

# Platinum Advantage



## High Earners Need Higher Income Protection — Help Them Avoid a Coverage Gap

Your benefits package is an important tool to attract and retain top talent. One way to stand out is by helping employees protect their incomes.

Group long term disability insurance is a good foundation. But for your highly compensated employees, it often doesn't replace enough income. If they can't work due to a serious injury or sickness — they may face a big income gap.

### Who Could Experience a Coverage Gap?

A typical LTD plan replaces 40-60% of earnings for most employees. But the plan's maximum benefit may not replace enough income for your highest earners. And most LTD plans don't cover bonus income.

### How Individual Disability Insurance Can Help

Chart 1 shows a sample company's employees and salaries. Those who earn more than \$200,000 annually would face a coverage gap with LTD alone. Adding an IDI plan with a \$10,000 monthly maximum benefit would replace more income, up to \$30,000 a month.

### Shrink the Gap With Platinum Advantage

Help close the income protection gap by offering The Standard's Platinum Advantage insurance to a select group of high earners. It's built to provide additional monthly benefits when paired with LTD. And coverage is generally guaranteed, regardless of employees' age and health.

Chart 1

### Reduce the Coverage Gap

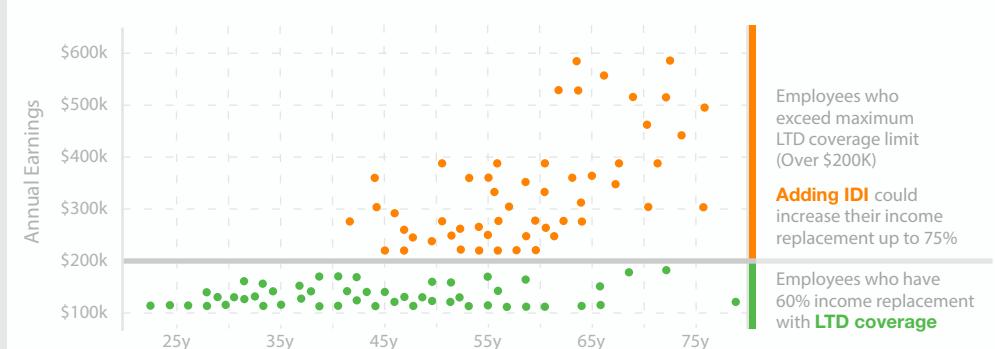


Chart 2

### LTD + IDI = Target Income Replacement

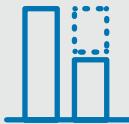


### An Integrated Plan Design

- **LTD:** 60% of salary with \$10,000 monthly maximum
- **IDI:** 60% of salary with \$15,000 monthly maximum

Chart 2 shows one scenario. It illustrates how an employee earning \$450,000 annually can achieve the target income replacement percentage by packaging group LTD and individual disability insurance.

## Advantages You and Your Employees Will Appreciate



**Helps shrink LTD coverage gap.** Increases income replacement.



**Covers incentive income.** Usually not covered by LTD.



**No medical underwriting.**



**No financial paperwork for employees.** You simply provide a census.



**Coverage can grow as employee incomes increase.**



**Policies are portable and individually owned.**



**Easy administration.** A dedicated account team and simple straightforward processes.



**Discounted premium rates.**

## Reality Check



Approximately **91%** of disabilities are caused by illnesses, not accidents.<sup>1</sup>



Just over **one in four** of today's 20-year-olds will become disabled before age 67.<sup>2</sup>



**How much income would your current LTD plan replace?**

1. Integrated Benefits Institute (2022). 2020 Benchmarking Trends: Short-Term Disability and Long-Term Disability - Long-Term Disability Results by Condition. <https://www.ibiweb.org/resources/2020-benchmarking-trends-short-term-disability-and-long-term-disability>

2. U.S. Social Security Administration, Social Security Fact Sheet, 2024

## We are experts at disability insurance.

The Standard has extensive experience offering disability insurance packages tailored specifically to employer's needs. Talk to your broker about how our expertise and proactive approach helps ensure your employees are appropriately covered.

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