

# Farmington Company Rehabilitates New York City Hospital's Disability Program

## Background

- As part of its overall Voluntary Benefits Program, a New York City hospital began to offer a Disability program to its 5,000 benefit-eligible employees in 2005.
- We continuously monitor the marketplace for new or enhanced programs to ensure our clients are offering best-in-class plans to their employees.
- Working with all major New York worksite benefit insurance carriers, we became aware of a newly filed voluntary Disability plan that provided better value to the hospital's employees.



## Our Solution

- We recommended a change in Disability plan/carrier to the client's Human Resources team during the 2012 annual Open Enrollment.
- Leveraging our strong carrier relationships, we secured a more competitive Disability offering with richer benefits, including:
  - Guaranteed issue during the Open Enrollment, which helped approximately 15% of employees who had been rejected for coverage due to medical reasons by the existing carrier
  - Off-the-job only coverage (many employers find this favorable)
  - Coverage up to age 72 (the existing plan was up to age 65)
  - Mental and nervous conditions coverage (this was not included in the existing carrier's plan)
  - More competitive premiums
  - The existing Disability participants could move to the new plan without being subject to the pre-existing condition clause
- To facilitate a seamless transition, we would continue to support the existing Disability program on payroll deduction for those wishing to maintain their current coverage.

## The Results

- The client was very pleased with the overall participation levels, as well as the overall communications/enrollment process.
- As a result of a comprehensive and effective communication campaign, 2,528 employees enrolled in the new Disability plan, including:
  - 804 of the 1,109 existing Disability policyholders
  - An additional 1,724 new participants
- The hospital's other voluntary options (Permanent Life and Accident Insurance) also experienced an increase in participation.
- We service and administer both carriers' Disability plans to relieve Human Resources of these extra responsibilities.

