

**LONG 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 Long Term Disability portion of the statement looks like this:

Long Term Disability	# Employees	Covered Monthly Payroll	Rate (%)	Premium
110	_____	\$____,____.____	X (xx.xx)	\$____,____.____

**# EMPLOYEES**

List the number of employees covered for Long Term Disability.

**COVERED MONTHLY PAYROLL**

To calculate the covered monthly payroll:

- List each covered employee and their total basic monthly earnings.
- Reduce the basic monthly earnings **by any amount exceeding the maximum covered earnings.** If the benefit amount in the contract is **60% of basic monthly earnings to a maximum of \$2,000**, the maximum amount any covered employee will receive when disabled is \$2,000 per month. By dividing \$2,000 by .6 you will find that \$3,333.33 per month is the maximum covered earnings. Any amount in excess of \$3,333.33 should not be included in the calculation of premium due. Total the amount for all employees for the Covered Monthly Payroll.

**RATE**

Symetra will preprint the rate for your convenience.

**PREMIUM**

Multiply the Covered Monthly Payroll by the appropriate Rate to arrive at the Premium due.

**EXAMPLE**

Following is an example of how to calculate the Long Term Disability Insurance monthly premium if the Rate is “.63% (.0063) of monthly covered payroll” and the benefit amount is “60% of basic monthly earnings to a maximum benefit of \$2,000”.

Employee:	Total Basic Monthly Earnings	Less	Maximum Earnings	Equals	Excess Earnings
Smith	\$4,000.00	-	\$3,333.33	=	\$666.67
Jones	2,500.00	-		=	
Allen	3,000.00	-		=	
Anderson	900.00	-		=	
Johnson	1,500.00				
Black	1,200.00				
White	5,200.00	-	3,333.33	=	1,866.67
Green	<u>6,200.00</u>	-	3,333.33	=	<u>2,866.67</u>
	\$24,500.00				\$5,400.01

Total Basic Monthly Earnings		\$24,500.00
Less: Excess Earnings	-	<u>5,400.01</u>
Monthly Covered Payroll		19,099.99
Multiply: by Rate	x	<u>.0063</u>
Monthly Premium Due Symetra		\$120.33

\* The figures used as examples only. Your rate and benefit figures are noted in your contract.