

Long Term Disability Insurance

How does this plan work?

PEBB sponsors long term disability insurance through Standard. This insurance may replace a portion of your income should you become disabled. It is available to employees, only. **Seasonal and intermittent employees are not eligible.** You must self pay for this coverage; the state does not provide a benefit amount for this benefit.

How are taxes taken?

The premium is deducted from your pay after taxes. The benefit payment is not taxed.

Is there a waiting period for the benefit to begin?

You have four long term disability options as shown in the table below:

How long does the benefit period last?

Your maximum benefit period is determined by your age when disability begins, as follows:

Age	Max Benefit Period
61 or younger	To age 65, or 3 years 6 months, if longer
62	3 years 6 months
63	3 years
64	2 years 6 months
65	2 years
66	1 year 9 months
67	1 year 6 months
68	1 year 3 months
69 or older	1 year

2008 Long Term Disability Insurance Overview

Monthly premium = rate X monthly salary

Option	Rate	Waiting Period	Coverage	Maximum/Minimum
1	\$0.0054	90 days	60% of first \$12,000	\$7,200 before reduction of
2	\$0.0020	180 days	minus deductible income	deductible income/ \$50
3	\$0.00990	90 days	66 2/3% of first \$12,000	\$8,000 before reduction of
4	\$0.0030	180 days	minus deductible income	deductible income/ \$50

Here is an example to illustrate your long term disability choices:

You choose Option 1 – with a 90-day waiting period and a monthly benefit amount of 60 percent of your pre-disability earnings.

Your gross monthly salary (before any deductions):	\$1,900.00
Premium:	<u>X 0.0054</u>
Premium amount your pay each month:	\$10.26

When can I enroll in or request an increase in disability insurance?

There are three times when you may enroll or increase:

- Within 60 days of your date of hire or eligibility
- Yearly during Open Enrollment
- Within 60 days of a QSC (see page 17).

How do I enroll for disability insurance?

During Open Enrollment and as a newly hired employee or newly eligible member:

- Complete the electronic enrollment, or
- Submit an enrollment form to your agency.

If you enroll because of a QSC, you must submit an update form to your agency.

What are the effective dates of coverage?

Newly Eligible Employees: The first of the month following either completion of the electronic enrollment, or after your agency receives your enrollment form.

During Open Enrollment: the first day of the new plan year.

QSC: The first of the month after your agency receives your completed update form. The effective date can be no earlier than the date of your QSC.

What happens if I'm on leave or otherwise not working when my disability plan is scheduled to go into effect?

All disability coverage is subject to the actively at work requirement. For purposes of disability insurance, you are actively at work if

1. You are physically on the job **and**
2. Receiving pay for the first scheduled day of work **and**
3. Performing the material duties of your own occupation at your employer's usual place of business.

If you are incapable of active work because of sickness, injury or pregnancy on the day before the scheduled effective date of your insurance or an increase in your insurance, your insurance or its increase will not become effective until the day after you complete one full day of active work as described above.

Can I continue disability when I retire or otherwise leave state service?

No. When you end employment, you end participation in PEBB's short term and long term disability plans.

NOTE: PEBB members may also be eligible for disability benefits through the Public Employees Retirement System (PERS) disability retirement plan. Contact PERS for information.

Enhanced Disability Plan Features

The Standard Insurance Company offers enhanced long term and short term disability features beginning in 2008. Review the plan certificates on the PEBB Web site for more information on the following features.

What are the new Long Term Disability features?

Rehabilitation Plan. You may be able to be in an approved rehabilitation plan, which could pay training, family care and job-related expenses.

Family Care Expense Adjustment. If you pay for a family member's care so you can go back to work, this program may help you keep more benefit dollars.

Assisted Living Benefit. Employees with severe long-term disabilities may get a one-time assisted-living benefit of up to \$5,000.

Return to Work Incentive. This benefit change may increase the disability benefit you could receive when you return to work.

What are the new Short Term Disability features?

Claims by phone. In 2008 members may submit short term disability claims by telephone to Standard. Submitting these claims by telephone streamlines the claims process and helps speed payment to members.

What are the new Short and Long Term Disability features?

Reasonable Accommodation Expenses. This benefit may pay up to \$25,000 of employer costs for workspace changes that help you get back on the job.

Pre-existing Condition Period. The plans will have a pre-existing condition period of 12 months of being insured with a "look back" for subsequent conditions of three months.

What are insured earnings?

For purposes of determining your payable disability benefit, insured earnings are based on your earnings in effect on your last full day of work. When your insured earnings increase (e.g., with a pay increase), your premium rate increases. Insured earnings do not include overtime pay, bonuses, or dollars received when you opt out of medical coverage.

What is deductible income?

Deductible income means other income you are eligible to receive because of your disability.

Deductible income includes:

- A portion of your earnings from work while disabled
- Sick leave or other salary continuation, including donated leave (but not including vacation or personal business leave)
- A portion of the benefits you are eligible to receive under any other group disability program. This includes state disability income benefits, including public employees retirement system
- **For members employed by the Oregon University System,** benefits you are eligible to receive under any employer-sponsored individual disability policy arranged for individuals in a common group
- Workers' compensation benefits
- Social Security benefits payable to you and your dependents.

How do I file a disability claim?

If you want to file a short term disability claim, you can call Standard beginning Jan. 1, 2008. To file a claim for long term disability benefits, please contact your agency to obtain a disability claim packet. You may also print a copy of the claim packet from PEBB's Web site.

What are the plans' limitations and exclusions?

Review the group short and long term disability insurance certificates. The certificates are available online on the PEBB Web site. You may also contact PEBB to request a copy of the insurance certificate.