

**RFP 5956 Z1  
Short Term Disability and  
Long Term Disability Insurance**

**December 13, 2018  
2:00 p.m. CT**

**ORIGINAL**

**State Purchasing Bureau  
1526 K Street, Suite 130  
Lincoln, NE 68508**

Presented to:

**State of Nebraska**



**THE  
HARTFORD**

Business Insurance

Employee Benefits

Auto

Home



**REVISED COST PROPOSAL  
RFP 5956 Z1  
STD AND LTD INSURANCE PLAN OPTIONS**

Bidder Name: Hartford Life and Accident Insurance Company

Bidders shall fill in proposed premium amounts for each column provided below.

Prices submitted on the cost proposal form, once accepted by the State, shall remain fixed for the initial period of the contract. Any request for a price increase subsequent to the initial period of the contract shall not exceed five percent (5%) of the price bid for the period. Increases shall not be cumulative and will only apply to that period of the contract. The request for a price increase must be submitted in writing to the State Purchasing Bureau a minimum of 120 days prior to the end of the current contract period. Documentation may be required by the State to support the price increase.

Each monthly premium amount proposed should be evenly divisible by "2" with no rounding to accommodate two even deductions per month through our payroll system. Any premium amount not divisible by "2" will be reduced to the nearest lower amount that is divisible by "2" for scoring. By submitting this proposal, Bidder accepts this lower amount if a contract is awarded.

This is the rate an employee will pay for 60% of basic gross monthly pay.

<b>SHORT TERM DISABILITY INSURANCE, 1ST DAY ACCIDENT, 8TH DAY ILLNESS</b>	Initial Period Year One	Initial Period Year Two	Initial Period Year Three	Optional Renewal One	Optional Renewal Two	Optional Renewal Three
<b>Rate per \$10 of Weekly Benefit</b>						
Under 25	0.7	0.7	0.7			
25-29	0.78	0.78	0.78			
30-34	0.88	0.88	0.88			
35-39	0.74	0.74	0.74			
40-44	0.62	0.62	0.62			
45-49	0.66	0.66	0.66			
50-54	0.82	0.82	0.82			
55-59	1	1	1			
60-64	1.2	1.2	1.2			
65-69	1.26	1.26	1.26			
70 & Over	1.26	1.26	1.26			

<b>LONG TERM DISABILITY INSURANCE, 6 MONTH ELIMINATION PERIOD</b>	Initial Period Year One	Initial Period Year Two	Initial Period Year Three	Optional Renewal One	Optional Renewal Two	Optional Renewal Three
<b>Rate per \$100 of Monthly Covered Payroll</b>						
Under 25	0.08	0.08	0.08			
25-29	0.12	0.12	0.12			
30-34	0.16	0.16	0.16			
35-39	0.18	0.18	0.18			
40-44	0.24	0.24	0.24			
45-49	0.34	0.34	0.34			
50-54	0.5	0.5	0.5			
55-59	0.62	0.62	0.62			
60-64	0.64	0.64	0.64			
65-69	0.66	0.66	0.66			
70 & Over	0.7	0.7	0.7			



**A Proposal of Employee Benefits From The Hartford  
For the U.S. Employees of**

**State of Nebraska**

**Short Term Disability, Long Term Disability Insurance**

**Presented by:  
Home Office Direct**

**Proposal valid until February 4, 2019**



# State of Nebraska

## Qualifications and Assumptions

With this rate structure the employer may be electing to partially support employer paid coverages with the rate for the employee paid coverages. This means that premiums paid for one coverage may cover the cost of another coverage under the Policy. When we quote rates with such partial support between the employee paid and employer paid coverages we do so with the understanding that the employer has determined that the rate structure is consistent with information provided to employees. If this understanding is not accurate, please contact us.

**The following are the qualifications upon which this proposal is based.  
Our quote is contingent upon receipt of:**

1. If a Booklet Certificate is received and reviewed by Underwriting, the Schedule of Benefits is according to your specifications except where noted.
2. Assumes leave of absence or coverage continuation policies must be reviewed and approved in advance by underwriting.

All missing information must be received prior to the quote "valid until date" listed on the cover of this proposal. The quote will not be binding until all missing information is received, reviewed, and approved in writing by The Hartford.

**The following are the assumptions upon which this proposal is based:**

1. The effective date of this case will be July 1, 2019.
2. Proposal and rates are valid until February 4, 2019.
3. Rates assume a SIC code of 9111.
4. Quote assumes a Situs State of NE. Hartford standard filed contract language applies unless approved in advance by Underwriting. State filings or specially drafted contract language is not assumed in the quoted rates.
5. Assumes employees must be actively-at-work on the effective date and the deferred effective date provision applies.
6. Assumes a fully insured, non-participating, non-dividend eligible funding arrangement, unless otherwise specified.
7. The enrolled census information must include coverage election amounts, and be within 10% of the census data used to develop this quote.
8. The Hartford reserves the right to re-price:
  - If the sold plan design differs from the proposed/quoted plan design
  - For change in State or Federal Insurance regulations
  - If a material misstatement of the information provided in the RFP, bid specifications, claim experience, or plan of benefits is discovered post-sale
  - If the quoted minimum enrollment threshold is not met
9. The Hartford reserves the right to change the plan to comply with state mandated benefits, including charging additional premium for such changes, if applicable.
10. If any contributory lines of coverage are sold, a 45-day Grace Period will apply to all lines of coverage. If only non-contributory lines of coverage are sold, a 31-day Grace Period will apply.

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## State of Nebraska

11. We assume all eligible employees are U.S. citizens or U.S. residents, working in U.S. locations who have met the full time eligibility requirements. If coverage is needed for any other type of employees such as Expatriates, U.S. Expatriates, Third Country Nationals, or Local Nationals, please review the request with The Hartford.
12. We assume the company has been in business at least 2 years. If otherwise, additional underwriting approval will be required prior to sale.
13. Assumes claims incurred prior to the effective date of the contract will be the liability of the prior carrier.
14. Employees are required to complete Hartford Enrollment forms. All others must be approved by underwriting in advance.
15. Late entrants are required to provide Evidence of Insurability to enter into the plan at any coverage level/amount.
16. All enrollment materials, which include enrollment forms and brochures, must be reviewed by Underwriting prior to the enrollment date. This includes material prepared by The Hartford or any other source.
17. Assumes the plan of benefits is subject to ERISA regulations.
18. Quote assumes 1 Contract/Booklet, 1 Bill Unit, and 1 Experience Unit.
19. If Employee Choice Life, Voluntary Critical Illness, DisFLEX or Voluntary Accident Product(s) are quoted, The Hartford will not accept the coverage(s) if at least 10 employees do not enroll in each line of coverage. If at least 10% participation is not achieved, The Hartford reserves the right to adjust the Rate Guarantee to one (1) year or to re-evaluate the risk.

The following Additional Underwriter Assumptions and Qualifications apply:

**Please note the following deviations from the requested plan design:**

### LTD

- Hartford does not provide portability on the voluntary LTD product.
- Hartford does not provide a terminal illness benefit on the voluntary LTD product.

This proposal is only a summary of the benefits offered to your company. The rates and costs shown in this proposal are based on the information provided. Rates may be affected by the actual enrollment and (transferred business information) provided.

This proposal does not constitute a final offer or agreement. It is the Producer's responsibility to present all terms and conditions in this proposal.

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