



**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 Oregon Educators Benefit Board.

**Eligibility Requirements**

- Employee** To be eligible for LTD insurance coverage:
- You must be a regular employee of an employer participating in the Oregon Educators Benefit Board (OEBB) LTD insurance group policy
  - You must meet other eligibility requirements included in the member definition of the group policy and as required and determined by OEBB
  - Your employer must have elected to make LTD coverage available to employees in your classification
  - You must not be a full-time member of the armed forces of any country
- Please see your human resources representative for additional information on the definition of member and becoming eligible for OEBB LTD coverage.

**Benefit Amount**

- Benefit Percentage** Your monthly benefit is 60 percent of the first \$13,333 of your insured predisability earnings reduced by deductible income
- Plan Maximum Monthly Benefit** \$8,000
- Plan Minimum Monthly Benefit** \$100 or 10% of LTD benefit before reduction by deductible income, whichever is greater

**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: <http://www.standard.com/calculators/dineeds.html>

**Becoming Insured**

Coverage under LTD Plan 5 is voluntary. This means you decide whether or not you wish to apply. If you select coverage, your employer requires that you pay the cost.

Coverage will be effective on the first day of the calendar month following the later of (a) the date you become an eligible employee and complete any eligibility waiting period, or (b) the date you apply, provided you apply within 31 days after becoming eligible and have served any eligibility waiting period. If you do not apply within 31 days after becoming eligible, you may only apply during an OEBB annual enrollment period or within 31 days of a qualifying family status change. In both situations you will be required to submit satisfactory evidence of insurability.

For insurance applied for during an OEBB annual enrollment period, assuming the active work requirement is met, insurance becomes effective the later of (a) the first day of the plan year following the date you apply, and (b) the first day of the calendar month following the date The Standard approves your evidence of insurability. For insurance applied for due to a family status change, assuming the active work requirement is met, insurance becomes effective the first day of the calendar month following the latest of (a) the date you apply, (b) the date of the family status change, and (c) the date The Standard approves your evidence of insurability. Meeting the active work requirement means that 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 90 days and remain disabled. Benefits are not payable during the benefit waiting period.

**Own Occupation Definition of Disability**

For the benefit waiting period and the first 24 months for which LTD benefits are paid, you are considered disabled when you are unable as a result of physical disease, injury, pregnancy or mental disorder to perform with reasonable continuity the material duties of your own occupation **AND** are suffering a loss of at least 15 percent of your indexed predisability 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.

**Any Occupation Definition of Disability**

After the own occupation period of disability, you will be considered disabled if you are unable as a result of physical disease, injury, pregnancy or mental disorder to perform with reasonable continuity the material duties of any occupation.

**Maximum Benefit Period**

If you become disabled before age 62, LTD benefits may continue during disability until age 65 or to the Social Security Normal Retirement Age (SSNRA) or 3 years 6 months, whichever is longer. If you become disabled at age 62 or older, the benefit duration is determined by the age when disability begins:

<b>Age</b>	<b>Maximum Benefit Period</b>
62	To SSNRA, or 3 years 6 months, whichever is longer
63	To SSNRA, or 3 years, whichever is longer
64	To SSNRA, or 2 years 6 months, whichever is longer
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, 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
- 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

**Benefit Calculation**

**Example**

The LTD benefit amount is determined by multiplying your insured predisability earnings 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 insured predisability earnings. If your monthly earnings before becoming disabled were \$4,500, and you now receive a monthly Social Security disability benefit of \$1,200 and a monthly retirement benefit of \$900, your monthly LTD benefit would be calculated as follows:

Insured predisability earnings	\$4,500
LTD benefit percentage	X 60%
	\$2,700
Less Social Security disability benefit	-\$1,200
Less retirement benefit	-\$900
<b>Amount of LTD benefit</b>	<b>\$600</b>

**Additional Features**

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

**24 Hour Coverage**

24-hour LTD plans provide coverage for disabilities occurring on or off the job.

**Rehabilitation Plan**

If you are participating in an approved Rehabilitation Plan, The Standard may include payment of some of the expenses you incur in connection with the plan including but not limited to; training and education expenses, family (child and elder) care expenses, job related expenses and job search expenses.

**Reasonable Accommodation Expense Benefit**

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.

**Survivors 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 survivors benefit equal to three 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).

**Conversion**

Allows you to obtain LTD conversion insurance after the termination of your insurance with Oregon Educators Benefit Board.

**Exclusions**

Subject to state variations, 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 a specified period of time, and you have been actively at work for at least one full day after the end of the exclusion period

**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 90-day 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
- Able to work and earn at least 15 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:

- If you reside outside the United States or Canada
- If your disability is caused or contributed to by mental disorders or substance abuse

**When Benefits End**

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 LTD disability insurance plan under which you become insured through employment during a period of temporary recovery
- The date 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 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.

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

- 1. Enter your average monthly earnings, not to exceed \$13,333 on Line 1.                      Line 1: \_\_\_\_\_
- 2. Monthly premium rate is 0.00335.                      Line 2: 0.00335
- 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: 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 [www.standard.com](http://www.standard.com).

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

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