disability insurance

Paycheck Protector

If your employees can't work because of a sudden illness or injury, they can still be financially secure. Supplemental disability income eases the burden when paychecks stop. As your employees recover, disability insurance can help them:

- Have enough to cover bills
- Still support their families
- Protect their hard-earned savings

Allstate Life Insurance Company of New York

Allstate®

Workplace Division

AWD6888NY-1

why it makes sense

Your employees' income takes a lot of worry out of ordinary living. With it, they cover bills, provide for their families and have a little extra to enjoy life's everyday pleasures. But what if one day your employees got sick or injured and couldn't work? How long could they afford life without a paycheck? Would they come to you for help?

If your employees are like the rest of us, they probably don't have much cushion for the unexpected. That's why you can offer them this chance to apply for supplemental disability income insurance. It helps make ends meet if they get sick or hurt on or off the job (as defined in the policy) and can't earn a regular paycheck. So your employees and their families may still be able to live life as usual until they are back at work.

Supplemental insurance can work in conjunction with other insurance your employees may have individually or through you, the employer. Your employees can use the policy on its own or to fill a benefit income gap in other policies.

DISABILITY INCOME INSURANCE MIGHT BE RIGHT FOR YOUR EMPLOYEES IF:

- New York state disability cannot cover expenses; or
- a few weeks of missed work would make it hard to keep up with bills such as mortgage/rent, car payments, utilities, and credit card payments; or
- they have other policies, but all expenses won't be covered; or
- they get hurt off the job. Workers' Compensation may cover your employees on the job, but about two-thirds of the disabling injuries happen outside of work.[1]

DO YOUR EMPLOYEES REALLY NEED DISABILITY INSURANCE?

- Every 10 minutes, 396 people suffer a disabling injury.[1]
- In 2003, the average monthly Social Security benefit was $862.[2]
- Studies show that a 20-year-old worker has a 3-in-10 chance of becoming disabled before reaching retirement age.[3]

1 *Injury Facts,* National Safety Council, 2003.
2 *Annual Statistical Report on the Social Security Disability Insurance Program,* Social Security Administration, 2003.
3 *eNews,* Social Security Online, ssa.gov, 2004.

BENEFIT PERIOD

- 3 months
- 6 months
- 12 months
- 24 months

Benefits begin the first day after the elimination period has been satisfied. The benefit period selected is the period of total disability for which the monthly benefit is paid while your employee is disabled as defined in the policy.

WHAT WE DON'T COVER

Pre-existing Condition Limitation - We do not pay benefits under the policy for disability or loss that begins within 12 months of the effective date, if caused by a pre-existing condition, unless the condition:

1. was disclosed without material misrepresentation in written answer to questions in the application for the policy; and
2. is not excluded by name or specific description.

   After 12 months from the effective date, a pre-existing condition not excluded by name or specific description is covered.

We do not pay benefits under the policy for total disability due to or resulting from:

- any act of war, whether or not declared, participation in a riot, insurrection or rebellion; or
- intentionally self-inflicted injuries or attempted suicide; or
- injury for which a contributing cause was the insured's commission of or attempt to commit a felony; or
- injury for which a contributing cause was the insured's being engaged in an illegal occupation; or
- any injury sustained while under the influence of alcohol, narcotics or drug unless administered upon the advice of a physician; or
- participation in any form of aeronautics except as a fare paying passenger in a licensed aircraft provided by a common carrier and operating between definitely established airports; or
- alcoholism or drug addiction; or
- mental or emotional disorders.

WHEN BENEFITS KICK IN

Benefits start as soon as your employees satisfy their elimination periods. The following combinations are available:

On/Off-the-Job Injury	Sickness
0 days	7 days
0 days	14 days
7 days	7 days
14 days	14 days
30 days	30 days
90 days	90 days[1]
180 days	180 days[2]

The longer the wait (the elimination period), the lower the premium. To decide which period's best for your employees, think about their finances and needs. If their savings is small or set aside for other things, they may want a shorter wait for benefits. If they can spare enough savings to support themselves and family for a while, consider a longer elimination period.

[1] Not available with the 3 month and 6 month benefit periods.
[2] Not available with the 3,6, or 12 month benefit periods.

WHAT YOUR EMPLOYEES GET

The Allstate Life Insurance Company of New York Paycheck Protector gives your employees a source of income when they can't work because of a covered accident or sickness.

- Available monthly benefits are as follows: **Simplified Issue**: $400 to $5,000 per month; **Contingent Guaranteed Issue**: $400 to $3,000 per month. Limits based on annual income of insured. Earning less than $35,000/year, no monthly benefit issued for amounts exceeding 40% of current gross income. Earning $35,000/year and above, no monthly benefit issued for amounts exceeding 45% of current gross income. If the elimination period is 180 days, no monthly benefit issued for amounts exceeding 60% of current gross income regardless of income. These limits apply to all disability income coverage in force.
- Guaranteed renewability to age 70, subject to change in premium by class.
- Affordable rates, age banded at issue: 18-49, 50-59, 60-64.
- Premiums paid through the convenience of payroll deduction.
- A policy that is portable at no additional cost.
- A fast and easy application and underwriting process.

1 This percentage varies due to New York state disability.

HOW YOUR EMPLOYEES ARE PAID

While your employees are totally disabled, they get their monthly benefit amount after the elimination period has been satisfied. An elimination period is the consecutive days of total disability during which no benefit is paid; this period cannot be met if they are only partially disabled. The elimination period may be different for disabilities resulting from sickness and disabilities resulting from an accidental injury. Benefits continue while they're totally disabled up to the length of their benefit period.

If they are partially disabled immediately following at least one month of total disability benefits being payable, they'll get 50% of the monthly benefit. Payments continue while they're partially disabled for up to three months, but not beyond the maximum benefit period.

After monthly benefits are payable for 90 days in a row, we'll waive future premiums as they become due for as long as monthly benefits are payable.

For any disability period, your employees may collect a partial disability benefit or a total disability benefit, but not both. If they're disabled from the same or related cause within six months of recovery, it is considered the same disability; they will not be required to satisfy a new elimination period.

If the insured is disabled due to more than one cause, only one monthly benefit is paid.

We continue to pay a monthly benefit if the insured is totally disabled when he/she attains age 70, and has received monthly payments for less than the maximum benefit period for the lesser of the balance of the applicable maximum benefit period or 12 months after the insured attains age 70.

WHAT WE DON'T COVER, CONTINUED

For any month that the insured receives any benefit from any State or Federal workers' compensation or occupational disease law while entitled to a disability benefit under the policy, the monthly benefit for that month will be reduced. The amount of the reduction is the smaller of: 1) 50% of the monthly benefit; or 2) the total amount of any State or Federal workers' compensation or occupational disease law the insured receives. We may require reasonable proof of any such disability benefits received during any month.

DEFINITIONS

Partial Disability - When, because of sickness or an injury, the employee can't perform the material and substantial duties of their own occupation (as defined below) full-time but can work at their own occupation part-time and are under a physician's care.

Total Disability - When, because of sickness or an injury, the employee can't perform the material and substantial duties of their own occupation (as defined below) and are under a physician's care.

Any Occupation - Any gainful occupation for which the employee is suited by education, training, or experience.

Elimination Period - The consecutive days of total disability during which no benefit is paid; this period can't be met if the employee is only partially disabled.

Full-Time - A job at which the employee has worked 25 hours or more a week for at least the last three months.

Own Occupation - The employee's occupation when a total disability period begins; if unemployed at that time, it means any gainful occupation for which they're suited by education, training, or experience. This term refers to the occupation as performed in the national economy, not a specific employer in a specific location.

Pre-Existing Condition - A condition not disclosed in the application for which: symptoms existed in the 12 month period prior to the effective date of coverage and which would ordinarily cause a prudent person to seek diagnosis, care or treatment; or medical advice or treatment was recommended or received from a physician within the 12 month period prior to the effective date of coverage.

Benefit Period - The period of time during which the monthly benefit is paid. The benefit period starts the day after the elimination period ends.

Workplace Division

This brochure is for use in New York.

Rev. 11/05 Paycheck Protector disability insurance benefits provided by policy DI5WNY. This brochure highlights some policy features but is not the insurance contract. Only the actual policy provisions control. The policy itself sets forth, in detail, the rights and obligations of both the insured and the insurance company.

Policies issued by Allstate Life Insurance Company of New York. Allstate Workplace Division is a marketing name used by Allstate Life Insurance Company of New York, (Home Office, Hauppauge, NY).

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