

Your Choice Group Voluntary Long Term Disability Insurance

An Affordable Way To Safeguard Your Future



Standard Insurance Company
Group Long Term Disability Insurance





About This Booklet

This booklet is designed to answer questions you may have about Your Choice Group Voluntary Long Term Disability (LTD) insurance coverage. Please refer to the Coverage Highlights for more information as this booklet is not intended to provide a detailed description of the coverage.

If coverage becomes effective and you become insured, you will receive a certificate containing a detailed description of the insurance coverage including the definitions, exclusions, limitations, restrictions and terminating events. The controlling provisions will be in the group policy. Neither this booklet nor the certificate modifies the group policy or the insurance coverage in any way.

Please consider that features of the Your Choice LTD coverage may vary by state.

The Advantages Of Disability Insurance

As one of the longest-standing group Disability providers in the United States, we've partnered with your employer to offer a benefit that helps protect your livelihood against some of life's curveballs.

Your Choice Group Voluntary Long Term Disability (LTD) insurance from The Standard is designed to pay you a monthly benefit in the event you cannot work because of a covered illness or injury. This benefit replaces a portion of your income, helping you meet all your financial obligations in your time of need.

With Your Choice LTD insurance, you'll enjoy:

- **Convenience** – With premiums deducted directly from your paycheck, you don't have to worry about mailing monthly payments
- **Peace of Mind** – You can take comfort and satisfaction in knowing that you've taken a step toward securing your income during a period of a covered disability

Features And Services

Here's a summary of what the Your Choice LTD plan provides:

- Coverage of disabilities that occur 24 hours a day, both on and off the job
- Three available Maximum Benefit Period options
- Six available accident/sickness Benefit Waiting Periods
- Monthly Benefit Amounts that can be selected in \$100 increments, from a minimum of \$200 to a maximum of the lesser of \$8,000 or 60 percent of your predisability earnings
- Automatic premium payments via payroll deduction
- If premium payments are made with "after-tax" dollars, LTD benefits are federally tax-free under current federal tax law
- For the first 90 days of disability, we will pay full benefits even if you have a preexisting condition
- 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, education and family care expenses.
- An Employee Assistance Program and WorkLife Services to offer support, guidance and resources to help you and your family resolve personal issues¹

¹ Provided only for employers with 10 to 2,499 insured employees. This EAP Service is not affiliated with The Standard. The EAP is not an insurance product.





Survivor Benefit

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 survivor benefit equal to three times your unreduced LTD benefit may be payable. (Any survivor benefit payable will first be applied to any overpayment of your claim due to The Standard.)

Lifetime Security Benefit

If you are severely disabled, as determined by The Standard according to your group policy, the Lifetime Security Benefit extends your LTD benefits beyond the regular LTD maximum benefit period while you remain severely disabled. This feature is included only on Your Choice LTD insurance coverage with a maximum benefit period to Social Security Normal Retirement Age (SSNRA).

Family Care Expenses

During the first 12 months after you return to work, while you are still disabled, your work earnings may be adjusted for family care expenses paid to a licensed care provider for the care of your family which is necessary in order for you to work.

- The adjustment caps at \$250 per family member or \$500 for all family members per month
- Family member includes your child (age 11 and younger), or your child (age 12 and older), spouse, parent, grandparent, sibling or other close family member residing in your home who is incapable of self-sustaining employment due to mental retardation or physical handicap, and is dependent on you for support and maintenance
- Children age 11 and younger are covered regardless of mental or physical handicap

Commonly Asked Questions

The following information will give you a better understanding of Your Choice LTD insurance available from the life and disability experts at The Standard. Please also refer to the Coverage Highlights for additional details of the plan.

What Is The Effective Date Of This Plan?

The effective date of coverage is dependent upon a minimum number of eligible employees applying and qualifying for the coverage. This level of participation has been agreed upon by your employer and The Standard. The group coverage is not effective until the agreed-upon participation levels are reached.

When Does My Insurance Coverage Become Effective?

If the minimum participation requirement is met and the group policy goes into effect, then the effective date of your coverage depends on when you become a member and when you apply for insurance.

If you apply and agree to pay premiums, your coverage becomes effective on:

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

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

If you do not apply for this coverage within 31 days after becoming eligible, and later decide to do so, you must wait until your employer holds an annual enrollment.

Refer to the Coverage Highlights and the group policy for additional information.

Will I Have To Provide Information Regarding My Medical History To Become Insured?

The Standard does not require medical history information for you to become insured under this Your Choice LTD insurance plan at initial and annual enrollments. If applicable, evidence of insurability satisfactory to The Standard may be required for reinstatement of terminated coverage.





When Am I Considered Disabled?

Own Occupation Period

During the benefit waiting period and 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 your own occupation, and
- You suffer a loss of at least 20 percent of your indexed pre-disability earnings when working in your own occupation.

You are not disabled merely because your right to perform your own occupation is restricted, including a restriction or loss of license.

During the own occupation period you may work in another occupation while you meet the own occupation definition of disability. However, you will no longer be disabled when your work earnings from another occupation meet or exceed 80 percent of your indexed pre-disability earnings.

Any Occupation Period

Thereafter, 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 which 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 pre-disability earnings within 12 months following your return to work, regardless of whether you are working in that or any other occupation.

How Is The LTD Benefit Amount Calculated?

You select the amount of your LTD benefit when you enroll for coverage in the plan. The dollar amount selected must be a multiple of \$100, from a minimum of \$200 to a maximum of the lesser of \$8,000 or 60 percent of your pre-disability earnings.

This amount is then reduced by other income you receive, or are eligible to receive, while LTD benefits are payable. This other income is referred to as deductible income.

As an example, if your monthly pre-disability earnings are \$4,000, you may select any dollar amount (in \$100 increments) between \$200 and \$2,400 as your monthly benefit. In this example, the maximum benefit amount has been selected:

Insured pre-disability earnings	\$4,000
Maximum Benefit percentage	<u>x 60%</u>
Maximum Benefit Amount	\$2,400
Less Social Security disability benefit ²	-\$600
Less state disability income benefit	<u>-\$200</u>
Amount Of LTD Benefit	\$1,600

What Is Deductible Income?

Deductible income is income you receive, or are eligible to receive, while LTD benefits are payable. Deductible income includes, but is not limited to:

- Sick pay, annual or personal leave pay, severance pay or other forms of salary continuation including donated amounts paid by your employer
- Benefits under any workers' compensation law or similar law
- Amounts under unemployment compensation law
- Social Security disability or retirement benefits, including benefits for your spouse and children
- Disability benefits from any other group insurance
- Disability or retirement benefits under your employer's retirement plan
- Benefits under any state disability income benefit law or similar law
- Earnings from work activity while you are disabled, plus the earnings you could receive if you work as much as your disability allows
- Earnings or compensation included in your predisability earnings and which you receive or are eligible to receive while LTD benefits are payable
- Amounts due from or on behalf of a third party because of your disability, whether by judgment, settlement or other method
- Any amount you receive by compromise, settlement or other method as a result of a claim for any of the above

² The Social Security benefit amount is an example for illustration only. A disabled employee must apply for and be approved for Social Security Disability Insurance.

Exceptions to deductible income include, but are not limited to:

- Any cost-of-living increase in any deductible income other than work earnings, if the increase becomes effective while you are disabled and while you are eligible for the deductible income
- Reimbursement for hospital, medical, or surgical expense
- Reasonable attorneys' fees incurred in connection with a claim for deductible income
- Benefits from any individual disability insurance policy
- Early-retirement benefits under the Federal Social Security Act which are not actually received
- Group credit or mortgage disability insurance benefits
- Accelerated death benefits paid under a life insurance policy
- Benefits from the following: profit-sharing plan; thrift or savings plan; deferred compensation plan; any plan under IRC Section 401(k), 408(k), 408(p), or 457; individual retirement account (IRA); tax sheltered annuity (TSA) under IRC Section 403(b); stock ownership plan; or Keogh (HR-10) plan

What Exclusions Apply To This Coverage?

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

- 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 insane³
- 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 a specified period of time, and you have been actively at work for at least one full day after the end of the specified period

What Is A Preexisting Condition?

At any time during a specified period just before your insurance becomes effective, a preexisting condition is a mental or physical condition whether or not diagnosed or misdiagnosed:

- For which you or a reasonably prudent person would 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
- Which, as a result of any medical examination, including routine examination, was discovered or suspected

³ For Missouri residents, "insane" is not applicable.



Preexisting Condition Waiver

For the first 90 days of disability, we will pay full benefits even if you have a preexisting condition. After 90 days, we will continue benefits only if the preexisting condition exclusion does not apply.

What Plan Limitations Apply To This Coverage?

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 first 24 months after the end of the benefit waiting 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 in the following situations:

- 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 or temporomandibular joint disorder or craniomandibular joint disorder



When Does My Insurance Coverage End?

Insurance ends automatically on the earliest of the following:

- The last day of the last period 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 (Insurance may continue for limited periods under certain circumstances)
- If applicable, the date your employer ceases to participate under the group policy

How Do I Apply?

To apply for Your Choice Group 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. This must be done during the annual enrollment period, or within 31 days of becoming eligible for insurance.



For more than 100 years we have been dedicated to our core purpose: to help people achieve financial security so they can confidently pursue their dreams. We have earned a national reputation for quality products and superior service by always striving to do what is right for our customers.

Headquartered in Portland, Oregon, The Standard is a nationally recognized provider of group Disability, Life, Dental and Vision insurance. We provide insurance to over 23,000 groups covering more than 6 million employees nationwide.* Our first group policy, written in 1951 and still in force today, stands as a testament to our commitment to building long-term relationships.

To learn more about Your Choice Group Voluntary Long Term Disability insurance from The Standard, contact your human resources department or visit us at **www.standard.com**.

* As of December 31, 2013, based on internal data developed by Standard Insurance Company.

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