

# How does a worksite voluntary product differ from group products



Understanding the differences between Worksite Voluntary products and Group can help you communicate and accommodate client preferences. Product design, enrollment/forms and underwriting/administration have the most visible features that differentiate these lines of business.

Features	Feature Comparison	
	Worksite	Group
<b>PRICING</b>	<p>Level premiums</p> <p>Rates are based on issue age at time of app, and do not increase with age</p> <p>No annual renewal process</p>	<p>Step rated</p> <p>Rates can change annually, and changes are step rated for attained age or issue age. Rate guarantee may last only 2 - 3 years from issue date.</p> <p>Annually renewable, subject to group experience. Rider experience can cause rate increases.</p>
<b>PORTABILITY</b>	<p>Fully portable upon termination of employment or retirement, no conditions</p> <p>No employer policy necessary, employee owns policy</p> <p>No age limitation or time limitation</p>	<p>Insured can lose coverage upon termination of employment, reaching a certain age or the master policy is terminated</p> <p>Group master policy must remain in force, employer renews annually</p> <ul style="list-style-type: none"> <li>• Conversion option may grant full portability; rates no longer tied to group but to conversion pool – could be expensive</li> <li>• Limited portability may allow insured to keep policy for 12-36 months. May be a reduced benefit.</li> </ul>
<b>CONTRACT/RENEWABILITY</b>	<p>Guaranteed renewable</p> <p><i>Carrier cannot cancel policies</i></p>	<p>Annually renewable</p> <p><i>All policies for group can be cancelled with 60 days' notice to the group. Employer can non-renew group Master Policy.</i></p>
<b>PRODUCT UNIFORMITY</b>	<p>Individual forms by state where application is signed</p> <p>Generally fewer forms</p> <p>Employer situs state arrangements are available</p>	<p>Benefits, rates and forms have potential to vary by state</p> <p>Historically, group products have less variance by state, and are promoted as having more uniformity</p>

## Features

## Feature Comparison

	Worksite	Group
<b>UNDERWRITING AND ADMINISTRATION</b>	Stable pricing	Aggressive rates, can change every year based on experience of group
	Offer based on lifetime-exposure commitment	Offer based on short-term exposure commitment
	GI may be less aggressive due to inability to change rates later	GI may be more aggressive due to ability to increase rates annually
	More employee choice in benefits	Employer chooses benefit levels for all employees
<b>BILLING</b>	Carrier provides detailed list bill to the employer	Carrier depends on the employer to tell them how much they owe based on lives and volume
	Carrier provides service to both the employer and employee	Carrier provides service to the employer but expects the employer to provide service (except claims payment) to the employee
	Carrier knows and keeps the records of every employee and what they bought	Employer keeps all employee records
<b>EMPLOYEE COMMUNICATION</b>	Ability to deliver an employer's message to each employee. Most enrollments are one-on-one with an enroller often using a laptop.	Enrollment consists of group meeting and self-enroll
	Employee is the customer, and receives a series of pre-communications	Employer is the customer and the employee is rarely engaged
	Product is individualized, guaranteed renewable and can be kept by the employee when leaving employment or retiring	Product lacks customization and is not portable
	Pricing is issue-age pricing and is "published pricing" as opposed to census-rated.	Case pricing is census-based on attained age

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