

**GUARANTEED STANDARD ISSUE**  
Employer-Sponsored Multi-Life Individual  
Disability Income Plans



**AGENT QUICK REFERENCE GUIDE**

**GSI Disability Income**  
The Union Central Life Insurance Company

# The GSI Concept

## What is Guaranteed Standard Issue?

Many executives need more income protection than a group LTD plan provides. Many businesses are looking for ways to recruit and retain key employees. An employer-sponsored disability plan using NonCancellable DI contracts meets both those needs. With Guaranteed Standard Issue (GSI), Individual DI contracts are offered with:

- No financial documentation, other than an employer census
- No detailed medical underwriting
- Significant premium discounts, whether employer-paid or voluntary

With any GSI offer, each eligible employee must answer gatekeeper questions, and it is possible that someone could be denied coverage based on those answers. The gatekeeper questions deal with the following areas:

- Have you been actively at work for the past 6 months?
- Have you ever had a loss of speech, hearing, eyesight, or use of hands or feet?
- Do you need human or mechanical assistance for activities of daily living?
- Have you ever received treatment for mental incapacity?

Everyone who meets the conditions for eligibility will be issued a policy at standard, discounted unisex rates, with no medical exclusions.

In other words, GSI is a great way to help meet the needs of employers and their key employees. And it's a big opportunity for you. You can sell multiple DI contracts through a single employer, without the usual need for detailed financial and medical underwriting, and with many opportunities for cross-selling to the higher-earning employees.

## How to Sell GSI Plans

The GSI Sales Guide, DI 1141, contains need-to-know information about the GSI sales process:

- Who to call
- What to say in a letter
- What to say over the telephone
- How to quote a case
- How to present a case
- And best of all... where to turn for expert help to make this process easy for you!

# GSI Underwriting Guidelines

Cases may or may not qualify for a Guaranteed Standard Issue offer. Availability of GSI is based on a number of factors, including demographics, number of eligible employees, industry, mix of occupations, other in-force coverage, etc. The guidelines below may be adjusted for a particular employer based on the company's characteristics. In no case may coverage amounts exceed Union Central's published Issue and Participation Limits.

	<b>Employer-Paid</b>	<b>Voluntary</b> (Employee pay all)	<b>Core/Buy-Up</b> (ER-pd base, EE-pd excess)
<b>Minimum Participants</b>	5 (100% participation)	Greater of 10 lives or 25% participation	10 lives on ER-paid core; Buy-up minimum varies
<b>Billing</b>	List bill	Choice of list bill or check-o-matic (COM available only with 100% employee pay)	List bill
<b>Occupation Classes</b>	5AP - 3AP Medical occupations not eligible*	5AP - 3AP Medical occupations not eligible	5AP - 3AP Medical occupations not eligible
<b>Maximum GSI Limits</b>	5-9 Lives: Up to \$2,000 10+ Lives: To \$8,000, based on group size and demographics	Up to \$5,000, based on group size and demographics	Up to \$8,000, based on group size and demographics
<b>Premium Discounts</b>	5-9 lives: 15% 10-49 lives: 20% 50-99 lives: 25% 100+ lives: 30%	10-49 eligible: 15% 50-149 eligible: 20% 150-299 eligible: 25% 300+ eligible: 30%	10-49 lives: 20% 50-99 lives: 25% 100+ lives: 30% (discounts apply to core and buy-ups)
<b>Available Riders</b>	<ul style="list-style-type: none"> <li>Residual/24-Month Residual/6-Month Partial Disability</li> <li>Social Insurance Substitute</li> <li>COLA</li> <li>Catastrophic</li> <li>To Age 67 Extension</li> <li>No MNDA endorsement on 10+ lives except in Florida</li> <li>24-month MNDA endorsement used for under-10 life groups</li> </ul>	<ul style="list-style-type: none"> <li>Residual/24-Month Residual/6-Month Partial Disability</li> <li>Social Insurance Substitute</li> <li>COLA</li> <li>Catastrophic</li> <li>To Age 67 Extension</li> <li>MNDA endorsement used on all voluntary cases</li> </ul>	<ul style="list-style-type: none"> <li>Residual/24-Month Residual/6-Month Partial Disability</li> <li>Social Insurance Substitute</li> <li>COLA</li> <li>Catastrophic</li> <li>To Age 67 Extension</li> <li>24-month MNDA endorsement on core and buy-up contracts</li> </ul>

\* Except for approved residency programs.

## Notes on Core/Buy-up Plans

- The employer purchases a small, base benefit on all eligible employees (often as low as \$500/month benefit). Employees then may purchase higher amounts.
- The GSI offer is established for the combined benefit. For example: If the GSI offer is \$3,000/month, and the employer buys a \$500 benefit for all eligibles, each employee may buy up the additional \$2,500 on a GSI basis, within I/P limits.
- Higher amounts above the GSI offer may be purchased with full underwriting.
- A separate contract will be issued for each segment of coverage: the employer-paid benefit, employee buy-ups to the GSI threshold, and employee buy-ups above the GSI threshold.
- The participation requirement on employee buy-ups will vary based on case characteristics, but will never exceed the greater of 10 lives or 25%.

## Targeted Employers

- Closely held companies across a broad range of industries, with a particular focus on the under 100-life market.
- At least 2 years in business.
- Sufficient number of 3AP-5AP employees to meet minimum specifications.
- Companies with LTD plans that do not include bonus or commission income, or LTD plans whose benefit maximums fall short of the highest incomes.
- Companies with no LTD in force that have executives and key employees with unprotected income.
- Medical occupations not eligible, except for approved residency programs.

## Employee Eligibility

In addition to meeting gatekeeper questions, employees must be full-time (30 hours a week or more) and working on a year-round basis. Contract workers (1099 workers) may be eligible for coverage.

# GSI Compensation

Commission and bonus schedules for IDI contracts issued on a Guaranteed Standard Issue basis are as follows:

Employer-Paid (100% participation)	Voluntary: Employee-Paid	NonCan FYC	GR (ages 61+) FYC	Year 2-10 Renewal	Bonus: Year 2-10 Renewal
5-49 lives	10-149 eligible	40%	30%	10%	Up to 5%
50-99 lives	150-299 eligible	35%	25%	10%	Up to 5%
100+ lives	300+ eligible	30%	20%	10%	Up to 5%

## Bonus qualification

The qualifying period for this bonus is a calendar year. To qualify, the field associate's persistency must be at least 85 percent and the total GSI in-force premium must be at least \$25,000 at the end of the year. The payment period for this bonus will run from March of a given year through February of the following year. The GSI bonus is paid as a percent of renewal premiums paid during the payment period as shown below.

The bonus will vary for each renewal year, depending upon GSI in-force premium and persistency:

- **2% Bonus:** In-force premium \$25,000 - \$99,999 and persistency of at least 85 percent, payable policy years 2-10.
- **5% Bonus:** In-force premium of \$100,000+ and persistency of at least 85 percent, payable policy years 2-10.

This bonus is separate from any bonus on individually underwritten business and premiums apply to only one bonus program.

# Quoting and Selling GSI Cases

## How to request a quote

All GSI cases are quoted by the Home Office GSI marketing team. The standard turnaround time for producing an underwriting offer and a proposal is three business days, assuming all information is submitted with the request. Two things are needed to request a GSI offer:

- Completed Request for Proposal form (UC 574), which is available electronically on Producer Workbench
- Electronic census (Excel file) of the eligible employees with:
  - date of birth
  - gender
  - job title
  - total earnings, including annualized base income plus any other income to be covered (e.g., bonuses, commissions; 2-year history needed for variable income)

Please send quote requests electronically by doing the following:

- Go to Producer Workbench on the Union Central website
- Click on Doing Business, then Products
- Under Disability Income, click on Employer Sponsored Multi-Life Plans, and the "Request for Proposal" link will appear
- Complete the questions on the RFP, attach the census (preferably an Excel file) and click Submit
- The RFP and the census will be emailed directly to the GSI quoting area

## What you'll receive

If the case is approved for a GSI offer, you will receive a written proposal that:

- Explains how an Employer-Sponsored GSI Plan works
- Provides the details of this particular offer's plan design, from who is eligible to which specific provisions are being offered
- Provides the cost for each eligible person's DI coverage on a multi-life spreadsheet

## Selling and enrolling the case

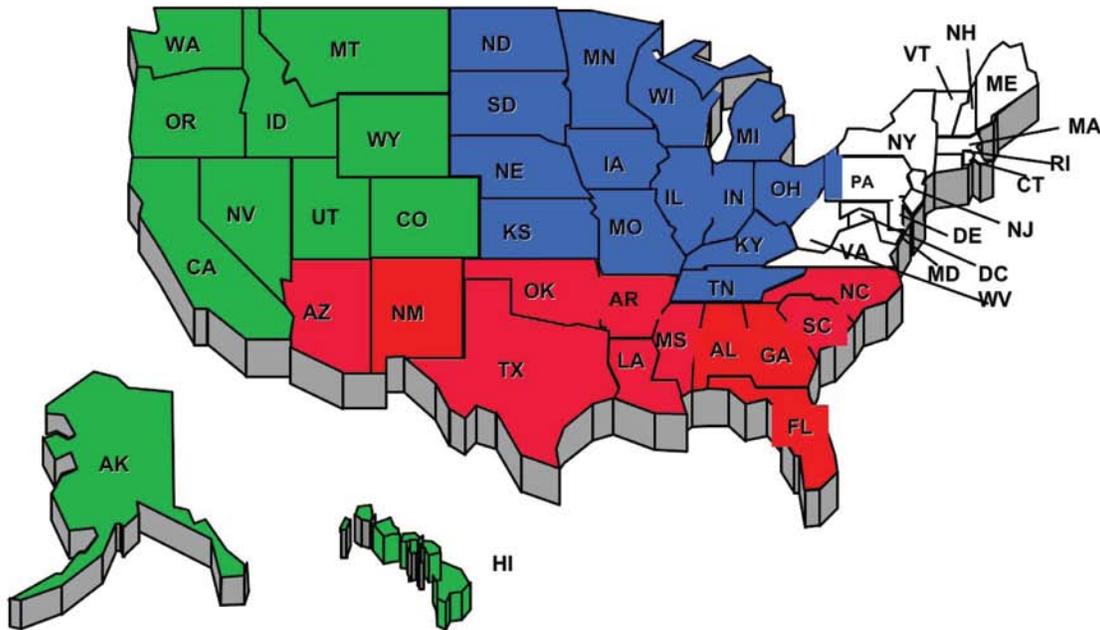
Have the employer sign the GSI proposal, indicating acceptance of the offer. Submit the signed form to the GSI Regional Office.

### *For employer-paid coverage*

Have each eligible employee complete the GSI short-form application, and submit the completed forms with a first month's deposit check.

<i>For employee-paid (voluntary) coverage</i>	For voluntary cases, you will receive pre-printed enrollment kits that explain each employee's opportunity to apply for coverage on a GSI basis. The enrollment kit will be personalized with each person's name and pre-quoted premiums. Each employee will be asked to either apply for or reject the offer of coverage. Submit completed forms to the GSI Regional Office, but do not collect any deposit premium.
<i>For fully underwritten buy-ups</i>	For employer-paid or voluntary cases, if employees want to apply for additional coverage above the GSI limit, have them complete a fully underwritten DI application and follow normal underwriting procedures. If both a GSI amount and a fully underwritten additional amount are issued, then the employee will receive two separate policies.
<b>Billing options</b>	<ul style="list-style-type: none"> <li>• Employer-paid: the only billing option is a monthly list bill.</li> <li>• Voluntary: monthly list bill or check-o-matic may be used, as long as: <ol style="list-style-type: none"> <li>1. the employees are paying 100% of the premium, and</li> <li>2. only one billing method is used for that group.</li> </ol> </li> </ul>
<b>Procedures for new hires</b>	
<i>Employer-paid cases</i>	A new hire who meets the eligibility requirements must apply for coverage on a GSI basis within 60 days of eligibility. Since the coverage is employer-paid, there is no buying decision on the part of the newly hired employee—only the need to complete the short-form app in a timely way.
<i>Voluntary cases</i>	Each new hire who meets the eligibility requirements needs to be given the opportunity to apply for coverage. To have an enrollment kit prepared for the newly hired employee, send that person's census information to GSI Marketing in the Home Office, and you will receive an enrollment kit personalized with the employee's name and pre-quoted premiums. Each new hire needs to enroll or waive coverage within 60 days of eligibility.
<b>Procedures for terminating employees</b>	A terminating employee may keep any DI coverage in force by converting to an individual billing mode. All discounts remain in place. The terminating employee contacts Union Central customer service to have the policy changed to direct bill, and the employer notifies Union Central to remove the person from the list bill. For voluntary contracts that already are on check-o-matic, no notifications are necessary.
<b>How-to Sales Guide</b>	Please see DI 1141 for help with prospecting, presenting and closing GSI cases.

# Territory Map: GSI Regional Offices



**Hartford GSI Regional Office**

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**Dallas GSI Regional Office**

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