

SHORT TERM DISABILITY INSURANCE

SUMMARY BILLING STATEMENT

The Summary Billing Statement that you receive each month from Symetra provides space for reporting and calculating the monthly premium due. The Short Term Disability portion of the statement looks like this:

Short Term Disability	# Employees	Weekly Benefit	Rate	Premium
100	_____	\$____.____.____	X (xx.xx)	\$____.____.____

EMPLOYEES

List the number of employees covered under the Short Term Disability Insurance.

WEEKLY BENEFIT

If the Weekly Benefit is a **flat dollar amount** for each covered employee, total the benefit amounts for all employees and enter the total.

If benefits are based on a percentage of the employee’s salary:

- List each covered employee and their total weekly salary. If you need to convert monthly salary to a weekly figure, divide the monthly amount by 4.333.
- Reduce each weekly salary by any amount that exceeds the maximum covered salary (Excess Salaries).

If the benefit amount in the contract states “60% of basic weekly earnings to a maximum of \$250” the maximum amount any covered employee will receive when disabled is \$250 per week. If you divide \$250 by .6 (% of Salary Payable) you will find that \$416.67 per week is the Maximum Salary. Any amount in excess of \$416.67 should not be included when calculating the premium due.

- Total the adjusted weekly salaries for all employees.
- Since rates are calculated based on “per \$10 of benefit”, you will need to divide the result of the above total by 10. Insert this information under “Weekly Benefit”.

RATE

Symetra will preprint the Rate for your convenience.

PREMIUM

Multiply the Weekly Benefit by the preprinted Rate to arrive at the monthly Premium amount due.

EXAMPLE

Following is an example of how to calculate the Short Term Disability Insurance monthly premium if the Rate is “.63% (.0063) per \$10 of benefit” and the benefit amount is “60% of basic weekly earnings to a maximum benefit of \$250”.

Employee:	Total Weekly Salary	Less	Maximum Salary	Equals	Excess Salary
Smith	\$1,000.00	-	\$416.67	=	\$583.33
Jones	520.00	-	416.67	=	103.33
Allen	680.00	-	416.67	=	263.33
Anderson	320.00	-			
Johnson	200.00				
Black	225.00				
White	185.00	-			
Green	<u>820.00</u>	-	416.67	=	<u>403.33</u>
	\$3,950.00				\$1,353.32

Total Weekly Salaries			\$3,950.00		
Less: Excess Salaries		-	<u>1,353.32</u>		
			2,596.68		
Multiplied by: % of salary payable		x	<u>.60</u>		
			1,558.01		
Divided by:		÷	<u>10</u>		
Weekly Benefit			155.80		
Multiplied by: Rate per \$10 of benefits		x	<u>.63</u>		
Monthly Premium Due Symetra			\$ 98.15		