

Long Term Disability

Plan Highlights

What Is It?

Long Term Disability is designed to replace some of your income should you become disabled, and remain so, for longer than six months (180 days). The plan provides a benefit equal to 60% of your pay *including* other benefits you might receive such as retirement benefits or Social Security.

Who Needs It?

Anyone whose household relies on his or her income to meet obligations. If you became disabled and were unable to work, this insurance would replace a portion of your income to help cover your living expenses over a long period of time.

How Does It Work?

Benefits begin after 180 days (immediately following the cessation of your Short-Term Disability benefits, if you have them) and are generally payable to age 65 if you remain disabled for that long. Your benefit from all sources will be the lesser of 60% of monthly pay or \$9,000/month. Your cost is based on your age and annual salary.

Rules and Limitations

When first eligible as a new hire, anyone may join the plan without having to provide evidence of insurability. However, **new** applicants will have a pre-existing condition limitation that will exclude benefits for that specific condition for one year. A pre-existing condition is one where you received treatment in the 3 months prior to your effective date. Note: current employees who are enrolled in the current LTD plan will NOT need to provide evidence of insurability.

This is just a summary aimed at giving you a simple way to understand the purpose of this coverage and how it works. It is not intended to provide every provision of the Plan. Only the official plan documents govern the plan's operation.

Tips for Maximizing your Benefit Dollars

Buying Long-Term Disability coverage is a good idea for most people.

Do not buy more insurance than you need.

If you are close to retirement, you may not want to buy Long-Term Disability insurance, since it only covers you until about age 65.

Purchasing *both* the Long-Term and Short-Term Plan gives you the most complete protection of your paycheck: from when your sick leave is exhausted to age 65.

Be sure to review the official plan documents for the complete set of rules and limitations that apply to this coverage.