



MassMutual@WORK

Group Insurance Proposal for Wayne County Government - NC

Group Whole Life Insurance

Presented By: Mark Browder

Date: April 07, 2022

Situs State: North Carolina

MassMutual@Work

MassMutual@Work has the products and resources you need to foster a work environment where people feel more confident about their financial future. Our experience in worksite financial wellness enables you to provide your Employees with stress-free access to flexible solutions and educational tools that can help them build a secure financial future and protect what matters most.

A trusted leader

MassMutual® has been helping people build better financial futures since 1851. Our financial strength ratings are among the highest of any company in any industry.

As a mutual company, we do not have shareholders. The company is managed with the long-term interests of our customers firmly in mind. We are a recognized leader in workplace solutions, and are committed to helping you do more for your Employees. We pride ourselves on educating American workers to make smarter financial protection choices.

Strength and stability

A.M. Best	A++
Fitch Ratings	AA+
Moody's Investors Service	Aa3
Standard & Poor's	AA+

Financial strength ratings are as of 4/7/2022. Ratings are for Massachusetts Mutual Life Insurance Company (MassMutual) (Springfield, MA 01111-0001) and its subsidiaries, C.M. Life Insurance Co. and MML Bay State Life Insurance Co. (Enfield, CT 06082). Ratings are subject to change.

Group Whole Life Insurance at a Glance

Our Group Whole life insurance provides smart, convenient protection that also helps you achieve your financial goals.

REASONS TO CONSIDER:

MassMutual@WORK Group Whole Life Insurance provides coverage at a set premium, builds cash value over time that your Employees can borrow from¹ and pays a death benefit. Group Whole Life Insurance may be easier and more affordable than you think.

- **Provides guarantees:**
 - Guaranteed death benefit
 - Guaranteed level premiums
 - Guaranteed cash-value accumulation
- **Dividend eligible²**

MassMutual@WORK Group Whole Life certificate owners are eligible to receive dividends. During enrollment, they'll have the opportunity to select the dividend option that fits them best. Options include:

 - Cash
 - Dividend accumulations
 - Paid-up additional insurance

While dividends are not guaranteed, MassMutual® has paid them to eligible participating policyowners every year since 1869.
- **Portable, lifelong coverage**

Employees own the certificate along with the accumulated cash values and they can take it with them even if they leave the company. Additionally, if they leave the company and take their certificate with them, they can change their dividend option and choose to have their dividend payments reduce their premiums.
- **Tax advantages**

Whole life insurance policies offer a combination of valuable tax advantages, including:

 - Generally income-tax-free death benefit
 - Tax-deferred cash-value growth
- **Accelerated Death Benefit Provisions**

Certificate owners, can receive an advance, or acceleration, of a portion of the death benefit under the certificate, if the insured is diagnosed with a terminal illness or if the insured has a chronic illness.

 - **Terminal Illness:** The Accelerated Death Benefit for Terminal Illness is payable when the insured meets the definition of Terminally Ill, generally diagnosed with an illness that will result in death within 12 months.
 - **Chronic Illness:** The Accelerated Death Benefit for Chronic Care is payable when the insured meets the definition of Chronically Ill, meaning has a medical condition which requires continuous confinement in an eligible institution (e.g., licensed 24-hour nursing facility) and the insured is expected to remain there for the rest of their life.

These accelerated death benefits are not long term care insurance and may be used for any purpose. In many cases, these benefits allow access to more funds than would be available through a certificate loan or certificate cash surrender value. There from the Chronic Care Benefit. A tax advisor should be consulted regarding a request for accelerated benefits.

[1] Access to cash values through borrowing or partial surrenders will reduce the certificate's cash value and death benefit, increase the chance the certificate will lapse, and may result in a tax liability if the policy terminates before the death of the insured.

[2] Dividends are not guaranteed. The certificate is eligible to receive dividends beginning on the second anniversary.

Reducing the stress of chronic illness

MassMutual@Work group life insurance products have a Chronic Care Benefit feature, automatically available on all new and existing group life insurance certificates. The Chronic Care Benefit gives your Employees the ability to accelerate a portion of their death benefit that is paid in a lump sum.^[5, 6] This benefit can help deal with the additional costs that being Chronically Ill can bring on. It is available at no additional cost to you – and your Employees pay an Actuarial Discount only if they use the benefit. The actuarial discount is deducted from the benefit payment. This accelerated benefit is neither long-term care insurance nor nursing-home care insurance, and may be used for any purpose.

A Qualified Medical Practitioner must certify that the insured is Chronically Ill, meaning the insured:

- Has any condition which requires continuous confinement in an eligible institution (e.g., licensed 24-hour nursing facility) and the insured is expected to remain there for the rest of their life.

Meet Charles

- Charles is 44 years old when he purchases a \$50,000 Group Whole Life certificate with the Chronic Care benefit through his employer.
- At age 59, Charles is certified as being Chronically Ill and exercises the Chronic Care Benefit.
- The Eligible Amount available for acceleration is \$25,000 (50% of death benefit).
- At 59 years old, the Actuarial Discount for exercising the benefit is 18%.^[7]
- He doesn't have paid-up additions (he didn't choose Paid-Up Additions dividend option), certificate debt or unpaid premiums.
- A \$20,500 benefit is paid to him.
- The remainder of his Group Whole Life certificate – \$25,000 – stays in-force.

Here is how Charles's benefit is calculated:

50% of face amount	\$25,000
- 18% Actuarial Reduction	(\$4,500)
= Eligible Chronic Care benefit.....	\$20,500
There are no Paid-Up Additions*, certificate debt or unpaid premiums.	

* If the paid-up additions dividend option is chosen, annual dividends can be used to purchase paid-up additional insurance. Paid-up additions add to the certificate's death benefit and total cash value. If this option is chosen, the additional insurance will also receive dividends. **In this example, Charles did not choose the paid-up addition option. If he had accumulated paid up additions, the Eligible Amount for the Chronic Care benefit would be greater.**

Dividends are not guaranteed. Certificate owners are eligible to begin receiving dividends beginning on the 2nd certificate anniversary.

^[5] The payment of the Chronic Care Benefit will reduce the certificate's death benefit and any cash value. The certificate's premium payments will then be based on the reduced amount of insurance and the rates in effect for the policy. There is no premium required for this benefit, however, there is a fee if the provision is exercised.

(Additional footnotes continued on next page.)

[6] Certificate owners should consult with their tax advisor prior to requesting a Chronic Care Benefit payment. The Chronic Care Benefit defines a chronic illness in accordance with North Carolina state insurance requirements and may be taxable, as the state prescribed definition differs from the federal tax law definition. Accelerating the payment of your death benefit may affect your eligibility for public assistance programs, including MEDICAID and SUPPLEMENTAL SECURITY INCOME (“SSI”). Contact the Medicaid Unit of the local Department of Public Welfare and the Social Security Administration Office for more information.

[7] The Actuarial Discount for the Chronic Care Benefit is a present value adjustment shown as a percentage of the Eligible Amount for the Chronic Care Benefit. The percentage depends on the Employee’s age at the time the benefit is exercised: 18% for ages 45 and above; 27% for ages 44-35; 36% for under age 35.

The power of the dividend

- As a mutual life insurance company, Massachusetts Mutual Life Insurance Company (MassMutual®) does not have shareholders. Instead, the company operates for the benefit of its participating policyowners, certificateowners, and members. As a result, MassMutual's participating whole life policy/certificateowners are eligible to receive annual dividends. Dividends are determined annually and are subject to change.
- Although dividends are not guaranteed, MassMutual has paid dividends every year since 1869.
- MassMutual@Work Group Whole Life certificates are eligible to receive dividends beginning on the second anniversary.
- The potential for dividends are an added benefit to an Employee's whole life policy on top of the protection it provides. A participating whole life policy could yield hundreds of dollars in dividends over time, unlike a non-participating policy.

2021 CASH DIVIDENDS PAID⁸

- \$50,000 Face Amount
- 50-year-old male, non-smoker
- If purchased in 2020, annual premium is \$1,380 annual premium
- No additional riders and purchased in year listed

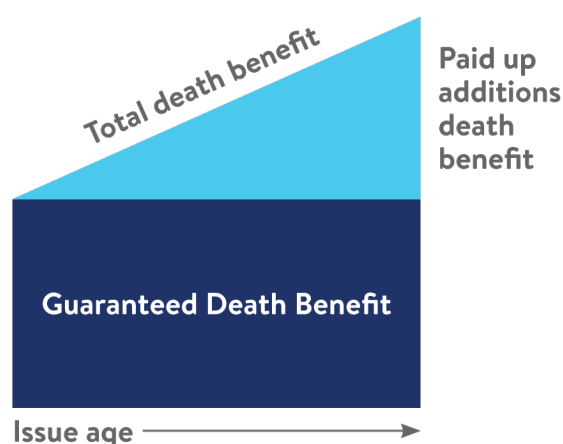
Year purchased	Dividends paid in 2021
2021	\$0
2020	\$0
2019	\$182
2018	\$185
2017	\$188
2016	\$191

Whole Life policy with paid up additions

MassMutual@Work group whole life certificate owners may receive their dividends in cash or choose an alternate dividend option from the following:

- Leave on deposit to accumulate interest
- Purchase paid-up additional whole life insurance (PUAs)

The PUA dividend option is by far the most common among MassMutual's certificate owners. Using dividends to purchase paid-up additional whole life insurance will increase the total death benefit and cash value over time. The additional insurance will also be eligible to receive dividends. Additionally, if employees leave the company and take the certificate with them, they can change their dividend option and choose to have their dividend payments reduce their premiums.



⁸ The chart reflects the dividend paid in 2021 based on the MassMutual@Work Group Whole Life certificate purchased in the calendar year noted on the chart's legend. This information represents an actual policy dividend paid in 2021. Actual dividend amounts received will vary based on the dividend schedule at the time of receipt, and certain certificate criteria such as gender, underwriting class, face amount, premium amount and length of time the certificate is in force.

Group Whole Life Insurance Proposal

Proposed Effective Date: 7/1/2022

Employee Paid Coverage

Product	Group Whole Life
Eligible class	All benefit eligible employees residing in the United States
Eligible lives	1009
Issue ages	Employees 18-75 years of age on certificate effective date
Face amount	Minimum \$10,000 in increments of \$5,000 up to: Guaranteed Issue: Maximum* \$100,000 Express Issue: Maximum \$250,000 per enrollment <small>*The Guaranteed Issue maximum contains amounts from all certificates.</small>
Available riders (Employer elected)	(Riders available to issue ages 18-60): Waiver of Premium – 10% of base annual premium
Accelerated Death Benefit Provisions	Terminal Illness
Dependent coverage*	Spouse Certificates (issue ages 18-60): Express Issue Lifetime Maximum \$25,000 Child/Grandchild Certificates (issue ages 14 days – 26 years): Guaranteed Issue Lifetime Maximum \$25,000
Target participation	15% Guaranteed Issue may not be available unless Target Participation is achieved.

*Employee coverage cannot be less than \$25,000 when Dependent Coverage is elected. If elected by the employer, employees must qualify for coverage in order for them to purchase employee dependent coverage options.

Interim Insurance For Whole Life

As added value to applicants, subject to the terms of the group policy, we will provide interim insurance from the day we receive the application in good order until the effective date of the certificate, not to exceed 90 days.

MassMutual@WORK Group Whole Life Insurance Rates

Please refer to the attached Group Whole Life Insurance rate cards for full rate information. Sample rates are shown below. Rates are tobacco distinct and employee's will answer a yes or no question at the time of application to determine their rate.

Rates are based on nonsmoker, unisex rates with Waiver. and are as of 7/1/2022. Rates will differ for tobacco users.

Issue age	Weekly Premium								
	10K	GTD cash value ¹	GTD RPU ^{1,2}	25K	GTD cash value ¹	GTD RPU ^{1,2}	50K	GTD cash value ¹	GTD RPU ^{1,2}
18	2.32	4,240	8,555	4.26	10,600	21,388	7.49	21,200	42,776
19	2.34	4,216	8,507	4.32	10,540	21,268	7.62	21,080	42,536
20	2.37	4,191	8,457	4.38	10,478	21,142	7.75	20,956	42,285
21	2.39	4,165	8,404	4.45	10,413	21,011	7.87	20,827	42,023
22	2.42	4,138	8,349	4.51	10,345	20,874	8.00	20,691	41,749
23	2.44	4,109	8,292	4.57	10,274	20,731	8.13	20,548	41,462
24	2.47	4,079	8,231	4.64	10,199	20,579	8.26	20,398	41,159
25	2.49	4,048	8,168	4.70	10,120	20,421	8.38	20,241	40,842
26	2.54	4,015	8,101	4.83	10,037	20,254	8.64	20,075	40,508
27	2.65	3,979	8,030	5.08	9,949	20,075	9.14	19,899	40,151
28	2.72	3,942	7,954	5.27	9,855	19,886	9.52	19,711	39,773
29	2.80	3,902	7,875	5.46	9,757	19,687	9.91	19,514	39,375
30	2.90	3,861	7,791	5.72	9,653	19,477	10.41	19,306	38,955
31	3.00	3,817	7,702	5.97	9,543	19,256	10.92	19,086	38,512
32	3.10	3,771	7,609	6.22	9,428	19,024	11.43	18,856	38,048
33	3.23	3,723	7,512	6.54	9,307	18,781	12.06	18,615	37,562
34	3.31	3,672	7,410	6.73	9,182	18,527	12.44	18,364	37,054
35	3.33	3,620	7,305	6.80	9,051	18,263	12.57	18,102	36,526
36	3.48	3,565	7,195	7.18	8,914	17,988	13.33	17,829	35,976
37	3.69	3,509	7,081	7.68	8,773	17,702	14.35	17,547	35,405
38	3.86	3,450	6,962	8.13	8,626	17,405	15.24	17,252	34,811
39	4.04	3,388	6,838	8.57	8,472	17,095	16.12	16,944	34,190
40	4.24	3,324	6,707	9.08	8,310	16,769	17.14	16,621	33,538
41	4.42	3,256	6,570	9.52	8,140	16,425	18.03	16,280	32,850
42	4.60	3,184	6,425	9.97	7,961	16,063	18.92	15,922	32,127
43	4.80	3,109	6,273	10.48	7,772	15,683	19.93	15,545	31,366
44	4.98	3,029	6,112	10.92	7,573	15,282	20.82	15,147	30,564
45	5.01	2,945	5,942	10.98	7,363	14,857	20.95	14,726	29,714
46	5.34	2,856	5,762	11.81	7,140	14,406	22.60	14,280	28,813
47	5.67	2,761	5,571	12.63	6,903	13,929	24.25	13,806	27,858
48	6.02	2,660	5,368	13.52	6,651	13,422	26.02	13,303	26,844
49	6.38	2,554	5,153	14.41	6,385	12,883	27.80	12,770	25,767
50	6.71	2,440	4,924	15.24	6,101	12,311	29.45	12,203	24,623
51	7.06	2,320	4,681	16.12	5,800	11,703	31.23	11,600	23,407

MassMutual@WORK Group Whole Life Insurance Rates (cont.)

Issue age	Weekly Premium								
	10K	GTD cash value ¹	GTD RPU ^{1,2}	25K	GTD cash value ¹	GTD RPU ^{1,2}	50K	GTD cash value ¹	GTD RPU ^{1,2}
52	7.42	2,192	4,423	17.01	5,481	11,059	33.01	10,962	22,118
53	7.75	2,056	4,150	17.84	5,142	10,376	34.66	10,284	20,752
54	8.10	1,913	3,860	18.73	4,782	9,651	36.43	9,565	19,302
55	8.13	1,760	3,552	18.79	4,400	8,880	36.56	8,801	17,760
56	8.69	1,838	3,604	20.19	4,597	9,010	39.35	9,194	18,021
57	9.27	1,920	3,657	21.65	4,800	9,144	42.27	9,601	18,288
58	9.85	2,004	3,712	23.11	5,012	9,280	45.19	10,024	18,560
59	10.44	2,092	3,767	24.56	5,232	9,419	48.11	10,464	18,838
60	11.02	2,184	3,824	26.02	5,460	9,562	51.03	10,920	19,124
61	10.55	2,278	3,883	24.99	5,696	9,708	49.04	11,393	19,416
62	11.10	2,376	3,943	26.37	5,941	9,858	51.81	11,882	19,716
63	11.64	2,477	4,004	27.70	6,193	10,011	54.47	12,387	20,022
64	12.17	2,581	4,066	29.02	6,452	10,167	57.12	12,905	20,334
65	12.19	2,687	4,130	29.08	6,717	10,325	57.24	13,435	20,650
66	12.97	2,795	4,194	31.04	6,989	10,485	61.16	13,978	20,971
67	14.06	2,907	4,259	33.76	7,267	10,649	66.58	14,535	21,298
68	14.80	3,031	4,341	35.60	7,578	10,852	70.27	15,156	21,705
69	15.95	3,169	4,439	38.49	7,924	11,098	76.04	15,848	22,196
70	16.64	3,312	4,539	40.22	8,280	11,348	79.51	16,560	22,697
71	17.36	3,458	4,641	42.01	8,645	11,604	83.08	17,290	23,209
72	18.12	3,608	4,748	43.91	9,022	11,870	86.89	18,044	23,741
73	18.95	3,766	4,860	45.99	9,415	12,151	91.04	18,831	24,302
74	19.87	3,930	4,979	48.29	9,826	12,449	95.66	19,652	24,899
75	20.91	4,100	5,105	50.89	10,251	12,764	100.85	20,503	25,528

¹ Age as of Certificate Effective Date 65.

² Values shown are at the later of 10 years after the certificate date or the end of the certificate year which starts when the insured is 65.

³ Reduced Paid-Up (RPU) Value is the amount of fully paid up life insurance that is provided at time of lapse.

Group Life Insurance Enrollment Information

Guaranteed Issue and Express Issue Underwriting

Eligible Employees will answer the following questions:

Guaranteed Issue:



Are you actively at work at your usual and customary location, maintaining your normal work schedule, performing all the duties of your occupation without limitation due to injury or sickness?

Express Issue:



During the last 2 years, have you sought medical treatment or been treated for, received medical advice for, been hospitalized for, been prescribed medication for, or been diagnosed by a member of the medical profession as having, any of the following:

- Cancer or malignancy of any kind including carcinoma in situ and melanoma (excluding non-melanoma skin cancer)?
- Alcohol or drug abuse?
- Diabetes for which the recommended treatment is insulin?
- Heart attack, coronary artery or valve disease, heart failure or cardiomyopathy?
- Stroke or transient ischemic attack (TIA)?
- Chronic obstructive pulmonary disease (COPD), emphysema or other chronic lung disease (excluding asthma)?
- Cirrhosis of the liver or hepatitis (excluding Hepatitis A)?
- Parkinson's disease or paralysis?
- Chronic kidney disease or kidney failure (excluding kidney stones)?
- AIDS (Acquired Immune Deficiency Syndrome) or tested positive for HIV (Human Immunodeficiency Virus) or its antibodies?

Eligible dependent spouses and children need not be working, however, they must not be disabled or have applied for or be collecting disability benefits when they apply for coverage. Spouses must also answer the required health questions.

Initial enrollment

The initial enrollment will be offered to all eligible Employees. Employees who become eligible subsequent to the initial enrollment of the plan will be eligible for either Guaranteed Issue, and/or Express Issue as defined during the timing and frequency agreed upon by MassMutual and the Employer.

Subsequent enrollments

Subsequent enrollments are typically held annually, however, alternate timing and/or frequency may be agreed upon by MassMutual and the Employer. Available underwriting for Employees will vary based on their status:

1. Newly eligible Employees: Guaranteed Issue, and/or Express Issue
2. Existing certificate holders: Remainder of Guaranteed Issue and up to the maximum available for Express Issue
3. Late Enrollees previously offered that did not elect coverage, previously declined or previously purchased and lapsed coverage: Express Issue

Electronic enrollment

Technology has dramatically simplified our day-to-day lives. Whether business or personal – digital interaction has replaced traditional methods because it's easier, faster and more efficient – and nowadays, it's what consumers have come to expect. That's why MassMutual provides an electronic enrollment platform that's effective for Employers and their Employees.

MassMutual's electronic enrollment platform provides:

- An easy way for Employees to learn about and choose their benefits
- A streamlined, quicker enrollment process – especially for multiple products
- Real-time data that makes it easy to monitor enrollment progress
- Availability of an enrollment support team
- Better accuracy that means not needing to reengage Employees after submitting enrollment forms

Enrollment strategy best practices

HR/Producer engagement is key to success

- A census is required for MassMutual to provide personal and multi-channel communications
- Group and 1x1 meetings with Employees increase engagement and response
- Record voice drop message from leadership

Online tools and calculators increase employee engagement and response

- Driving Employees to content online will provide education content to aid in making their decision
- Providing access to the MapMyBenefits tool will increase engagement

Campaign materials

- Email campaign with link to consultation scheduling software & electronic enrollment site
- Personalized announcement letters to Employee's home mailing address
- Enrollment posters supplied at the worksite announcing benefits meeting date
- Marketing collateral and handouts

Help is always available

- MassMutual's Call Center Support: Our knowledgeable enrollment support specialists are available to help your Employees quickly understand this insurance offer and determine whether it is right for their needs so they can make informed decisions.

Acceptance of this proposal by Wayne County Government - NC

Thank you for taking the time to review MassMutual's proposal. Before signing, please read the following carefully:

- This proposal is contingent on MassMutual Underwriting (Home Office) final approval.
- This proposal is contingent upon and subject to the development of a viable enrollment strategy agreed upon by the Employer, the producer(s), and MassMutual. MassMutual reserves the right to modify or renegotiate this proposal at any time if the Employer and/or producer fail to comply with any aspect of the agreed upon enrollment strategy or if the group census changes by more than 20% from the date of this proposal to the date of the enrollment.
- Overall results, including without limitation, plan design, enrollment strategy, participation, persistency and claims experience will be reviewed periodically. This proposal will remain valid subject to favorable review by MassMutual. We will provide 90 days' advance notice of any anticipated change to this proposal.
- A requirement of this proposal is the use of MassMutual's electronic enrollment platform.
- Each product offered requires a minimum of ten insured certificates in order for that group policy to be issued and target participation requirements must be met for guaranteed issue rules to apply.
- MassMutual must receive written acceptance of this proposal within 180 days. MassMutual may withdraw or update the proposal prior to acceptance.
- The enrollment must begin within 180 days of the signed acceptance of this proposal.
- This offer requires the Employer to agree to payroll deduct and remit premiums for all Employee paid coverage for Employees and their dependents.
- The offer is contingent upon the termination of any existing voluntary Group Whole Life Insurance plan, any prior plan payroll deduction and a commitment to not sponsor any other voluntary Group Whole Life Insurance plan no later than the effective date of the MassMutual Group Policy.

Failure to meet or adhere to these requirements may null and void the offer.

Next Steps

To accept the terms of this proposal and request that the enrollment process to begin as described in the proposal, please, complete and sign the Group Application and return all pages.

Disclosures

LIFE INSURANCE DISCLOSURES

Important Information:

Exclusions and limitations may apply. Any guaranteed values in this offer may change on a going forward basis due to statutory regulations. Provisions may vary or be unavailable in some states. See the actual policy or your MassMutual representative for specific provisions and details of availability.

The Certificate contains a suicide exclusion. This means that if the insured commits suicide within two years after the Issue Date of the Certificate, we will pay a limited death benefit equal to the amount of premiums paid for the Certificate, less any Certificate Debt and amounts withdrawn.

Group Whole Life Insurance (GPWL), (policy/certificate forms MM-GPWL-2014 and MM-GCWL-2014, and MM-GPWL-2014 (NC) and MM-GCWL-2014 (NC) in North Carolina), is level-premium, participating permanent life insurance. The GPWL policy and GCWL certificates are issued by Massachusetts Mutual Life Insurance Company (MassMutual), Springfield, MA 01111-0001.



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