

## HIGH LIMIT DISABILITY Case Summary

### Client

A 50-year-old CEO earning \$900,000 annually with three college-age children, two homes and a goal of retiring by age 60.

### Challenges

The CEO has only \$10,000 of group Long Term Disability insurance paid for by his employer. The maximum benefit covers only 13% of his income and is taxable. This plan has an “Any Occupation” definition of disability, meaning that if the CEO can perform any reasonable job no benefit is paid.

### Assessment

The CEO should use our **3-Layer Protection Plan<sup>SM</sup>** to reach \$45,000 of monthly benefit, 60% of his normal income. The additional Long Term Disability coverage should include “Own Occupation” definitions of disability. His company should provide this to him as a tax-deductible employee benefit.

### Action

Using our **3-Layer Protection Plan<sup>SM</sup>** the CEO attained the \$45,000 monthly benefit benchmark. In addition to his existing taxable employer group coverage, he added \$20,000 with a top-rated domestic carrier, and \$15,000 with the world’s most renown specialty insurer. These new individually owned, tax-free plans contained highly customized “Own Occupation” definitions of disability. Premium payment was structured in the most tax advantaged way for the CEO and his company.

#### **3-Layer Protection Plan<sup>SM</sup>**

- Layer 1:** Employer Group LTD    \$10,000 monthly taxable benefit
- Layer 2:** Mutual of Omaha LTD    \$20,000 monthly tax-free benefit
- Layer 3:** Lloyd’s of London LTD    \$15,000 monthly tax-free benefit

### Outcome

The CEO’s stress level has been reduced because he addressed his largest financial security fear and his company received a significant tax deduction for rewarding its most valuable employee. Ancillary Specialists will continue to assist the company protect its Human Capital.

Call 717-796-1565 or email [info@ancillaryspecialists.com](mailto:info@ancillaryspecialists.com) for more information.