



# Income Protection for teachers

Feel good. **Every day.**



For financial adviser use only.

## Teachers: a lesson in sick pay

Teachers look after our next generation. If they're unable to work, we want to make sure they're being looked after too. If your client is a teacher and is off work due to illness or injury, we've **got their back.**

Our income protection insurance will take care of them, by giving them a monthly payment until they can get going again. We know sick pay is high up on the priority list when it comes to income protection for teachers. Let's get into it.

A photograph of two women, likely teachers, looking at a tablet together. The woman on the left has blonde hair in a ponytail and is wearing a white shirt. The woman on the right has dark hair and is wearing a yellow shirt. They are both smiling and appear to be engaged in a discussion. The background is blurred, showing what looks like an outdoor setting with orange and red elements.

### Sick pay guarantees

For people working in the public sector, their sick pay entitlements can depend on a few factors and often change within the first five years of their career. This can make tailoring income protection to sick pay arrangements tricky. We've made this **easy for you**, by designing specialised sick pay guarantees around teachers. Making sure your clients are not over or under insured - with the right amount of protection set to kick in at the right time.

You'll need to check out the [Cover Details](#) for full information and eligibility.

# Teachers sick pay guarantee

## England, Wales and Northern Ireland

This guarantee applies to teachers who are directly employed in the public sector, whose sick pay arrangements are set out in:

- The Conditions of Service for School Teachers in England or Wales (known as the Burgundy Book)
- The Department of Education, Teachers Terms and Conditions for Northern Ireland.

It'll also apply to teachers whose employer sick pay arrangements exactly match the public sector teacher arrangements. In the table below, you'll see what the sick pay arrangements are in England, Wales and Northern Ireland, and what our sick pay guarantee is:

Length of service	Teachers sick pay entitlement Full sick pay paid for	Teachers sick pay entitlement Half sick pay paid for:	Our sick pay guarantee 50% of <b>monthly benefit</b> paid after:	Our sick pay guarantee Full <b>monthly benefit</b> paid after:
0-4 months	25 days	N/A	N/A	25 days
5-12 months	25 days	50 days	25 days	75 days
1-2 years	50 days	50 days	50 days	100 days
2-3 years	75 days	75 days	75 days	150 days
Over 3 years	100 days	100 days	100 days	200 days

Please make sure you check your client's sick pay arrangements match the above table. (All days are working days)

## Scotland

This guarantee applies to teachers who are directly employed in the public sector, whose sick pay arrangements are set out in the Scottish Negotiating Committee for Teachers (SCNT) handbook of Conditions of Service for School Teachers in Scotland. It will also apply to teachers whose employer sick pay arrangements exactly match those listed in the handbook. In the table below, you'll see what the sick pay arrangements are in Scotland, and what AIG's sick pay guarantee is:

Length of service	Teachers sick pay entitlement Full sick pay paid for	Teachers sick pay entitlement Half sick pay paid for:	Our sick pay guarantee 50% of <b>monthly benefit</b> paid after:	Our sick pay guarantee Full <b>monthly benefit</b> paid after:
0-18 weeks	N/A	N/A	N/A	1 month
0-18 weeks - 1 year	1 month	1 month	1 month	2 month
1-2 years	2 months	2 months	2 months	4 months
2-3 years	4 months	4 months	4 months	8 months
3-5 years	5 months	5 months	5 months	10 months
Over 5 years	6 months	6 months	6 months	12 months

Please make sure you check your client's sick pay arrangements match the above table.

## How it works

You'll need to select a 52-week deferred period in order for your client to qualify. A deferred period is the amount of time your client needs to be off work before a claim is paid. However, we'll start paying a monthly benefit as soon as possible, depending on when they became unable to work and their length of service – as long as it's a valid claim.

You can use our new [calculator](#) to work out the maximum cover your client can get from us.



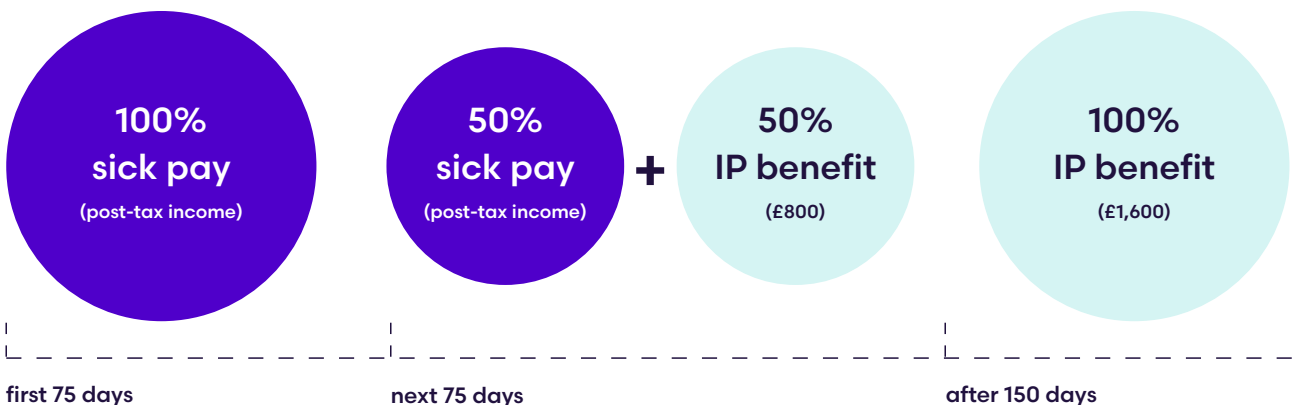
## Let's break it down further with an example:

Ms. Tucker\* has been working as a primary school teacher for two and a half years, earning £32,000 a year. Ms. Tucker's sick pay arrangements are set out in The Conditions of Service for school teachers in England and Wales, also known as the Burgundy Book.

When Ms. Tucker and her adviser took out her YourLife Plan Income Protection policy, they selected the maximum cover allowed under the policy (60% of her pre-tax income), equating to an Income Protection benefit of £19,200 per year or £1,600 per month. They selected a 52-week deferred period to ensure Ms. Tucker was covered by the YourLife Plan Income Protection sick pay guarantee for state teachers.

Ms. Tucker had to take some time off work due to a wrist injury. Under the Conditions of Service for school teachers in England and Wales, Ms. Tucker received full sick pay (100% of her post-tax income) from her sick pay entitlement for the first 75 days of being off work.

For the next 75 days, Ms. Tucker received half sick pay under her sick pay entitlement (50% of her post-tax income) plus 50% of her Income Protection benefit (£800). Although this may have been more than 60% of her pre-tax income, the guarantee means we do not deduct the sick pay income Ms. Tucker received from her teachers sick pay entitlement. After 150 days, when Ms. Tucker's teachers sick pay entitlement pay stops, we increased Ms. Tucker's income protection benefit to the full monthly amount (£1,600).



\* This is a fictional example to illustrate how this benefit could work. For reference this example is based on a salary of less than £60,000 so the max benefit amount is 60% of their pre-tax income. If a person earned more than £60,000, it would be 60% of the first £60,000 and then 50% of the rest of their salary. How this will work in practice depends upon personal circumstances, pre-tax income, employment status, and sick pay arrangements at time of claim.

It doesn't stop there.

# Income protection is **more** than just the monthly payments.

It's about keeping your clients happy, healthy and at their best – every day. This is where our prevention and rehabilitation support come in. There to help your clients at the earliest opportunity.



## Prevention – Smart Health

As the saying goes, prevention is better than cure. We want to make sure your clients have got what they need to look after themselves. That's where Smart Health<sup>1</sup> comes in – our very own (award-winning) health and wellbeing offering.

Available from day one of the policy, it has the perfect blend of services - everything from a 24/7 online GP to nutrition advice. Accessed via the app or website, it's unlimited and includes partners and children up to age 21 too.

## Rehabilitation – getting back on their feet

If your clients do end up needing to take some time off, we've got their back straightaway. No need to wait for the deferred period to end. There's a whole set of experts and services ready and waiting<sup>2</sup>.

**Rehabilitation** – from the moment your clients are unable to work, they can get help from vocational rehabilitation specialists to speed up their recovery. So that some time off doesn't turn into a long time off.

**Hospitalisation** – if your clients are in hospital for a long time the costs can rack up. From car parking, to snacks and everything in-between. That's why we'll give them £100<sup>3</sup> a night from the seventh night of their stay - making life that little bit easier.

**Recuperation** – when it's time to go back to work, your clients can get access to services to help them do just that. Whether it's physiotherapy, counselling or retraining, we could pay up to three times their monthly benefit amount to help cover the cost.

1. Smart Health is provided to AIG Life Limited customers by Teladoc Health. We want to let you know that these services are non-contractual, which means they don't form part of the insurance contract with us. If our partnership with Teladoc Health ends, these services could be changed or withdrawn in the future.

2. All rehabilitation features are at the discretion of AIG Life.

3. Evidence such as hospital admission summary, discharge summary or medical letters may be required

# Protection – the money bit

## Unemployment waiver of premium

Support is there if your clients are made redundant. We'll pay their premiums for up to six months so they stay covered. All they need to do is let us know within one month of being made redundant.

## Proportionate benefit

We'll top up your clients income if they're earning less when they go back to work – normally it's for things like working reduced hours or if they are now in a lower paid role. This means we'll continue to pay a reduced monthly benefit, until your client's income is equal to or greater than when they stopped work.

## Reviewable exclusions

If there are any exclusions put on your client's policy, we'll consider removing them through the term of the policy if their health changes in a way that means the exclusion isn't needed. So if their health changes for the better, be sure to let us know.

## Life event changes

It's important to regularly review your clients policy to make sure it still meets all their needs. That's why after a significant life event there's an option to change their cover\*. These include:

- + Getting married or entering a civil partnership
- + Having or legally adopting a child
- + Promotion at work or salary increase
- + Mortgage increase or getting their first mortgage
- + Rental property increases or moving into a new rental property
- + Receiving a significant salary increase of at least 20%



To find out more visit [aiglife.co.uk](https://www.aiglife.co.uk)



If you'd like to speak to our sales team call us **0345 600 6829**.

\* An increase is up to 50% of the original monthly benefit or £833, whichever is lower. For the significant salary increase of at least 20% only, the amount of cover can be increased by a maximum of £20,000 per year and this option may only be used once during the term of the cover. To note these options may not be available to everyone, further eligibility information can be found in the Cover Details.

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