

## We're here for you

Contact us at any of our convenient office locations  
Monday-Friday from 8:00am-4:30pm for more information:

### ROYAL STATE INSURANCE OFFICES

#### Oahu Office

819 S. Beretania Street  
Honolulu, HI 96813  
Phone: (808) 539-1600  
1-800-890-9022 (Toll-free from the Neighbor Islands)

#### Hawaii Office (Hilo)

120 Pauahi Street, Suite 201  
Hilo, HI 96720  
Phone: (808) 935-2766

#### Kauai Office

4370 Kukui Grove Street, Suite 105  
Lihue, HI 96766  
Phone: (808) 245-4571

#### Maui Office

105 N. Market Street, Suite 201  
Wailuku, HI 96793  
Phone: (808) 244-7245  
1-800-774-7668 (Toll-free from Molokai and Lanai)

Visit us online at  
[www.royalstate.com](http://www.royalstate.com)



# INCOME PROTECTOR

## Long-Term Disability Plan

Provides you with up to 50% of  
your salary with a maximum  
of \$5,000 per month.



## A disability or illness can strike at anytime.

### INCOME PROTECTOR Can Help Protect Your Financial Future

INCOME PROTECTOR, from Royal State Insurance, provides a reasonable replacement of monthly earnings to employees who become disabled for extended periods of time due to a covered sickness or injury.

In addition, you receive the following benefits:

- **Personal Care Assistance** - provides a monthly benefit to you after the end of the maximum benefit period, for a maximum of 60 months. The benefit is applicable if you have a loss of two or more activities of daily living are cognitively impaired, or terminally ill, and cannot perform any occupation. Your monthly benefit is based on the last net monthly benefit, not to exceed \$3,000 per month.
- **Vocational Rehabilitation Plan** - helps you to make a successful reentry into the work force through participation in rehabilitation programs.
- **Social Security Assistance** - details the advice that is available to you regarding filing a claim for Social Security disability benefits or appealing a denial of your Social Security disability benefits.
- **Travel Assistance** - Your plan includes a 24-hour, toll-free travel assistance program that provides a comprehensive range of services. The services, provided by On Call International, include: referral, coordination and travel arrangement assistance designed to respond to most medical care situations and many other emergencies people may encounter when they travel. On Call International also offers pre-trip assistance, including passport/visa requirement information, foreign currency and weather information.

### What is Long-Term Disability Insurance?

Disability insurance is designed to replace a reasonable portion of your income in the event that you are unable to work due to a covered accident or illness. Royal State Insurance's INCOME PROTECTOR provides HGEA State and County government workers up to 50% of your salary with a maximum of \$5,000 per month (reduced by other income benefits).

### Why Do You Need Group Disability Insurance Protection?

A disability or illness can strike at anytime.

- 3 in 10 Americans entering the workforce today will become disabled before they retire.<sup>1</sup>
- 1 in 7 will be disabled for five years or longer.<sup>2</sup>
- The average long-term disability absence lasts 2½ years.<sup>3</sup>
- 350,000 personal bankruptcies every year are blamed on injuries and unexpected illnesses.<sup>4</sup>

With over 90% of disabling accidents and illnesses not work related<sup>5</sup>, these uncontrollable events can make it difficult for you to earn a living and protect your family's financial well-being.

1. *The American Journal of Medicine*, June 4, 2009  
2. *Life and Health Insurance Foundation for Education*, Nov 2005  
3. *Commissioners Disability Table, 1998, Health Insurance Association of America, NY Times*, Feb 2000  
4. "Illness and Injury as Contributors to Bankruptcy," *Health Affairs*, Feb 2, 2005  
5. *Social Security Administration, Office of Disability and Income Security Programs*

# INCOME PROTECTOR Can Help Protect Your Financial Future

## Exclusions and Limitations:

Disabilities will not be covered if due to a pre-existing condition unless you have been insured for 24 consecutive months under INCOME PROTECTOR, war, riot, service in the armed forces, intentionally self-inflicted injury or illness, felony or illegal occupation, cosmetic or reconstructive surgery, operation of a motor vehicle while intoxicated, or an accident caused by being under the influence of drugs or controlled substances. Benefits will not be paid while you are incarcerated and will be paid for a maximum of 24 months in your lifetime for disabilities caused by mental illness, substance abuse, or special conditions\*\*.

For a complete description of the INCOME PROTECTOR offered by Royal State National Insurance Co., Ltd., including all exclusions, limitations, reductions, and termination provisions, please go to [www.royalstate.com](http://www.royalstate.com).

\*\* Special Conditions, including but not limited to Musculoskeletal and connective tissue disorders of the neck, headaches, Chronic Fatigue Syndrome, Fibromyalgia, and TMJ.



Underwritten by: Royal State National Insurance Company, Ltd.,  
819 S. Beretania Street., Honolulu, HI 96813

## Your HGEA Membership and qualifying employment provides you with special group rates!

The cost of group coverage is typically much lower than a comparable individual disability policy. And, you have the benefit of convenient payroll deduction.

With INCOME PROTECTOR you have two options:

**5-Year Plan:** Up to 5 years of coverage up to age 60. After age 60, reducing benefit durations up to at least 12 months from age 69.

| Age When Disability Begins | Maximum Payment Duration |
|----------------------------|--------------------------|
| Less than Age 60           | 5 years                  |
| 60                         | 60 months                |
| 61                         | 48 months                |
| 62                         | 42 months                |
| 63                         | 36 months                |
| 64                         | 30 months                |
| 65                         | 24 months                |
| 66                         | 21 months                |
| 67                         | 18 months                |
| 68                         | 15 months                |
| 69 and older               | 12 months                |

**Retirement Age Plan:** Coverage that runs through Social Security Normal Retirement Age (SSNRA).

| Age When Disability Begins | Maximum Payment Duration                         |
|----------------------------|--|
| Less than Age 60           | To Social Security Normal Retirement Age (SSNRA) |
| 60                         | 60 months or to SSNRA, whichever is greater      |
| 61                         | 48 months or to SSNRA, whichever is greater      |
| 62                         | 42 months or to SSNRA, whichever is greater      |
| 63                         | 36 months or to SSNRA, whichever is greater      |
| 64                         | 30 months or to SSNRA, whichever is greater      |
| 65                         | 24 months  |
| 66                         | 21 months  |
| 67                         | 18 months  |
| 68                         | 15 months  |
| 69 and older               | 12 months  |

## Here is how you calculate what your monthly premium would be:

**FIRST, find your rate based on 1) which plan you prefer and, 2) your age. Rates are based on per \$100 of gross base monthly salary, not to exceed \$10,000.**

For example, if you are 27 years old and choose the Retirement Age Plan, your rate would be .313

### Rates for both plans:

| 5 Year Plan  |               |
|--|---------------|
| Up to 5 years of coverage up to age 60. After age 60, reducing benefit durations up to at least 12 months from age 69. |               |
| If your age is:  | Your rate is: |
| <25  | .081          |
| 25 through 34  | .189          |
| 35 through 44  | .344          |
| 45 through 54  | .652          |
| 55 through 64  | 1.11          |
| 65 or older  | 2.03          |
| Rate increases when your age moves to the next age bracket.  |               |

| Retirement Age Plan   |               |
|---|---------------|
| Coverage is until SSNRA (Social Security Normal Retirement Age) |               |
| If your age is:   | Your rate is: |
| <25   | .112          |
| 25 through 34   | .313          |
| 35 through 44   | .596          |
| 45 through 54   | 1.027         |
| 55 through 64   | 1.129         |
| 65 or older   | 1.697         |
| Rate increases when your age moves to the next age bracket.     |               |

## NEXT, calculate your monthly premium payment based on your covered GROSS Base Monthly Salary (after furlough and any salary reductions).

For example, if your gross base monthly salary is \$2,999...

Round this **monthly salary** to the nearest \$100: \$3,000 (A)  
Divide (A) by 100: \$3,000 / 100 = \$30.00 (B)  
Multiple (B) by the appropriate rate to calculate your monthly premium: \$30.00 x .313 = \$ 9.39

**\$ 9.39 is your monthly premium.\***

\*Benefit payments will be based on the base monthly earnings from the employer in effect just prior to the date disability begins, and for which premium has been paid, excluding commissions, bonuses, overtime pay or other extra compensation.

**Convenient Payroll Deduction!**