



cornmarket
group financial services ltd

Here to help you

The Údarás na Gaeltachta Income Continuance Plan



Plan Summary

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Vital protection for Údarás na Gaeltachta employees



Ivan Ahern

If you fall ill, your sick pay provides you with an income for a limited period only. With the new Public Sector sick leave arrangements, this period is now even shorter than before. Once your sick pay runs out, your income will fall dramatically 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 Údarás na Gaeltachta Income Continuance Plan, administered by Cornmarket, provides members with the financial security they deserve.

The 2014 Plan review brought good news that the Plan has made provision for the new Public Sector sick leave arrangements. This is an extremely important benefit for Plan members, and a great deal of work was done to ensure that this great benefit was secured. The Plan has grown to become an important employee benefit, 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.

Thankfully, the Plan has made provision for these changes and will pay out Plan benefits earlier than before, in line with members' needs. The Plan provides essential protection for all Údarás na Gaeltachta employees and membership has never been more vital.



Director,
Cornmarket Group Financial Services Ltd.

Cornmarket's role as Administrators

Cornmarket – working for you

Cornmarket has been administering the Income Continuance Plan for employees of Údarás na Gaeltachta since 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 Zurich Life) to obtain the most competitive rates and to secure the best possible benefits.
- 2 Assisting Údarás na Gaeltachta employees who wish to make a claim from the Plan, by guiding them through every stage of the claims process and acting as the members' advocate.
- 3 Promoting the Plan to Údarás na Gaeltachta employees.

A Claims Service you can trust

Cornmarket has its own dedicated, in-house Income Continuance 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.

The Plan in action

Through its various Income Continuance 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 the hundreds of millions of Euro. Here's what just two of the people who have benefited from our Income Continuance Plans have to say.



Margaret Carolan,
Plan Beneficiary,
Co. Wicklow.

"It's bad enough having to give up your work through illness. Just think what your life would be like if there was no salary coming through that door. If I hadn't got the money coming into me every month, I wouldn't be able to pay the mortgage, I wouldn't have the car that I need, I wouldn't be able to finance my kids doing what they're doing at the moment, I wouldn't have any holidays. I wouldn't have any hope for the future."



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 Income Continuance Plan for Údarás na Gaeltachta employees

Although many members feel that they will never need the protection that the Plan provides, sadly our experience has been that even the healthiest person can suffer unexpected illness or have a serious accident. What is more, the changes to Public Sector sick leave arrangements which came into effect on 31st March 2014 mean a dramatic drop in your paid sick leave. Since the changes have been implemented, Údarás na Gaeltachta employees without Income Continuance face greater financial uncertainty should they fall ill as they will be taken off the payroll sooner than before.

What happens to your income if you fall ill under the new sick leave arrangements?

Standard Sick Leave

Under Public Sector sick leave arrangements (introduced in 2014), typically you have access to paid sick leave of 13 weeks (92 days) at full pay in one year, followed by 13 weeks (91 days) at half pay. This is subject to a maximum of 26 weeks (183 days) in a rolling 4 year period. If you exceed 183 days paid sick leave you may receive Temporary Rehabilitation Remuneration for a further 18 months (548 days), subject to the terms of the Public Sector sick leave arrangements.

Extended Sick Leave for Critical Illness*

Under the Public Sector sick leave arrangements, there is a Critical Illness Protocol whereby employees may be granted extended paid sick leave of 26 weeks (183 days) at full pay in one year, followed by 26 weeks (182 days) at half pay, subject to a maximum of 52 weeks (365 days) in a rolling 4 year period.

If you exceed 365 days paid sick leave, you may receive Temporary Rehabilitation Remuneration for a further 12 months (365 days). Temporary Rehabilitation Remuneration may be extended for a further period up to a maximum of 2 years (730 days).

Temporary Rehabilitation Remuneration

Temporary Rehabilitation Remuneration is based on your accrued pension benefits that would have applied had you actually retired on ill health grounds. It may be granted where there is a realistic prospect of an individual returning to work. However, any added years arising from purchase of service arrangements are not taken into account, as no retirement has actually taken place.

Ill Health Early Retirement Pension

Alternatively, if you retire on the grounds of ill health you may be entitled to an Early Retirement Pension. Even if you have many years of service, your Ill Health Early Retirement Pension will only be a fraction of your salary. In addition, those paying PRSI at the 'A' rate may be entitled to a State Illness Benefit, but at just €9,776 per annum (2014 level), the State Illness Benefit provides a small income only.

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 – Disability Benefit

Once your salary has reduced to half pay or Temporary Rehabilitation Remuneration is being paid, the Plan aims to pay you an income of up to 75% of your salary less any other income (e.g. half pay, Temporary Rehabilitation Remuneration, Early Retirement Pension, State Illness Benefit) to which you may be entitled.

The Plan goes on paying you until you recover, go back to work, are deemed fit to return to work by Zurich Life, die, or right up until you reach age 65, if you are permanently disabled.

If a member making a claim decides not to apply for Early Retirement Pension (perhaps because he/she intends to return to work) and Zurich Life agrees that there is a reasonable expectation of returning to work, then Zurich Life may pay a benefit of 75% of salary less any State Illness Benefit/Temporary Rehabilitation Remuneration for a maximum of 2 years. This means no deduction will be made from the benefit paid under the Plan for an amount equivalent to Early Retirement Pension, as no Early Retirement Pension is being claimed. If a member retires subsequently and an Early Retirement Pension is paid, the additional amount that was paid under the Plan since the effective date of early retirement must naturally be repaid to the insurer.

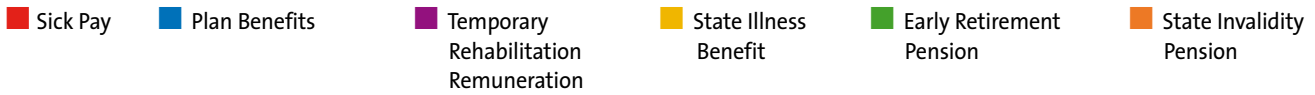
*There are certain criteria used to determine whether an illness qualifies for extended paid sick leave.

Important: You must remain a Údarás na Gaeltachta employee to remain an eligible member of the Plan. If you leave Údarás na Gaeltachta 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.

Membership of the Plan is more vital than ever.

Example of how the Plan works

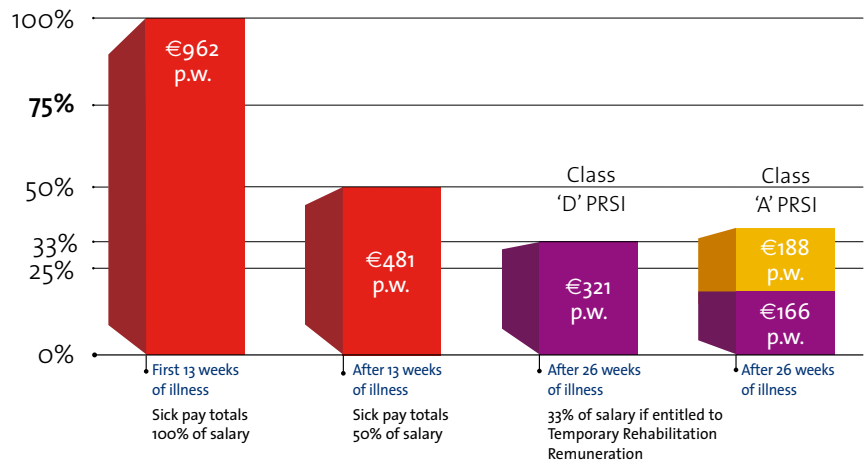
The example below is based on a Public Sector employee, who is a member of the Superannuation Scheme with 20 years' service earning €50,000 per annum, who is now unable to work due to illness or disability. It is assumed that standard Public Sector sick leave arrangements apply (i.e. 13 weeks full pay in one year, followed by 13 weeks half pay), extended paid sick leave under the Critical Illness Protocol does not apply and Ill Health Early Retirement Pension is granted after 2 years.



An example of what happens when sick pay runs out

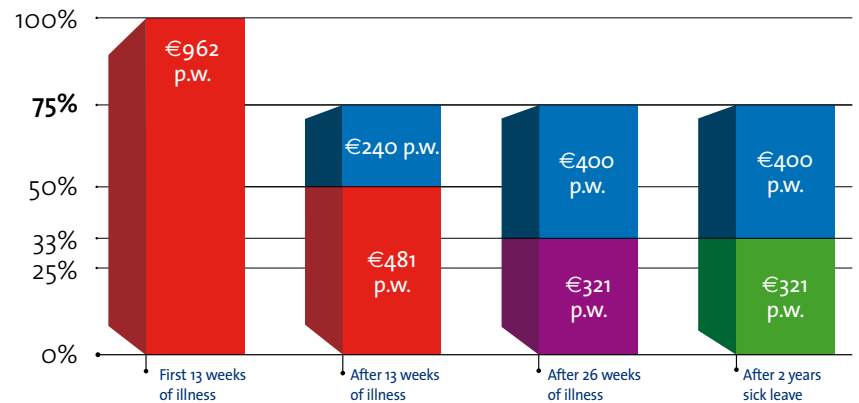
Staff recruited to the Public Service on or after 6th April 1995 pay class A PRSI. Their Superannuation Scheme pension is integrated to take account of the value of the Contributory State Pension in calculating the pension payable.

In the event of illness, they may typically claim State Illness Benefit.

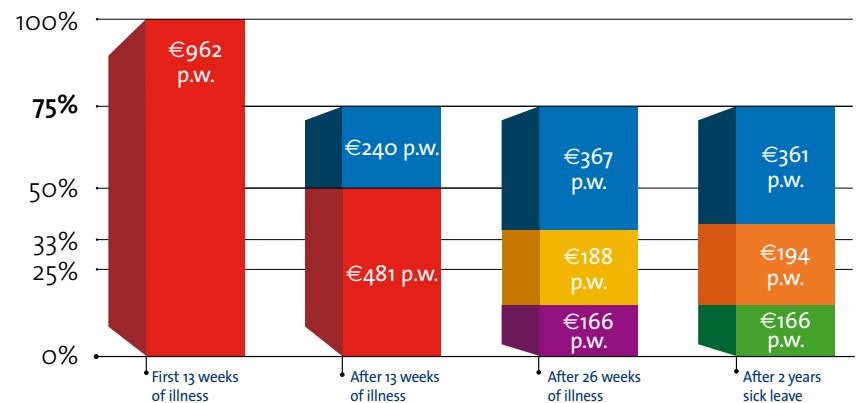


Examples of how the Plan works

D Rate PRSI Example



A Rate PRSI Example



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 Údarás na Gaeltachta employees. The contribution rate is currently set at 0.85% of gross salary and, 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.

PLAN COST:

INCOME	WEEKLY CONTRIBUTION	'REAL' WEEKLY CONTRIBUTION AFTER TAX RELIEF*
€45,000	€7.33	€4.40*
€55,000	€8.96	€5.38*
€65,000	€10.59	€6.35*

* Based on a member earning between €45,000 and €65,000 paying income tax @ 40% as of 01/01/2015.

A helping hand from the Revenue

As the total contribution rate is eligible for tax relief, the actual cost of membership for the typical member paying 40% tax rate will be just 0.51% of salary. As premiums are deducted from your salary by your employer, tax relief will automatically be deducted at source from salary so members will only pay the after tax amount. This means for most members the cost of membership is between €4 and €7 a week after tax.

Please note: this rate is guaranteed until the next Plan review on 1st October 2019.

How to join the Plan

Who is eligible to join?

You may apply to join the Plan if you are an employee of Údarás na Gaeltachta who is:

- 1 Under age 65, **and**
- 2 Actively at work* **and**
- 3 Employed on a permanent basis
or
On a fixed-term contract (in this case your contract must be of at least 12 months' duration).

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

***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.

Job/Work sharers

Job sharing/work sharing employees of Údarás na Gaeltachta 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 employees.

Please note: You must remain an employee of Údarás na Gaeltachta to remain an eligible member of the Plan. If you leave Údarás na Gaeltachta, 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 Údarás na Gaeltachta Income Continuance Plan helps employees 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 Zurich Life accepts you as a member of the Plan.



Frequently Asked Questions

1 When does my membership begin?

Your cover begins from the date Zurich Life accepts your application to the Plan. Employees receive a formal acceptance letter confirming they have been included in the Údarás na Gaeltachta Income Continuance 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 Zurich Life's expense.

2 When does my membership end?

Membership of the Plan ends:

- On your 65th birthday (assuming you have not retired) **or**
 - If you are no longer an employee of Údarás na Gaeltachta **or**
 - If you no longer fulfil the eligibility requirements as set out
- Note:** you must remain an employee of Údarás na Gaeltachta to remain an eligible member of the Plan **or**
- If your contributions to the Údarás na Gaeltachta 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.

Notice period if you plan to retire: It is important to remember that Cornmarket may not be notified by your employer when you retire. It is vital therefore that you notify Cornmarket at least 10 weeks in advance of your retirement date so that we can stop your contributions to the Plan.

3 When does benefit payment under the Plan begin?

Once Zurich Life 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 income is likely to reduce to half pay or cease altogether, please let us know. Ideally, we should be informed about 8-9 weeks in advance to enable Zurich Life to assess your claim and gather the relevant medical and employer information. As we understand that this may not always be possible, Zurich Life may not be able to pay your benefit at the time that your income reduces or ceases. In such cases your benefit may, depending on the particular circumstances, be backdated to the date when your salary reduced to half pay or stopped altogether, where the claim is subsequently admitted.

4 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 **or**
 - When Zurich Life decides, based on medical evidence, that you are no longer prevented from carrying out 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.

Notice period if claim is ended: In the case of claimants who have been in receipt of benefit for at least one year, where medical evidence indicates that a member is fit to return to work, Zurich Life will give 3 months' notice before ending the payment of benefit. This only applies to those cases where a claim has been in continuous payment for 12 months or more.

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

To qualify for benefit under the Plan, Zurich Life 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.

Disablement is defined as for the purpose of this Plan:

(i) Total disablement shall be deemed to exist where (a) the Insured Person is unable to carry out the duties pertaining to his/her normal occupation by reason of disablement arising from bodily injury sustained or sickness or illness contracted and (b) the Insured Person is not engaging on a full-time or part-time basis in any other occupation (whether or not for profit or reward or remuneration, including benefit in kind)

and

(ii) Partial disablement shall be deemed to exist where (a) following a period of total disablement as in Sub-Provision (i) above, which period is to be decided by the Company, an Insured Person is unable to carry out the duties pertaining to his/her normal occupation by reason of disablement arising from bodily injury sustained or sickness or illness contracted and (b) the Insured Person with the written consent of the Company re-engages in his/her normal occupation with loss of earnings as a result or engages in some other occupation on a full-time or part-time basis (whether or not for profit or reward or remuneration, including benefit in kind).

Frequently Asked Questions

6 What if I take a career break, take unpaid leave or change my working hours?

If you intend taking a career break, take unpaid leave or change your hours (e.g. Job Sharing) please contact Cornmarket on (01) 408 4195 to discuss the options available.

7 Are there any exclusions under the Plan?

There are no exclusions under the Disability Benefit of the Plan.

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

Once an exclusion is applied, sick leave due to the excluded condition, including the calculation of the deferred period, cannot be included in relation to any aspect of the claim.

8 What benefits do employees on a temporary contract get?

A claim in respect of a member on a temporary contract is treated in the normal manner as outlined in questions 3 and 4 on page 7. If a member cannot work due to illness or injury and their contract expires before the expiry date of the deferred period (13 weeks in any 12 month period), their claim will be considered subject to the usual medical evidence requirement. For example, if a member suffers an illness with 3 months remaining on their contract, and remains disabled to the end of the deferred period, their claim will be considered in the normal manner.

9 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. Additionally other income received from other sources (for example another employment) shall be considered in the financial assessment of your claim.

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 8-9 weeks in advance to enable Zurich Life to assess your claim and gather the relevant medical and employer information. As we understand that this may not always be possible, Zurich Life 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**.

Or write to us at:

SPS Claims Department,
Cornmarket Group Financial Services Ltd.,
Christchurch Square, Dublin 8.

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 Zurich Life to assess your claim.

3 Processing your Claim

Upon receipt of your completed claim form, Zurich Life will begin assessing your claim.

4 Medical Examination

Medical evidence will be assessed by Zurich Life. 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.

5 Additional Medical Evidence

In some cases, depending on the complexity, Zurich Life 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 Zurich Life's expense).

6 Decision on your Claim

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

7 Your Benefit

Once a claim is being paid, payment of the benefit is made by Zurich Life monthly 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 Zurich Life 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, Zurich Life may require medical evidence confirming that you remain unfit to work.

**Please contact Cornmarket
for full details of the Plan.**

Important:

Short-term claims: As a result of recent changes to Public Sector Sick Leave arrangements there is a likelihood of an increase in short-term claims. With some short-term claims, the medical evidence required may not be as detailed as that required for a long-term claim.

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 (approx. 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 (8-9 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.



The Údarás na Gaeltachta Income Continuance Plan

This guide provides an outline only of the main benefits of the Údarás na Gaeltachta Income Continuance Plan as of December 2014, and is issued subject to the provisions of the policy, and does not create or confer any legal rights.

The information contained herein is based upon our current understanding of the Public Sector sick leave arrangements and Revenue law and practice as of December 2014.

The Income Continuance Plan for employees of Údarás na Gaeltachta is governed by the master Policy Document No. G3670 issued by Zurich Life. Members of the Plan may request a copy of the policy document from the Head Office of Údarás na Gaeltachta 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.