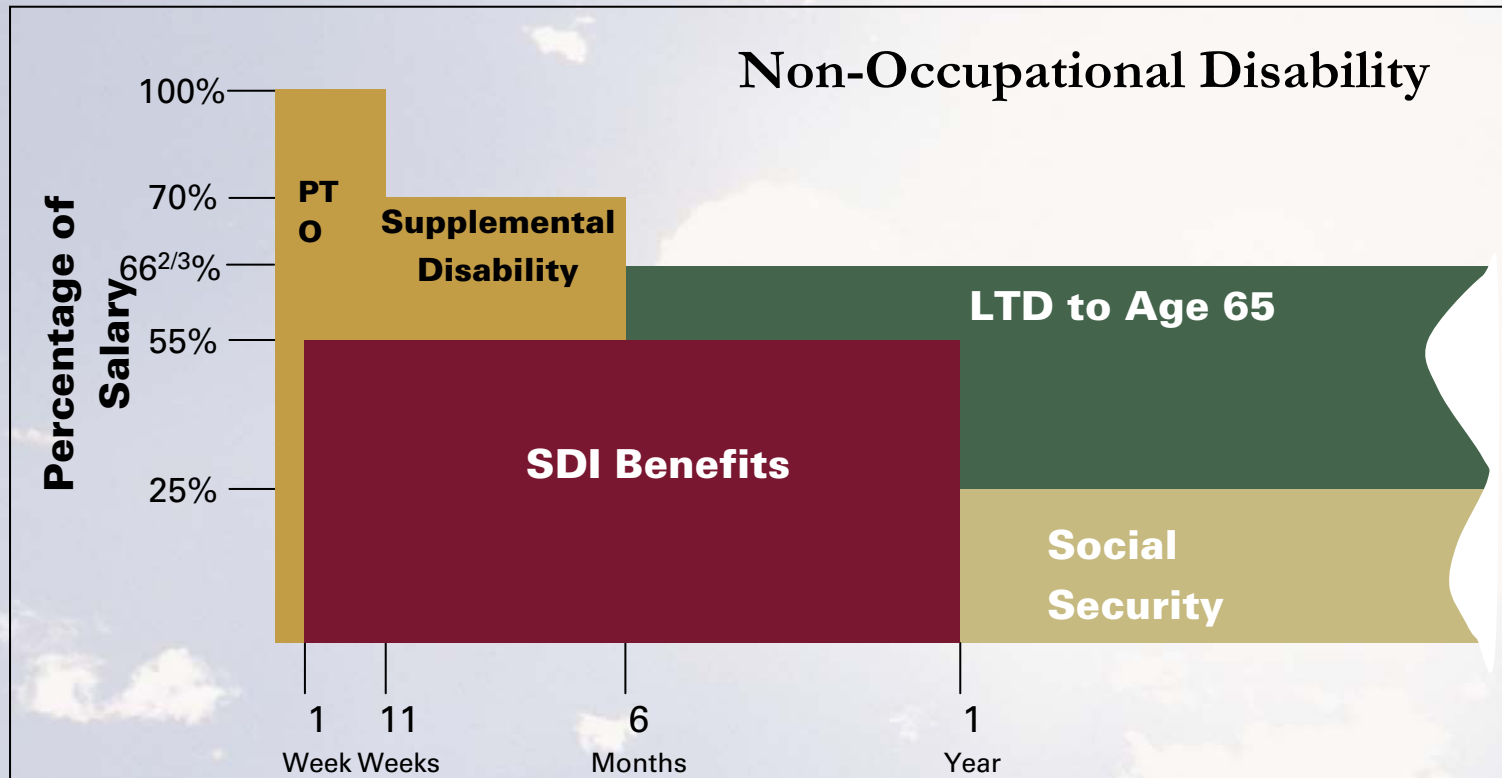


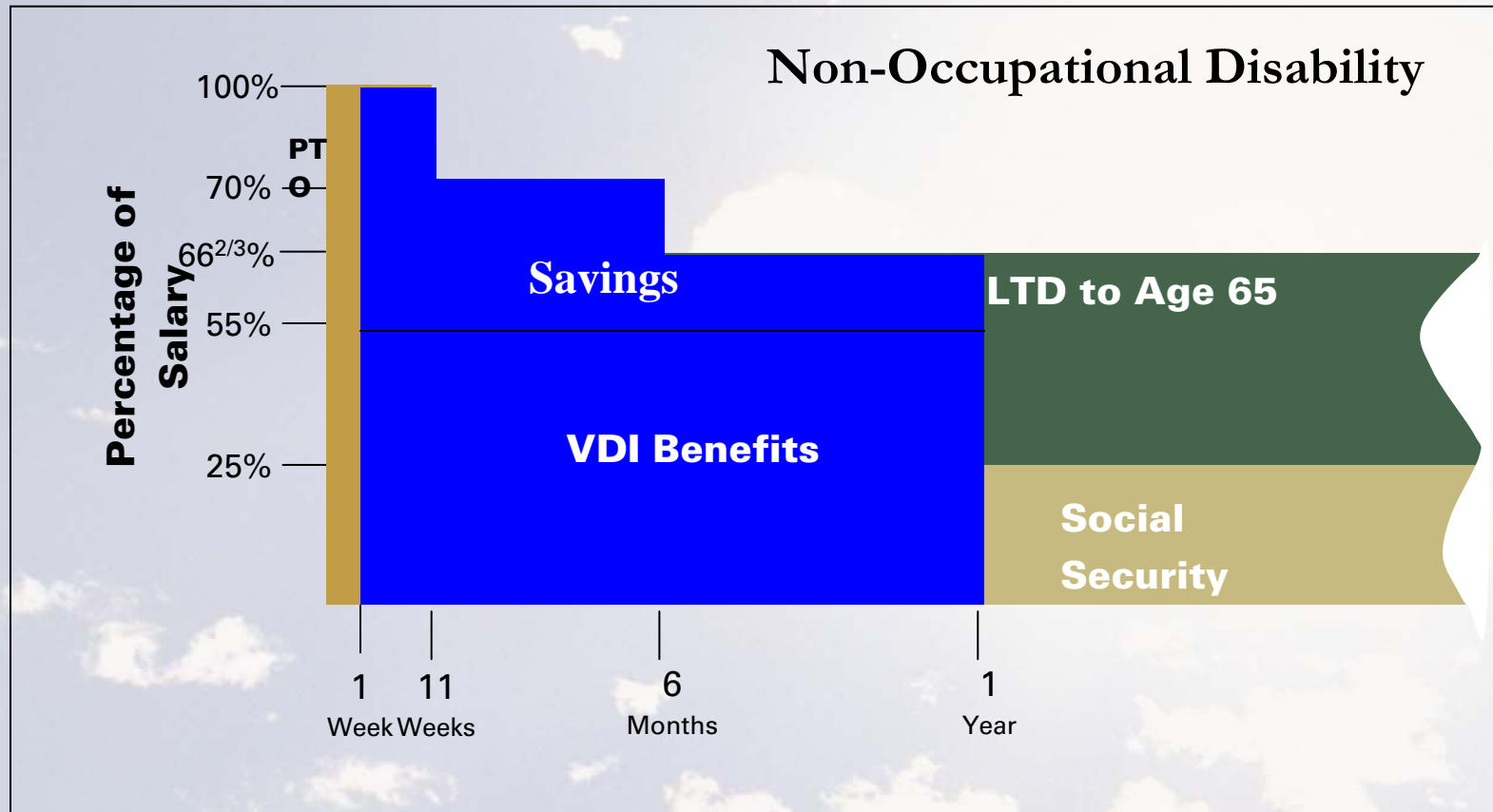
What is a Voluntary Disability Plan (VDI)?

- Alternative to being in the State Disability Insurance Plan (SDI)
- Must provide all SDI benefits and rights PLUS 1 enhanced benefit or right
- VDI Plans are not ERISA plans
- Governed by the State of California Unemployment Insurance Code
- Regulated by the Employment Development Department (EDD)
- Plans established by State Tax ID
- Employees elect to join plan

State Plan View



Voluntary Plan in Place



Advantages of a Voluntary Plan

- ✓ Cost Savings
 - ❖ Replace Supplemental benefits with enhanced VDI Plan Reduce or waive employee contributions
- ✓ Improved Customer Service
 - ❖ Employees have one place to file claims
 - ❖ Faster turnaround on payments and issue resolution
 - ❖ Professional claim management
 - ❖ Coordination with Long Term Disability
- ✓ Plan Design Control
 - ❖ Design plan tailored to your workforce and integrate with other disability insurance

Voluntary Plan Considerations

- Risk
 - Must keep plan for one year
 - Liable for claims incurred during plan year
- Additional administrative duties
 - Conduct open enrollment
 - Minor change in payroll reporting
 - Establish banking and accounting for plan
 - Establish a security deposit held by the State
 - Pay annual assessment to the State

Prospect Characteristics

- Good STD/WC Claim Experience
 - Less than 64 claims per 1000 employees
-
- Other typical advantages
 - Pay supplemental benefits above SDI
 - Return to Work culture
 - Highly paid workforce
 - High turnover, i.e. staffing firms

How to get started

- Send us the following:
 - Census – age, gender, salary
 - Loss experience (incidence, duration, cost)
 - Expected change in employee population

If information is not readily available, please contact us to discuss alternatives.

ICS Voluntary Plan Services

- Feasibility Study
- Plan Design Consulting
- Implementation including enrollment
 - Takeover existing plans
- Claim Management include Appeals
- State Reporting
- Annual Review and Update

California Voluntary Disability Plans

For more information or to set up a meeting to discuss specific opportunities, complete the contact form on our website or call/email:

Southern California:

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Northern California:

**Debby Kweller – (707) 935-1149 or
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