25 year old making \$25,000 annually:
Short Term Disability - \$36.06/month.
Long Term Disability - \$6.74/month.

55 year old making \$50,000 annually:
Short Term Disability - \$72.12/month.
Long Term Disability - \$58.33/month.

Meetings will be held with the employees where they will receive their individual premium options. This will be strictly voluntary.

BUDGET ACCOUNT: Not applicable.

Approve Lincoln National Life Company to provide Short and Long Term Disability insurance to our employees.