



THE UNIVERSITY OF WINNIPEG

May 2011

TO: All Regular Employees
FROM: Mary Anne Walls, Human Resources

**RE: The University of Winnipeg Life Insurance/Long Term Disability Plans
NOTICE OF RATE CHANGE**

A recent review of the claims experience under the Life and Long Term Disability plans has provided mixed results. The experience under the LTD plan continues to be favourable and the insurer has agreed to a slight rate reduction of 0.5%. Unfortunately, the same cannot be said for the Life insurance plan. Recent Life insurance claims experience has been very high, in fact, over the last five year period (five years being the period of time used by the insurer in the rate assessment), claims paid by the insurer have far exceeded the premiums. As a result, there will be a significant increase of 26.8% in the Life insurance rate.

The LTD rate decrease will apply to all employees since employees pay 100% of the LTD cost, while the increase in the Life insurance rate will affect only those employees who have optional life insurance coverage.

Effective June 1, 2011 the following rate changes will apply.

Life Insurance will increase from \$.190 to \$.240 per \$1,000 of insurance per month

LTD Insurance will decrease from \$1.46 to \$1.452 per \$100 of insurance per month

Please refer to the charts on the back of this notice to see the effect of the Life and LTD rate changes at various salary levels.

If you have any questions please call Ronda Perinot at 258-3805 or Mary Anne Walls at 786-9280.

Effective June 1, 2011

CHART "A"
LIFE INSURANCE
 (\$0.240/\$1,000)

Please note costs shown are SEMI-MONTHLY

Salary	Optional 1 x salary	Optional 2 x salary	Current Cost	Current Cost	Revised Cost	Revised Cost
	A	B	A	B	A	B
30,000	30,000	60,000	2.85	5.70	3.60	7.20
40,000	40,000	80,000	3.80	7.60	4.80	9.60
50,000	50,000	100,000	4.75	9.50	6.00	12.00
60,000	60,000	120,000	5.70	11.40	7.20	14.40
70,000	70,000	140,000	6.65	13.30	8.40	16.80
80,000	80,000	160,000	7.60	15.20	9.60	19.20
90,000	90,000	180,000	8.55	17.10	10.80	21.60
100,000	100,000	200,000	9.50	19.00	12.00	24.00
110,000	110,000	220,000	10.45	20.90	13.20	26.40
120,000	120,000	240,000	11.40	22.80	14.40	28.80
130,000	130,000	260,000	12.35	24.70	15.60	31.20
140,000	220,000	280,000	13.30	26.60	16.80	33.60
150,000	150,000	300,000	14.25	28.50	18.00	36.00

Maximum Life Insurance coverage including Basic & Optional is \$500,000.

CHART "B"
LONG TERM DISABILITY INSURANCE
 (\$1.452/\$100)

Please note costs shown are SEMI-MONTHLY

Salary	Gross Monthly Benefit	Current Cost	Revised Cost
30,000	1,500	10.95	10.89
40,000	2,000	14.60	14.52
50,000	2,500	18.25	18.15
60,000	3,000	21.90	21.78
70,000	3,500	25.55	25.41
80,000	4,000	29.20	29.04
90,000	4,500	32.85	32.67
100,000	5,000	36.50	36.30

Maximum Long Term Disability benefit is \$5,000 per month.