

Salary Protection Scheme

Review 2018



Member update

The ASTI Salary Protection Scheme is exclusively available to members of the Association of Secondary Teachers in Ireland. The Scheme is typically reviewed every three to five years, to ensure that members continue to receive the best deal available.

This year Cornmarket and the ASTI carried out a comprehensive review involving all insurers in the Group Protection market in Ireland. Following this, the ASTI agreed to appoint New Ireland Assurance as the new underwriter of the Scheme, as they provided the most competitive rate and benefits for members.

The 2018 review of the Scheme brings great news for members including:

- ✓ a **9% reduction** in the overall cost of membership
- ✓ reduced cost for the next **6 years**
- ✓ **new** Carer's Leave Benefit
- ✓ **new** early payment of Disability Benefit
- ✓ **increased** Children's Death Benefit

Read on to find out more. All of the changes outlined in this booklet are effective from 1st June 2018 and are intended to apply until the next review of the Scheme which is scheduled for on or after 1st June 2024.



The Scheme in action*

The true value of the Scheme can be seen in the **vital benefits** that it pays out to members and their families.

7,057

Members currently
in the Scheme†

95%

of Disability Benefit claims
have been paid since the
2014 review

€3.4 million

Paid by Irish Life in
Disability Benefit since
the 2014 review

€2.46 million

Currently paid in Disability
Benefit annually

€2.3 million

Paid in Death Benefit
since the 2014 review

€898,500

Paid in Specified
Illness Benefit since
the 2014 review

*Source: Claims: Irish Life & Zurich Life, December 2017.

†Membership: Cornmarket, March 2018.

A reminder of your benefits

- ✓ **Disability Benefit** – a benefit of up to 75% of salary less any other income that you may be entitled to (e.g. half pay, Ill Health Early Retirement Pension, Temporary Rehabilitation Remuneration, State Illness Benefit or State Invalidity Pension).
- ✓ **Specified Illness Benefit** – a once-off lump sum of 25% of salary paid in the event that you suffer one of the 36 Specified Illnesses covered. There is only one Specified Illnesses Benefit claim per member per scheme.
- ✓ **Partial Payment Specified Illness Benefit** – a once-off lump sum of €10,000 or 25% of salary (whichever is less) if you suffer one of the 10 less severe, but still life altering, conditions covered under this benefit. There is only one Partial Payment Specified Illnesses Benefit claim per member per scheme.
- ✓ **Death Benefit** – of typically twice your annual salary
 - Terminal Illness Benefit – 100% of the Death Benefit
 - Accidental Death Benefit – €15,000
 - Children's Death Benefit – €5,000.

This is a short summary of the key benefits available in the Scheme. For the full terms and conditions of each benefit, including details of the Specified Illnesses that are covered, please see the Scheme summary booklet at cornmarket.ie/asti or contact Cornmarket on **(01) 408 6280**.

Enhancements to the Scheme

✓ **NEW – Early Payment of Disability Benefit**

To make life easier for members, New Ireland will commence the early payment of Disability Benefit from the date the member's salary reduces to half pay or ceases altogether. This is provided that the insurer receives a claim form and a medical certificate confirming the nature of the member's illness a minimum of **6 weeks** before the members pay reduces or ceases. Payment of this benefit is subject to your employer providing, and New Ireland being satisfied with, the necessary administrative information required for payment.

The early payment will be made for a maximum of 3 months while New Ireland is gathering the necessary medical evidence to make a final decision on your claim. If your claim is not agreed for payment when the final decision is made, you will not have to repay the early benefit payment.

✓ **NEW – Carer's Leave Benefit**

Members will receive a €5,000 tax free benefit if they take unpaid Carer's Leave, which is granted by the Department of Social Protection and their employer for 26 or more consecutive weeks.

Payment of this benefit will be made after the 26 consecutive week period and is only payable once per member.

✓ **Increased – Children's Death Benefit**

The Children's Death Benefit has increased from €4,000 to €5,000 at this review. This will be paid to the member in the event that their child between the ages of 0 and 21 dies.

Reduction in Cost of membership

Great news for members is that the cost of Scheme membership will **reduce by 9%** at this review. This is in addition to enhanced benefits! See page 7 for more information.

The gross rate of Scheme membership will reduce from 1.80% to 1.64% with effect from 1st June 2018, and will remain in place for the next 6 years. The breakdown of the new rate is as follows:

Benefit	Current Rate	New Rate
Disability Benefit	1.40%	1.23%
Death Benefit	0.24%	0.25%
Specified Illness Benefit	0.11%	0.11%
Medical Immunity Benefit*	0.05%	0.05%
Total Gross Rate	1.80%	1.64%
Total Net Rate**	1.24%	1.15%

*Entitles members to join the Cornmarket Retired Members' Life Cover Plan at retirement without medical underwriting (underwritten by Irish Life).

**Assuming you are paying income tax at 40%. If you are paying income tax at 20% the net premium is 1.39%. Includes 1% Government Levy.

Tax Relief

You can claim **tax relief** on the Disability Benefit element of your Scheme premiums. On your payslip the gross amount appears, however the net cost to you will be significantly less.

Here are some examples of the new weekly cost, after tax relief is applied:

Income	Weekly Gross Cost	Weekly Net Cost
€35,000	€11.00	€7.70*
€45,000	€14.14	€9.90**
€55,000	€17.29	€12.10**

If you are paying by Salary Deduction tax relief will be applied automatically.

If you pay by Direct Debit you can claim tax relief by submitting details to your Tax Office.

*If you are paying income tax at 20% your net premium rate will be 1.39%

**If you are paying income tax at 40% your net premium rate will be 1.15%.



We're here to help you

You're in good hands. Cornmarket's Claims Team is dedicated to representing you in all interactions with the insurance company, New Ireland.

Our team is specialised, experienced and easy to talk to. We do all we can to help in a member's time of need. We provide a vital 'hand holding' function from start to finish of the claims process.

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

To talk to us today,
call us on **(01) 408 4018**
or email
spsclaims@cornmarket.ie



IMPORTANT INFORMATION

MAKING A CLAIM

- You must be a member of the Association of Secondary Teachers in Ireland to be an eligible member of the Scheme. If you leave ASTI you must inform Cornmarket in writing, as you can no longer stay in the Scheme and you will not be able to claim from it.
- Claims can take around **3 months** to process from the date that the claim form is received, until the decision is made. It takes time to gather the necessary medical evidence and information from employers, to assess the amount of benefit due. This can include details of salary, sick leave, half and off pay dates, Temporary Rehabilitation Remuneration and Ill Health Early Retirement Pension. Therefore, it is vital that you contact us as soon as you become aware that you may need to make a claim.

CHANGE TO JOB SHARING OPTION

- If you decide to go job sharing on or after 1st June 2018, you will not be able to maintain your Scheme cover based on your full time salary. This change has been made to avoid the risk of overcharging members who return to full-time work after a period of job sharing, as Cornmarket is not advised automatically of changes in your working hours.

This document is designed as a quick reference only to the benefits of the Scheme and the main changes arising from the 2018 Scheme review. Terms and conditions apply. Benefits and claims are subject to underwriting and acceptance by New Ireland. The master policy document (No. V000088E) is definitive in all matters of interpretation and entitlements to benefits. Members of the Scheme may request a copy of the policy document from Cornmarket Group Financial Services Ltd. The information herein is based upon our current understanding of Revenue law and practice as at May 2018.

We're here to help you

To speak to a member of our team about a query or a claim:

Phone: **(01) 408 6280**

Queries: **spsadmin@cornmarket.ie**

Claims: **spsclaims@cornmarket.ie**

Christchurch Square, Dublin 8 Tel: (01) 408 6280 Web: cornmarket.ie

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