

::: MassMutual

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# Worksite Better.

## OSA – Strategic Partnership Product Overview

Presenter: **Alex Marti**  
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Benefits



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with the Public.

# Reasons to offer – **The opportunity**



**8 in 10**

U.S. workers are interested in having their employer offer a life insurance benefit — 4 in 10 are extremely interested in workplace coverage.\*



**2 in 3**

Employed Americans rely on workplace life insurance to meet their life insurance needs\*



**3 in 4**

workers with children under age 18 count on their workplace life insurance coverage to protect their loved ones\*

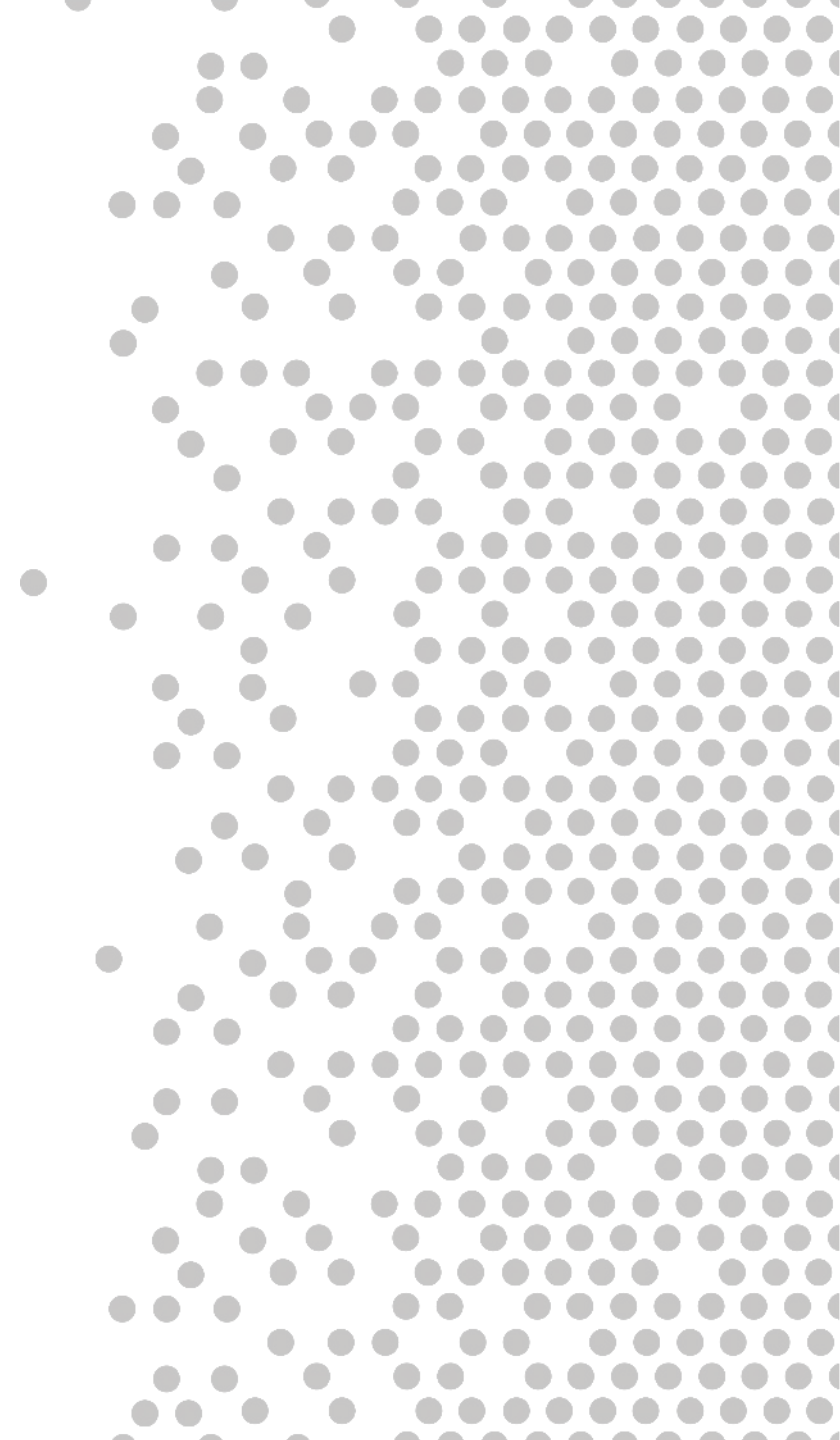


**4 in 10**

workers with middle-income households (\$50,000 - \$99,999) and nearly half of mass affluent households (\$100,000 or more) are highly interested in obtaining life insurance coverage through their workplace.\*

\*Facts about Life - Workplace Benefits - 2021, LIMRA

# Group Whole Life Product & Underwriting Overview



# Group Whole Life Insurance – Key features



Guaranteed level premium



Guaranteed increases in cash-value



Guaranteed death benefit



Permanent and Portable for life. You own the coverage



Simple Application



Dividend eligible<sup>3</sup>



Chronic Care Benefit<sup>4</sup>

<sup>3</sup> Dividends are not guaranteed. The certificate is eligible to receive dividends beginning on the second anniversary.

<sup>4</sup> The Chronic Care Benefit is available if the insured has been diagnosed by a Qualified Medical Practitioner as having a chronic illness. The Chronic Care Benefit is neither long term care insurance nor nursing home care insurance. Chronically ill is generally defined as: being permanently unable to perform, without substantial assistance, at least two Activities of Daily Living (ADLs) (eating, toileting, transferring, bathing, dressing, and continence) due to loss of functional capacity; or Requires Substantial Supervision to protect the Insured from threats to health or safety due to permanent Severe Cognitive Impairment. State Variations apply. Not available in MA.

# Group Whole Life Insurance – Why rent when you can own?

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**Permanent insurance  
offers lifetime protection**



Term insurance provides  
temporary coverage for  
a specific period of time



# Whole Life vs Term Life

	MM Group Whole Life Insurance	Group Term Life Insurance
<b>Overall value</b>	<ul style="list-style-type: none"><li>• More than just a death benefit – includes several guarantees and living benefits<sup>1</sup></li></ul>	<ul style="list-style-type: none"><li>• Typically limited to just a death benefit</li></ul>
<b>Premiums</b>	<ul style="list-style-type: none"><li>• Guaranteed level premium for a lifetime</li><li>• Higher short-term cost for greater long-term value</li></ul>	<ul style="list-style-type: none"><li>• Level premium generally limited to term and may increase upon renewal</li></ul>
<b>Death benefit</b>	<ul style="list-style-type: none"><li>• Permanent and non-expiring while premiums are paid</li><li>• May use dividend option to increase death benefit at no additional cost<sup>2</sup></li></ul>	<ul style="list-style-type: none"><li>• Coverage expires at end of term</li><li>• Death benefit may reduce at older ages</li></ul>
<b>Continuation of coverage</b>	<ul style="list-style-type: none"><li>• Permanent, level premium coverage regardless of change in employment or retirement</li></ul>	<ul style="list-style-type: none"><li>• Coverage may not continue when employment ends or at retirement</li><li>• Can sometimes be continued at a higher cost</li></ul>
<b>Cash value</b>	<ul style="list-style-type: none"><li>• Guaranteed cash value for a lifetime</li><li>• Increases over time</li><li>• Not affected by market changes</li></ul>	<ul style="list-style-type: none"><li>• Does not typically produce any cash value</li></ul>
<b>Dividends</b>	<ul style="list-style-type: none"><li>• Though not guaranteed, certificate owners can receive dividends as cash, increased death benefit, or reduction of future premiums after the second certificate anniversary<sup>3</sup></li></ul>	<ul style="list-style-type: none"><li>• Not eligible for dividends in any form</li></ul>
<b>Chronic Care Benefit</b>	<ul style="list-style-type: none"><li>• Automatically included</li><li>• Provides portion of death benefit if insured has a qualified chronic illness<sup>4</sup></li></ul>	<ul style="list-style-type: none"><li>• Generally not available</li></ul>

# Group Whole Life Insurance – How it works

<b>Overview</b>	<ul style="list-style-type: none"><li>• Group participating whole life</li><li>• Premiums paid until age 95</li><li>• Matures at age 121</li><li>• Group policy with individually-owned certificates</li><li>• Unisex smoker-distinct premium rates</li><li>• Based on group's situs state</li></ul>	
<b>Certificate issue ages</b>	Issue ages: Employees 18 – 75	Minimum face amount: \$10,000  Minimum face amount is \$25,000 in WA
<b>Built-in provisions</b>	<p><b>Accelerated Death Benefit for terminal illness*:</b> Allows certificate owner to receive an advance, or acceleration, of a portion of their death benefit if the insured is diagnosed with a terminal illness and is expected to result in death within 12 months.*</p> <p><b>Chronic Condition Benefit**:</b> The Accelerated Death Benefit for Chronic Care is payable when the insured meets the definition of Chronically Ill, generally having a permanent loss of 2 ADLs, or requiring substantial supervision due to permanent severe cognitive impairment. See slides 21-22 for additional details.</p>	

\*The insured must be diagnosed after certificate is in effect and the terminal illness is expected to result in death within 12 months. This period may be 24 months in some states.

\*\*Chronic Care Benefit is currently not available in MA. State variations apply.

# Group Whole Life Insurance – Optional riders

Employers can select one or both of the following riders. If selected, they will have an additional cost and will be automatically attached\* to the certificates of eligible employees.

## Waiver of Premium

If the insured employee becomes totally disabled from any occupation (as defined in the rider), the premium for the base certificate and any riders will be waived for the duration of the insured's disability (or reaching attained age 67), following a six-month waiting period.

## Accidental Death Benefit

Allows certificate owner's beneficiary(ies) to receive an additional death benefit in the event that the insured's death was a result of an accident.

\* Available for eligible employees ages 18 - 60. The benefits terminate when the employee is attained age 67. Employees can elect to cancel the rider at any time; once cancelled it cannot be reinstated. State variations and exclusions may apply.



# Group Whole Life Insurance – Dependent coverage

The employer may select one of the following options:

## Dependent Coverage

### Whole Life Certificates

Available for spouse, child and grandchild (features are same as employee coverage). One certificate per insured dependent is issued with rate based on age/tobacco status.

- Employee issue ages: 18 – 75 may apply for coverage on their dependents.
- Spouse issue ages: 18 – 60
- Child/Grandchild issue ages: 14 days to 26 years<sup>2</sup>
- Face amount:<sup>1</sup> \$25,000, not to exceed amount issued to the employee.
- Riders: None

### Spouse & Children's Term Insurance Riders (attached to employee certificate)

- Employee issue ages: 18 – 60 may add term insurance riders to their certificates.
- Spouse coverage ages: 18 – 65
- Child coverage ages: 14 days to 26 years<sup>2</sup>
- Rider face amounts: \$10,000 or \$20,000

<sup>1</sup> Face amount cannot exceed employee coverage amount in all states except NE. In NE cannot exceed 50% of employee coverage

<sup>2</sup> Must be a dependent based on federal tax rules

# Group Whole Life Insurance – Chronic Care Benefit

## An Accelerated Death Benefit for Chronic Illness

- Provides acceleration of a portion of the death benefit if the Insured has a Chronic Illness.\*
- Certificate owner is automatically enrolled at no additional premium.
- The benefit is paid in a lump sum and can be used as the certificate owner sees fit.
- The Insured must meet the definition of Chronically Ill generally this means:
  - Permanent loss of 2 ADLs (activities of daily living), or
  - Requiring substantial supervision due to severe cognitive impairment

**Chronic Care Benefit can help with the financial impacts associated with Chronic Illness.**

Insured Attained Age	Fee as a % of The Eligible Amount for the Chronic Care Benefit*
Age 45 and above	18%
Ages 35 -44	27%
Under age 35	36%

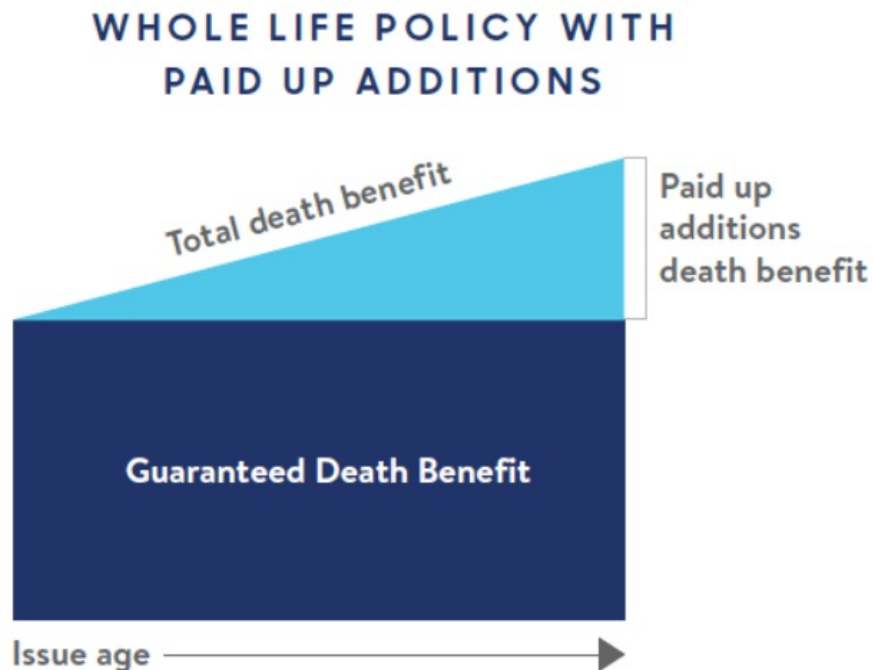
\*The fee only apply, if benefit exercised.

# GWL Insurance – Chronic Care Benefit vs LTC Riders

- Benefit is paid in a lump sum (75% of the death benefit in most states. State variations apply)
- No waiting period
- No conditions on how money is spent or required plan of care
- No additional premium or out of pocket expense (fee deducted if exercised)
- No additional broker/enroller training to offer the benefit (except California)
- Approved in 48 states ... 2 pending (MA & NY)

Chronic Care Benefit versus a typical LTC Rider	
Chronic Care Benefit	Long Term Care Rider
Immediate lump sum payment	Small monthly payments over the life of the policy
No plan of care required	Plan of care reporting required for reimbursement
No additional premium or underwriting	Additional premium required for the rider
No conditions on spending the money	Separate underwriting in most cases
No additional training required to sell	Additional long term care training required to sell

# Dividends - The flexibility to use extra cash or build policy value



Eligible participating whole life insurance certificates may pay dividends that have the potential to grow in years to come. Non-participating products don't offer this added benefit. The Paid-Up Additions dividend option is the most popular. The paid-up additional insurance will also be eligible to receive dividends.

## Example: Dividends Paid



- \$50,000 Face Amount
- 50-year-old male, non-smoker
- Premiums for new certificates are \$1,392 Annual Premium\*
- No additional riders included

Year purchased	Cash Dividend paid in 2022	PUA Death Benefit purchased in 2022
2015	\$197	\$543
2016	\$194	\$545
2017	\$191	\$548
2018	\$188	\$552
2019	\$185	\$557
2020	\$212	\$779
2021	\$0	\$0

\* Prior to 2020, annual premiums were \$1,380.

# Group Whole Life Insurance – Power of the Dividend

\$100,000 Death Benefit*		Whole Life Guaranteed Values			Whole Life with Non-Guaranteed Values	
Issue Age	Years Paid to Age 65	Monthly Premium	Total Premiums Paid	Cash Value <sup>1,2</sup>	Cash Value <sup>2</sup>	Death Benefit <sup>2</sup>
25	40	\$62.00	\$29,760	\$40,483	\$54,979	\$129,248
35	30	\$95.00	\$34,200	\$36,204	\$46,426	\$120,626
45	20	\$161.00	\$38,640	\$29,452	\$38,773	\$118,807
55	10	\$284.00	\$34,080	\$17,603	\$23,089	\$111,070

<sup>1</sup> All values are guaranteed and shown at the end of the certificate year in which the insured turns age 65.

<sup>2</sup> This example assumes that no loans or distributions are taken.

Applicable to certificates issued in jurisdictions other than WA.

**This training material/chart would be considered an illustration if an agent were to use it in the sales process. This product is not illustrated, so this material is strictly prohibited from use with plan administrators, employers, or employees. The non-guaranteed values used in this example include dividends, which are neither estimates nor guarantees, based on the 2022 dividend schedule. The dividend schedule is reviewed annually, and it is likely that dividends in future years will be higher or lower depending on the Company's actual experience.**

\* This example assumes a non-smoker and no riders are included in the plan.

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# Application Questions – Quick & Easy to apply!

- ✓ No doctor visit
- ✓ No Physical
- ✓ No Height/Weight
- ✓ No Blood/Urine Sample

## Tobacco Status

### JUST 3 Y/N QUESTIONS

Within the last 12 months have you used tobacco or other nicotine containing products?

## Guaranteed Issue

Confirm you are actively at work at your usual and customary location, maintaining your normal work schedule, performing all the duties of your occupation without limitation due to injury or sickness?

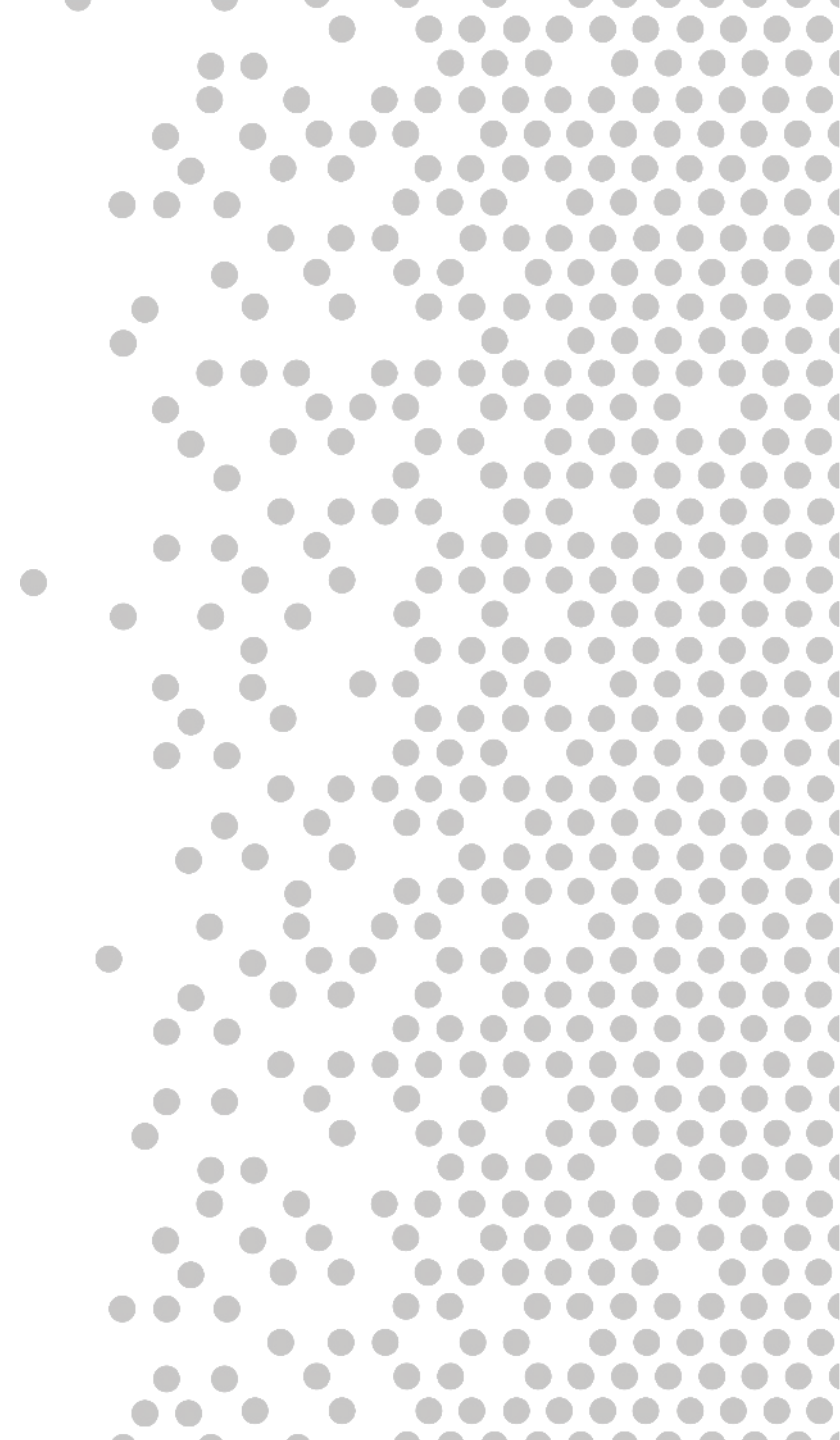
## Express Issue

During the last 2 years, have you sought treatment for, been treated for, or been diagnosed by a member of the medical profession as having any of the following:

- Stroke or transient ischemic attack
- Chronic Kidney disease or kidney failure
- Parkinson's disease or paralysis
- Cirrhosis of the liver or hepatitis
- AIDS or tested positive for HIV or its antibodies
- Cancer
- Heart Attack, coronary artery, valve disease, heart failure or cardiomyopathy
- Alcohol or drug abuse
- Diabetes for which the recommended treatment is insulin
- Chronic obstructive pulmonary disease, emphysema or other chronic lung disease



# One Solution Agency Special Underwriting Offer



# Group Whole Life – Underwriting guidelines

100% employee-paid cases		
Eligible Employees	Guaranteed Issue Underwriting	Express Issue Underwriting
10 - 24	<p><b>Up to \$75,000</b> at initial enrollment* for green industries only</p> <p><small>*Remainder of GI applies yearly up to maximum if employee purchased initially in year one</small></p>	<p><b>Up to \$250,000</b> (per enrollment)**</p> <p><small>**Express issue underwriting not available in all enrollment systems.</small></p>
25 - 99	<p><b>Up to \$100,000</b> at initial enrollment*</p> <p><small>*Remainder of GI applies yearly up to maximum if employee purchased initially in year one</small></p>	<p><b>Up to \$250,000</b> (per enrollment)**</p> <p><small>**Express issue underwriting not available in all enrollment systems.</small></p>
100+	<p><b>Up to \$150,000</b> at initial enrollment*</p> <p><small>*Remainder of GI applies yearly up to maximum if employee purchased initially in year one</small></p>	<p><b>Up to \$250,000</b> (per enrollment)**</p> <p><small>**Express issue underwriting not available in all enrollment systems.</small></p>

\*10 employees minimum at initial enrollment.

# Group Whole Life – Underwriting guidelines

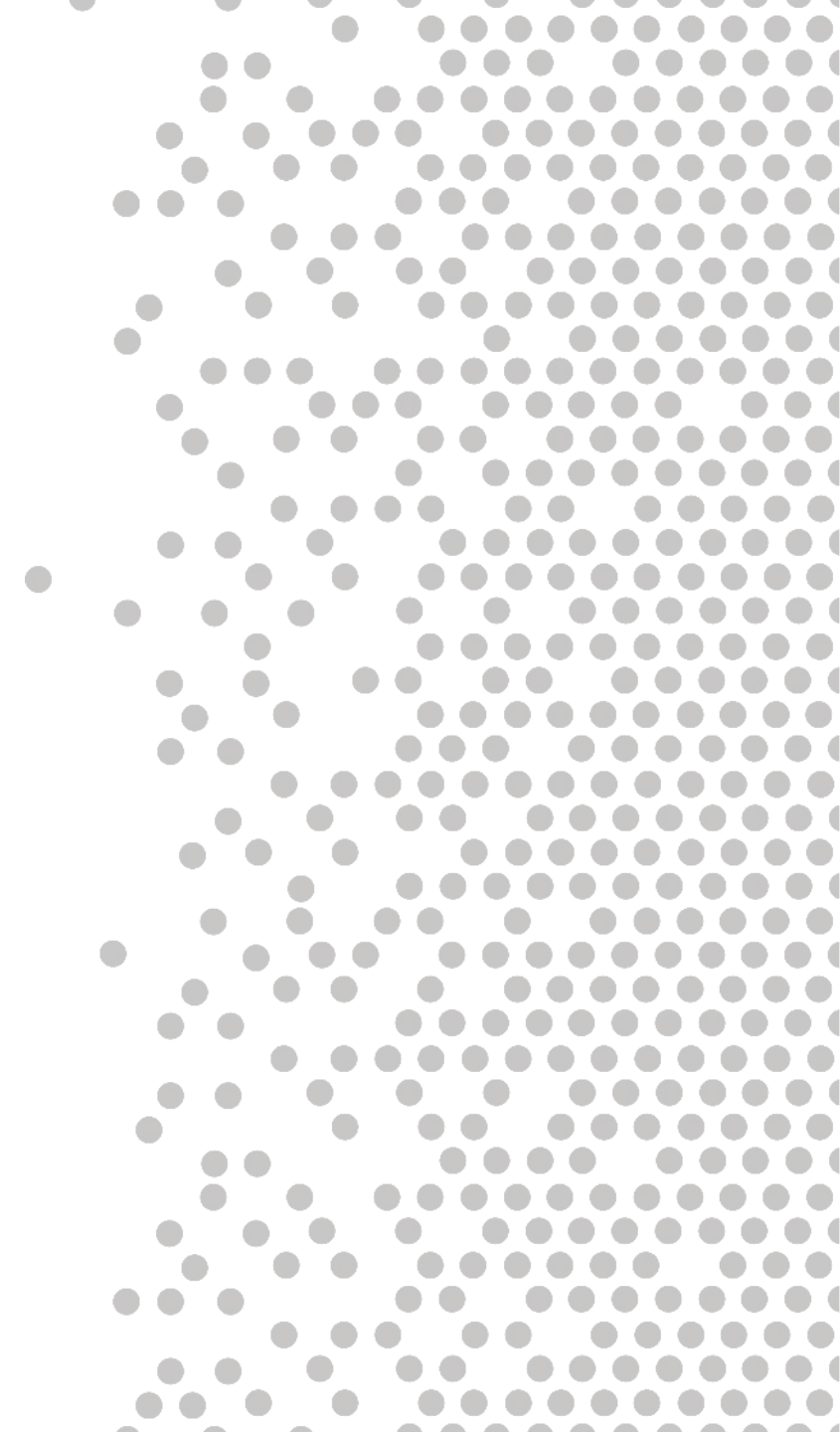
## 100% employer-paid cases and partial employer-paid cases\*

Eligible lives	Guaranteed Issue Underwriting	Express Issue Underwriting
10 - 24	Up to \$75,000	Up to \$250,000**
25 - 99	Up to \$100,000	Up to \$250,000**
100+	Up to \$150,000	Up to \$250,000**

\*Underwriting offer based on census

\*\*Express issue underwriting not available in all enrollment systems.

# Process Overview



# Quote Process – As easy as 1-2-3

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1

## **Producer sends Alex Marti the following:**

- Census Template which includes the following:
  - Company Name & Address
  - Eligible employees
  - Payroll Frequency



2

## **Alex works w/internal team to initiate quote**

- Quotes can take up to 3 business days to turnaround



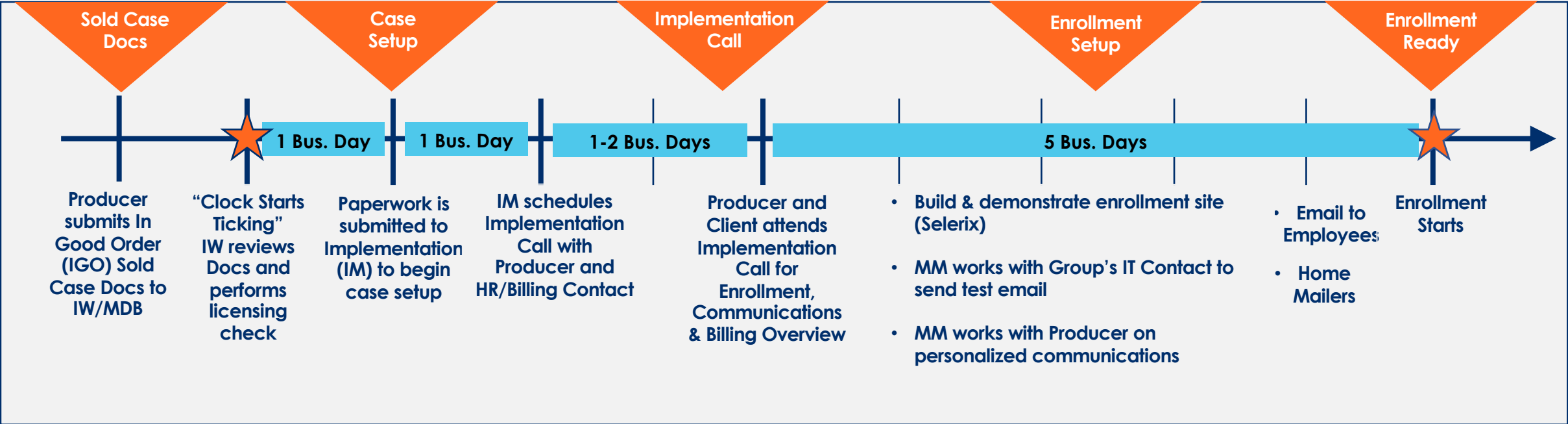
3

## **Alex/Internal Wholesaler will email Aflac Producer:**

- Offer Letter
- Rates

# Milestone steps in the sold case process

MassMutual needs a minimum of 9 business days to set a sold case up for enrollment



**\*Enrollment Cutoff: 15 days prior to effective date**

**\*Effective Date: 1<sup>st</sup> of month only**



# Questions?



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The product and/or certain features may not be available in all states. State variations may apply.

Group Whole Life Insurance (GPWL), (policy/certificate forms MM-GPWL-2014 and MM-GCWL-2014, and MM-GPWL-2014 (NC) and MM-GCWL-2014 (NC) in North Carolina), is level-premium, participating permanent life insurance. The GPWL policy and GCWL certificates are issued by Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001.