



TheStandard®



Voluntary Short Term Disability and Voluntary Long Term Disability Insurance

FOR STATE OF WYOMING EMPLOYEES

Answers to your questions about coverage from Standard Insurance Company



STANDARD INSURANCE COMPANY

About This Booklet

This booklet is designed to answer some common questions about the group Voluntary Short Term Disability (STD) and Voluntary Long Term Disability (LTD) insurance coverage being offered by your *employer* to eligible employees. It is not intended to provide a detailed description of the coverage.

If coverage becomes effective and you become insured, you will receive a group insurance certificate containing a detailed description of the insurance coverage including the definitions, exclusions, limitations, reductions and terminating events. The controlling provisions will be in the *group policy* issued by Standard Insurance Company. Neither the certificate nor the information presented in this booklet modifies the *group policy* or the insurance coverage in any way. If you have additional questions, please contact your human resources representative.

Please note that defined terms and provisions from the *group policy* are italicized in this booklet.



Voluntary Disability Insurance Features

Chances are you already purchase home, auto and life insurance to protect yourself against the threat of loss. And you probably have health insurance to guard against costly medical bills.

So, what steps have you taken to help shield yourself, your lifestyle and those who count on you from an unexpected loss of income? Would you be able to meet your financial obligations if you became disabled and unable to work?

Disability insurance is designed to pay a benefit to you in the event you cannot work because of a covered illness or injury. This benefit replaces a portion of your income, thus helping you to meet your financial commitments in a time of need.

By sponsoring group Voluntary disability insurance from Standard Insurance Company (The Standard), your employer offers you an excellent opportunity to help protect yourself and your lifestyle. The advantages to you include:

- **Convenience.** With premiums deducted directly from your paycheck, you don't have to worry about mailing monthly payments.
- **Savings.** Typically, group insurance rates are lower than the rates of individual insurance plans, generally providing you with coverage at a lower cost.
- **Peace of Mind.** You can take comfort and satisfaction in knowing that you have taken a step toward securing your income during a period of disability.

Commonly Asked Questions

The following information provides details to give you a better understanding of group Voluntary STD and Voluntary LTD insurance available from The Standard. Written in non-technical language, this is not intended as a complete description of the coverage.

Do I need STD and LTD insurance?

If you are not certain that you need STD and LTD coverage, consider if you would be able to meet your financial obligations if you became disabled and unable to work for an extended period of time. The risk of disability may be greater than you think. Recent statistics have shown:

- On the average, about 2,329 disabling injuries occur every hour during the year. (Source: National Safety Council, *Injury Facts*, 2003)
- 21.3 million or 11.9 percent of all Americans aged 16 to 65 have a disabling condition that affects their ability to work at a job or business. (Source: US Census Bureau, *Disability Status: 2000*, March 2003)
- Nearly one person in five, about 49.7 million Americans, has some type of long lasting condition or disability. (Source: US Census Bureau, *Disability Status: 2000*, March 2003)

If you depend on your regular paycheck to pay your bills, what would happen if you became sick and couldn't work? Voluntary STD and Voluntary LTD insurance from The Standard may be part of the solution.

Am I eligible for this coverage?

To be a *member* and eligible for the Voluntary STD and Voluntary LTD insurance coverage, you must be:

- An active employee of the State of Wyoming, as defined by the *group policy*, excluding temporary and seasonal employees, full-time members of the armed forces, leased employees and independent contractors
- Regularly working at least 80 hours each calendar month
- A citizen or resident of the United States or Canada

If you have any questions regarding your eligibility for this coverage, please contact Employee's Group Insurance.

When are the State of Wyoming's Voluntary STD and Voluntary LTD plans effective?

The effective date of the Voluntary STD and Voluntary LTD coverage is January 1, 2008 and is dependent upon a minimum number of eligible employees for the State of Wyoming applying and qualifying for it. Your *employer* and The Standard have agreed upon this required level of participation. If it is not met, the Voluntary STD and Voluntary LTD coverage will not become effective. We encourage you to consider this opportunity to apply for the Voluntary STD and Voluntary LTD coverage.

When does my insurance go into effect?

If the minimum participation requirement is met and the Voluntary STD and Voluntary LTD coverage goes into effect, then the effective date of your coverage depends on when you become an eligible *member*, when you apply and whether you are required to provide *evidence of insurability*.

If you are **not** required to provide *evidence of insurability*, if you apply and agree to pay premiums, your Voluntary STD and Voluntary LTD coverage becomes effective on:

- The date you become eligible if you apply on or before that date
- The date you apply if you apply within 31 days after you become eligible.

For Voluntary STD: You may be subject to a longer *benefit waiting period* if you do not apply within 31 days after you become eligible.

For Voluntary LTD: *Evidence of insurability* is required if you apply more than 31 days after you become eligible unless you apply during your *employer's enrollment period* or within 31 days of a *family status change*. Your Voluntary LTD coverage becomes effective on the date The Standard approves your *evidence of insurability*.

In every case, you must meet the *active work* requirement before your insurance becomes effective.

What is the active work requirement?

Active work means performing with reasonable continuity, the *material duties* of your *own occupation* at your *employer's* usual place of business. You must be capable of *active work* on the day before the scheduled effective date of your insurance or your insurance will not become effective as scheduled. If you are not *actively at work* on the day before the scheduled effective date of insurance, your insurance will not become effective until the day after you complete one full day of *active work* as an eligible employee.

Will I have to provide information regarding my medical history?

The Standard may require you to provide information regarding your medical history, referred to as *evidence of insurability*, if you:

- Apply for LTD coverage more than 31 days after you become eligible for insurance
- Terminate your STD or LTD coverage for any reason but later apply to become insured again

Contact your human resources department for a Medical History Statement when *evidence of insurability* is required. In some cases, we may request additional medical information or a physical exam.

When am I considered disabled?

For STD: You are considered *disabled* if, as a result of *physical disease, injury, pregnancy or mental disorder*:

- You are unable to perform with reasonable continuity the *material duties* of your *own occupation*, and
- You suffer a loss of at least 20 percent of your *indexed predisability earnings* when working in your *own occupation*.

For LTD: During the *benefit waiting period* and to the end of the *maximum benefit period*, you are considered *disabled* if, as a result of *physical disease, injury, pregnancy or mental disorder*:

- You are unable to perform with reasonable continuity the *material duties* of your *own occupation*, and
- You suffer a loss of at least 20 percent of your *indexed predisability earnings* when working in your *own occupation*.

The *own occupation period* for the LTD coverage is the first 24 months for which *LTD benefits* are paid. You are not *disabled* merely because your right to perform your *own occupation* is restricted, including a restriction or loss of license.

You may work in another occupation while you are *disabled* from your *own occupation*, however, you will not be considered *disabled* when your *work earnings* from another occupation exceed 80 percent of your *predisability earnings*.

After the *own occupation period*, you are considered *disabled* if, as a result of *physical disease, injury, pregnancy or mental disorder*, you are unable to perform with reasonable continuity the *material duties* of *any occupation* that you are able to perform, whether due to education, training or experience:

- Which is available at one or more locations in the national economy, and
- In which you can be expected to earn at least 60 percent of your *indexed predisability earnings* within 12 months following your return to work, regardless of whether you are working in that or any other occupation.

When do benefits become payable?

If you become *disabled* and your claim for *STD benefits* is approved by The Standard, *STD benefits* become payable after the *benefit waiting period*. This is a specified number of days during which you must remain continuously *disabled*. *STD benefits* are not payable during the *benefit waiting period*. The *benefit waiting period* is 14 days*.

*However, if you do not apply during the Enrollment Period, your *benefit waiting period* will be determined as follows:

For Disability caused by

accidental Injury: The *benefit waiting period* is 14 days.

For Disability caused by *Physical Disease, Pregnancy or Mental Disorder*:

During the 12-month period beginning on the date your insurance becomes effective:

The *benefit waiting period* is 60 days, and thereafter 14 days.

Enrollment Period: The 31-day period beginning on the date you become eligible. You may apply for insurance and for changes in your insurance during any Enrollment Period or during the first 31 days following a Family Status Change.

If you remain *disabled* and your claim for *LTD benefits* is approved by The Standard, *LTD benefits* become payable after you have been continuously *disabled* for 180 days and remain continuously *disabled*. *LTD benefits* are not payable during this *benefit waiting period*.

How much are the STD and LTD benefit amounts?

Your weekly *STD benefit* is 66 2/3 percent of your insured weekly *predisability earnings* reduced by *deductible income*. The plan minimum and maximum *STD benefit* amounts are indicated below.

Plan maximum weekly <i>STD benefit</i>	Plan minimum weekly <i>STD benefit</i>
\$1,500.	\$15

Your monthly *LTD benefit* is 60 percent of your insured monthly *predisability earnings* reduced by *deductible income*. The plan minimum and maximum *LTD benefit* amounts are indicated below.

Plan maximum monthly <i>LTD benefit</i>	Plan minimum monthly <i>LTD benefit</i>
\$6,500.	\$100

How are the benefit amounts calculated?

The *STD benefit* and *LTD benefit* amounts are determined by multiplying your insured *predisability earnings* by the specified benefit percentage. This amount is then reduced by other income you receive or are eligible to receive while *STD benefits* and *LTD benefits* are payable. This other income is referred to as *deductible income*.

In the example below, the *LTD benefit* amount is 60 percent of insured monthly *predisability earnings*. If your monthly *predisability earnings* before becoming *disabled* were \$2,000 and you now receive a monthly Social Security disability benefit of \$600 and a monthly state disability benefit of \$200, your monthly *LTD benefit* would be calculated as follows:

Insured <i>predisability earnings</i>	\$2000
<i>LTD benefit</i> percentage	x 60%
	\$1,200
Less Social Security disability benefit	-600
Less state disability income benefit	- 200
Amount of <i>LTD benefit</i>	\$400

What are predisability earnings?

Predisability earnings are your rate of earnings from your *employer* and typically include:

- Salary
- Shift differential pay
- Contributions you make through a salary reduction agreement with your *employer* to an IRC Section 401(k), 403(b), 408(k), 408(p) or 457 deferred compensation arrangement, or an executive nonqualified deferred compensation arrangement
- Amounts contributed to fringe benefits according to salary reduction agreements under an IRC Section 125 plan

Predisability earnings generally exclude bonuses, overtime pay, your *employer's* contribution to a deferred compensation arrangement or pension plan or any other extra compensation. They are based on your earnings in effect on the last full day of *active work*. Please contact your human resources representative for additional information regarding what is included in *predisability earnings*.

What is deductible income?

Deductible income is income you receive or are eligible to receive while *STD* and *LTD benefits* are payable. It includes, but is not limited to, the following:

- Amounts under any workers' compensation law, unemployment compensation law, state disability income benefit law or similar law
- Disability benefits from any other insurance, including individual insurance for professionals
- Disability or retirement benefits under your *employer's* retirement plan
- Earnings from work activity while you are *disabled*, plus the earnings you could receive, if you worked as much as you are able considering your *disability*

- Earnings or compensation included in your *predisability earnings* and which you receive or are eligible to receive while *STD benefits* are payable
- Amounts due from or on behalf of a third party because of your *disability*
- Any amount you receive by compromise, judgment, settlement or other method as a result of a claim for any of the above

What is the maximum benefit period?

If you become *disabled*, *STD benefits* may continue during *disability* through the *maximum benefit period*, which is 24 weeks.

This is the maximum period for which *STD benefits* are payable for any one period of continuous *disability*. If you are eligible to receive benefits under any other disability plan, your *STD benefits* will end when the other disability benefits become payable, even if this occurs before the end of the *maximum benefit period* for the *STD benefits*.

If you become *disabled* before age 62, *LTD benefits* may continue during *disability* until you reach age 65 or 3 years 6 months, if longer. If you become *disabled* at age 62 or older, the benefit duration is determined by your age when *disability* begins as indicated in the table below.

Age when <i>disability</i> begins	<i>Maximum benefit period</i>
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

When do benefits end?

STD and *LTD benefits* end automatically on the earliest of:

- The date you are no longer *disabled*
- The date your *maximum benefit period* ends
- The date you die
- The date benefits become payable under any other disability plan under which you become insured through employment during a period of *temporary recovery*
- For *STD*, the date *LTD benefits* become payable to you under an *LTD* policy sponsored by your employer
- The date you fail to provide proof of continued *disability* and entitlement to benefits

What are some of the other features of this coverage?

The STD and LTD coverages have the following features:

- *LTD* covers *disabilities* that occur 24 hours a day, both on and off the job.
- If premium payments are made with “after-tax” dollars, *STD* and *LTD benefits* are generally tax-free under current federal tax law.
- If your employer makes an approved work-site modification that enables you to return to work while *disabled*, The Standard will reimburse your employer up to a pre-approved amount for some or all of the cost of the modification.
- While *LTD benefits* are payable, you may qualify to participate in a rehabilitation plan that prepares you to return to work. If you qualify, The Standard may pay for return to work expenses you incur, such as job search, training and education and family care expenses.
- If you die while *LTD benefits* are payable, and on the date you die you have been continuously disabled for at least 180 days, a *survivors benefit* equal to three times your unreduced *LTD benefit* may be payable. Any *survivors benefit* payable will first be applied to any overpayment of your claim due to The Standard.
- If the *group policy* terminates, *STD* and *LTD benefits* will continue as long as you are eligible to receive them.

What exclusions apply to this coverage?

For STD: You are not covered for a *disability* caused or contributed to by any of the following:

- Your committing or attempting to commit an assault or felony, or your active participation in a violent disorder or riot
- An intentionally self-inflicted injury, while sane or insane
- A disability arising out of or in the course of any employment for wage or profit
- *War* or any act of *war* (declared or undeclared, and any substantial armed conflict between organized forces of a military nature)
- The loss of your professional or occupational license or certification

For LTD: You are not covered for a *disability* caused or contributed to by any of the following:

- Your committing or attempting to commit an assault or felony, or your active participation in a violent disorder or riot
- An intentionally self-inflicted injury, while sane or insane
- *War* or any act of *war* (declared or undeclared, and any substantial armed conflict between organized forces of a military nature)
- The loss of your professional or occupational license or certification
- A *preexisting condition* or the medical or surgical treatment of a *preexisting condition* unless on the date you become *disabled*, you have been continuously insured under the *group policy* for the 12-month *exclusion period* and *actively at work* for at least one full day after the end of the *exclusion period*

What is a preexisting condition?

A *preexisting condition* is a mental or physical condition, whether or not diagnosed or misdiagnosed:

- Which was discovered or suspected as a result of any routine or other medical examination at any time during the *preexisting condition period* or
- For which you have consulted a physician or other licensed medical professional, received medical treatment, services or advice, undergone diagnostic procedures, including self administered procedures, or taken prescribed drugs or medications at any time during the *preexisting condition period*.

The *preexisting condition period* is the 90-day period just before your Voluntary LTD insurance becomes effective.

What limitations apply to this coverage?

STD benefits are not payable for any period when you are:

- Not under the ongoing care of a *physician* in the appropriate specialty as determined by The Standard
- Not participating in good faith in a plan, program or course of medical treatment or vocational training or education approved by The Standard, unless your *disability* prevents you from participating
- Confined for any reason in a penal or correctional institution
- Able to work and earn at least 20 percent of your *indexed predisability earnings* in your *own occupation*, but you elect not to work
- Receiving sick leave pay or other salary continuation, including donated amounts from your *employer*
- Eligible to receive benefits for your *disability* under a workers' compensation or similar law

LTD benefits are not payable for any period when you are:

- Not under the ongoing care of a *physician* in the appropriate specialty as determined by The Standard
- Not participating in good faith in a plan, program or course of medical treatment or vocational training or education approved by The Standard, unless your *disability* prevents you from participating
- Confined for any reason in a penal or correctional institution
- Able to work and earn at least 20 percent of your *indexed predisability earnings*, but you elect not to work; during the *own occupation period*, the responsibility to work is limited to work in your *own occupation*; thereafter, the responsibility to work includes work in *any occupation*

In addition, payment of *LTD benefits* is limited in duration if:

- You reside outside of the United States or Canada
- Your disability is caused or contributed to by *mental disorders*, substance abuse or other limited conditions, including but not limited to chronic fatigue conditions, allergy or sensitivity to chemicals or the environment, chronic pain conditions, carpal tunnel or repetitive motion syndrome, temporomandibular joint disorder or craniomandibular joint disorder

When does my Voluntary STD and Voluntary LTD insurance coverage end?

The Voluntary STD and Voluntary LTD insurance ends automatically on the earliest of the following:

- The date the last period ends for which you make a premium contribution (except if premiums are waived while *disabled*)
- The date your employment terminates
- The date the *group policy* terminates
- The date you cease to be a *member*, however, insurance may continue for limited periods under certain circumstances as described in the *group policy*

How much will Disability coverage cost?

The monthly premium rates for the group Voluntary STD coverage are indicated in the table below.

Employee Age on January 1	Monthly rate per \$10 of <i>STD benefit</i> before reduction by Deductible Income
Age 29 and under	\$0.37
Age 30 to 34	\$0.44
Age 35 to 39	\$0.37
Age 40 to 44	\$0.35
Age 45 to 49	\$0.42
Age 50 to 54	\$0.47
Age 55 to 59	\$0.62
Age 60 to 64	\$0.78
Age 65 to 69	\$0.78
Age 70 and above	\$0.78

To calculate the monthly payroll deduction for your Voluntary STD coverage, use the rates above and the formula below:

1. Enter your weekly *predisability earnings*, not to exceed \$2,250 on Line 1. Line 1: \$ _____
2. Multiply your weekly earnings on Line 1 by 66 2/3 percent and enter on Line 2. Line 2: \$ _____
3. Select your rate from the rate table and enter on Line 3. Line 3: \$ _____
4. Multiply Line 2 by the amount shown on Line 3. Line 4: \$ _____
5. Divide the amount entered on Line 4 by 10 and enter on Line 5. Line 5: \$ _____

The amount shown on Line 5 is your estimated monthly payroll deduction. Premiums for the Voluntary STD coverage will be deducted directly from your paycheck. If you have questions regarding how to determine your *predisability earnings*, please contact your human resources representative.

The monthly premium rates for the group Voluntary LTD coverage are indicated in the table below.

Employee Age on January 1	Premium rate per \$100 of <i>predisability earnings</i>
Age 29 and under	\$0.13
Age 30 to 34	\$0.16
Age 35 to 39	\$0.20
Age 40 to 44	\$0.28
Age 45 to 49	\$0.43
Age 50 to 54	\$0.64
Age 55 to 59	\$0.86
Age 60 to 64	\$0.92
Age 65 to 69	\$0.98
Age 70 and above	\$1.22

To calculate the monthly payroll deduction for your Voluntary LTD coverage, use the following formula:

1. Enter your monthly *predisability earnings*, not to exceed \$10,833 Line 1: \$ _____
2. Select your rate from the rate table and divide this by 100. Line 2: \$ _____
3. Multiply Line 1 by the amount shown on Line 2. Line 3: \$ _____

The amount shown on Line 3 is your estimated monthly payroll deduction. If you have questions regarding your *predisability earnings*, please contact your human resources representative.

How do I apply for Voluntary STD and Voluntary LTD insurance coverage?

To apply for Voluntary STD and Voluntary LTD insurance, complete the Enrollment Form in your enrollment packet, place it in a confidential envelope and submit it to your human resources department.

For STD: You may apply at any time, but remember, if you apply more than 31 days after becoming eligible, then until you have been insured for 12 consecutive months, you may have a longer *benefit waiting period* for *disabilities* caused by *physical disease, pregnancy* or *mental disorder*.

For LTD: You may apply at any time, but remember, if you apply more than 31 days after becoming eligible, satisfactory *evidence of insurability* is required. Coverage subject to *evidence of insurability* is not effective until approved by The Standard.

What if I have additional questions?

If you have any additional questions, please contact your human resources representative.

About Standard Insurance Company

Your *employer* has chosen Standard Insurance Company to provide group Voluntary STD and Voluntary LTD coverage to eligible employees. The Standard has earned a solid reputation for its quality products, superior customer service, expert resources, steady growth, innovation and strong financial performance. Founded in 1906, The Standard has developed a national presence in the employee benefits industry, providing customers with group and individual disability insurance and retirement plans, and group life and dental insurance.

Just as others count on you, you can count on The Standard for Voluntary STD and Voluntary LTD insurance in a time of need. Talk with your *employer's* human resources representative for more information about group Voluntary STD and Voluntary LTD insurance from The Standard.



Standard Insurance Company
1100 SW Sixth Avenue
Portland OR 97204
www.standard.com

A subsidiary of StanCorp Financial Group, Inc.