

***United of Omaha Life
Insurance Company***

RFP 5956 Z1
Original Document
December 13th, 2018

**REVISED COST PROPOSAL 1
RFP 5956 Z1
STD AND LTD INSURANCE PLAN OPTIONS**

Bidder Name: United of Omaha Life 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.

SHORT TERM DISABILITY INSURANCE, 1ST DAY ACCIDENT, 8TH DAY ILLNESS	Initial Period Year One	Initial Period Year Two	Initial Period Year Three	Optional Renewal One	Optional Renewal Two	Optional Renewal Three
Rate per \$10 of Weekly Benefit						
Under 25	\$1.00	\$1.00	\$1.00			
25-29	\$1.00	\$1.00	\$1.00			
30-34	\$1.00	\$1.00	\$1.00			
35-39	\$1.00	\$1.00	\$1.00			
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55-59	\$1.00	\$1.00	\$1.00			
60-64	\$1.00	\$1.00	\$1.00			
65-69	\$1.00	\$1.00	\$1.00			
70 & Over	\$1.00	\$1.00	\$1.00			

LONG TERM DISABILITY INSURANCE, 6 MONTH ELIMINATION PERIOD	Initial Period Year One	Initial Period Year Two	Initial Period Year Three	Optional Renewal One	Optional Renewal Two	Optional Renewal Three
Rate per \$100 of Monthly Covered Payroll						
Under 25	\$0.04	\$0.04	\$0.04			
25-29	\$0.04	\$0.04	\$0.04			
30-34	\$0.06	\$0.06	\$0.06			
35-39	\$0.10	\$0.10	\$0.10			
40-44	\$0.16	\$0.16	\$0.16			
45-49	\$0.22	\$0.22	\$0.22			
50-54	\$0.36	\$0.36	\$0.36			
55-59	\$0.48	\$0.48	\$0.48			
60-64	\$0.50	\$0.50	\$0.50			
65-69	\$0.52	\$0.52	\$0.52			
70 & Over	\$0.54	\$0.54	\$0.54			

We will allow a one-time Open Enrollment if the State keeps the 3/12 pre-ex and Cost Proposal 1

MUTUAL of OMAHA INSURANCE COMPANY
UNITED of OMAHA LIFE INSURANCE COMPANY

GROUP INSURANCE PROPOSAL



Presented To:

State of Nebraska

Presented By:

Mutual of Omaha

Includes:

Preferred Choice Voluntary Short-Term Disability

December 12, 2018



Mutual of Omaha

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PREFERRED CHOICE VOLUNTARY SHORT-TERM DISABILITY INSURANCE



Proposal for: State of Nebraska

Alternate: 2.00

The following Preferred Choice Voluntary Short-Term Disability plan is being proposed on a fully-insured basis effective **07/01/19** .. This proposal assumes this coverage is underwritten by United of Omaha Life Insurance Company. For additional information about Mutual of Omaha's products and services, visit mutualofomaha.com.

ELIGIBILITY

CLASS DEFINITION(S)	Class 1: All Eligible Employees
ELIGIBILITY REQUIREMENT	This proposal provides coverage for all actively at work employees on the policy effective date working the minimum number of hours shown below in the United States, unless otherwise approved by Mutual of Omaha. Certain requirements apply.
MINIMUM WORK HOURS	Class 1: 20 or more hours each week

BENEFIT SUMMARY

	Class 1
BENEFIT PERCENTAGE	60%
MAXIMUM BENEFIT	\$1,731
ACCIDENT ELIMINATION PERIOD	0 days
SICKNESS ELIMINATION PERIOD	7 days
ZERO DAY RESIDUAL	Included
OWN JOB DEFINITION	Loss of duties and earnings
BENEFIT DURATION	26 weeks
INTEGRATION	Yes
SS INTEGRATION METHOD	N/A
SALARY CONT.	Above 100% of Earnings
STATE DISABILITY PLAN OFFSET	Yes
PRE-EXISTING CONDITION	3/6
MINIMUM BENEFIT	\$25

PARTIAL DISABILITY

	Class 1
EARNINGS TEST %	99% (Mutually Progressive Partial)
PARTIAL DISABILITY FORMULA	Mutually Progressive Partial

PARTICIPATION AND COST SUMMARY

PARTICIPATION ASSUMPTIONS	Minimum Participation	Number of Eligible Employees	Contribution Structure
	15%	15387	100% employee paid

PARTICIPATION AND COST SUMMARY (CONT'D)

COST SUMMARY	Monthly Rate (Per \$10 of Weekly Benefit)
Preferred Choice Voluntary STD	\$1.00

RATE GUARANTEE 3 Years

RATE GUARANTEE DATE 07/01/2022

ADDITIONAL BENEFITS

DEFINITION OF WEEKLY EARNINGS Earnings Just Prior to Disability, Annual Salary

OPEN ENROLLMENT A one-time open enrollment is available for a period of up to 90 days prior to the effective date of the policy, subject to the enrollment strategy requirements. During this time, the employee/member may elect insurance for the first time or request increased insurance up to the Guarantee Issue amount without providing health information.

ANNUAL OPEN ENROLLMENT *An open enrollment is available for a period of up to 90 days each Policy Year. The first annual enrollment period will occur after the effective date of the policy. During this time, the employee/member may elect insurance for the first time or request increased insurance up to the Guarantee Issue amount without providing health information.*

PORTABILITY Included, a continuation option is available

VOC REHAB INCENTIVE 5%

WAIVER OF PREMIUM Included

CONTINUATION FOR FEDERAL AND STATE LAWS **Included** – The federal Family and Medical Leave Act (FMLA) and Uniformed Services Employment and Reemployment Rights Act (USERRA) and any amendments thereto, as well as other applicable federal or state laws, may allow continuation of insurance in certain instances for leaves of absence, layoff or termination. Insurance may be continued for the time period allowed by the applicable law, for the employee/member. This provision applies to employer and union groups only, subject to certain conditions.

FICA PAYMENT The employer will deposit their portion of any applicable FICA tax with the IRS.

W-2 PREPARATION Mutual of Omaha will prepare IRS Form W-2 for each employee who receives benefits under the policy.

PREFERRED CHOICE VOLUNTARY SHORT-TERM DISABILITY INSURANCE



DEFINITIONS

DEFINITION OF DISABILITY	Disability and disabled mean that because of an injury or illness, a significant change in an employee's mental or physical functional capacity has occurred, in which the employee is 1) prevented from performing at least one of the material duties of his/her regular job and 2) is unable to generate current earnings which exceed 99% (Mutually Progressive Partial) of weekly earnings in his/her regular job. The claimant may be totally or partially disabled during the elimination period.
DEFINITION OF PARTIAL DISABILITY	Mutually Progressive Partial/Work Incentive Benefit: The progressive partial work incentive benefit allows an employee to return to work, in any capacity, for the maximum benefit duration. The employee is eligible for partial disability benefits upon suffering a one percent earnings loss. The weekly benefit is equal to the total disability benefit, offset by any other income.
DEFINITION OF WEEKLY EARNINGS	Weekly earnings for salaried employees is the gross annual salary in effect immediately prior to the date disability begins, divided by 52. Weekly earnings for hourly employees is the hourly rate of pay multiplied by the average number of hours worked per week during the 12 month period immediately prior to the date disability begins. If employed for part of the prior 12 month period, weekly earnings is the hourly rate of pay multiplied by the average number of hours worked. Weekly earnings includes: <ul style="list-style-type: none">▪ Contributions to deferred compensation plans Weekly earnings excludes: <ul style="list-style-type: none">▪ Other Extra Compensation▪ Differentials▪ Overtime▪ Bonuses▪ Commissions

ADDITIONAL BENEFITS

The information below is intended to provide more detail about the additional benefits for preferred choice voluntary short-term disability insurance outlined previously in this proposal. These additional benefits may vary by class.

PORTABILITY	Portability allows employees to apply for disability insurance in certain circumstances when they are no longer insured under the policy. Employees electing to port coverage become responsible for the premium payments. The claims experience of ported individuals is not charged back to the experience of the group. Coverage ported by an employee does not terminate when the master policy terminates.
VOC REHAB INCENTIVE	When an employee is participating in a rehabilitation plan approved by Mutual of Omaha, the weekly benefit will increase by 5%, subject to certain conditions.
CONTINUITY OF COVERAGE	Employees will neither gain nor lose coverage solely due to a change in carrier.
WAIVER OF PREMIUM	Premiums for this coverage are waived for a disabled employee while receiving STD benefits under this plan.
MATERNITY COVERAGE	Disability caused by pregnancy or complications with pregnancy are covered on the same basis as a disability caused by any illness.



Mutual of Omaha

RATING CRITERIA

Some assumptions have been made in the preparation of this proposal. Changes in these assumptions may impact the rates or fees. These assumptions apply to all coverages included in this proposal unless otherwise noted.

SIC CODE	This proposal assumes the applicable Standard Industry Classification (SIC) code for the group is 9111.
SITUS STATE	This proposal assumes the situs state of the group is NE.
ACCEPTANCE	This proposal is contingent upon Mutual of Omaha Home Office review and acceptance of the completed application for coverage. It is recommended that current coverage is not cancelled or dropped until notification acceptance from Mutual of Omaha is received.
LIMITATIONS & STANDARD CONTRACT NOTICE	<p>This proposal is subject to Mutual of Omaha's standard product terms, limitations, and exclusions. Additionally, this proposal requires use of standard system-compatible benefits and contract provisions. Applicable federal and state mandates are added at issuance.</p> <p>This proposal also assumes that all employees/members reside in the situs state of the group. If any employees/members reside outside of the situs state of the group, we must be notified of the number of employees/members by state during the implementation process so that all applicable state mandates can be accommodated.</p> <p>Please refer to a sample standard contract, certificate booklet and/or subscription agreement documents for additional information and detail, available upon request.</p>
ERISA	Each plan presented in this proposal is considered to be an employer-sponsored ERISA benefit plan. If it is determined that any plan presented in this proposal is not an ERISA benefit plan, Mutual of Omaha reserves the right to re-rate or otherwise adjust the proposed plan(s).
PROPOSAL CONDITIONS	<p>Mutual of Omaha reserves the right to re-rate or withdraw this proposal <i>prior</i> to the effective date if any of the following changes:</p> <ul style="list-style-type: none"> ▪ SIC code ▪ Employer contributions ▪ Information regarding disabled or COBRA participants ▪ For groups that are experience rated - risk increases based on review of the current carrier's claims experience, including open or pended claims ▪ Demographics (age, gender, occupation, earnings, location and size) ▪ Plan participation - increase or decrease of 10% or more lives ▪ Laws, regulations, judicial and/or administrative orders and decisions affecting benefits, cost of administration, or cost of health care services ▪ Proposed effective date ▪ Benefits or eligibility ▪ Premium tax <p>On or after the effective date, Mutual of Omaha reserves the right to change rates or fees if there is a change in any factor listed above. In addition, Mutual of Omaha may change rates or fees any time after the most recent Rate Guarantee Date, provided at least 30 days advance notice of the rate or fee increase has been given to the group.</p>
PROPOSAL EXPIRATION	This proposal is good for 90 days after 12/12/18, or the assumed effective date of the plan, whichever comes first.

**REVISED COST PROPOSAL 2
RFP 5956 Z1
STD AND LTD INSURANCE PLAN OPTIONS**

Bidder Name: United of Omaha Life Insurance Company

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

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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.

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70 & Over	\$1.00	\$1.00	\$1.00			

LONG TERM DISABILITY INSURANCE, 6 MONTH ELIMINATION PERIOD	Initial Period Year One	Initial Period Year Two	Initial Period Year Three	Optional Renewal One	Optional Renewal Two	Optional Renewal Three
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65-69	\$0.52	\$0.52	\$0.52			
70 & Over	\$0.54	\$0.54	\$0.54			

Cost Proposal 2 allows an annual open enrollment with the same VLTD rates if pre-existing conditions are increased to 12/12. Only employees who are hired on or after 7/1/2018 could be impacted with the longer pre-existing conditions period.

MUTUAL of OMAHA INSURANCE COMPANY
UNITED of OMAHA LIFE INSURANCE COMPANY

GROUP INSURANCE PROPOSAL



Presented To:

State of Nebraska

Presented By:

Mutual of Omaha

Includes:

Preferred Choice Voluntary Short-Term Disability

December 12, 2018



Mutual of Omaha

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PREFERRED CHOICE VOLUNTARY SHORT-TERM DISABILITY INSURANCE



Proposal for: State of Nebraska
Alternate: 2.00

The following Preferred Choice Voluntary Short-Term Disability plan is being proposed on a fully-insured basis effective 07/01/19. This proposal assumes this coverage is underwritten by United of Omaha Life Insurance Company. For additional information about Mutual of Omaha's products and services, visit mutualofomaha.com.

ELIGIBILITY

CLASS DEFINITION(s)	Class 1: All Eligible Employees
ELIGIBILITY REQUIREMENT	This proposal provides coverage for all actively at work employees on the policy effective date working the minimum number of hours shown below in the United States, unless otherwise approved by Mutual of Omaha. Certain requirements apply.
MINIMUM WORK HOURS	Class 1: 20 or more hours each week

BENEFIT SUMMARY

	Class 1
BENEFIT PERCENTAGE	60%
MAXIMUM BENEFIT	\$1,731
ACCIDENT ELIMINATION PERIOD	0 days
SICKNESS ELIMINATION PERIOD	7 days
ZERO DAY RESIDUAL	Included
OWN JOB DEFINITION	Loss of duties and earnings
BENEFIT DURATION	26 weeks
INTEGRATION	Yes
SS INTEGRATION METHOD	N/A
SALARY CONT.	Above 100% of Earnings
STATE DISABILITY PLAN OFFSET	Yes
PRE-EXISTING CONDITION	3/6
MINIMUM BENEFIT	\$25

PARTIAL DISABILITY

	Class 1
EARNINGS TEST %	99% (Mutually Progressive Partial)
PARTIAL DISABILITY FORMULA	Mutually Progressive Partial

PARTICIPATION AND COST SUMMARY

PARTICIPATION ASSUMPTIONS	Minimum Participation	Number of Eligible Employees	Contribution Structure
	15%	15387	100% employee paid

PARTICIPATION AND COST SUMMARY (CONT'D)

COST SUMMARY	Monthly Rate (Per \$10 of Weekly Benefit)
Preferred Choice Voluntary STD	\$1.00

RATE GUARANTEE 3 Years

RATE GUARANTEE DATE 07/01/2022

ADDITIONAL BENEFITS

DEFINITION OF WEEKLY EARNINGS Earnings Just Prior to Disability, Annual Salary

OPEN ENROLLMENT A one-time open enrollment is available for a period of up to 90 days prior to the effective date of the policy, subject to the enrollment strategy requirements. During this time, the employee/member may elect insurance for the first time or request increased insurance up to the Guarantee Issue amount without providing health information.

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PORTABILITY Included, a continuation option is available

VOC REHAB INCENTIVE 5%

WAIVER OF PREMIUM Included

CONTINUATION FOR FEDERAL AND STATE LAWS **Included** – The federal Family and Medical Leave Act (FMLA) and Uniformed Services Employment and Reemployment Rights Act (USERRA) and any amendments thereto, as well as other applicable federal or state laws, may allow continuation of insurance in certain instances for leaves of absence, layoff or termination. Insurance may be continued for the time period allowed by the applicable law, for the employee/member. This provision applies to employer and union groups only, subject to certain conditions.

FICA PAYMENT The employer will deposit their portion of any applicable FICA tax with the IRS.

W-2 PREPARATION Mutual of Omaha will prepare IRS Form W-2 for each employee who receives benefits under the policy.

PREFERRED CHOICE VOLUNTARY SHORT-TERM DISABILITY INSURANCE



DEFINITIONS

DEFINITION OF DISABILITY	Disability and disabled mean that because of an injury or illness, a significant change in an employee's mental or physical functional capacity has occurred, in which the employee is 1) prevented from performing at least one of the material duties of his/her regular job and 2) is unable to generate current earnings which exceed 99% (Mutually Progressive Partial) of weekly earnings in his/her regular job. The claimant may be totally or partially disabled during the elimination period.
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WAIVER OF PREMIUM	Premiums for this coverage are waived for a disabled employee while receiving STD benefits under this plan.
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