

Voluntary Short-Term Disability

Madison Lutheran Home

Voluntary Short-Term Disability Annual Enrollment

If you were unable to work because of an injury or sickness, would you be financially prepared? Our Voluntary Short-Term Disability insurance can help protect your income in the event of disability by providing you a benefit for injuries and sicknesses that are **not** work related. Your employer is offering you the opportunity to purchase Short-Term Disability insurance through convenient payroll deduction.

Annual Enrollment is here and it's time for you to evaluate your current benefit elections. If you are currently enrolled in the plan, you may wish to increase your coverage amount. If you didn't enroll in the past, but have reconsidered your decision, now is the time to enroll.

- ◆ **Currently Enrolled employees** – If you are currently enrolled for Voluntary Short-Term Disability insurance, you may increase your benefit amount without proof of good health, however the amount of your increase will be subject to a new pre-existing conditions limitation period.
- ◆ **Late Entrants** – *If you were eligible for Voluntary Short-Term Disability insurance but did not sign up, you can join the plan now without proof of good health.* Amounts elected are subject to the usual pre-existing conditions limitation.
- ◆ **Timely Entrants (New Hires)** – If you are a new hire, and are applying within 31 days of becoming eligible, the employee Guarantee Issue amount is \$1,000. This means you will be able to purchase up to \$1,000 of Voluntary Short-Term Disability insurance coverage without having to fill out a health questionnaire.
- ◆ **What forms do I complete to add or change benefits?**
Complete the enrollment request form and return it to your Human Resources representative. Your coverage will become effective on the entry date specified in the group policy, provided you are actively at work on that date. Otherwise, your coverage will become effective on the day you return to your full-time duties.

Your plan includes the following features:

Eligibility

- ◆ You are eligible to participate if you are an active full-time employee as defined by your employer and meet any other policyholder defined eligibility requirements.

Plan Features

- ◆ You may select units of \$50 with a minimum election of \$100 and a maximum election of \$1,000, not to exceed 60% of weekly covered basic pay.
- ◆ Benefits begin on the 15th day of disability for accident and the 15th day of disability due to sickness or pregnancy. Pregnancy is covered as any other disability. Benefits are payable to 11 weeks.
- ◆ Benefits are not subject to federal income tax when premiums are paid with after-tax dollars.

- ◆ You may qualify for disability benefits by meeting **either** an occupation test **or** an earnings test.
 - Occupation Test

You may qualify under the occupation test if you are under the regular care and attendance of a doctor, and an injury, sickness or pregnancy prevents you from performing at least one of the material duties of your occupation.
 - Earnings Test

You may qualify under the earnings test if an injury, sickness or pregnancy prevents you from earning more than 80% of your pre-disability pay.
- ◆ This plan includes a Quality of Care Benefit which provides services and support initiatives targeted at helping you return to better health and a Managed Rehabilitation Benefit which provides assistance and incentives to participate in a vocational rehabilitation plan should you become disabled.
- ◆ There is a pre-existing conditions limitation. A pre-existing condition is one for which you have seen a medical practitioner or taken medication in the 6 months prior to your coverage effective date. We will not pay benefits for any disability resulting directly or indirectly from a pre-existing condition unless the disability begins after 12 consecutive months during which you are continuously insured under this plan.

We will, however, pay a Limited Pre-existing Conditions Limitation Benefit. This means that we will pay you 25% of the Schedule Amount of benefit for up to 4 weeks if your disability occurs during the pre-existing conditions period. This benefit is provided as a financial bridge while we are conducting our claims investigation. If we conclude that your claim is due to a pre-existing condition, no further payment will be made. If your disability is not due to a pre-existing condition and we approve the claim, we will pay the balance of any benefit due.
- ◆ Your benefit may be reduced by disability benefits from retirement or government plans, other group disability plans, no-fault benefits, and return-to-work earnings. If your benefit is reduced, a minimum weekly benefit of \$25 applies.
- ◆ The greater of 10 employees or 25% of all eligible employees must be enrolled in the plan for this group policy to remain in force.
- ◆ A conversion privilege is included. Limitations and exclusions apply.

We will not pay benefits for any time you are confined to any facility because you were convicted of a crime or public offense. We will not pay benefits for any part of a period of disability during which you are receiving benefits under any Workers' Compensation Act or a similar law. We will not pay benefits for any disability caused by war or any act of war, whether declared or not; intentionally self-inflicted injury; while sane or insane; taking part in or the result of taking part in committing an assault or felony; an injury that arises out of or occurs in the course of any occupation for pay or profit; or a sickness that entitles you to benefits under any Workers' Compensation Act or a similar law. We will also not pay benefits if your employer, the policyholder, or an associated company has offered you the opportunity to return to limited work while you are disabled; you are functionally capable of performing the limited work which is offered; and you do not return to work when and as scheduled.

This coverage has limitations and exclusions. We do not pay for disabilities resulting from a pre-existing condition or a related condition. For complete details, please contact your company's benefits representative or refer to your benefit booklet. This highlight sheet provides a brief description of coverage. In the event that a discrepancy exists, the policy provisions will prevail. We can cancel the policy after giving the policyholder 31 days written notice.