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group financial services ltd

Here to help you

TSSA & SIPTU Clerical Members Income Protection Plan

tssa
Ireland

 **SIPTU**



Plan Summary

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“Perhaps the greatest threat to your livelihood is ill health”



Ivan Ahern



Director,
Cornmarket Group Financial Services Ltd.

Once your sick pay runs out, your income will fall or cease entirely; a situation that many members unfortunately find themselves in. Have you ever considered how you and your family would cope, if you fell ill and lost your income as a result?

The TSSA & SIPTU Clerical Members' Income Protection Plan, administered by Cornmarket, provides members with the financial security they deserve.

The Plan has grown to become an important benefit of union membership, and it is well placed to provide vital protection for members, at an affordable cost, for many years to come. Almost everything in your life depends on your income. Please don't risk your future financial security. If you haven't already joined the Plan, I would urge you to do so now.

Cornmarket's role as Administrators

Cornmarket – working for you

Cornmarket took over the administration of the Plan in February 2013. The Plan helps to guarantee a realistic level of income in the event of loss of salary through illness.

Our role includes:

- 1** Negotiating with the insurers (currently Friends First) to obtain the most competitive rates and to secure the best possible benefits.
- 2** Assisting Plan members who wish to make a claim from the Plan, by guiding them through every stage of the claims process.
- 3** Promoting the Plan to every member of the TSSA and the Clerical Division of SIPTU.

A Claims Service you can trust

Cornmarket has its own dedicated, in-house Income Protection Claims Team. The team members are specialised, well-informed and easy to talk to, and will do all they can to help in a member's time of need. They provide a vital 'hand-holding' function from start to finish of the claims process.

So should you need to make a claim, you can rest assured that it will be dealt with in the efficient, professional and sensitive manner that you deserve.

Through its various Income Protection Plans, Cornmarket has helped protect the financial security of more Public Sector employees than any other company in Ireland. But the real testament to the quality of these Plans is the amount being paid out to beneficiaries, which is now counted in hundreds of millions of Euro. Here's what just two of the people who have benefited from our Income Protection Plans have to say.



Jackie O'Neill,
Plan Beneficiary,
Co. Cork.

"While in work in March 2013, I had a brain aneurism which put me out of work. Only for the Plan I'd have nothing to pay the bills or the mortgage, I honestly believe I would be homeless without it. Making the claim was very straightforward. I was on the phone to a representative from Cornmarket and I really felt they were there to help me, and they did. It was very easy. If you need your wages to pay your bills, you really have to have something there to back it up. No-one knows what tomorrow will bring, so you need some form of protection. I think Income Protection is just invaluable."



Seamus McAteer,
Plan Beneficiary,
Co. Meath.

"After 23 years of never being sick, never missing a day in school, I had a stroke with various complications and I was forced to stop teaching. Because I was in the Plan it meant that what would have become a luxury, wasn't. When the bill came in for Euro Languages Colleges for my daughter or for my son's halls of residence at DCU, I could just write the cheque. We didn't have to worry about it. If I hadn't gotten this, then I'd have had to borrow from the Credit Union or find the money some other way."

Please contact Cornmarket for full details of the Plan.

Why you need the TSSA & SIPTU Clerical Members' Income Protection Plan

Although many members feel that they will never need the protection the Plan provides, sadly our experience has been that even the healthiest person can suffer unexpected illness or have a serious accident. This is why membership of the Plan is so vital for every member.

What happens to your income if you fall ill?

Typically if you fall ill for more than 12 months in any period of 4 years or less, you are taken off the payroll. What's more, if within this period you are ill for more than 26 weeks in any one year, your pay is cut by half. Alternatively, if you are forced to retire on the grounds of ill health you may be entitled to an Early Retirement Pension at this point.

Even if you have many years of service, your Ill Health Early Retirement Pension will be only a fraction of your salary (see graph overleaf). In addition, those paying PRSI at the 'A' rate, may be entitled to a State Illness Benefit, but at just €9,776 per annum (2015 level), the State Illness Benefit provides a subsistence income. The reality is that long-term illness inevitably means a severe drop in living standards. The need for some kind of additional income is vital.

How the Plan works

It may be the case that you have not been taken off the payroll but that your pay has been reduced to half pay because you have been out sick for more than 26 weeks in any one year. In this instance, the Plan will pay you a benefit of 25% of salary topping up your sick pay up to 75%*. Once you have been ill for a full 52 weeks in any 4 year period, the Plan aims to pay you a benefit of up to 75%* of your salary less any Early Retirement Pension and/or State Illness Benefit to which you may be entitled. The Plan goes on paying you until you recover, are deemed fit to return to work by Friends First, die, or right up to your 65th birthday if you are permanently disabled.

*Subject to a limitation of benefit (please see page 8, Q9).

Important: You must remain a member of the TSSA or employed by one of the eligible employers of SIPTU to remain an eligible member of the Plan. If you leave either Union you must inform Cornmarket in writing, as you can no longer stay in the Plan, and you will not be able to claim from it.

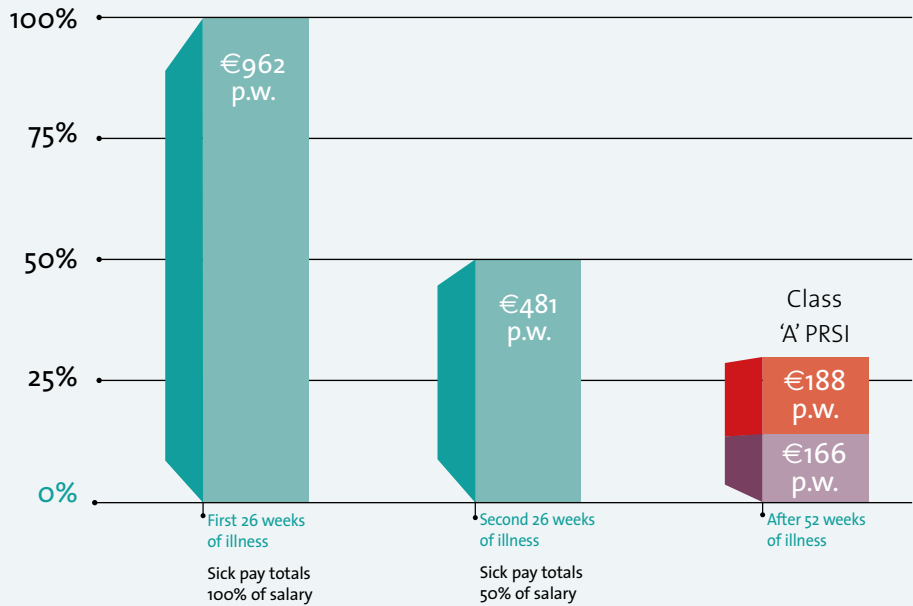
Example of how the Plan works

The examples below are based on a permanent, full-time employee who is a member of the Superannuation Scheme, with 20 years' service earning €50,000 p.a. (€962 p.w.) paying PRSI at the 'A' rate, who is now unable to work due to a long-term illness or disability.*

An example of what happens when sick pay runs out

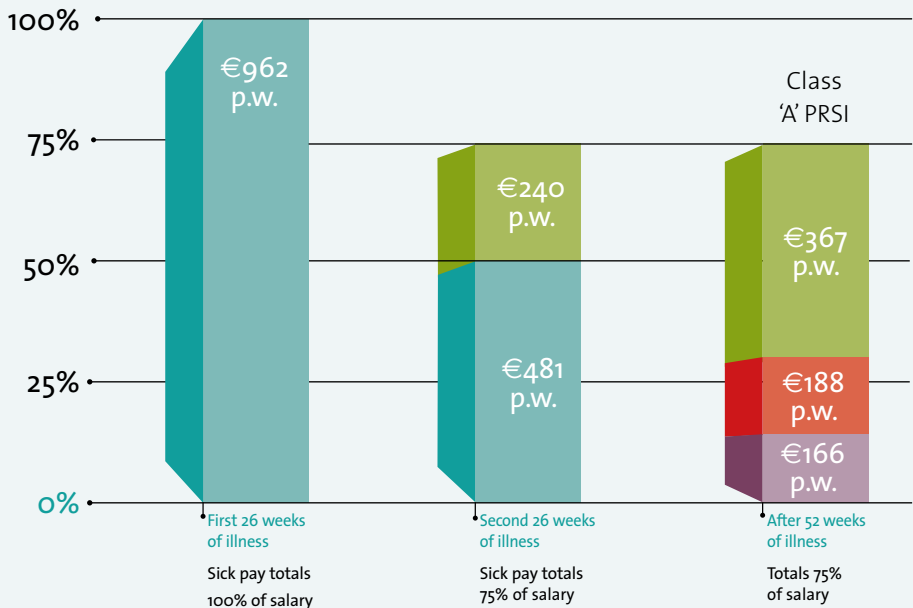
- Sick pay
- Early Retirement Pension
- State Illness Benefit

The Superannuation Scheme pension is integrated to take account of the value of the Contributory State Pension in calculating the pension payable. In the event of illness they may typically claim State Illness Benefit.



An example of how the Plan helps

- Sick pay
- Plan Benefits
- Early Retirement Pension
- State Illness Benefit



*In the event of ill health early retirement added years may be granted at the discretion of the employer. In this example it has been assumed that added years of 6.67 years have been granted.

Affordable for every member

How much does the Plan cost?

As membership is so vital, the Plan is designed to be affordable for every member. It is remarkably good value because it's negotiated on a special 'group basis' for members of the TSSA and Clerical Division of SIPTU. The contribution rate is currently set at 1.50% of gross salary and, for most members, is conveniently deducted from your salary by your employer. Please bear in mind that it is your responsibility to ensure that the correct deductions have, in fact, been made by your employer and that deductions are cancelled where appropriate.

A helping hand from Revenue

You are eligible for tax relief at your highest rate of tax on your contribution. This means for most members the cost of membership is between €8 and €10* a week after tax.

*Based on a member on a salary between €35,000 (paying income tax @20%) and €55,000 (paying income tax @40%).

EXAMPLE:

| Income | Weekly contribution | 'Real' weekly contribution after tax relief |
|---------|---------------------|---|
| €35,000 | €10.06 | €8.05* |
| €45,000 | €12.94 | €7.76** |
| €55,000 | €15.81 | €9.49** |

*Real contribution rate of 1.20%, paying income tax @ 20%.

**Real contribution rate of 0.90%, paying income tax @ 40%.

Please note:

This rate is guaranteed until the next Plan review on 1st September 2015.

How to join the Plan

Who is eligible to join?

You may apply to join the Plan if you are:

- 1 Under age 65, **and**
- 2 A member of either the TSSA or clerical and administrative members of SIPTU who work for Bus Eireann, Bus Átha Cliath, CIE or Irish Rail **and**
- 3 Actively at work* **and**
- 4 Working 8 hours or more per week **and either**
 - Employed on a permanent full-time basis **or**
 - Commenced a contract of definite duration (if you are in a temporary position your contract must be of at least 12 months' duration).

*Actively at work means that you:

- Are working your normal contracted number of hours
- Have not received medical advice to refrain from work
- Are not restricted from fully performing the normal duties associated with your occupation.

Please note: Members on paid or unpaid maternity leave are eligible to join the Plan.

Job/Work Sharers

Eligible job sharing/work sharing members of either the TSSA or the Clerical Division of SIPTU who satisfy the eligibility conditions listed opposite may also apply to join the Plan. The level of contribution and benefits which apply for them may differ from those relevant for permanent full-time members.

Please note: You must remain a member of the TSSA or the Clerical Division of SIPTU to remain an eligible member of the Plan. If you leave either Union you must inform Cornmarket in writing as you can no longer stay in the Plan, and you will not be able to claim from it.

HOW TO JOIN



The TSSA & SIPTU Clerical Members' Income Protection Plan helps members maintain the standard of living they deserve. If you haven't already joined the Plan, don't put it on the long finger.

Apply to join now, simply call us on (01) 470 8054

Cover begins as soon as Friends First accepts you as a member of the Plan.



Frequently Asked Questions

1 When does my membership begin?

Your cover begins from the date Friends First accepts your application to the Plan. Members receive a formal acceptance letter confirming they have been included as members of the TSSA & SIPTU Clerical Members' Income Protection Plan. In some cases medical evidence may be required before membership of the Plan can be confirmed. This may involve providing further details over the telephone or attending a medical examination at Friends First's expense.

2 What is the 'deferred period'?

The deferred period is the waiting period before the Plan benefit becomes payable. For the purpose of this Plan, the deferred period is after 26 weeks disability in a 12 month period, or 52 weeks in a rolling 4 year period.

3 When does my membership end?

Membership of the Plan ends:

- On your 65th birthday (assuming you have not retired) **or**
- If you no longer fulfil the eligibility requirements as set out, or if you leave either the TSSA or SIPTU or cease to be employed by one of the eligible employers **or**
- If your contributions to the Plan cease (please bear in mind that the responsibility to ensure that the correct contributions to the Plan are paid rests with you) **or**
- On your retirement (other than on the grounds of ill-health) **or**
- Death.

4 When does benefit payment under the Plan begin?

Once Friends First has accepted your claim, and you have completed the relevant deferred period, benefit payment under the Plan will commence.

Please remember that it can take a number of weeks to process your claim. As soon as you become aware that, due to illness or injury, your salary is likely to reduce to half pay or cease altogether, please let us know. Ideally, we should be informed about **10-12 weeks** in advance to enable the Insurance Company to assess your claim and gather the relevant medical and employer information. As we understand that this may not always be possible, the Insurance Company may not be able to pay your benefit at the time that your salary reduces or ceases. In such cases the benefit will be backdated to the date when your salary reduced to half pay or stopped altogether, where the claim is subsequently admitted.

5 For how long will I be paid benefit under the Plan?

The Plan will continue to pay benefit as long as your illness or injury prevents you from doing your normal job and you are not following any other occupation. Disability Benefit payments will stop when either:

- You recover, i.e. when it has been determined by Friends First, based on medical evidence, that you are no longer prevented from doing your normal job because of illness or injury **or**
 - You return to work **or**
 - You die **or**
 - You reach your 65th birthday,
- whichever is the earliest.

In certain cases benefits may be paid where the member returns to work but at a reduced level of earnings due to partial disability.

6 How disabled do I have to be to qualify for benefit under the Plan?

To qualify for benefit under the Plan, Friends First must be satisfied that you are totally unable to carry out the duties of your normal occupation because of illness or injury, and that you are not engaged in any other occupation for profit, reward or remuneration.

The Policy Definition of a Period of Disability

A period throughout which a member is unable, by reason of illness or incapacity, to perform the material and substantial duties of his/her normal occupation and not following any other occupation for profit, reward or remuneration of any kind whatsoever, whether sedentary or otherwise and whether or not entirely different from his/her normal occupation.

7 What if I take parental or special leave?

If a member takes parental or special leave, which is not greater than 18 weeks, the premiums due in respect of that member will be waived but entitlement to benefit will be maintained. Premiums will then recommence when the member returns to employment.

8 Are there general exclusions under the Plan?

The Plan does not insure against disability arising from:

- Any form of war whether declared or not
- Participation in a riot, insurrection or civil commotion
- The taking of alcohol or drugs (otherwise than under the direction of a registered medical practitioner)
- A wilfully self-inflicted injury or the deliberate neglect of health by failure to seek or follow medical advice.

Please bear in mind that in some cases individual members may be accepted into the Plan subject to exclusions in respect of specific conditions.

9 Is there a limitation of Benefit?

At the end of the Deferred Period the amount of the Disability Benefit in respect of any member under this Policy will be limited as follows:

(A) 75% of the member's Earned Income, less:

- (i) The annual rate of any continuing salary, commission, pension or other income *and*
- (ii) The current State Illness Benefit which will be taken as zero in the case of a member who would not qualify for State Illness Benefit payments in Ireland or equivalent benefit in other member states of the European Union *and*
- (iii) Any other insurances against accident, illness or injury *and*
- (iv) The weekly equivalent amount of any compensation for loss of earnings either by virtue of a Court Award or by way of settlement in respect of a claim for loss of earnings due to the member's disablement. Such weekly equivalent amount shall be calculated by the Actuary of Friends First.

OR

(B) €250,000 per annum.

Friends First may repeat this calculation during payment of a claim. If so, the Member's Earned Income will be adjusted to reflect changes since the beginning of the Deferred Period in the Consumer Price Index or its equivalent by reference to the then most recently published figures.

No premiums will be returnable if, as a result of the operation of this condition, the Disability Benefit is less than the benefit.

10 What if I have unearned income?

In general, investment and rental income will not be taken into account when making a claim under the Plan. Benefit from any accident or sickness policy will however be taken into account, except once-off lump sum benefits paid under a Critical/Serious Illness Policy.

Please contact Cornmarket for full details of the Plan.



Claiming from the Plan – a step-by-step guide

Cornmarket's role is to help guide members through the claims process. We have considerable experience in this area and, on behalf of claimants, work closely with the relevant insurance companies to ensure that all legitimate claims are promptly paid. We are here to talk you through the process and to explain any additional documentation that you may be required to provide.

1 Contact Cornmarket

Cornmarket is not automatically notified of your absence from work through illness. This means as soon as you become aware that, due to illness or injury, your salary is likely to reduce to half pay or cease altogether, please let us know. Ideally, we should be informed about **10-12 weeks** in advance to enable Friends First to assess your claim and gather the relevant medical and employer information. As we understand that this may not always be possible, Friends First may not be able to pay your benefit at the time your salary reduces or ceases. In such cases the benefit will be backdated where the claim is subsequently admitted. You can contact us by:

- Calling the Claims Team on (01) 408 4018.
- Writing to us at:
SPS Claims Department,
Cornmarket Group Financial Services Ltd.,
Christchurch Square, Dublin 8.

OR

- Emailing: spsclaims@cornmarket.ie

2 Your Claims Pack

Once you have informed us that you wish to make a claim, you will be issued with a claims pack containing all of the information that is required to enable Friends First to assess your claim.

3 Processing your claim

Upon receipt of your completed claim form, Friends First will begin assessing your claim.

4 Tele-claims interview

In some cases the insurer may arrange for a trained nurse to contact you to request a more detailed account of your medical condition. This enables the insurer to obtain more detailed and specific medical information.

5 Medical examination

Medical evidence will be assessed by Friends First. In most cases the insurer will request that you attend an independent medical examination to confirm you are indeed unable to carry out your normal job because of your disability.

6 Additional medical evidence

In some cases Friends First may require additional medical evidence from doctors and/or specialists who have attended you. You may possibly be requested to attend a further medical examination (at Friends First's expense).

7 Decision on your claim

Once all the medical evidence and documentation have been received, the insurer will make a decision on your claim.

8 Your benefit

Once a claim is being paid, payment of the benefit is made by Friends First every four weeks in arrears. Benefit payments are subject to income tax.

Your benefit will continue to be paid for as long as you remain unfit to carry out your normal job because of illness or injury. Benefit payments will stop when:

- You recover, i.e. when Friends First decides, based on medical evidence, that you are no longer prevented from doing your normal job because of illness or injury **or**
- You return to work **or**
- You die **or**
- You reach your 65th birthday.

whichever is the earliest.

In certain cases, benefit may be paid where you return to work at a reduced level of earnings due to partial disability. From time to time, Friends First may require medical evidence confirming that you remain unfit to work.

Late Notification of Claims: It is not often possible to retrospectively assess the validity of a claim in cases where a significant period of time (approximately 3 months) has elapsed since your salary reduced or ceased. For this reason, it is vital that you register your claim promptly in line with the guidelines given (**10-12 weeks** before your salary reduces to half pay or ceases altogether). In the case of late notification of a claim, cases will be assessed on individual merit and the insurer reserves the right to decline to assess the claim.



TSSA & SIPTU Clerical Members' Income Protection Plan

This guide provides an outline only of the main benefits of the TSSA & SIPTU Clerical Members' Income Protection Plan as of May 2015, and is issued subject to the provisions of the policy, and does not create or confer any legal rights.

The TSSA & SIPTU Clerical Members' Income Protection Plan is governed by the master Policy Document No. 710879 issued by Friends First. Members of the Plan may request a copy of the policy document from the Head Office of the TSSA or SIPTU or the Dublin office of Cornmarket Group Financial Services Ltd.

Cornmarket is committed to providing a high level of service and has a complaint handling procedure in place. Should you feel that you have not received a satisfactory level of service, please write in the first instance to Jane Horan, Assistant Manager, Compliance Department, Cornmarket Group Financial Services Ltd, Christchurch Square, Dublin 8.

If you are dissatisfied with the outcome of your complaint through Cornmarket, you may also submit your complaint to the Financial Services Ombudsman's Bureau, 3rd Floor, Lincoln House, Lincoln Place, Dublin 2, or logon to www.financialombudsman.ie.

10148 TSSA & SIPTU IPP Summary WEB 05/15

