

What is Sick Pay?

Sick Pay is a group income protection insurance policy that pays a continuing income in the event that a member is unable to work due to ill health. The benefit becomes payable once the member meets the definition of incapacity and has been absent for a fixed period of time, known as the deferred period. The payments will continue whilst the member meets the definition of incapacity, up to a maximum period of time that is agreed when the policy is set up e.g. two years or until the member’s state pension age.

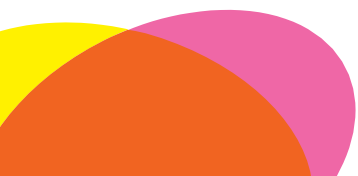
The following is a high level outline of our Sick Pay product. For full information, including details of where cover may be restricted or excluded, please refer to the [technical guide](#) or [policy terms & conditions](#).

What are the key features of our product?

Key features	
Vocational rehabilitation services	<ul style="list-style-type: none"> • The objective of vocational rehabilitation is to identify and work with absent members who would benefit from support and funded treatment to help them recover and return successfully to the workplace. • We will appoint a Rehabilitation Specialist as soon as we are aware of the absence • Our Rehabilitation Specialist will conduct a review of the absence to identify the steps, if any, which might help the member return to work • The Rehabilitation Specialist will support the member and the employer throughout the period of absence and arrange any appropriate treatments and therapies which may aid the member’s recovery.
Support Matters	<ul style="list-style-type: none"> • Managers and employees will have access to an employee assistance programme called Support Matters which has been designed to provide everyday support services offering help on a wide range of topics.
Product features	
Min / max number of lives	<ul style="list-style-type: none"> • Minimum 2 lives, no maximum
Minimum premium	<ul style="list-style-type: none"> • None
Premium payment frequency	<ul style="list-style-type: none"> • Quarterly or monthly for schemes with up to 100 employees • Annually, quarterly or monthly for schemes with more than 100 employees • No premium payment frequency loading
Data refresh frequency	<ul style="list-style-type: none"> • Quarterly for schemes with up to 100 employees • Annual or quarterly for schemes with more than 100 employees
Costing basis	<ul style="list-style-type: none"> • Single premium age related rates
Standard guarantee period	<ul style="list-style-type: none"> • 2 years

Late entrants	<ul style="list-style-type: none"> • Individuals who join a workplace pension scheme within twelve months of first becoming eligible are covered if they are actively at work • Individuals joining a workplace pension scheme more than twelve months after first becoming eligible, or joining within twelve months but are not actively at work, will be individually assessed
Benefit basis	<ul style="list-style-type: none"> • Employees: <ul style="list-style-type: none"> ○ Any percentage of salary up to a maximum of 80% (inclusive of employee pension scheme contributions) ○ Can choose to apply a fixed deduction equal to the Employment and Support Allowance (ESA). This deduction will be applied whether or not this is actually paid by the State ○ For schemes currently insured on this basis we can offer a fixed deduction equal to the ESA plus notional Work Related Activity Component. This deduction will be applied whether or not this is actually paid by the State ○ For schemes currently insured on this basis we can offer a partially integrated basis i.e. ESA is only deducted if the member qualifies for it. • Equity partners: <ul style="list-style-type: none"> ○ A percentage of earnings up to a maximum of 50% of earnings • Maximum benefit of £350,000 per year applies
Pension scheme contributions	<ul style="list-style-type: none"> • Employer contributions: <ul style="list-style-type: none"> ○ Up to a maximum of 30% of salary • Employee contributions: <ul style="list-style-type: none"> ○ Up to a maximum of 10% of salary ○ Only if the employer contributions are insured <p>Overall maximum pension contribution of 35% of salary up to £75,000 per year applies</p>
Employer NI contributions	<ul style="list-style-type: none"> • Available
Age cover ceases	<ul style="list-style-type: none"> • Linked to state pension age or fixed age of 70
Escalation	<ul style="list-style-type: none"> • 0%, 3%, 5% • RPI to a maximum of 5% / 2.5% • CPI to a maximum of 5% / 2.5%
Deferred period	<ul style="list-style-type: none"> • 8, 13, 26, 28, 41, 52 weeks
Payment period	<ul style="list-style-type: none"> • Payment to age at which cover ceases, or limited to 2, 3, 4 or 5 years
Employer lump sum	<ul style="list-style-type: none"> • Available for schemes of twenty or more members which have a limited payment period • A multiple of between 1 and 5 x annual basic benefit subject to a maximum of £1m (the multiple can't be more than the number of years in the limited payment period) • For an individual member the lump sum can't exceed the number of months to CCA multiplied by the monthly basic benefit

Definition of incapacity	<ul style="list-style-type: none"> • Own occupation • Suited occupation • Own occupation switching to suited occupation after 2 years • Activities of daily working
Extended cover	<ul style="list-style-type: none"> • Available subject to individual assessment • Members will be in a separate category with a cover cease age of 70
Automatic acceptance limit	<ul style="list-style-type: none"> • Based on the number of members and average benefits in the scheme. Maximum of £150,000 per annum benefit
No worse terms	<ul style="list-style-type: none"> • Available, other than where schemes are transferring to us from Lloyd's syndicates, where benefits will only be accepted up to our automatic acceptance limit
Individual assessment	<ul style="list-style-type: none"> • Those with benefits over the automatic acceptance limit are assessed in respect of their benefits above, but not below, the automatic acceptance limit • Discretionary entrants will be individually assessed for their full benefits (no automatic acceptance limit applies)
Once & done	<ul style="list-style-type: none"> • Available
Claims	<ul style="list-style-type: none"> • Claims are to be notified to us by calling our claims team on 020 3003 6161
Claim benefit paid	<ul style="list-style-type: none"> • To employer
Proportionate benefit payable	<ul style="list-style-type: none"> • Yes
Linked claims	<ul style="list-style-type: none"> • Yes
Insurance Act 2015 – paying claims in full	<ul style="list-style-type: none"> • The employer has a duty to make a fair presentation of the risk to us. If they do not fairly present the risk and we would have charged a higher premium (if we had known the omitted information) the Insurance Act 2015 allows us to proportionately reduce the claim amount (but not charge the higher premium). We believe it is fairer to contract out of this part of the Insurance Act 2015. By contracting out we can pay those claims in full, rather than proportionately, whilst charging the employer the correct higher premium (and apply any other different policy terms which we would have applied if we had known the information)



Questions and complaints	<ul style="list-style-type: none">• If you have any queries, please contact your adviser in the first instance. If you wish to raise any queries with us, or make a complaint, please contact our Chief Executive Officer at: Ellipse 5th Floor 15 Bermondsey Square London SE1 3UN or by email to puttingitright@ellipse.co.uk or by calling 020 3003 6160 (Calls may be recorded for training and monitoring purposes.) If you are still dissatisfied following a formal response to your complaint, you can approach the Financial Ombudsman Service at: Financial Ombudsman Service Ltd Exchange Tower London E14 9SR Tel 0800 023 4 567
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