



**Allstate**®

Workplace Division

## **Voluntary Workplace Benefits**

This product overview has been prepared for:

*Broker Development*

Product overview presented by:

*Frank J. Moley*

*Capital Management Group of Niagara Inc.*

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The information contained within this product overview is intended to provide information relating to Allstate Workplace Division Voluntary Workplace products. Information is not state specific and state variations may exist.

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# ***Accident Insurance***

## ***~ AP4NY ~***

# ***Accident Insurance – AP4NY***

Provides protection for your employees and their families against expenses associated with accidental injury. Although one does not plan their next accident, your employees can plan protection against the high costs often associated with accidental injury and death.

## **Accident Insurance might be right for employees who:**

- a few weeks off work would make it hard to keep up with bills
- couldn't afford the extra costs that come with an injury
- have regular debts—like credit cards, a car payment, mortgage or other loans
- have savings earmarked for other goals
- have dependents and are younger than 34—accidents are the most frequent cause of death for this age group<sup>1</sup>
- have families they would like to keep financially secure

## **Features**

- On & Off the job coverage
- All benefits paid to insured unless assigned to someone else
- All benefits paid in addition to other coverage
- Guaranteed Renewable to age 70 subject to change in premiums by class
- Accidental Death and Dismemberment benefits
- Accident disability income for primary insured
- Regular and Air Ambulance benefit
- Medical fees benefit
- Coverage for dislocations and fractures as stated in policy
- Hospital confinement benefit

## **Rider Available**

~ Accident Disability Rider for Insured Spouse

## **Accident Insurance AP4NY - SI - Rider Available**

### **Accident Disability Rider for Insured Spouse (R1AP4NY)**

- **Total Disability Benefit**  
If the insured spouse is totally disabled as a result of a covered injury, we pay a monthly benefit. To be eligible for benefits, the insured spouse must be disabled for 3 consecutive days. Benefits are payable for up to 12 months.
- **Recurrent Total Disability**  
If an insured spouse is disabled from the same or related cause within 6 months after recovery, it is considered the same disability. The insured spouse will not be required to satisfy a new elimination period, and a new benefit period will not apply.

# ***Cancer Insurance***

## ***~ Heritage Provider ~***



*\* All insurance products referred to in this presentation are subject to exclusions, limitations and may have reductions of benefits at certain ages. Your agent can provide you complete details about these products. Policies issued by Allstate Life Insurance Company of New York, Home Office, Hauppauge, NY.*

# ***Cancer Insurance – CBP2PNY***

No one likes to think about getting cancer. But it will still affect 1 in 2 men and 1 in 3 women.<sup>1</sup> While you may not be able to prevent the disease, you can help protect yourself from its costs.

- Manage the high expenses of treatment
- Preserve your savings
- Protect your family from financial hardship
- Concentrate on getting well

Allstate Life Insurance Company of New York's Heritage Provider Cancer Insurance is supplemental insurance designed to help offset non-medical expenses associated with the treatment of cancer.

## **Cancer Insurance might be right for employees who:**

- want to seek the very best treatment, regardless of cost
- know someone who has had cancer
- don't have much money set aside for the unexpected
- don't have coverage to provide them with extra income in case they can't work
- are single or have a spouse who doesn't work
- want to keep their family financially secure

## **Features**

- Pays directly to the employee, unless assigned to someone else
- Benefits paid regardless of other coverage
- Guaranteed Renewable for life subject to change in premiums by class
- Individual or Family coverage
- No physical exams required
- Premiums are conveniently paid through payroll deductions
- Premiums waived after 90 days of covered disability for as long as the primary insured is disabled

## **Rider Available**

~ Wellness Benefit Rider

## **Cancer Insurance – CBP2PNY - Rider Available**

### **Wellness Benefit Rider (WBR3NY)**

Pays \$25 per year, per unit, per covered person for any one of the following cancer screening tests performed: bone marrow testing; CA15-3 (blood test for breast cancer); CA125 (blood test for ovarian cancer); CEA (blood test for colon cancer); chest X-ray; colonoscopy; flexible sigmoidoscopy; hemocult stool analysis; mammography, including breast ultrasound; Pap smear, including ThinPrep Pap Test; PSA (blood test for prostate cancer); Serum Protein Electrophoresis (test for Myeloma); or biopsy for skin cancer. This benefit is payable only once for each covered person each calendar year. There is no limit to the number of years a covered person can receive cancer screening tests. This benefit is paid regardless of the result of the test(s).

# ***Critical Illness Insurance***



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# ***Critical Illness Insurance***

It's probably crossed the minds of your employees that someone in their family may need treatment for a critical illness some day.

You may want to consider the following:

- At age 40, the lifetime risk of developing Heart Failure for both men and women is one in five.<sup>1</sup>
- In the U.S., men have slightly less than a 1 in 2 lifetime risk of developing cancer; for women the risk is a little more than 1 in 3.<sup>2</sup>
- Stroke is a leading cause of serious, long-term disability in the United States.<sup>1</sup>
- One in 10 persons over 65 and nearly half of those over 85 have Alzheimer's disease. Rare, inherited forms of the disease can strike individuals as early as their 30's and 40's.<sup>3</sup>

<sup>1</sup> Heart and Stroke Statistical Update, The American Heart Association, 2006.

<sup>2</sup> Cancer Facts & Figures, American Cancer Society, 2007.

<sup>3</sup> *Alzheimer Disease Statistics*, Alzheimer's Association, 2005

# ***Critical Illness Insurance***

With critical illness insurance your employees have the ability to customize their coverage according to the needs of their families.

## **Features**

- The premium payments are conveniently payroll deducted
- Your employees can choose from: Individual, Single Parent Family, or Family Coverage
- They will have peace of mind knowing that their family will be taken care of in their time of critical need
- There is no survival period required. The covered benefits are payable upon initial diagnosis, subject to the Pre-Existing Condition provisions in the policies.
- The benefits do not reduce based on attained age
- Benefits paid directly to the employee, unless assigned
- Choice between policy with or without a Cancer Benefit

# ***Critical Illness Insurance***

The amount of coverage purchased is called the Basic Benefit Amount, which is the lifetime max benefit payable for each covered person. We pay a percentage of the basic benefit amount if the covered person is diagnosed for the first time ever with one of the illnesses shown below if the date of diagnosis is after the effective date of coverage and while insured; and not excluded by name or specific description in the policy. After 100% of the basic benefit amount, the policy and the Wellness Benefit Rider terminate.

- Critical Illness Insurance (Policy CIP1NY) includes benefits for:  
Heart Attack, Stroke, Coronary Artery By-Pass Surgery, Major Organ Transplant, End Stage Renal Failure, and Alzheimer's Disease.
  
- Critical Illness Insurance with Cancer Benefit (Policy CCIP1NY) includes benefits for:  
Heart Attack, Stroke, Coronary Artery By-Pass Surgery, Major Organ Transplant, End Stage Renal Failure, Alzheimer's Disease, Carcinoma in Situ, Invasive Cancer, and Skin Cancer.

# ***Critical Illness Insurance***

- Wellness Benefit Rider (WBR4NY)

Pays a benefit for each covered person for each calendar year, for one of the following preventative tests performed: Bone Marrow Testing; CA15-3 (blood test for breast cancer); CA125 (blood test for ovarian cancer); CEA (blood test for colon cancer); chest X-ray; colonoscopy; flexible sigmoidoscopy; hemocult stool analysis; mammography, including breast ultrasound; Pap smear, including Thin Prep Pap Test; PSA (blood test for prostate cancer); Serum Protein Electrophoresis (test for myeloma); or biopsy for skin cancer; or stress test on bike or treadmill; Electrocardiogram (EKG); Carotid Doppler; Echocardiogram; Lipid Panel (total cholesterol count); or Blood test for triglycerides. There is no limit to the number of years a covered person can receive preventative tests. This benefit is paid regardless of the result of the test(s).

# ***Disability Insurance***

## ***~ DI5WNY - SCGI ~***



*\* All insurance products referred to in this presentation are subject to exclusions, limitations and may have reductions of benefits at certain ages. Your agent can provide you complete details about these products. Policies issued by Allstate Life Insurance Company of New York, Home Office, Hauppauge, NY.*

# Disability Insurance – DI5WNY - SCGI

While most Americans insure their lives and material assets, like their homes and cars, many overlook the need to protect their most valuable asset – their ability to earn an income.

Disability Insurance might be right for employees who:

- few weeks off work would make it hard to keep up with the bills
- currently have LTD and want to be able to fill in the gap of an elimination period
- have regular debts—like credit cards, a car payment, mortgage or other loans
- have savings earmarked for other goals
- couldn't afford the extra costs of a disability—like deductibles, medicine, in-home care, transportation, or extra help around the house
- have other policies, but they won't cover all their expenses
- don't have coverage for injuries or illnesses that happen away from work

## Features

- Select Contingent Guaranteed Issue: Policy is issued on the basis of 3 underwriting questions - an actively at work question, a hospitalized or disabled within the last 6 months questions and an AIDS question.
- Participation in this program will be limited to groups with 50 or more lives and subject to minimum participation requirements. It is available for the employee only.
- Provides short-term accident and sickness disability benefits for Total or Partial Disability.
- Guaranteed Renewable to age 70 subject to change in premiums by class.
- Three Issue Age Categories
  - 18 – 49
  - 50 – 59
  - 60 – 64
- Two Risk Classifications
  - Preferred
  - Standard
- Available monthly benefits are 40% of income or 45% of income if salary is over \$35,000 a year up to \$5,000 per month.
- Four Benefit Period Options:
  - 3 Months
  - 6 Months
  - 12 Months
  - 24 Months
- Multiple Elimination Period Options (days before benefits begin)

Accident	Sickness
0	7
0	14
7	7
14	14
30	30
90	90
180	180

- **Portable Coverage:** Employees may keep coverage after leaving employment, by paying premium directly to ALICNY.
- **Waiver of Premium:** After 90 days of the insured's Total Disability, future premiums will be waived for as long as the Monthly Benefit is payable.
- **Definition of Total Disability:** Total Disability means, due to sickness or an injury, unable to perform all the substantial and material duties of the insured's own occupation and under the regular care and attendance of a physician.
- **12 Month Pre-existing condition:** means a condition for which medical advice or treatment was recommended or received from a member of the medical profession or for which symptoms existed in the 12 months prior to the effective date of coverage and which would ordinarily cause a prudent person to seek diagnosis, care or treatment, and which was not disclosed on the application for this coverage.

### **Rider Available**

~ Accident Rider (RACC4NY)

## **Disability Insurance DI5W – SCGI - Rider Available**

### **Accident Rider (RACC4NY)**

Pays the following benefits if a covered person sustains an injury which results in a covered loss within 90 days (180 days for Accidental Death or Dismemberment) from the date of an accident.

Covered losses must be diagnosed by a physician. Any loss not stated is not covered.

- Accidental Death and Dismemberment
- Hospital Confinement
- Intensive Care
- Ambulance Service
- Medical Expenses
- Accident Follow-Up
- Physical Therapy

# ***Term Life Insurance***

## ***~ Horizon 20 Year SCGI ~***



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# ***Term Life Insurance – Horizon 20-Year SCGI***

“Millions of Americans have no life insurance coverage...Nearly one third of Americans have no coverage at all...Almost 75% of Americans agree that life insurance is the best way to protect against premature death of a primary wage earner...Many U.S. households are not prepared for the death of a primary wage earner....Twelve percent of households would immediately have trouble meeting everyday living expenses, and another 15% would have difficulty keeping up with expenses after several months.”

*Facts About Life 2006, LIMRA International*

## **Term Life might be right for employees who:**

- are the primary wage earners in their families
- have families that would have trouble meeting living expenses without their income
- have regular debts—like credit cards, a car payment, mortgage or other loans
- have children under 18

## **Features**

- Valuable Life Insurance Protection
- Level death benefits
- Current premiums guaranteed for the first five policy years
- Coverage amounts starting as low as \$10,000
- Family coverage available
- Portable coverage that stays with the insured, no matter where he/she works or lives as long as the premiums are paid

## **Select Contingent Guaranteed Issue**

Select Contingent Guaranteed Issue makes applying for life insurance easy. Your employees will get all the benefits of our standard Term, without needing to complete blood tests or physical exams.

### Abbreviated Underwriting:

- actively at work
- question about AIDS
- has any person to be insured been hospitalized or disabled in the last 6 months

SCGI is designed exclusively for the workplace market and provides affordable, term life protection for employees of companies with 50 or more eligible employees. Varying money purchase amounts give the employee the flexibility of tailoring his/her policy to individual needs and allows for issue based on the answers required for SCGI on the easy application.

**Employee:** Select Contingent Guaranteed Issue is offered to eligible employees in an amount chosen by the employee, a maximum premium of \$10\* per week not to exceed \$150,000 death benefit

**Spouse:** Select Contingent Guaranteed Issue - \$5\* per week premium not to exceed \$100,000, spouse must be employed to apply for SCGI

## **Riders Available**

- ~ Accidental Death Benefit Rider
- ~ Total Disability Premium Payment Rider
- ~ Children's Term Rider
- ~ Accelerated Death Benefit Rider



\* Minimum case size is 50 employees. Maximums vary by case size.

## **Term Life – Horizon 20 Year – SCGI - Riders Available**

### **Accidental Death Benefit Rider (TRM-ADBNY)**

An accidental death benefit if death resulted directly and independent of all other causes, from accidental bodily injury; and occurred within 180 days after the injury, and while the policy and rider were in force and the cause of death is not included in the "Risks Not Covered" section of the Rider. This coverage terminates on the policy anniversary on or next following the insured's 65th birthday or the date the insurance under the policy matures, expires or otherwise terminates.

### **Total Disability Premium Payment Rider (TRM-PWNY)**

Waiver of the premium in the event of continuous total disability for at least 6 months beginning while the policy and rider are in force and before the insured's age is 60. Does not pay for disability resulting from intentionally self-inflicted injuries or war. This coverage terminates on the earlier of: the policy anniversary on or next following the insured's 60th birthday; or the date the insurance under the policy matures, expires or otherwise terminates; or the date premium for the policy or rider remains unpaid.

### **Children's Term Rider (TRM-CTR2NY)**

Provides a death benefit for each child at least 15 days old and not yet 25 years old. Coverage expires on each child's 25th birthday. Provides level term insurance. The rider terminates on the earlier of: the death of the insured under the policy; or the date the policy matures, expires or otherwise terminates; or the date any premium for the policy or rider remains unpaid. Conversion option is provided prior to termination.

### **Accelerated Death Benefit Rider (TRM-LBRNY)**

If the insured has an illness which in the opinion of the physician is expected to result in death within 12 months with no reasonable prospect of recovery, the policy owner may elect an advance of up to 50% of the sum of the death benefit for the policy and any term riders (excluding any accidental death benefit rider) on the insured's life. The benefit is subject to a maximum of the lesser of: (a) \$100,000; or (b) the current policy death benefit. The amount payable is discounted at the current discount rate. Also waives future premiums for the policy and any rider.

# ***Universal Life Insurance***

## ***~ SCGI ~***



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# ***Universal Life Insurance - SCGI***

“Millions of Americans have no life insurance coverage...Nearly one third of Americans have no coverage at all...Almost 75% of Americans agree that life insurance is the best way to protect against premature death of a primary wage earner...Many U.S. households are not prepared for the death of a primary wage earner....Twelve percent of households would immediately have trouble meeting everyday living expenses, and another 15% would have difficulty keeping up with expenses after several months.”

*Facts About Life 2006, LIMRA International*

Universal Life Insurance enables employees to prepare for their family's future without straining the budget. While fund values accumulate, the policy owner is protected by immediate life insurance coverage. The ALICNY Universal Life products contain a guaranteed annual minimum interest rate of 4.0% and are available to age 65.

## **Benefits of Universal Life Insurance**

- It combines the lower-cost protection of term insurance with a fund value feature
- It offers flexible premiums and flexible coverage at an affordable price
- The fund value earns income tax-deferred interest at a competitive interest rate

## **Benefits for the employer**

- No employer contribution required
- No government reporting required
- Reduces pressure to provide expensive post-retirement life insurance benefits
- Non-threatening method to promote employee participation in funding future benefits

## **Universal Life might be right for employees who:**

- are the primary wage earner in their family
- have a family that would have trouble meeting living expenses without their income
- have regular debts—like credit cards, a car payment, mortgage or other loans
- have children under 18
- plan to supplement their retirement income in later years

## **Features**

- two products to choose from
- Valuable Life Insurance Protection
- Affordable Flexible Premiums
- Convenient Payroll Deduction
- Income tax-free death benefit paid to a beneficiary the insured designates<sup>1</sup>
- Beneficial “fund value” – meaning interest earned off the premiums paid may accumulate value over time
- Policy Loans available<sup>2</sup>
- Portable coverage that stays with the insured, no matter where he/she works or lives as long as premiums are paid
- Entire Family Can Be Protected



<sup>1</sup>With proper planning, the death benefit will pass to beneficiaries free from state federal estate taxes. Please consult with tax advisor.

<sup>2</sup>Partial withdrawals, surrenders and loans from life insurance policies may be subject to ordinary income taxes and possibly an additional 10% federal tax penalty. Outstanding loan balances and withdrawals generally reduce the death benefit and cash value. Please consult your tax advisor for specific information

## **Select Contingent Guaranteed Issue\***

Select Contingent Guaranteed Issue makes applying for life insurance easy. Your employees will get all the benefits of our standard UL, with less detailed medical questions.

Abbreviated Underwriting:

- actively at work
- question about AIDS
- tobacco usage
- has any person to be insured been hospitalized or disabled in the last 6 months

SCGI is designed exclusively for the workplace market and provides affordable, flexible universal life protection for employees of companies with 50 or more eligible employees. Varying money purchase amounts give the employee the flexibility of tailoring his/her policy to individual needs and allows for issue based on the answers required for SCGI on the easy application.

**Employee:** Select Contingent Guaranteed Issue is offered to eligible employees in an amount chosen by the employee, a maximum premium of \$20\*\* per week not to exceed \$150,000 death benefit

**Spouse:** Select Contingent Guaranteed Issue - \$8\*\* per week premium not to exceed \$100,000, spouse must be employed to apply for SCGI

**Children:** Select Contingent Guaranteed Issue to a maximum of \$3 per week premium, or 10 units of Children's Term Rider

**Grandchildren:** Amount purchased by \$3 per week

\*Minimum case size is 50 employees. Higher limits shown apply to cases with 200 or more eligible employees

## **Riders Available**

- ~ Accidental Death Benefit Rider
- ~ Total Disability Premium Payment Rider
- ~ Children's Level Term Rider
- ~ Accelerated Death Benefit Rider
- ~ Future Purchase Option Rider

## **Universal Life Insurance – SCGI – Riders Available**

### **Accidental Death Benefit Rider (UADB1NY)**

An accidental death benefit if death resulted directly and independently of all other causes, from accidental bodily injury; and occurred within 180 days after the injury, and while the policy and rider were in force and the cause of death is not excluded in the rider. This coverage terminates on the policy anniversary on or next following the insured's 65th birthday or the date the insurance under the policy matures, expires or otherwise terminates.

### **Total Disability Premium Payment Rider (UPW2NY)**

Waiver of the planned periodic premium in the event of continuous total disability for at least 6 months beginning while the policy and rider are in force and before the insured's age 60. Does not pay for disability resulting from willfully and intentionally self-inflicted injuries or war. This coverage terminates on the earlier of: the policy anniversary on or next following the insured's 60th birthday; or the date the insurance under the policy matures, expires or otherwise terminates; or the date premium for the policy or rider remains unpaid.

### **Children's Level Term Rider (UCTR3NY)**

Provides a death benefit for each child at least 24 hours old and not yet 25 years old. Coverage expires on each child's 25th birthday. Provides level term insurance. The rider terminates on the earlier of: the death of the insured under the policy; or the date the policy matures, expires or otherwise terminates or the date any premium for the policy or rider remains unpaid. Conversion Option is available prior to termination.

### **Accelerated Death Benefit Rider (BR1NY)**

If the insured has an illness which in the opinion of the physician is expected to result in death within 12 months with no reasonable prospect of recovery, the policy owner may elect an advance of up to 50% of the sum of the death benefit for the policy and any term riders (excluding any accidental death benefit rider) on the insured's life. The benefit is subject to a maximum of the lesser of: (a) \$100,000; or (b) the current policy death benefit. The amount payable is reduced by pro-rata loans and discounted at the current discount rate. Also any pro-rata surrender charge is waived and waives future premiums for the policy and any rider.

### **Future Purchase Option Rider (UFPR20NY or UFPR21NY)**

Provides for the automatic increases in premium of \$1.00 per week on the first five rider anniversaries. The specified amount will then increase by the amount purchased with the \$1.00 weekly premium without additional evidence of insurability.

# ***Employee Benefit Statements***

# **Employee Benefit Statements**

## **Uncovering the Hidden Paycheck**

Through employee benefit statements you can communicate to your employees the total benefits package, which can help uncover the “hidden paycheck,” the extra dollars you may be spending on their behalf.

Doing this can work in your favor in three ways:

1. It gives your employees a view of their complete benefit package including the hidden benefits you provide which can allow them to see the additional dollars you are spending on their behalf.
2. It works to help you retain employees who may be on the verge of leaving for a few additional dollars in salary. Many employees do not think to check what additional benefits this prospective employer may be offering and actually end up making less because their hidden benefits do not add up.
3. It may actually save you more money by reducing your turnover costs.

<b>Paycheck</b>	<b>Value to Employee</b>
Employee Annual Salary	\$28,000
 <b>Hidden Paycheck</b>	
Social Security	\$2,142
Worker's Compensation	\$525
Unemployment	\$525
3 Week Vacation	\$1,615.60
7 Holidays	\$753.20
Subsidized Company Cafeteria (if applicable)	\$96.00
Group Term Insurance (2 X salary) \$56,000	
Amount Section 125 Qualified \$50,000	\$80.00
Dental (Heritage Choice Dental Policy)	\$276.00
Medical (Current plan being offered)	\$3,769.44
<b>Total Value of Benefits (Hidden Paycheck)</b>	<b>\$9,782.24</b>
Percentage of All “Hidden” Benefits from Annual Salary	34%
<b>Value of Total Benefits Package</b>	<b>\$37,782.24</b>

# ***Section 125***

# Section 125 – Premium Only

Under IRS Code Section 125, an eligible employee may pay for certain eligible expenditures with pre-tax dollars. How does this save money? Your employees have lower taxable income and pay less in federal, state and local income taxes. And you can realize significant savings through lower FICA and other applicable tax matching contributions. The more employees who enroll under Section 125, the more you save.

Eligible benefits include group health, group life (to \$50,000), cancer/specified disease, accident, critical illness, dental, supplemental health options policy (SHOP) and disability. Social Security, Federal and State Income Tax are reduced for employees. Employers save on matching FICA contributions.

We have entered into an alliance with **Mayer Hoffman McCann L.C.** (MHM) for the administration of 125 Plans. MHM, a CPA firm based in Leawood, Kansas, has provided Section 125 support to insurance marketers and their clients on a nationwide basis for over ten years. Experienced and well respected in this field, MHM brings you the most complete Section 125 program available in today's marketplace. [www.125plan.com](http://www.125plan.com)

The **MHM Premium Only Plan Kit** (POP-Kit) is complete and simple to use and is **free** to clients of ALICNY. The client will receive:

- Signature-ready plan documentation including the Plan Document, Adoption Agreement, Summary Plan Description, Board of Directors Resolution, and Employee Forms.
- An informative two-part videotape that explains the benefits of a POP plan to the employer and employee.
- Toll-free technical and marketing assistance to help with plan installation and questions
- Assistance with plan discrimination issues and compliance support.
- Copy of IRC Section 125.

Under this program, MHM keeps the plan in full compliance with IRS regulations at a substantially reduced fee from similar services received from other professionals. The annual fee for this optional service is \$185 and includes:

- Toll-free Section 125 hot line.
- Annual plan updates.
- Assistance with plan discrimination issues and compliance report.
- Section 125 Communiqué newsletter.

# Section 125 – Flexible Spending Account

Under IRS Code Section 125, an eligible employee may pay for certain eligible expenditures with pre-tax dollars. Eligible benefits include group health, group life (to \$50,000), cancer/specified disease, accident, critical illness, dental, supplemental health options policy (SHOP) and disability, unreimbursed medical expenses and dependent/child care. Social Security, Federal and State Income Tax are reduced for employees. Employers save matching FICA contributions.

We have entered into an alliance with Mayer Hoffman McCann L.C. (MHM) for the administration of 125 Plans. MHM, a CPA firm based in Leawood, Kansas, has provided Section 125 support to insurance marketers and their clients on a nationwide basis for over ten years. Experienced and well respected in this field, MHM brings you the most complete Section 125 program available in today's marketplace.

Clients may take advantage of the tax saving benefits of a Section 125 Unreimbursed Medical and Dependent Care Account. Each client enrolling in this service receives a binder that includes:

- Signature-ready documents including the Plan Document, Adoption Agreement, Summary Plan Description, Board of Directors Resolutions, and Employee Election Forms.
- Informative videotapes for communicating the benefits of the plan to employers and employees.
- Employee worksheets, payroll stuffers, and claim booklets.

## **FSA Administration includes:**

- Complete reimbursement flexibility.
- Employee statements – quarterly and eleventh month.
- Complete employer reports.
- Toll-free technical support.
- 24-hour toll-free telephone access to account information.
- Discrimination testing performed quarterly.
- Signature-ready preparation of IRS Form 5500.

Adoption of these plans requires a one-time set-up fee, monthly fee per participant in the plan (not per employee), and an annual compliance fee.

- New Plan Set-up Fee: \$400
- Participant Services: \$5 per month / participant
- Annual Plan Compliance: \$30 / month

## **Example of Savings**

The example below shows the hard dollars you and an employee can save with Section 125 qualified benefits.

### ***EMPLOYER SAVINGS***

<u>Average Employee Gross Monthly Salary:</u>	<u>\$3,000</u>
<u>Employer FICA Rate:</u>	<u>7.65%</u>
<u>Average Employee Section 125 Expenses:</u>	<u>\$300</u>
<u>Number of Payrolled Employees:</u>	<u>50</u>
<u>Monthly Employer Total FICA Savings</u>	<u>\$1,147.50</u>

**Annual Savings: (monthly savings \$1,147.50 x 12) = \$13,770.00**

## **AVERAGE EMPLOYEE PAYCHECK ANALYSIS**

	<b>Current</b>	<b>New</b>
Gross monthly salary	\$3,000	\$3,000
Avg. Employee Sec 125 Expenses:	\$0	\$300
Taxable Monthly salary	\$3,000	\$2,700
State and federal tax @ 28%	\$840	\$756
FICA tax @ 7.65%	\$230	\$207
Gross take-home pay	\$1,930	\$1,737
After-tax expenses	\$300	\$0
Net take-home pay	\$1,630	\$1,737

**Monthly employee increase in net pay received** **\$107**

Many employees use a portion of their savings to pay premiums for voluntary insurance.

# ***Implementation and Enrollment***

# ***Implementation and Enrollment***

## **Implementation**

The implementation process begins when you agree to allow us to offer our products and services to your employees. As a first step you are asked to complete an acceptance form authorizing the Allstate Life Insurance Company of New York products for your employees. Once approved, we assist you in designing an employee announcement letter introducing this new and valuable benefit.

## **Enrollment / Application Process**

Enrollments are conducted in a thoroughly professional manner and reflect your concern for your employees' welfare.

Our objectives for every enrollment are:

- to make sure all employees are aware of the insurance products offered and their benefits
- to answer all employee questions promptly and thoroughly
- to give all eligible employees the opportunity to apply for the appropriate insurance coverage for each individual's situation
- to minimize any disruption in your company's work flow

The confidential presentation we offer each employee is the primary means by which we accomplish the first three objectives. The confidential presentation is to assure each employee understands the coverage offered. For many of your employees, this meeting will be a chance to discuss their individual and family life and health insurance needs.

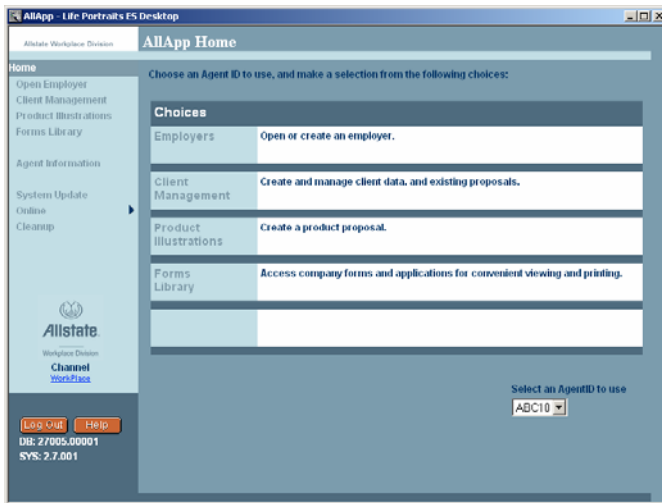
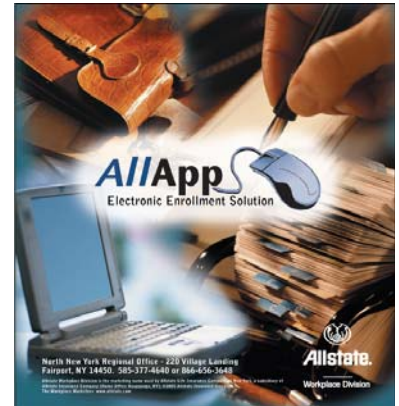
To minimize disruption, we work with personnel you designate, to establish a convenient schedule for enrollment activities.

**AllApp<sup>®</sup>**

# AllApp<sup>®</sup>

AllApp<sup>®</sup> is a system designed to allow applications to be taken and submitted electronically. This allows policies to be processed quicker at the home office, which in turn allows us to provide improved customer service to our policyholders. The enrollment process is streamlined and all required forms are collected electronically.

The following pages demonstrate selected communication screens from a typical AllApp<sup>®</sup> enrollment. The program is customized for each account.

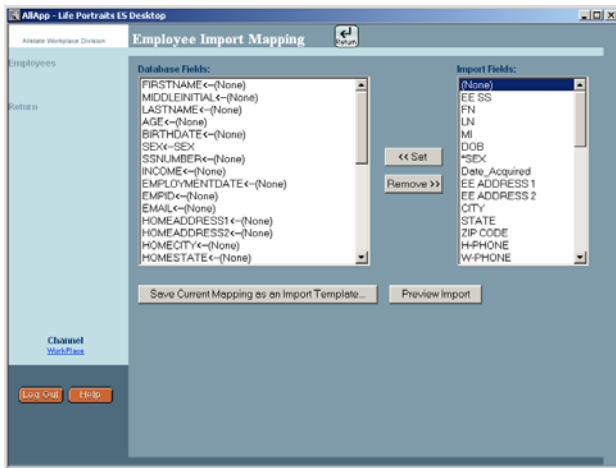


AllApp<sup>®</sup> provides the professional appearance you have been looking for.

A payroll deduction summary report can be printed at the end of the enrollment, eliminating billing discrepancies.

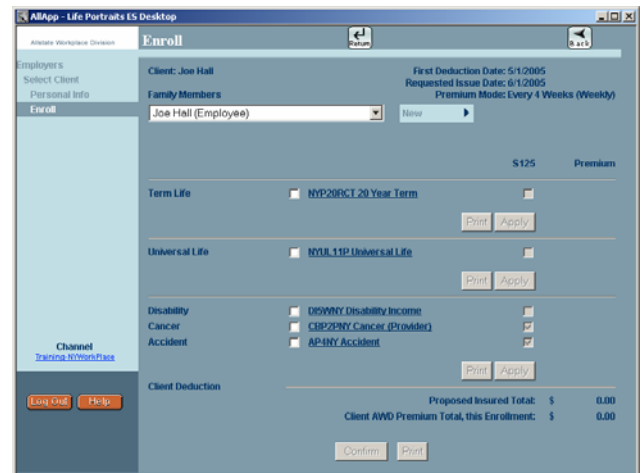
A screenshot of a 'Payroll Deductions' report. The title bar reads 'AllApp - Life Portraits ES Desktop'. The report title is 'Payroll Deductions'. It shows case information: Case Name: ABC Corp, Case Number: TTTT. Below is a table with columns: Name, SSN, Plan Name, Pro-Tax, Contribution Schedule, Contribution Rate, Billing Period, and Billing Premium. The table lists several employees and their respective deduction details. A large 'example' watermark is overlaid on the table.

Name	SSN	Plan Name	Pro-Tax	Contribution Schedule	Contribution Rate	Billing Period	Billing Premium
William Bell	444-22-3333	NYP2ORCT 20 Year Term	N	W	\$	Ev 1 Week	\$20.00
John Brown	111-22-3333	CBPDRNY Cancer (Provider)	W	W	\$	Ev 1 Week	\$18.92
John Brown	111-22-3333	APRNY Accident	W	W	\$	Ev 4 Weeks	\$39.96
Joan Jones	333-11-2222	NYUL11P Utr	W	W	\$10.00	Every 4 Weeks	\$40.00
Joan Jones	333-11-2222	D89W* Jstr / Jtr	W	W	\$6.67	Every 4 Weeks	\$26.68
Joan Jones	333-11-2222	BP / Custer	W	W	\$5.28	Every 4 Weeks	\$33.12
				Sub	\$24.95		
<b>Total Billing Premium</b>							<b>\$178.68</b>
<b>Total Number of Employees</b>							

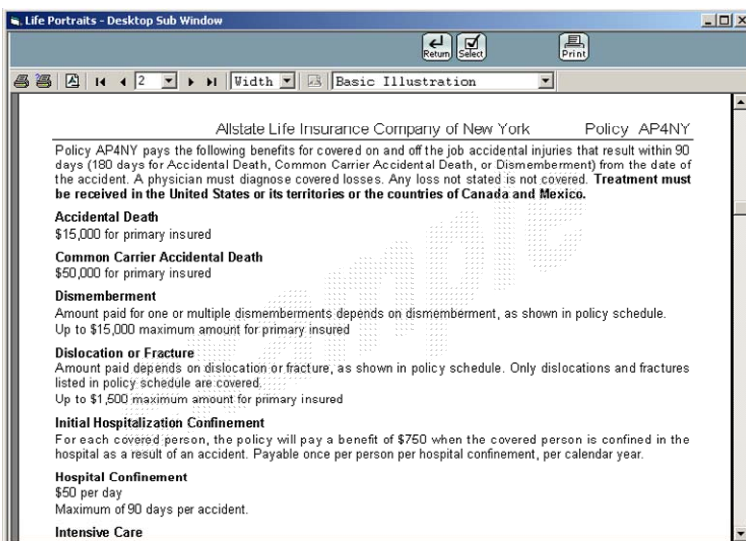


AIIApp® can be pre-populated with an employee census to facilitate the enrollment and reduce time spent with the employees.

All employees will have a consistent enrollment experience by using electronic enrollment.



The use of the “preview screen” in AIIApp® allows the employee to see the policy provisions before they are finished applying and therefore allows them to make more informed decisions.



# Allstate Life Insurance Company of New York

Headquartered in Hauppauge, New York

## **Our high marks\*:**

- One of the initial companies admitted into the Insurance Marketplace Standards Association (IMSA)
- Rated A+ (Superior) by A. M. Best (2007)
- Rated AA (Very Strong) by Standard & Poor's Corporation (2007)

\* A.M. Best (g), code conveys that the A+ rating of Allstate Life Insurance Company of New York is based on its group affiliation with Allstate Life Insurance Company (IL). Standard and Poor's ratings reflect the relationship of Allstate Life Insurance Company of New York to its parent Allstate Life Insurance Company. The Allstate Corporation has no direct responsibility for Allstate Life Insurance Company of New York's contractual or financial obligations.

## **About Allstate – Diversity**

As a company with a diverse population of employees, agents and customers, Allstate embraces diversity in everything we do. Allstate has been recognized over the years for our accomplishments in this arena. The following highlights some of the accolades that we've received.

- **Top 50 Companies for Diversity** – *DiversityInc* magazine, Five-time award winner (2002 – 2006)
- **100 Best Companies for Working Mothers** – *Working Mother* magazine, 16-year award winner (1990, 1992 – 2006)
- **One of the 'Best Places to Work for Latino's'** – *Hispanic* magazine, Award winner for the tenth consecutive year (1996 – 2005)
- **Top 100 Best Places to Work in IT** – *Computerworld* magazine, Award winner for the ninth consecutive year (1997 – 2005)

## **Comprehensive, Competitive Product Portfolio**

With our individual voluntary workplace products you have access to one of the most comprehensive, competitive portfolios of supplemental workplace products in the industry.

## **Individual Voluntary Workplace Products**

Voluntary insurance benefits might be right for your employees if:

- You're concerned with the rising cost of quality benefits
- You'd like a chance to provide benefits that help with hiring and retaining good employees
- You'd like to be competitive with other employers who provide more than just salary
- Your employees have been requesting enhanced or post-retirement benefits, like life insurance that goes beyond group term policies

## **Individual Voluntary Workplace Products**

Universal Life Insurance –	UL20PNY AND UL21PNY
Term Life Insurance –	NYP20RCT
Disability Insurance –	DI5WNY
Cancer Insurance –	Heritage Provider Series (CBP2PNY)
Accident Insurance –	On & Off-the-job (AP4NY)
Critical Illness Insurance -	CIP1NY (without cancer) and CCIP1NY (with cancer)

# Conclusion

## Helping You Decide

This proposal outlines key features of the Voluntary Employee Insurance policies offered by Allstate Life Insurance Company of New York. If you have questions, or would like additional information, please do not hesitate to ask. Our experience with businesses such as yours has demonstrated, time and again, the more you know about what we offer, the more likely you are to adopt it.

We suggest that management take a few minutes to consider these questions.

- Can valuable fringe benefits help you attract and retain the employees you want?
- Do your employees consider fringe benefits a valuable “second paycheck?”
- Would you like an opportunity to call attention to the benefits you currently provide?
- Are you concerned with the escalating cost of fringe benefits?
- Do you expect pressure to provide expensive post-retirement benefits such as life insurance?
- Would your employees appreciate a convenient life insurance policy that offers a competitive current interest rate and tax-deferral on interest earned?
- Is group term insurance the primary source of life insurance for a significant number of your employees?
- Would a majority of your employees experience financial hardship if they were without a paycheck for thirty days or longer due to an illness or injury?

We have found that our programs are most successful (with positive employee response and high participation) when employers can respond affirmatively to the questions above.

If you have answered yes to six or more, you should seriously consider adding Supplemental Employee Benefits to your fringe benefits package. You will give your employees the chance to help themselves gain greater financial security with a payroll deduction program that makes it easy for just about everyone and may protect against loss of income.

***Every business, large and small, should be able to offer a competitive voluntary benefit plan to their employees, complete with communications and installation support without breaking their employee benefit budget.***

***That’s Allstate’s stand. Are you in “Good Hands®”?***

