

# Why Take a Chance When You Can Make a Choice?

Protect Your Future Today with NIS Options Voluntary Insurance Plans



**NIS Options**



## **Every day, the choices we make affect our quality of life. From what we eat to where we work, what we choose matters.**

But some of our most important decisions are the ones we least want to consider.

No one wants to think about a short or long-term disability that prevents them from working, or a premature death that leaves a family on their own.

Unfortunately, these things can and do happen.

Making good choices today will ensure you and your loved ones are protected if life takes an unexpected turn.





Tom, a music teacher from the Midwest, was just 46 when he suffered a fatal heart attack. But thanks to his careful planning, Tom's family didn't have to worry about adequate Life Insurance. "Tom always took care of us, and still is," says his wife. "His planning made a very hard situation a little bit easier."\*

# Life Insurance Options

Having Life Insurance can provide peace of mind for you, as well as for those you love. If the worst should happen, don't add to the burden your loved ones face by leaving them financially unprepared. Enroll in your Life Insurance Options plan today. Your family will be grateful.

Plan	Covers	Minimum Coverage	Maximum Coverage
<b>Mandatory Life Insurance Coverage</b> Basic Life and AD&D Insurance	Employee only	\$5,000	\$10,000
<b>Basic-Plus Life Insurance Plan</b> Dependent Life Insurance (Family Unit Plan)	Spouse/Dependent only	\$2,000	\$5,000
<b>Optimum Life Insurance Plan</b> Optional Life and AD&D Insurance for you and Optional Life Insurance for your Dependents	Employee, Spouse and Dependent (AD&D Insurance for Employee only)	Employee: \$5,000 Spouse: \$0 Child/ren: \$0	Employee: \$300,000 or five times salary Spouse: \$150,000 Child/ren: \$20,000

## Mandatory Life Insurance Coverage

Basic Life and AD&D Insurance. Covers you only.



This plan is required in order to participate in any of the other Options plans and is employer-paid.

### What It Is:

A no-frills, basic Life Insurance policy that pays a flat cash amount to a beneficiary of your choice in the event of your death.

If your death was caused by an accident, the AD&D Insurance may pay your beneficiary an additional benefit. Also, the AD&D Insurance may pay you if an accident resulted in the loss of a limb, hand, foot or eye.

### Coverage Choices:

- **Plan 1:** \$5,000
- **Plan 2:** \$10,000

### End of Coverage:

Early retirees may continue coverage until age 65 if your employer has selected the retiree option. See your HR department for more information.

### Medical Questionnaire:

Not required.

## Basic-Plus Life Insurance Plan

Dependent Life Insurance (Family Unit Plan). Covers your Spouse and Dependent(s) only.



### When to Choose This Option:

You may choose to purchase this minimal plan as an add-on to the mandatory Basic Life and AD&D Insurance plan if you would like to add coverage for your spouse and child/ren. If you want more coverage, choose the Supplemental Life Insurance plan instead or choose both plans.

### What It Is:

Simple, basic Life Insurance plan that pays a flat cash amount to you in the event of the death of your spouse or child.

### Coverage Choices:

- **Plan 1:** \$2,000 Spouse and \$2,000 Child<sup>1</sup>
- **Plan 2:** \$5,000 Spouse and \$2,500 Child<sup>1</sup>

### End of Coverage:

When employee's coverage ends.

### Medical Questionnaire:

- **Plan 1:** Not required during initial open enrollment or within 30 days of eligibility date. If you are applying for coverage at any other time, please fill out the medical questionnaire.
- **Plan 2:** Required. If your coverage under this plan is being transferred from another insurance company, you will not be required to answer medical questions on current amounts.

<sup>1</sup>Children ages 14 days to age 19 (or 25 if a full-time student)

# Optimum Life Insurance Plan

Optional Life and AD&D Insurance for you and Optional Life Insurance for your Dependents



## When to Choose This Option:

If you would like to add more coverage than is offered in the mandatory Basic Life and AD&D Insurance and Dependent Life Insurance (Family Unit) plans, choose this premium plan.

## What It Is:

Supplemental Life Insurance allows you to choose additional Life Insurance coverage at group rates for yourself, your spouse and/or your child/ren.

## Coverage Choices:

- **Employee Life and AD&D Insurance:** Choose coverage in \$1,000 increments, not to exceed five times your annual salary. Minimum: \$5,000. Maximum: \$300,000.
- **Spousal Life Insurance (No AD&D):** Choose up to 50% of your elected coverage, not to exceed \$150,000.
- **Child/ren Life Insurance (No AD&D)<sup>1</sup>:** Choose up to 25% of your elected coverage, not to exceed \$20,000.

## End of Coverage:

Coverage reduces based on age and terminates at retirement.

## Medical Questionnaire:

Required.<sup>2</sup> If your coverage under this plan is being transferred from another insurance company, you will not be required to answer medical questions on current amounts.

<sup>1</sup>Children ages 14 days to age 19 (or 25 if a full-time student)

<sup>2</sup>Note: Coverage may be increased by 10% without medical questions in the event of a “qualifying event” such as childbirth, adoption, marriage, divorce, job change, etc. See your HR department for details. Subject to plan maximums.





Janet, a teacher in her late 30s, never imagined giving up her career in the classroom until she got a devastating diagnosis from her doctor: multiple sclerosis. Single and living far away from family, Janet wonders how she's going to make it when she can no longer teach.\*

# Disability Insurance Options

Many people think the chances of a disabling illness or accident are slim, but statistics show that 1 in 3 employees entering the workforce today will need to use their disability benefits before they reach retirement.<sup>1</sup>

And illnesses such as arthritis and heart conditions are the culprit more often than accidents. If you couldn't work, how would you pay the mortgage, buy food or pay bills?

Protect your income today by enrolling in your Short and Long-Term Disability Insurance Options plan.

Plan	Benefit Duration	Minimum Coverage	Maximum Coverage
<b>Short-Term Income Insurance Protection Plan A</b> Short-Term Disability Insurance	52 weeks*	\$20 per week	\$1,200, or a percentage of your salary, per week
<b>Short-Term Income Insurance Protection Plan B</b> Coordinated Short-Term Disability Insurance	Coordinated to end when your employer-paid Long-Term Disability benefits begin	66.67% of salary	\$1,200 per week
<b>Long-Term Income Insurance Protection Plan</b> Long-Term Disability Insurance	Choice of 5 years** or until age 70	\$100	60% of salary

\*Plus an additional 52 weeks at half the elected benefit amount if employee is confined to a hospital and not covered under any Long-Term Disability plan.

\*\*May be less than five years depending upon the employee's age at the onset of a covered disability.

<sup>1</sup>Source: Social Security Administration Website, [www.ssa.gov/pubs/10029.html](http://www.ssa.gov/pubs/10029.html)

# Short-Term Income Insurance Protection Plan A

Short-Term Disability Insurance



## When to Choose This Option:

If your employer does not provide Short-Term Disability Insurance, this plan is for you. If you have enough savings or accumulated sick leave pay to stay afloat without your income for about a year, then you do not need this coverage.

## Coverage Choices:

Choose your coverage amount in \$10 increments, subject to a maximum based on your annual wages (see rate sheet to calculate maximum) or \$1,200/week, whichever amount is lower.

Also choose the wait time before benefits begin (Elimination Period):

- **7-Day Wait:** Benefits start immediately if accident, after seven days if illness.
- **28-Day Wait:** Benefits start immediately if accident, after 28 days if illness.

## Benefit Duration:

Benefits continue for 52 weeks (plus an additional 52 weeks at half the benefit amount if you are confined to a hospital and not covered under any Long-Term Disability plan).

## Medical Questionnaire:

Not required during the initial open enrollment period or within 30 days of your eligibility date. If you are applying for coverage at any other time, please fill out the medical questionnaire.<sup>1</sup>

<sup>1</sup>Note: Coverage may be increased by 10% without medical questions in the event of a “qualifying event” such as childbirth, adoption, marriage, divorce, job change, etc. If your coverage under this plan is being transferred from another insurance company, you will not be required to answer medical questions on current coverage amounts. See your HR department for details.

# Short-Term Income Insurance Protection Plan B

Coordinated Short-Term Disability Insurance



## When to Choose This Option:

If your employer provides an employer-paid Long-Term Disability Insurance plan, this plan will cover you from the time that you are out of work due to a covered accident, or 15 days after the start of a covered illness, until the time your Long-Term Disability Insurance payments begin. If you have enough savings or accumulated sick leave pay to stay afloat without your income for 60-180 days, then you do not need this coverage.

## Coverage Choices:

The coverage amount is set at 66.67% of your weekly salary, not to exceed \$1,200/week.

## Benefit Duration:

Benefits continue until your employer-paid Long-Term Disability Insurance benefits begin. 60, 90, 120 or 180-day plans are available.

## Medical Questionnaire:

Not required during the initial open enrollment period or within 30 days of your eligibility date. If you are applying for coverage at any other time, please fill out the medical questionnaire.<sup>1</sup>

If your coverage under this plan is being transferred from another insurance company, you will not be required to answer medical questions on current coverage amounts.

<sup>1</sup>Note: Coverage may be increased by 10% without medical questions in the event of a "qualifying event" such as childbirth, adoption, marriage, divorce, job change, etc. See your HR department for details.

# Long-Term Income Insurance Protection Plan

Long-Term Disability Insurance



## **When to Choose This Option:**

If you are not covered by Long-Term Disability Insurance, this plan is for you.

## **Coverage Choices:**

Choose the coverage amount in \$100 increments, not to exceed 60% of your salary. Also choose a benefit duration of five years<sup>1</sup> or until age 70.

## **Benefit Duration:**

Benefits begin after 52 weeks or at the end of your Short-Term Disability Insurance plan, whichever is later. Benefits continue for five years<sup>1</sup> or until age 70 based on your choice of plan.

## **Medical Questionnaire:**

Not required during the initial open enrollment period or within 30 days of your eligibility date. If you are applying for coverage at any other time, please fill out the medical questionnaire.<sup>2</sup>

If your coverage under this plan is being transferred from another insurance company, you will not be required to answer medical questions on current amounts.

<sup>1</sup>May be less than five years depending upon your age at the onset of a covered disability.

<sup>2</sup>Note: Coverage may be increased by 10% without medical questions in the event of a “qualifying event” such as childbirth, adoption, marriage, divorce, job change, etc. See your HR department for details.





## Life Insurance Limitations

### Age Reductions and Plan Termination:

Basic Life and AD&D Insurance and Dependent Life Insurance (Family Unit Plan) benefits do not reduce due to age. Early retirees may continue coverage until age 65 if elected by the employer. With the Optional Life/AD&D for Employees and Dependents plan, the amount of coverage reduces 50% at age 70 and terminates at retirement.

### AD&D Insurance Exclusions

AD&D coverage is for the employee only. Spousal and dependent Life Insurance does not include AD&D.

No AD&D Benefit is payable if the loss is caused or contributed to by any of the following:

- war, declared or undeclared, or any act of war
- intentionally self-inflicted injuries or attempted suicide, while sane or insane
- committing or attempting to commit a felony, engaging in illegal activity or actively participating in a violent disorder or riot
- any injury sustained while under the voluntary use or consumption of any poison, illegal drugs or controlled substance
- physical disease existing at the time of the accident
- medical negligence and malpractice
- bacterial infections
- while you are in the armed forces of any country or international authority
- any loss incurred while operating, riding in or descending from any aircraft, except as a fare-paying passenger on a commercial aircraft

## Disability Insurance Exclusions

The policy does not cover any disability that is caused or contributed to by any of the following:

- war, declared or undeclared, or any act of war
- as a result of committing or attempting to commit a felony, other criminal conduct, engaging in illegal activity or actively participating in a violent disorder or riot
- while you are in the armed forces of any country or international authority
- while you are imprisoned or under house arrest
- as a result of intentionally self-inflicted injuries or

attempted suicide, while sane or insane

- as a result of an occupational disability arising out of the course of any employment for wage or profit (This applies to Short-Term Disability Insurance plans, but does not apply to the Long-Term Disability Insurance plan).
- **Pre-Existing Conditions:** Disabilities that are caused by a pre-existing condition or exist due to medical or surgical treatment of a pre-existing condition are not covered for the first 12 months, unless you have been continuously covered under a prior plan (and satisfied that plan's pre-existing condition limitation). Pre-existing limitations also apply to increases in Disability Benefits.

### Disability Insurance Limitations

- Payment of Disability Benefits is limited to six months if you reside outside of the United States or Canada.
- Disability Insurance benefits may not exceed 100% of pre-disability earnings.
- As with most all Disability Insurance plans, benefits are reduced by other income you may receive during a disability, including Social Security or State Retirement Disability.
- **Mental Disorders and Substance Abuse:** Disabilities related to mental or emotional illness are limited to 24 months of coverage for each period of disability. After the 24-month period, benefit payments are made only if you are still totally disabled and confined as an inpatient in a facility qualified to treat that illness. This limitation does not apply to the Short-Term Disability Insurance plans.
- **Substance Abuse:** If your disability is caused by substance abuse, you must be participating in a rehabilitative program recommended by a physician. Benefits will cease upon any of following events (whichever comes first):
  - the maximum benefit period is achieved as stated in your certificate
  - you no longer participate in the rehabilitative program
  - you refuse to participate in an available rehabilitative program
  - you complete the rehabilitative program

The substance abuse limitation does not apply to the Short-Term Disability Insurance plans.





This brochure is not the insurance contract. It is a brief description of Life and Disability Insurance.



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As a specialist in public sector employee benefits since 1969, NIS (National Insurance Services of Wisconsin, Inc.) helps employers align their unique and complex benefit challenges with the hard-to-understand language and practices of insurance and investment products.

Our expertise results in innovative benefit solutions that help:

- Use taxpayer dollars efficiently
- Build bridges between bargaining units, boards and employers
- Avoid employer liability and grievances

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