

Announcing our change to MetLife

The purpose of this communication is to highlight information surrounding the transition of the WMC Insurance Life and Disability insurance offerings to MetLife. The change is an important step in ensuring that WMC Insurance is positioned to serve our members over the long term.



Included here are details surrounding the impact the change has on member employers and the specific advantages provided by MetLife.

Key impacts surrounding the change to MetLife:

- WMC and MetLife have agreed on a standardized renewal offer for all groups that incorporates extended rate guarantees on current Life and Disability coverage
- Administration of the policy will be handled by WMC, using our Flock benefit administration platform. However, MetLife will be responsible for various elements of the ongoing service experience.
- No action is required of employers surrounding this change. Brokers may be responsible for updated licensing and appointment paperwork with MetLife, if they are not currently appointed with MetLife today.

Benefits of MetLife's offering are as follows:

- A more comprehensive benefits solution, outside of Life and Disability
- Exclusive multi-line and new business discounts to accelerate our growth
- Proven expertise serving association customers

Key Transition Details

Renewal Pricing

MetLife performed an exhaustive underwriting review of our Life and Disability plan performance. Financially, our Life/AD&D and Short Term Disability plans have performed adequately. However, Long Term Disability claim experience has been substantially higher than target loss ratios.

Given that, MetLife will be able to hold all Life/AD&D and Short Term Disability pricing. Long Term Disability pricing will incur a +15% increase. Life/AD&D rates will be guaranteed for 48 months and Disability pricing will be guaranteed for 36 months. The plan benefits will match the prior Aetna/Hartford benefit levels.

Initial renewal offer

- **Basic and Supplemental Life/AD&D –**
Rate pass for 48 months
- **Short Term Disability –**
Rate pass for 36 months
- **Long Term Disability –**
15% increase for 36 months

Ongoing Administration

Entirely, the WMC plan administration will look and feel extremely similar to today's offering. The plans will still be administered by the WMC Insurance team using our Flock benefit administration platform. This does not impact the eligibility and billing processes in place today.

MetLife's team will have a dedicated team aligned to service the Disability claims of WMC memberships. For 2020, the claim process will rely heavily on paper claim submission, as is in place today. In 2021, we anticipate migrating claims to a telephonic intake process that leverages our Flock eligibility system.

MetLife will be issuing new plan documents and administrative forms as we near the October 1, 2020 effective date.

Service improvements

- Migrating to telephonic Disability claim process for 2021
- Plan documents and benefit materials will be released as we near the **October 1, 2020** effective date

Action Required

As the formal policyholder for the block of business, WMC Insurance will manage all of the implementation processes surrounding the change to MetLife. No formal action is needed of any participating employer.

Brokers that are not appointed with MetLife will receive a separate outreach from the WMC team to complete or update current licensing and appointment paperwork with MetLife.

Action required

- No action required of participating employers
- Brokers that are not currently licensed or appointed with MetLife will receive paperwork that will need to be completed prior to October 1, 2020

MetLife Advantages

A more comprehensive solution

As WMC has evolved into a more full-service avenue for employee benefits plan administration, we felt it was important to align with a non-medical carrier that could extend more coverage options to our members.

Coupled with the Life and Disability programs, MetLife will be able to extend Dental, Vision and Voluntary Worksite coverage to WMC Members. MetLife's offerings are available with a minimum group size of two participating employees. In line with our Association Health Plan offerings, WMC is an even more complete solution for our members' employee benefit needs.

Additional non-medical coverage	
2021 <ul style="list-style-type: none"> Dental Vision 	On the horizon <ul style="list-style-type: none"> Critical Illness Accident Hospital Indemnity Auto / Home Legal Pet

Exclusive new business and multi-line discounts

Our existing members and new business prospects can take advantage of formal discount strategies through MetLife, only available to WMC member employers.

Coverage	Discount	Rate Guarantee
Basic Life/AD&D	Up to 5% standalone discount off non-WMC MetLife pricing; Up to 15% discount with Supplemental Life	48 months
Disability	Short Term Disability Only: Up to 10% Discount off Non-WMC MetLife pricing Short Term Disability & Long Term Disability (Package): Up to 5% Discount off Non-WMC MetLife pricing	36 months
Dental	Up to 10% reduction off current carrier pricing	5% renewal rate cap for first and second renewal
Vision	Match current carrier pricing	24 months

MetLife association service model

MetLife's specialty market service model is designed to support Association customers. With 20+ years of experience aligned with hundreds of multi-employer benefit offerings, WMC's program will be serviced by experts deeply aware of the nuances involved with Association benefit offerings.

Dedicated MetLife team	
<ul style="list-style-type: none"> Claims Billing Eligibility 	<ul style="list-style-type: none"> Technology integration Underwriting Compliance

Questions surrounding this change can be directed to any of the following team members

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Important Policy Provisions

Policy anniversary date

There are important policy provisions that we need to bring to your attention as an employer that is participating in the Wisconsin Association of Manufacturing, and Commerce (WMC) policy. The master policy issued to Wisconsin Association of Manufacturing, and Commerce, Inc. (WMC) will take effect on October 1, 2020. Policy anniversaries will be October 1, 2021 and each subsequent October 1. The policy is issued for delivery in and governed by the law of Wisconsin.

General provisions

In return for a Participating Employer's payment of premiums when they fall due, MetLife will provide the insurance and pay the benefits described in the group insurance certificate furnished to that Participating Employer for delivery to the Participating Employer's covered Employees.

Premium due dates

Premiums are due and payable by each Participating Employer on the first day of each month for which insurance coverage for that Participating Employer is to be provided. The Participating Employer's first premium must be paid within 31 days of the effective date of the Participating Employer's coverage. If a premium payment, other than the Participating Employer's first premium payment, is not received within 31 days after the due date, coverage under the policy with respect to that Participating Employer will terminate on the earlier of the 31st day following the due date and the date requested in writing by the Participating Employer, provided such request is made before such 31st day following the due date. The Participating Employer will be liable for the payment of the premium which accrues while any coverage remains in force.

Changes in rates

MetLife may change any or all of the premium rates without prior notice if there is a change in the policy; when a class of eligible persons is added to or deleted from a Participating Employer's plan; when, with MetLife's consent, a Participating Employer's subsidiary, affiliate, divisions branch or other similar entity is added to or deleted from the policy; when there is a significant change in the geographic distribution of insured Employees; when applicable law requires a change in insurance or the class of persons eligible for insurance; or when a Participating Employer's premium due date coincides with or next follows: a change greater than 10% in the number of covered persons or a change greater than 10% in the amount of insurance. MetLife may change rates for any coverage at any time if data furnished to MetLife and relied upon by MetLife as a basis for its rates, is found to be inaccurate or incomplete.

Termination

In addition to the termination provisions set forth above, MetLife may also terminate the Participating Employer's plan on any premium due date by giving 60 days' notice if the Participating Employer fails to provide information on a timely basis or perform any obligations required by the policy or any applicable law; or on the date a Participating Employer ceases to satisfy the criteria for a Participating Employer as contained in the definition of Participating Employer upon 60 days' notice. The Participating Employer may end the plan by giving 31 days' notice to MetLife or the Wisconsin Manufacturing Association of Manufacturing, and Commerce (WMC). The plan will end on the later of the date stated in the notice or the date the notice is received. If a plan ends all premiums due for the plan must be paid. MetLife will refund any unearned premium

Changes in the policy

The policy may be changed at any time without the consent of the covered persons or anyone else with a beneficial interest in it. MetLife will issue amendments or endorsements to effect such changes. MetLife will only make changes that are consistent with applicable law. An amendment or endorsement will not affect the insurance provided under certificates issued before the effective date of the change, unless retroactivity is consistent with applicable law. An officer of MetLife must approve in writing any change or waiver of the terms and provisions of this policy. A sales representative or other MetLife employee, who is not an officer of MetLife, does not have MetLife's authority to approve such changes or waivers. A change or waiver will be evidenced by an amendment signed by an officer of MetLife, and the Policyholder or its designee. An endorsement will be signed by an officer of MetLife. A copy of the amendment or endorsement will be provided to the Policyholder for attachment to the policy.