



**Maynooth  
University**  
National University  
of Ireland Maynooth

# Voluntary Life Assurance Voluntary Income Protection & Closed Income Protection Plans

**Maynooth University of Ireland**

**Presented by:** Amee Massey, Associate Director  
at Willis Towers Watson

**April 2023**



# Agenda

Maynooth University of Ireland offering solutions to provide financial protection for you & your family

- 1 About this Presentation
- 2 MU Voluntary Life Assurance Plan (“VLAP”)
- 3 MU Voluntary Income Protection Plan (“VIPP”)
- 4 MU Closed Scheme Income Protection Benefits
- 5 Making a Claim
- 6 Recap
- Q&A

# About This Presentation



## Important to note:

- ❑ This presentation will provide employees with information regarding the **MU Voluntary Life Assurance Plan (“VLAP”), MU Voluntary Income Protection Plan (“VIPP”) and the MU Closed Income Protection Plan.**
- ❑ These are separate benefit Plans offered to MU employees. Eligible employees can apply for membership under one or both of the Voluntary Plans only.
- ❑ **This presentation aims to give an outline to help you make some important decisions, which may affect your insurance needs.**
- ❑ This presentation will not cover specific information regarding sick leave or death in service benefits provided through your employer. Information can be accessed through the MU HR Website.



This presentation gives you information but does not advise you in any way. You may feel comfortable making these decisions yourself; **or you may wish to seek independent financial advice about your options.**

This material is based on information available to Willis Towers Watson at 01/04/2023 and takes no account of subsequent developments. In preparing this material we have relied upon data supplied to us by third parties. Whilst reasonable care has been taken to gauge the reliability of this data, we provide no guarantee as to the accuracy or completeness of this data and Willis Towers Watson accepts no responsibility and will not be liable for any errors or misrepresentations in the data made by any third party.

All Examples used in the presentation are for illustrative purposes only.

Important to note:

# About This Presentation

As an employee of MU, membership to the Plans are open to employees as follows:

1

## Voluntary Life Assurance Plan



designed to give you the opportunity to make **financial provisions for your dependants or estate** against **the event of your death** while employed by MU

- ✓ Closed Scheme Members
- ✓ Superannuation Scheme Members
- ✓ Single Scheme Members

2

## Voluntary Income Protection Plan



designed to **protect you against the possibility of long term illness** by **providing a replacement income** based on your MU Salary

- ✓ Superannuation Scheme Members
- ✓ Single Scheme Members

3

## Closed Income Protection Plan

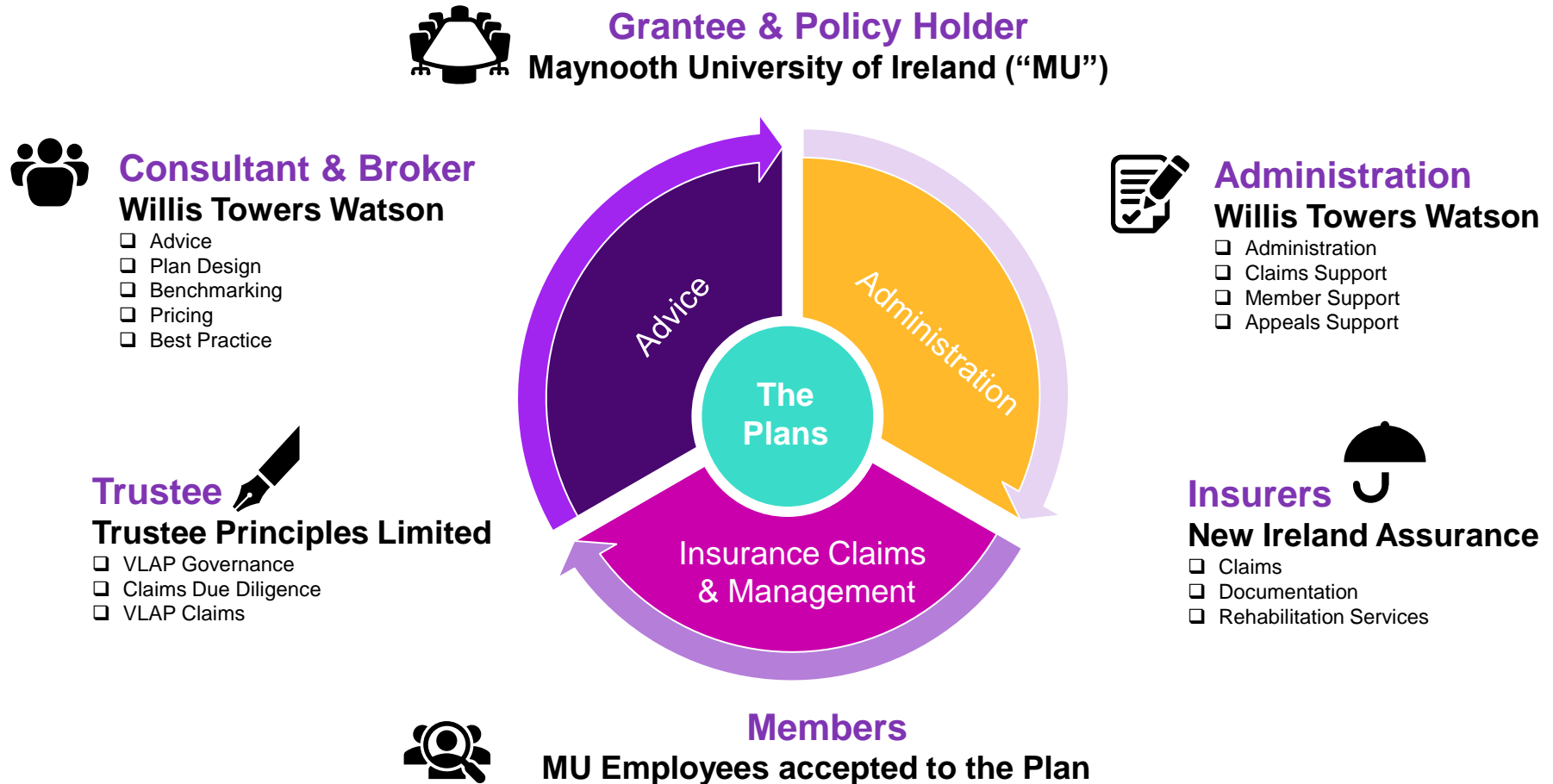


designed to **protect you against the possibility of long term illness** by **providing a replacement income** based on your Pension Expectation

- ✓ Closed Scheme Members Only

# About This Presentation

## Plan Management – Who is Who?



# The MU Voluntary Life Assurance Plan (“VLAP”)





# The MU VLA Plan

## Financial Protection for you, and your family



In brief...

- Membership to the VLA Plan is voluntary for all employees
- **The main pension scheme though MU provides a death in service benefit of one of the following:**
  - ✓ *Lump sum of 6 times salary (Closed Scheme members),*
  - ✓ *Lump sum of 1 times salary to 1.5 times annual salary, Spouse's and children's pensions in addition (Superannuation Scheme members)*
  - ✓ *Lump sum of 2 times salary, Spouse's and Children's pensions in addition (Single Public Service Pension Scheme members)*

### Questions you should consider....

What life assurance do I already have in place?

Do I also have other insurance?

What about...

- Mortgage protection ?
- Term assurance ?

Is this sufficient to meet needs of dependants?



# The MU VLAP

## Joining the Plan

### What does it mean for me?

- ✓ A way of increasing death in service lump sum
- ✓ An addition of 3 times annual salary
- ✓ Children’s Death benefit of €4,000
- ✓ A single price all members (regardless of age or gender)
- ✓ A simplified acceptance process
- ✓ Convenience, your premium is automatically deducted through payroll
- ✓ Cover up to age 66 whilst in employment with MU

### How much does it cost?

- ✓ The VLAP is negotiated on a special group basis’. This means we can provide set pricing to all members regardless of age or gender

Rates effective from	01 December 2022
VLAP	0.23% of Salary

- ✓ Your premiums are eligible for tax relief at 20% or 40% depending on your current salary

The current rate is guaranteed to 30<sup>th</sup> November 2025

\*Rates reviewed every 3 years to ensure competitive pricing





# The MU VLAP

## How Much Does Membership Cost?



“John”

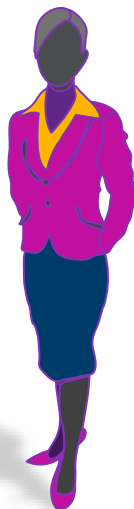
**Salary**  
€30,000

**Benefit**  
**€90,000**

**Gross Monthly Premium**  
€5.75

**PAYE Tax Rate**  
20%

**Net Monthly Premium**  
**€4.60**



“Aoife”

**Salary**  
€60,000

**Benefit**  
**€180,000**

**Gross Monthly Premium**  
€11.50

**PAYE Tax Rate**  
40%

**Net Monthly Premium**  
**€6.90**



“Mary”

**Salary**  
€90,000

**Benefit**  
**€270,000**

**Gross Monthly Premium**  
€17.25

**PAYE Tax Rate**  
40%

**Net Monthly Premium**  
**€10.35**



**0.23% of Salary**

**Benefits inclusive of:**  
✓ Children’s Death benefit of €4,000

# The MU VLAP

1

2



## How do I become a member?

### If you joined MU before 1 January 2012....

Please **complete the relevant VLAP Application** form submit to the MU HR Department.

**Note:** you will be asked to complete a Health Questionnaire and a medical examination maybe required. Acceptance of cover will be at the insurers discretion.

**Member application forms and further information on the Plan are available**

<https://www.maynoothuniversity.ie/human-resources/pension-information/voluntary-life-assurance-plan-vlap>

### If you joined MU after 1 January 2012....

If a permanent employee or a fixed term employee (with a contract of at least 1 year) you are automatically included in the VLAP (unless you notify the MU HR Department in writing of your intention to opt out). You will be **auto enrolled** once you also meet the following criteria:

- ☐ employees under the age of 65, and
- ☐ who are actively at work, and
- ☐ A member of one of the Maynooth University Pension Schemes
- ☐ Not previously declined for cover or opted out of the scheme under a previous contract of employment with MU



# The MU Voluntary Income Protection Plan ("VIPP")



# The MU VIPP

## Financial Protection for you, and your family



In brief...

- In the case of long term or permanent illness or injury the IP Plan is intended to supplement your income
- **The VIPP aims to ensure a maximum income 75% of salary** - Inclusive of Pay/ Sick Pay, TRR, Disability Benefit, Social Welfare and or Ill Health Early Retirement payable to recovery, death or the Plans benefit ceasing age

### Membership is open to MU Employees who are:

- ✓ Under the age 65
- ✓ Actively at work
- ✓ Pensionsionable employment



# The MU VIPP

## How the Plan Works

Timing of the benefit will be dictated by your acceptance date to the Plan, whether a member is deemed “non-critically” or “critically” under the Public Service Management (Sick Leave) Regulations (SI 124 of 2014) and when a members sick leave is to fall to half pay or nil pay.

### Stage 1:

- ✓ **25% of Salary** after 13 weeks (92 days) sick leave in a rolling 12 month period **(when sick leave falls to half pay)** increasing to:

### Stage 2:

- ✓ **75% of Salary** after 26 weeks (183 days) sick leave in a rolling 4-year period **(When sick leave falls to nil pay)**

**Non - Critically Ill  
(Ordinary Sick Leave)**

**Critically Ill  
(Critical Illness Protocol)**

### Stage 1:

- ✓ **25% of Salary** after 26 weeks (183 days) sick leave in a rolling 12 month period **(when sick leave falls to half pay)** increasing to:

### Stage 2:

- ✓ **75% of Salary** after 52 weeks (365 days) sick leave in a rolling 4-year period **(When sick leave falls to nil pay)**

## Reduced by:

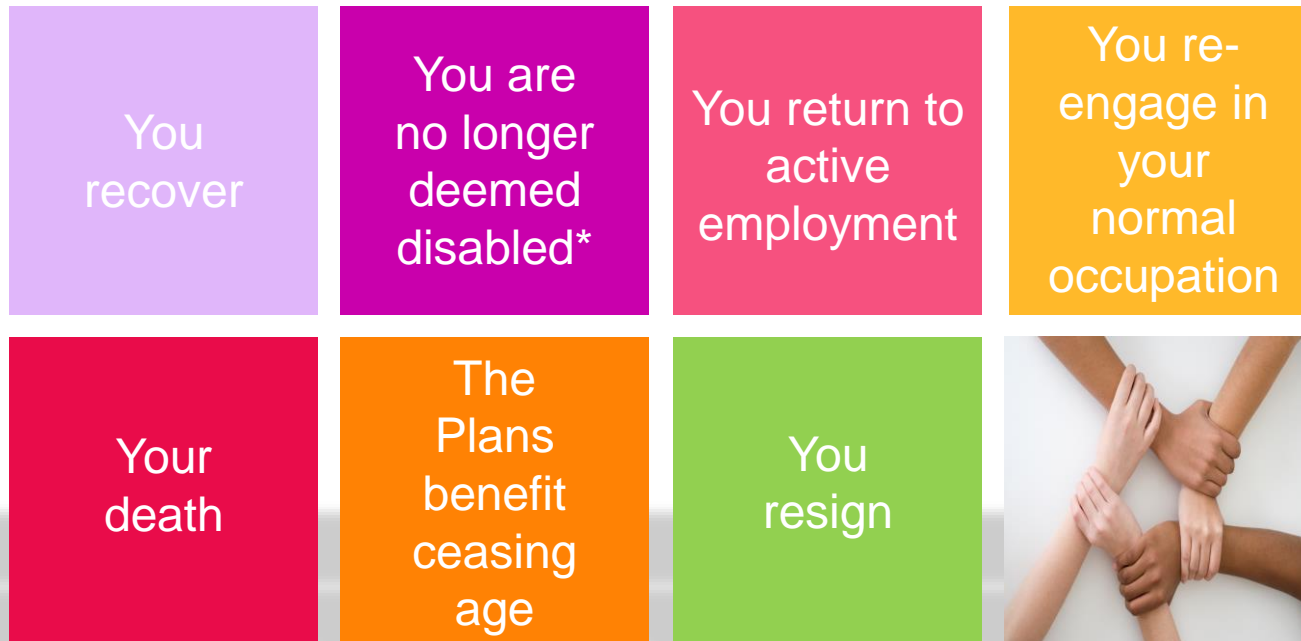
- (i) Temporary Rehabilitation Remuneration and/or
- (ii) Ill-Health Early Retirement Pension, and/or
- (iii) Social Welfare Disability Benefit (at a single person's rate) and/or
- (v) other income or allowances receivable by the member

**If payable to the member**

# The MU VIPP

## How Long are Benefits paid for?

- Once in payment the VIPP benefit will continue to be paid until the earlier of:



# The MU VIPP

1

2

3



## What does it mean for me?

- ✓ 75% of salary should you find yourself out of work due to illness or injury
- ✓ Inclusive of Sick Pay, Pension, Disability Benefit, Social Welfare
- ✓ TRR, IHERP deduction only applies where in payment
- ✓ Payable to recovery, death or age 66
- ✓ Annual increases of 5% or CPI if less
- ✓ Convenience, your premium is automatically deducted through payroll
- ✓ Value for money – your premiums are eligible for tax relief at 20% or 40% depending on your current salary.

## How much does it cost?

- ✓ The IPP is negotiated on a special group basis'. This means we can provide set pricing to all members regardless of age or gender.

Rates effective from	VIPP Rate
01 December 2022	0.58% of Salary

The current rate is guaranteed to 30th November 2025\*.

\*Rates reviewed every 3 years to ensure competitive pricing



# The MU VIPP

## How much does membership cost?



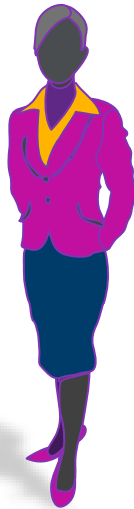
**Salary**  
€30,000

**Gross Monthly Premium**  
€14.25

**PAYE Tax Rate**  
20%

**Net Monthly Premium**  
**€11.60**

**“John”**



**Salary**  
€60,000

**Gross Monthly Premium**  
€29.00

**PAYE Tax Rate**  
40%

**Net Monthly Premium**  
**€17.40**

**“Aoife”**



**Salary**  
€90,000

**Gross Monthly Premium**  
€43.50

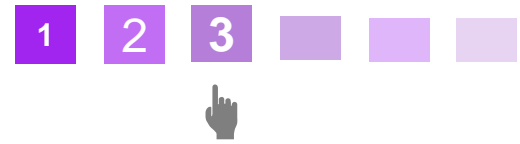
**PAYE Tax Rate**  
40%

**Net Monthly Premium**  
**€26.10**

**“Michael”**

**VIPP Rate 0.58% of Salary**





# The MU VIPP

## How do I apply for membership

- (i) Eligible employees of the University appointed pre 1st January 2012 or members who have previously opted out of the Plan can apply for membership on completion of a member application form
- (ii) Eligible employees of the University appointed on or after 1st January 2012 are automatically enrolled into the Plan (i.e. you are automatically accepted for cover without need for medical underwriting)

Existing eligible employees of MU who are not current members of the Plan and who wish to be included, are reminded that they need to apply to join the plan.

**Note:** Membership is voluntary and members can elect to opt out at any time by notifying the MU HR Department in writing.



# The MU VIPP

## Making a Claim

- ✓ Notification prior to the claim commencement
- ✓ Forms will be made available to make a claim
- ✓ Medical/specialists exam maybe required



*The ultimate decision on claims falls  
to the New Ireland Assurance  
underwriters*



- ✓ Ongoing monitoring
- ✓ May be asked to undertake rehabilitation
- ✓ Appeals process in the event of rejection
- ✓ Financial Services Ombudsman

# The MU VIPP

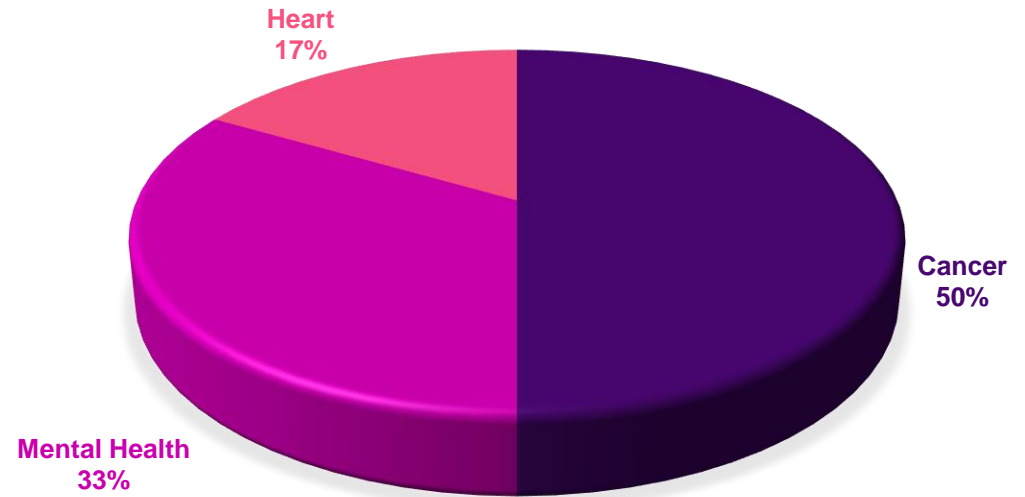
## MU IPP Claims Experience

❑ €177k in VIPP Claims paid over the last 5 years

❑ €74k pa in VIPP claims currently in payment

❑ Average age of claimant is 50

VIPP 5 YEARS CLAIMS TO DEC 2022





# The MU (Closed Scheme) Income Protection Plan



# The MU Closed Scheme IPP

## Financial Protection for you, and your family



In brief...

- In the case of long term or permanent illness or injury the IP Plan is intended to supplement your income
- **The Closed Scheme IPP aims to ensure a maximum income of Pension Expectation at NRA in the event of a claim**

**Membership to this Plan is closed and only covers Closed Scheme Members of MU.**

- ✓ MU meets the cost of this cover
- ✓ Members are covered to age 60 under the policy of Insurance. MU provide the cover post age 60 to 30<sup>th</sup> September following the members 65<sup>th</sup> birthday.

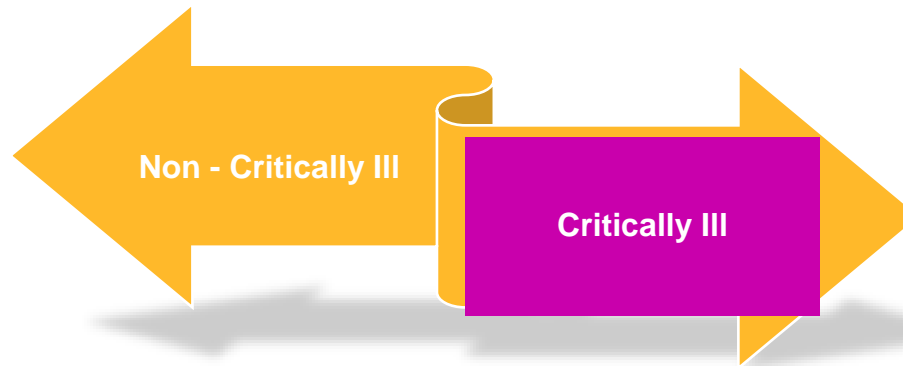


# The MU VIPP

## How the Plan Works

Timing of the benefit will be dictated by your acceptance date to the Plan, whether a member is deemed “non-critically” or “critically” ill.

- ✓ After 26 weeks disablement in the previous 4 years is exhausted **an IPP benefit of 50% of Salary** is payable
- ✓ After 52 weeks disablement is in the previous years is exhausted **an IPP benefit of Expected Pension at NRA** (capped at 67% of salary for part time workers) is payable



- ✓ After 52 weeks disablement is in the previous years is exhausted **an IPP benefit of Expected Pension at NRA** (capped at 67% of salary for part time workers) is payable

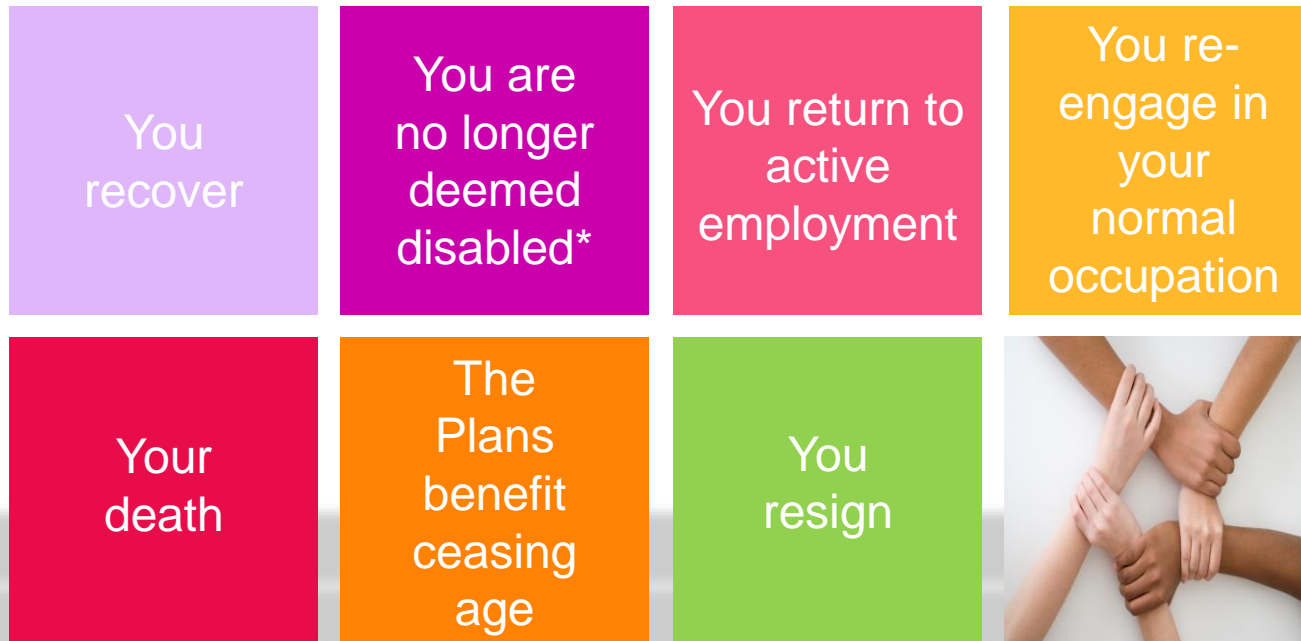
## Additional Benefit

- Pension Premiums Protection of 16.3% of Pensionable Salary plus,
- Risk costs for Members of the Policyholder’s pension scheme for whom the Policyholder is making contributions

# The MU VIPP

## How Long are Benefits paid for?

- Once in payment the IPP benefit will continue to be paid until the earlier of:



# The MU Closed Scheme IPP

## Making a Claim

- ✓ Notification prior to the claim commencement
- ✓ Forms will be made available to make a claim
- ✓ Medical/specialists exam maybe required



*The ultimate decision on claims falls to the New Ireland Assurance underwriters*



- ✓ Ongoing monitoring
- ✓ May be asked to undertake rehabilitation
- ✓ Appeals process in the event of rejection
- ✓ Financial Services Ombudsman





# Recap



# The MU VLAP, VIPP & Closed IPP

## Recap

- ❑ **MU Voluntary Life Assurance Plan (“VLAP”) and MU Voluntary Income Protection Plan (“VIPP”)** are separate benefit Plans offered to MU employees to supplement their protection needs. Eligible employees can apply for membership under one or both Plans. Members meet the cost of these benefits.
- ❑ **Premiums for both Plans** are deducted through MU payroll granting tax relief of 20% or 40% at source to members.
- ❑ **Membership is voluntary. Therefore should any member feel that the plans do not meet their needs they can opt out of the Plan at any time.**
- ❑ **The MU Closed Scheme** has been established on a group basis to provide Income Protection benefits to closed scheme members to protect their income in the event that they cannot work due to long term illness or as a result of an injury. MU cover the cost of this benefit.

# The MU VIPP & VLAP



## Your Checklist



Take some time to consider your *protection* needs.



Take some time to think about what current *insurance* policies you may have or need.



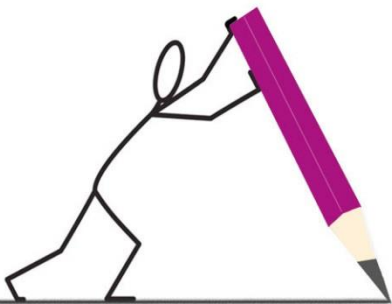
Shop around and consider other means of insurance, taking into account your own personal circumstances.



Review your member booklets and familiarize yourself with the full offering available you



If not a member, submit an application to join the VIPP and/or VLAP (if you so wish)





# Questions?

