

How do I calculate the cost of the Bi-Weekly Long Term Disability

In order to calculate the employee LTD portion, you first have to calculate the combined employee/employer (EE/ER) portion of the cost and then subtract the employer portion of the cost.

Formula for 70% Buy-Up (EE/ER Combined):

Annual salary /12 = Monthly Salary

Monthly Salary /100 = Number Units (Monthly Payroll on per \$100 Basis)

Number Units x \$0.405 = Total EE/ER Monthly Premium (EE/ER Combined)

Formula for Employer (ER) Portion:

Annual salary /12 = Monthly Salary

Monthly Salary /100 = Number Units (Monthly Payroll on per \$100 Basis)

Number Units x \$0.165 = Total ER Monthly Premium (ER Portion Only)

Employee Cost = Total EE/ER Monthly Premium - Total ER Monthly Premium

Example: Employee earning \$26,000 annually elects to purchase additional Long Term Disability

EE/ER Combined

$\$26,000 / 12 = \$2,167$ Monthly Salary

$\$2,167 / 100 = \21.67

$21.67 \times \$0.405 = \8.78 Premium per month

ER Portion:

$\$26,000 / 12 = \$2,167$ Monthly Salary

$\$2,167 / 100 = \21.67

$21.67 \times \$0.165 = \3.58 Premium per month

Employee cost

$\$8.78 - \$3.58 = \$5.20$ per Month or $\$2.40$ per Bi-Weekly paycheck for 70% LTD Coverage

Bi-Weekly LTD Buy Up Rates by Annual Salary

Annual Salary	Bi-Weekly Deduction
\$20,000	\$1.85
\$21,000	\$1.94
\$22,000	\$2.03
\$23,000	\$2.12
\$24,000	\$2.22
\$25,000	\$2.31
\$26,000	\$2.40
\$27,000	\$2.49
\$28,000	\$2.58
\$29,000	\$2.68
\$30,000	\$2.77
\$31,000	\$2.86
\$32,000	\$2.95
\$33,000	\$3.05
\$34,000	\$3.14
\$35,000	\$3.23
\$36,000	\$3.32
\$37,000	\$3.42
\$38,000	\$3.51
\$39,000	\$3.60
\$40,000	\$3.69
\$41,000	\$3.78
\$42,000	\$3.88
\$43,000	\$3.97
\$44,000	\$4.06
\$45,000	\$4.15
\$46,000	\$4.25
\$47,000	\$4.34
\$48,000	\$4.43
\$49,000	\$4.52
\$50,000	\$4.62
\$51,000	\$4.71
\$52,000	\$4.80
\$53,000	\$4.89
\$54,000	\$4.98
\$55,000	\$5.08
\$56,000	\$5.17
\$57,000	\$5.26
\$58,000	\$5.35
\$59,000	\$5.45
\$60,000	\$5.54
\$61,000	\$5.63
\$62,000	\$5.72
\$63,000	\$5.82
\$64,000	\$5.91
\$65,000	\$6.00

Bi-Weekly LTD Buy Up Rates by Annual Salary

Annual Salary	Bi-Weekly Deduction
\$66,000	\$6.09
\$67,000	\$6.18
\$68,000	\$6.28
\$69,000	\$6.37
\$70,000	\$6.46
\$71,000	\$6.55
\$72,000	\$6.65
\$73,000	\$6.74
\$74,000	\$6.83
\$75,000	\$6.92
\$76,000	\$7.02
\$77,000	\$7.11
\$78,000	\$7.20
\$79,000	\$7.29
\$80,000	\$7.38
\$81,000	\$7.48
\$82,000	\$7.57
\$83,000	\$7.66
\$84,000	\$7.75
\$85,000	\$7.85
\$86,000	\$7.94
\$87,000	\$8.03
\$88,000	\$8.12
\$89,000	\$8.22
\$90,000	\$8.31
\$91,000	\$8.40
\$92,000	\$8.49
\$93,000	\$8.58
\$94,000	\$8.68
\$95,000	\$8.77
\$96,000	\$8.86
\$97,000	\$8.95
\$98,000	\$9.05
\$99,000	\$9.14
\$100,000	\$9.23