RBC Insurance

Sweet Spot REPORT

Group LTD Conversion Privilege from RBC Insurance:
Coverage continuation you can count on

When an employee leaves the group, does disability coverage end? Not if the group coverage includes long term disability (LTD) Conversion Privilege from RBC Insurance®.

This optional benefit allows an employee to convert their group LTD coverage to an individually owned policy upon termination of employment. What's more, RBC Insurance does not require a terminated employee to prove future employment. Coverage is guaranteed, as long as he/she applies for the conversion benefit within 31 days of termination and does not become insured under another group LTD plan within those 31 days*.

Consider these advantages for your clients and their employees:

For your clients:

- Employers can add the conversion option to their LTD coverage for just a slight increase to the LTD rate.
- Experience on the conversion policy *does not impact* the employer's group LTD plan in any way.
- Employers who provide an enhanced benefits package send the message that employees are valued – even employees who are terminating. In addition, having the conversion option available to terminated employees may reduce the employer's potential liability should the employee become disabled after termination.

For the employee:

- Long term disability income protection to age 65.
- Uninterrupted coverage – particularly useful if the new employer does not have an LTD plan.
- "Locked-in" insurability: some employees may not qualify for coverage with a new employer if medical underwriting is required. The RBC Insurance conversion option guarantees a level of coverage with no medical underwriting.
- Guaranteed benefit amount: terminated employee automatically qualifies for the lesser of 60% of their current benefit amount or a maximum monthly benefit of $4,000. Great for those who leave their employer to start their own business and do not qualify for individual disability coverage since earnings are not yet established.
- Additional optional coverage: employees can increase the benefit amount to $6,000, with medical underwriting.
- Policy ownership: once the employee terminates, the new converted coverage is owned and maintained by the employee, as long as they pay the premiums.

Your RBC Insurance sales representative has all the LTD conversion facts, including details on eligibility. Call today!

Find Out More

For more information about how you can present a stronger offering with our Conversion Privilege, please contact your RBC Insurance sales representative at 1-866-235-4332.

* Employer's coverage must include Conversion Privilege for a continuous period of at least twelve months prior to the application; employee must submit first premium with the application.

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