



**Standard Insurance Company**  
**Voluntary Long Term Disability Coverage Highlights**  
The University of Texas Health Center at Tyler

### **Voluntary Long Term Disability (LTD) Insurance**

Long Term Disability insurance is designed to pay a monthly 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. Standard Insurance Company (The Standard) has developed this document to provide you with information about the optional coverage you may select through The University of Texas Health Center at Tyler.

### **Eligibility Requirements**

- |                              |  |
|------------------------------|--|
| <b>Policy Effective Date</b> | <ul style="list-style-type: none"><li>• September 1, 2003</li></ul>  |
| <b>Employee</b>              | <ul style="list-style-type: none"><li>• An active full-time employee who is a senior administrator, scientist, or physician, who was hired or appointed to their position for 4 ½ months or more for the year</li><li>• An active full-time employee who was insured under the group policy on August 31, 2008, and remains benefit-eligible, as determined by The University of Texas Health Center at Tyler</li><li>• Actively working at least 20 hours each week</li><li>• A citizen or resident of the United States or Canada</li><li>• Temporary and seasonal employees, full-time members of the armed forces, leased employees, and independent contractors are not eligible</li><li>• You are not eligible if you are insured under the Blue Cross &amp; Blue Shield of Texas Group LTD plan for University of Texas benefits-eligible employees</li></ul> |
| <b>Premium</b>               | <ul style="list-style-type: none"><li>• You pay 100 percent of the premium for this coverage through easy payroll deduction</li></ul>  |

### **Benefit Amount**

- |                                     |   |
|-------------------------------------|---|
| <b>Benefit Percentage</b>           | Your monthly benefit is 60 percent of the first \$58,333 of your monthly wage base reduced by deductible income |
| <b>Plan Maximum Monthly Benefit</b> | \$35,000  |
| <b>Plan Minimum Monthly Benefit</b> | \$100 or 10 percent of the LTD benefit before reduction by deductible income, whichever is greater              |

Note:

- All late applications (applying 31 days after becoming eligible), requests for coverage increases and reinstatements are subject to medical underwriting approval. Employees eligible but not insured under the prior LTD insurance plan are also subject to medical underwriting approval. To submit a medical history statement online, visit: [standard.com/mybenefits/utexas\\_eeoi/index.html](http://standard.com/mybenefits/utexas_eeoi/index.html).
- If you were previously insured under the Blue Cross & Blue Shield of Texas Group LTD plan for University of Texas benefits-eligible employees, while eligible for the Group LTD plan under The Standard, you are required to give evidence of insurability satisfactory to us.

### **Disability Needs Calculator**

Your family has a unique set of circumstances and financial demands. To help you figure out the amount of Disability insurance you may need if you become unable to work, The Standard has created a Disability Needs Calculator found at: [standard.com/disability/needs](http://standard.com/disability/needs).

**Employee Coverage Effective Date**

To become insured, you must satisfy the eligibility requirements listed above, receive medical underwriting approval (if applicable), and be actively at work (able to perform all normal duties of your job) on the day before the scheduled effective date of insurance. 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.

Please contact your human resources representative for more information regarding the requirements that must be satisfied for your insurance to become effective.

**Understanding Your Plan Design**
**Benefit Waiting Period**

If your claim for LTD benefits is approved by The Standard, benefits become payable after you have been continuously disabled for your choice of either 90 days or 180 days and remain disabled. Benefits are not payable during the benefit waiting period.

**Normal Occupation Definition of Disability**

For the benefit waiting period and the period for which LTD benefits are paid, you are considered disabled when you are unable as a result of sickness, bodily injury, or pregnancy to perform with reasonable continuity the material duties of your normal occupation as defined in the group policy (for physicians, normal occupation includes the physician's own medical general or sub-specialty, as defined in the group policy; **OR** are suffering a loss of at least 20 percent of your increasing monthly wage base while working; **OR** while working or participating in an approved program of rehabilitation service, provides proof that he or she has contracted an infectious and contagious disease (Hepatitis B or HIV) or tested positive for such disease, and meets other requirements described in the group policy.

You are not disabled merely because your right to perform your own occupation is restricted, including a restriction or loss of license unless such loss or restriction is due to contracting an infectious and contagious disease as described in the group policy.

**Maximum Benefit Period**

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:

| <b>Age</b> | <b>Maximum Benefit Period</b> |
|------------|-------------------------------|
| 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+        | 1 year                        |

**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 contribution (including donated amounts) paid
- Benefits under any workers' compensation law or similar law
- Amounts under unemployment compensation law
- Social Security disability or retirement benefits payable, including benefits for your spouse and children
- Disability benefits from any other group insurance
- Disability or retirement benefits under your employer's retirement plan
- Earnings from work activity while you are disabled as stated in the group policy

**Benefit Calculation**
**Example**

The LTD benefit amount is determined by multiplying your monthly wage base by the specified benefit percentage. This amount is then reduced by deductible income. In the example below, the LTD benefit amount is 60 percent of the monthly wage base. If your monthly earnings before becoming disabled were \$25,000, and you now receive a monthly Social Security disability benefit of \$3,000 and a monthly retirement benefit of \$900, your monthly LTD benefit would be calculated as follows:

|   |                 |
|---|-----------------|
| Monthly Wage Base                       | \$25,000        |
| LTD benefit percentage                  | X 60%           |
|   | <hr/> \$15,000  |
| Less Social Security disability benefit | -\$3,000        |
| Less retirement benefit                 | <hr/> -\$900    |
| <b>Amount of LTD benefit</b>            | <b>\$11,100</b> |

**Additional Features**

Please see your human resources representative for additional information about the features and benefits below.

|   |  |
|---|--|
| <b>24 Hour Coverage</b>                         | 24-hour LTD plans provide coverage for disabilities occurring on or off the job.   |
| <b>Reasonable Accommodation Expense Benefit</b> | 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.  |
| <b>Survivors Income Benefit</b>                 | If you die while LTD benefits are payable, and on the first day of the month after your death you have been continuously disabled for at least 9 months, a survivors benefit equal to six-time 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). |
| <b>Conversion</b>                               | Allows you to obtain LTD conversion insurance after the termination of your insurance with The University of Texas Health Center at Tyler.   |
| <b>Cost of Living Adjustment</b>                | At your option, you may elect to have your LTD benefit increase annually by an amount equal to the rate of increase in the Consumer Price Index (CPI-W) up to a maximum of 3 percent.  |
| <b>Assisted Living Benefit</b>                  | Your benefit will be increased by 20 percent of your monthly wage base when you are unable to perform two or more Activities of Daily Living or suffer severe cognitive impairment. The maximum benefit amount cannot exceed \$5,000 in addition to the LTD benefit.   |

**Exclusions**

Subject to state variations, you are not covered for a disability caused or contributed to by any of the following:

- You're 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 a specified period, and you have been actively at work for at least one full day after the end of the exclusion period

In addition, no benefits will be paid for any period for which you:

- Are outside the United States, its territories and possessions, or Canada unless your period of disability starts while you are Actively at Work or on vacation.
- Do not participate in rehabilitation
- Are not under the Regular Care of a Physician
- Do not provide written proof of Disability and/ or fail or refuse to be examined at Standard's request

**Preexisting Condition Provision**

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

**Preexisting Condition Period** The 3 month period just before your insurance becomes effective

**Exclusion Period** 12 months

**Limitations**

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 or in a treatment facility instead of being confined in a correctional facility

**When Benefits End**

The last benefit payment will be made as of the first day of the month in which the earliest of these events occurs:

- You are no longer disabled
- Your maximum benefit period ends
- You die
- Benefits become payable under any other LTD disability insurance plan under which you become insured through employment during a period of temporary recovery
- You fail to provide proof of continued disability and entitlement to benefits

**When Insurance Ends**

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

**Group Insurance Certificate**

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. Neither the information presented in this summary nor the certificate modifies the group policy or the insurance coverage in any way.

**Rates**

If you have questions regarding how to determine your earnings, please contact your human resources representative. Premiums for this coverage will be deducted directly from your paycheck.

| <b>Benefit Level</b> | <b>Rate %</b> |
|----------------------|---------------|
| 90 BWP<br>w/COLA     | 0.850         |
| 90 BWP<br>w/o COLA   | 0.650         |
| 180 BWP<br>w/COLA    | 0.640         |
| 180 BWP<br>w/o COLA  | 0.490         |

To calculate your monthly payroll deduction, use the formula indicated below:

1. Enter your average monthly earnings, not to exceed \$58,333, on Line 1. 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.



### **Standard Insurance Company**

For more than 100 years we have been dedicated to our core purpose: is to help people achieve financial well-being and peace of mind. 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 and Individual Disability insurance. We provide insurance to more than 24,800 groups, covering over 8 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 products from The Standard, Contact your human resources department or visit us at **[standard.com](http://standard.com)**.

\* As of June 30, 2013, based on internal data developed by Standard Insurance Company.

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Portland OR 97204

GP190-LTD/S399, GP399-LTD/TRUST, GP899-LTD,  
GP209-LTD, GP608-LTD, GP190-LTD/ASSOC/S399,  
GP190-LTD/TRUST/S399, GP491-LTD/TRUST/S399