

# THE EFFECT OF REVERSE DISCRIMINATION

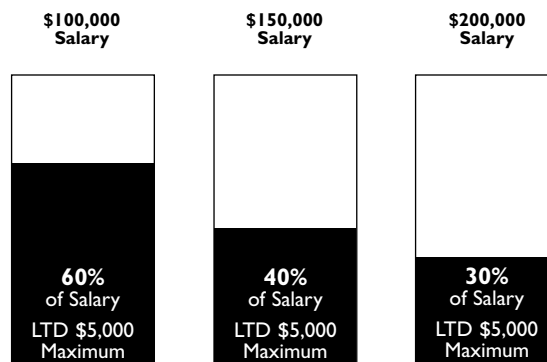
## *in Group Long Term Disability Plans*

**Many group Long Term Disability plans have a maximum monthly benefit cap that amounts to a small percentage of a key executive's monthly salary, leaving key executives underinsured.**

For instance, a Long Term Disability plan that covers 60% of salary to a maximum of \$5,000 a month covers 60% of salary to those employees earning up to \$100,000. The Long Term Disability benefit cap means a key executive earning \$150,000 has coverage of only 40%—falling to 30% for an executive earning \$200,000. The effect of the Long Term Disability benefit cap is referred to as “reverse discrimination”.

### **REDUCES THE PERCENTAGE OF COVERED SALARY**

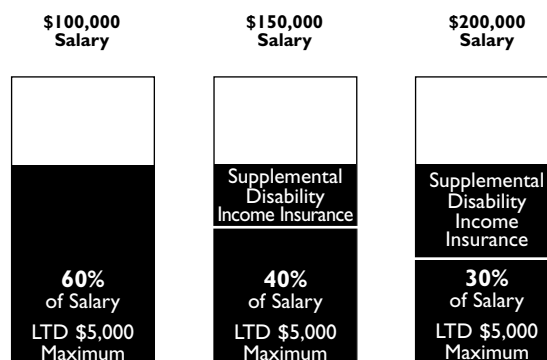
The Group Long Term Disability maximum monthly benefit cap of \$5,000 reduces the percentage of covered salary for executives with higher incomes.



**A Supplemental Disability Income Insurance program can help fix the reverse discrimination problem for key executives, increasing the amount of income-replaced by providing additional monthly indemnity benefits in the event of total disability.**

### **RESTORE THE LEVEL OF DISABILITY COVERAGE**

Combined Long Term Disability and Supplemental Disability Income Insurance benefits help restore the level of disability coverage for key executives.



<sup>1</sup>Disability income products underwritten and issued by Berkshire Life Insurance Company of America, Pittsfield, MA, a wholly owned stock subsidiary of The Guardian Life Insurance Company of America, New York, NY, (Guardian) or provided by Guardian.