

Disability Insurance Premiums to Rise; Some Employees Could Be Affected

(August 26) Some non-represented employees may be affected by rising premiums for long-term disability insurance beginning in Calendar 2000.

The MTA Board approved a motion at its Thursday, Aug. 26, meeting to extend for one year the contracts of companies providing long-term disability, medical, dental and life insurance coverage. The cost of all but life insurance coverage will increase next year to cover higher premiums.

The PTSC Board, at its Aug. 24 meeting, approved an increase in employee contributions to the long-term disability insurance plan.

The increase in premiums will not affect employees who choose basic long-term disability coverage. Basic coverage, which the MTA provides at no cost to the employee, gives a disabled employee 60 percent of pay after a 180-day waiting period. Employees may select this plan during open enrollment periods.

The proposed premium increase will affect non-represented employees who select other than the basic coverage. An employee with a \$6,000 monthly salary, for example, who chooses a plan that provides 60 percent of pay after 90 days would pay \$26.40 a month for the coverage, a \$7.80 increase from the current cost of \$18.60 per month.

Medical, Dental Insurance to Rise for Some; No Changes Seen in Life Insurance Premiums

The annual cost to the MTA of medical and dental insurance for non-represented employees also will rise in 2000. The increases are required to cover higher premiums charged by the insurance companies.

Although some employees will see no increase in the cost of medical and dental insurance, others may see increases ranging from \$1 to \$5 per month. The MTA pays an average of 90 percent of the cost of medical and dental coverage, while employees pay an average of 10 percent.

No changes are expected during 2000 in life insurance premium rates, although some individual employees might see higher rates due to salary increases or because they moved into a higher age bracket.

[Back to August Archives](#)

