



Gap Awareness 2023

Mark Mettillle, CEO & Founder - GIS

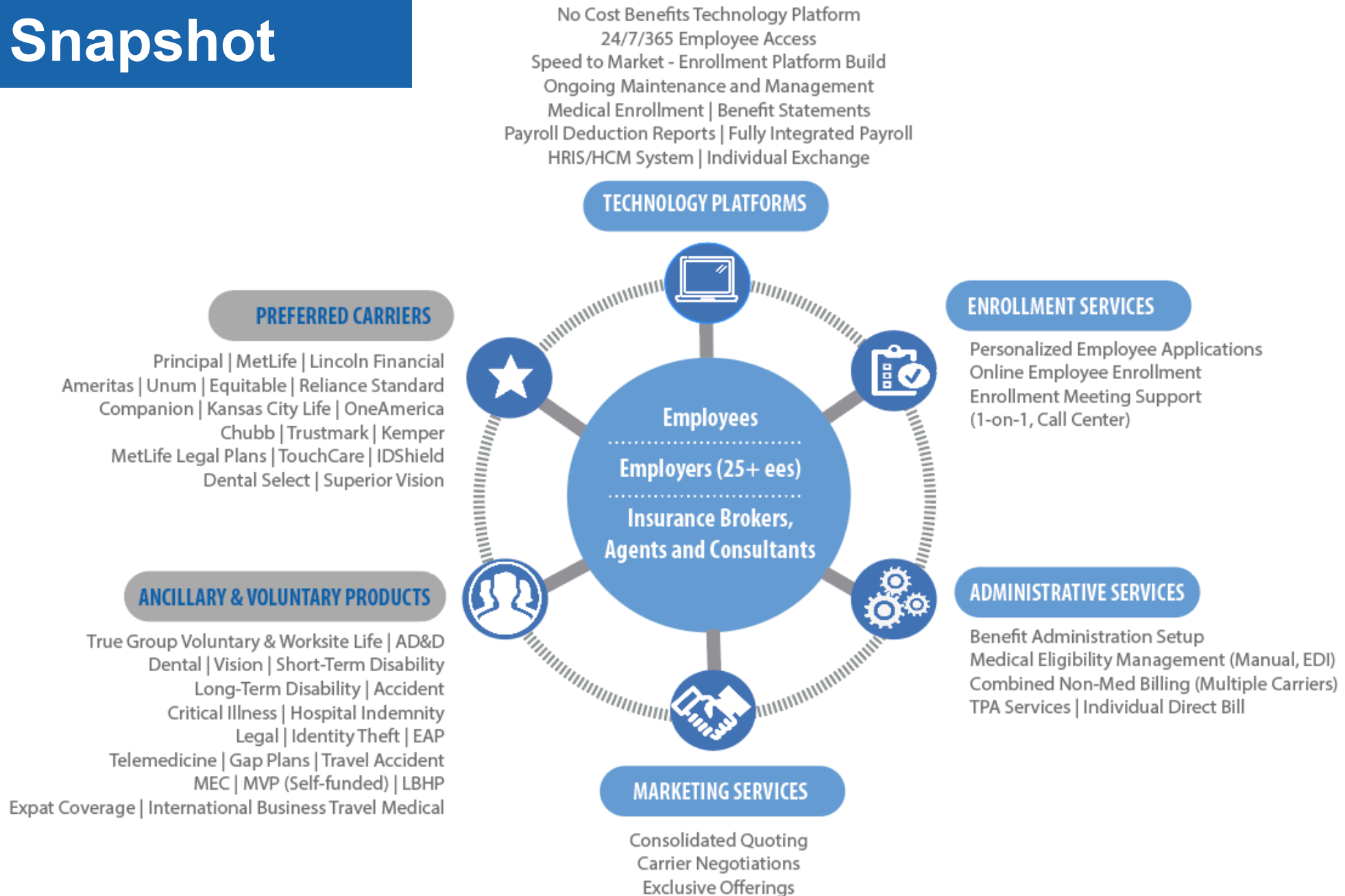
Pat Kirchner, Managing Partner - GIS

David Hibler, Managing Partner - GIS Executive Benefits

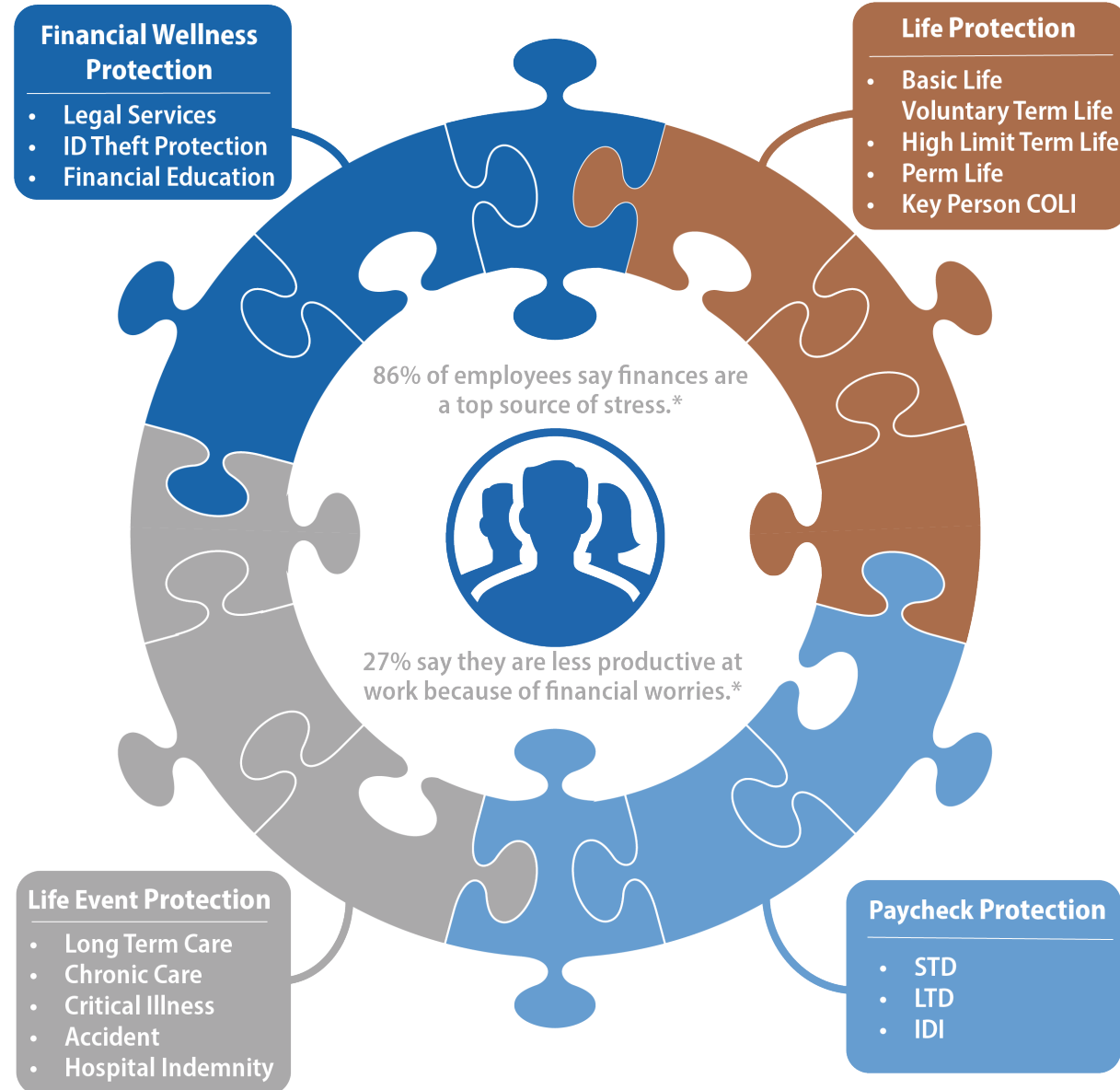
Maureen Geyer, National Practice Leader - GIS Executive Benefits

January 26, 2023

GIS Snapshot



Financial Wellness Snapshot



**Source: MetLife's 19th Annual Employee Benefits Trends Study, 2021.*



What We Do

GIS Executive Benefits

We're a resource for brokers, helping to solve the Life, DI, and LTC needs of executives and other highly compensated employees.

- ▶ Professional tools to help illustrate and understand gaps in coverage
- ▶ Expert plan design consultation and recommendations
- ▶ Specialty products with higher GI and instant issue amounts – and lower eligibility and participation thresholds
- ▶ Online technology to enroll a full suite of Financial Wellness offerings
- ▶ Enrollment services that can be customized to the Executive and HCE population (including scheduled one-on-ones for up to an hour)



Do your clients' employees have the right amount of coverage?

It's time to look for gaps in your clients' life and disability coverage.

GIS Executive Benefits is here to help.

We'll do the heavy lifting with our exclusive **in-depth gap analysis**, identifying – and illustrating – the gaps, so you have the data you need for your client planning consultations in the new year.



What's keeping your clients up at night?



The Great Reshuffle continues

A record-high **47.4 million people** quit their jobs in 2021.¹



More than **1 in 3 employees** say they have seriously considered leaving their employer in the past 12 months.²



No surprise. **63% of employers** say recruiting and retention are priority concerns.²



Employees who are satisfied with their benefits are:

- **2X more likely** to be satisfied with their job²
- **70% more likely** to be loyal to their employer.²



66% of HR leaders say their organization is more likely to explore adding innovative employee benefits as a result of the pandemic.³

¹ Department of Labor, 2022.

² MetLife Employee Benefit Trends Study, 2022

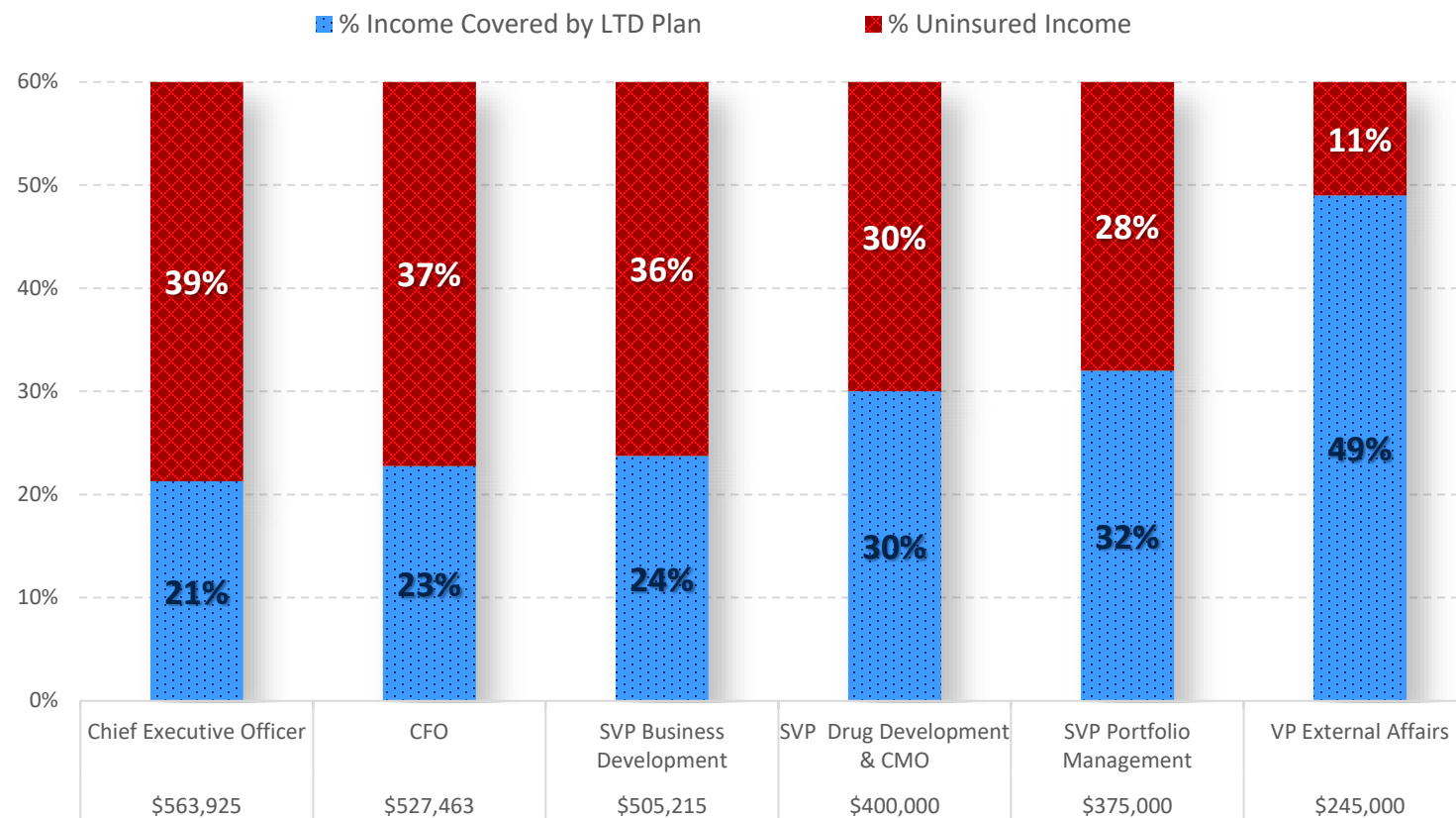
³ BenefitsPRO, 2022

Gap Analysis Sample DI: Restoration to 60% View (Base Salary)

What's causing the gap?

- Group LTD Plan of 60% to \$10,000 leaves a gap in coverage for anyone earning over \$200,000
- Group LTD benefit – shown in blue – is taxable, which widens the gap even further

BioTechPharma Industry Group – Restoration w/Base Salary only



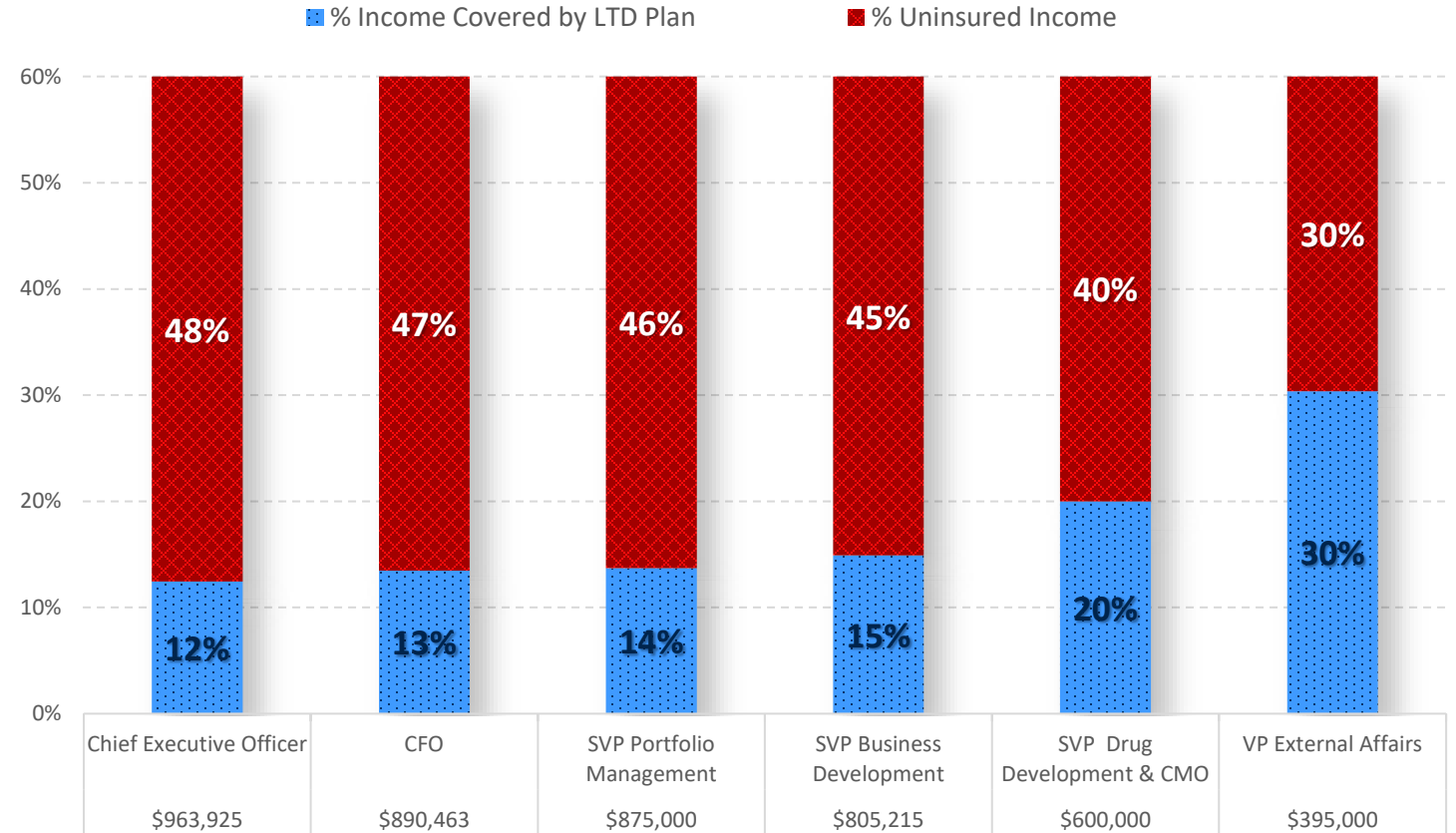
Gap Analysis Sample DI: Restoration to 60% View (Base + Bonus Earnings)

What's causing the gap?

When bonus income was added:

- *Group LTD Plan of 60% to \$10,000 showed an even greater gap for those earning over \$200,000*
- *Revealed a higher population of HCEs with significant gaps in coverage*

BioTechPharma Industry Group – Restoration w/Bonus Income



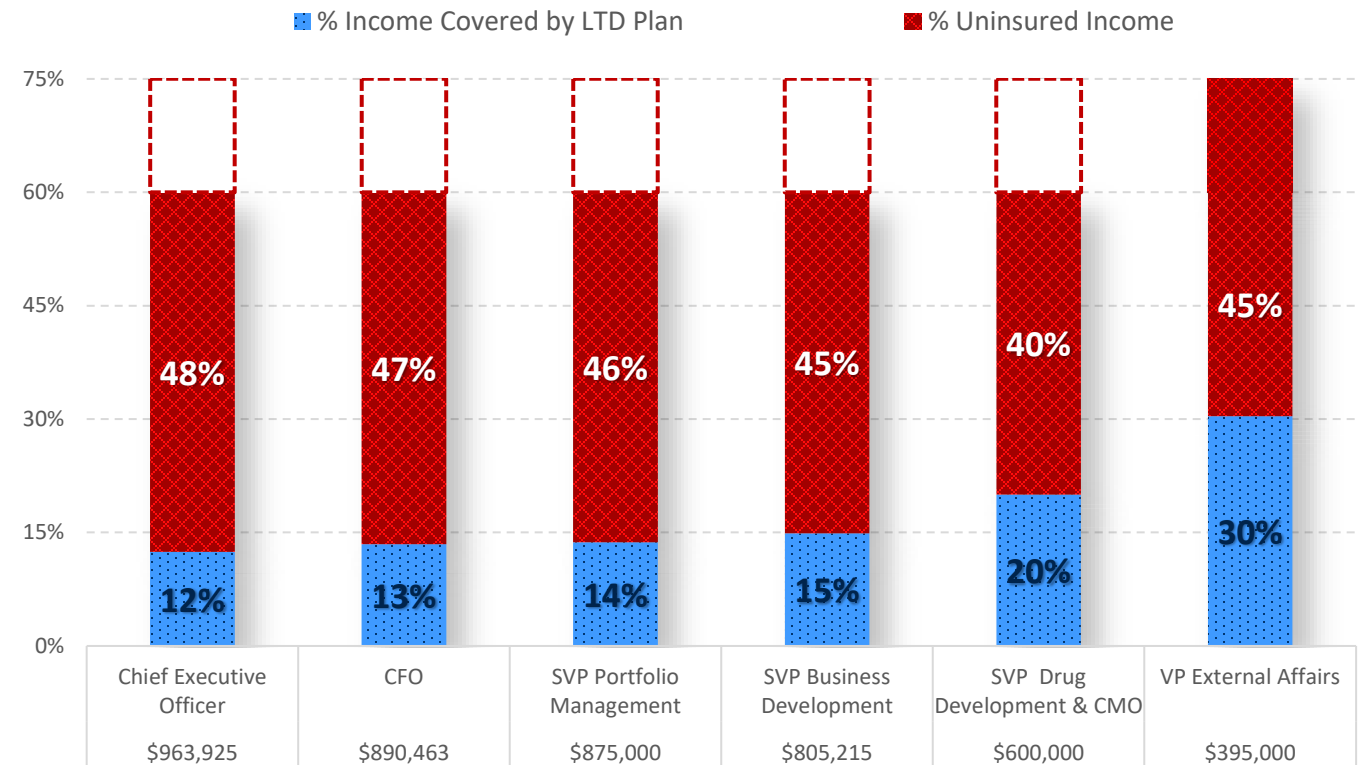
Gap Analysis Sample DI: Max Income Replacement View

(Base + Bonus Earnings)

What's causing the gap?

- Highest GSI DI available of 75% to \$15,000 added to LTD of \$10,000 addresses gaps for those HCEs earning \$200,000 to \$500,000.
- Executive DI available to address gaps remaining for those HCEs earning more than \$500,000

BioTechPharma Maximum Replacement DI w/Bonus Income



Employer Addresses Disability Gap with GSI IDI for Valuable Bonus-Eligible Employees

Client: BioTech company evaluating disability coverage

GAP ANALYSIS

- Using census data and plan design, GIS Executive Benefits created a custom gap analysis
- **Identified significant gaps for bonus-eligible employees** caused by:
 - Group LTD plan max
 - Taxability of benefits
 - Bonus/incentive comp not included

GIS analysis goes beyond a scattergraph to identify gaps employers aren't aware of

SOLUTION

- GSI IDI for bonus-eligible employees -- insuring salary + bonus at 75% replacement to a total of \$25,000 monthly benefit
- Electronic enrollment
- Separate bills for different divisions

GIS offers exclusive GSI amounts and strong relationships with top carriers

RESULTS

- Lives: 106
- **Total first-year premium: \$180,000**

TOTAL BROKER COMPENSATION over 10-year period: **\$306,000**

(assuming no additional increase in premium)

- Total first-year comp: \$81,000
- Renewal comp years 2-5: \$27,000 per year
- Renewal comp years 6-10: \$23,400 per year

Gap Analysis - Life Insurance

Targeting 5X Annual Earnings

Consulting & Advisory Company

- ▶ Multiple product choices with High Levels of Guaranteed and/or Instant Issue
- ▶ Employer Funded or Employee Paid
- ▶ Flexible Term & Permanent Options with Long Term and/or Chronic Care Riders available

Title	Annual Base Salary	Additional Compensation	Total Annual Compensation	Employer Paid Life	Voluntary Life	Total Group Life Coverage	Life Coverage Target= 5x AE	Life Coverage Gap
CEO	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 50,000	\$ 500,000	\$ 550,000	\$ 5,000,000	\$ 4,450,000
Sr Managing Director	\$ 999,999	\$ -	\$ 999,999	\$ 50,000	\$ -	\$ 50,000	\$ 4,999,996	\$ 4,949,996
COO	\$ 851,249	\$ -	\$ 851,249	\$ 50,000	\$ 150,000	\$ 200,000	\$ 4,256,247	\$ 4,206,247
Vice Chairman	\$ 850,000	\$ -	\$ 850,000	\$ 50,000	\$ 250,000	\$ 300,000	\$ 4,250,000	\$ 4,200,000
CTO	\$ 850,000	\$ -	\$ 850,000	\$ 50,000	\$ -	\$ 50,000	\$ 4,249,998	\$ 4,199,998
EVP	\$ 821,088	\$ -	\$ 821,088	\$ 50,000	\$ 150,000	\$ 200,000	\$ 4,105,440	\$ 4,055,440
Sr Managing Director	\$ 662,681	\$ -	\$ 662,681	\$ 50,000	\$ -	\$ 50,000	\$ 3,313,403	\$ 3,263,403
Managing Director	\$ 651,875	\$ -	\$ 651,875	\$ 50,000	\$ 150,000	\$ 200,000	\$ 3,259,375	\$ 3,209,375
IT Managing Director	\$ 651,167	\$ -	\$ 651,167	\$ 50,000	\$ -	\$ 50,000	\$ 3,255,834	\$ 3,205,834
Managing Director	\$ 649,999	\$ -	\$ 649,999	\$ 50,000	\$ -	\$ 50,000	\$ 3,249,996	\$ 3,199,996
<p>▶ Group Life often provides only a base level of protection, particularly for Executives & HCE's</p> <p><i>For illustrative purposes only</i></p>								

What's causing the gap?

- Group Life + Voluntary Life plan max
- Employees not purchasing Voluntary Life
- Employees purchasing Voluntary coverage to GI amount only
- Spouse Life coverage is even more limited

Group Life often provides only a base level of protection, particularly for Executives & HCE's

Employer Closes Life Insurance Gap for Senior Executives

Client: Consulting and Advisory Firm

The firm's main rainmaker passed away unexpectedly in an accident. Beneficiaries received \$500,000 in life insurance, but the deceased's mid-year bonus was 4x that amount.

GAP ANALYSIS

- Using census data and plan design, GIS Executive Benefits created a custom gap analysis
- **Identified significant gaps for shareholders and managing directors** caused by:
 - Group Life + Voluntary Life plan max
 - Employees not purchasing Voluntary Life
 - Employees and spouses purchasing Voluntary coverage to GI amount only

GIS analysis highlights gaps employers may not be aware of

SOLUTION

- \$1 million Employer-paid, Employee-owned Individual Life coverage -- all Guaranteed Issue for 25 highly compensated executives

GIS offers exclusive GSI amounts and strong relationships with top carriers

RESULTS

- **Total annualized premium: \$73,430**

TOTAL BROKER COMPENSATION

- **\$29,372**

Employer Also Addressed Similar Gap for All Employees

Client: Consulting and Advisory Firm

GAP ANALYSIS

- The custom gap analysis also identified similar gaps for the balance of the firm's employee population.
- **Identified significant gaps for shareholders and managing directors** caused by:
 - Group Life + Voluntary Life plan max
 - Employees not purchasing Voluntary Life
 - Employees and spouses purchasing Voluntary coverage to GI only

GIS analysis highlights gaps employers may not be aware of

SOLUTION

- **Hero Life from GIS: Up to \$2 Million of employee-paid, digitally underwritten term life insurance** for employees and spouses without requiring a medical exam.
- Coverage is available on an evergreen basis at anytime.

Hero Life is a GIS Benefits group exclusive

RESULTS

- **Average new individual policy: \$1,200/year**
- **50%+ instant issue approval rate**

BROKER COMPENSATION

- **Averaging \$780/new individual policy**



IT'S
SIMPLE!

How to Get Your GIS Gap Analysis

1

Provide GIS with a group census and copy of the policy (or plan highlights).

2

We'll turn around a **detailed, group-specific gap analysis** and deliver it to you within 10 business days – in plenty of time for your client planning meetings.

3

You start the year by delivering **strategic insights and solutions** to your clients and their employees.

** Disability Group Census file should include: Employee name, DOB, gender, salary, bonus, occupation, state. Life Census file should include: Employee name, DOB, gender, salary, basic and voluntary life amounts. To download census templates, [click here](#).*

GIS Executive Benefits: *A GA with a difference*

Our experts will also help you design customized group and individual product solutions to fill in each client's coverage gaps – making the most of our exclusive GSI amounts and strong, high-volume relationships with top carriers.

- Optimized Disability solutions – Group, Core Buy-up, Voluntary and Individual.
- Full suite of Individual Term and Permanent Life and LTC solutions, often with no medical evidence required.
- **Everything we do is guaranteed issue or instant issue.**

GIS will be there every step of the way with:

- Custom gap analyses
- RFP plan consultation
- Go-to-market strategies
- Enrollment coordination, including:
 - Building and supporting online enrollment
 - Customized inbound/outbound call center solutions



Gap Awareness 2023

Make the most of it with GIS.

- ✓ Strategic solutions that address your client's gaps and challenges
- ✓ Stronger client relationships
- ✓ New revenue sources

Get started by providing GIS with a group census and disability policy (or plan highlights). We'll provide your custom gap analysis within 10 business days.

Email requests to:
GISExecBenefits@gisbenefits.net





THANK YOU.

For a full demo or
for questions, contact
Maureen Geyer at 813-765-3857 or
GISExecBenefits@gisbenefits.net

Save the Date: April 27, 2023
“Trends in Long-term Care”

WEBINAR