



**Short Term Disability (STD) Insurance**

Short Term Disability insurance is designed to pay a weekly 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. Buy-up/Optional STD insurance offers you the opportunity to choose one of two levels of STD coverage.

The basic STD plan is fully paid by University of Arkansas and provides a basic level of STD coverage. The buy-up/Optional plan is paid for by you and provides a higher level of STD coverage. If the policy becomes effective and you do not elect the buy-up option, you will automatically be enrolled in the basic STD plan. 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 Arkansas.

**Eligibility Requirements**

- Policy #757081**
  - The group policy effective date is March 1, 2019
- Employee**
  - A regular full-time employee working at the University of Arkansas at Fort Smith, who is a) Actively At Work, b) employed half-time or greater and c) is on at least a nine-month appointment period; and
  - A citizen or resident of the United States or Canada
  - For purposes of the Member definition, Actively At Work will include regularly schedule days off, holidays, or vacation days, so long as the person is capable of Active Work on those days. Member does not include an employee who is not covered under the LTD plan, a temporary or seasonal employee, a lease employee, or an independent contractor.
- Premium**
  - You pay 100 percent of the premium for the buy-up portion of this coverage through easy payroll deduction

**Benefit Amount**

Your weekly STD benefit is a stated percent of your weekly insured predisability earnings, reduced by deductible income.

|  | <u><b>Basic STD Plan</b></u> | <u><b>Buy-up/Optional STD Plan</b></u> |
|--|------------------------------|--|
| <b>Percentage of weekly predisability earnings</b> | 60%                          | 60%                                    |
| <b>Plan Maximum Weekly Benefit</b>                 | \$231                        | \$2,492                                |
| <b>Plan Minimum Weekly Benefit</b>                 | \$25                         | \$25                                   |
| <b>Maximum Benefit Period</b>                      | 12 weeks*                    | 12 weeks*                              |

\*However, STD Benefits will end on the date Long Term Disability benefits become payable to you under a group plan provided by your employer, even if that occurs before 12 weeks.

To compare the amount of your STD benefit under both plans, fill in the blanks below:

|   | <u><b>Basic STD Plan</b></u>   | <u><b>Buy-up/Optional STD Plan</b></u>   |
|---|--|--|
| 1. Enter your weekly predisability earnings   | \$ _____<br>(If your weekly predisability earnings exceed \$385, enter \$385 above.) | \$ _____<br>(If your weekly predisability earnings exceed \$4,153, enter \$4,153 above.) |
| 2. Percentage of predisability earnings   | 60%  | 60%  |
| 3. Multiply amount on line 1 by percentage on line 2 and enter total here. This is your weekly STD benefit amount before reduction for deductible income. | \$ _____   | \$ _____   |

**Employee Coverage Effective Date**

To become insured, you must satisfy the eligibility requirements listed above, 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 STD benefits is approved by The Standard, benefits become payable after the benefit waiting period. This is a specified number of days during which you must remain continuously disabled. Benefits are not payable during the benefit waiting period. The benefit waiting period for each plan is indicated below.

| <u>Benefit Waiting Period</u>  | <u>Basic STD Plan</u>  | <u>Buy-up/Optional STD Plan</u>  |
|--|--|--|
| For disability due to pregnancy  | 14 days, or the period of which you choose to receive available paid leave, whichever is longer        | 14 days, or the period of which you choose to receive available paid leave, whichever is longer        |
| For disability due to physical disease, mental disorder or accidental injury | 14 days, or the period for which you are eligible to receive available paid leave, whichever is longer | 14 days, or the period for which you are eligible to receive available paid leave, whichever is longer |

Note: If you do not apply for this STD coverage within 31 days of becoming eligible, were eligible for insurance under the Prior Plan for more than 31 days but were not insured, or if your insurance ends because you failed to make a required premium contribution and is later reinstated, your benefit waiting period for physical disease, pregnancy or mental disorder will be 60 days if you become disabled during the first 12 months after your coverage takes effect.

**Definition of Disability** You will be 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 in your 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.

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

- Amounts under an unemployment compensation law
- Amounts because of your disability under any other group insurance
- Amounts 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 worked as much as your disability allows
- Earnings or compensation included in your predisability earnings 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, 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

**Additional Features**

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

|   |   |
|---|---|
| <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. |
|---|---|

**Exclusions**

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

- A disability arising out of or in the course of any employment for wage or profit.
- 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
- 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

**Limitations**

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 predisability earnings in your own occupation, but you elect not to work
- Receiving available paid leave from your employer
- Eligible to receive benefits for your disability under a workers' compensation law or similar law

**When Benefits End**

STD 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 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
- If applicable, the date long term disability benefits become payable to you under a long term disability plan

**When Insurance Ends**

Insurance ends automatically on the earliest of the following:

- The date the last period ends for which a premium was paid
- The date your employment terminates
- The date the group policy terminates
- The date you cease to meet the eligibility requirements (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 elect the Buy-up/Optional STD plan, your monthly premium rate for this plan is indicated in the table below. Premiums for the Buy-up/Optional STD plan will be deducted directly from your paycheck. If you do not enroll in the Buy-up/Optional STD plan, subject to eligibility requirements, you will automatically be insured under the basic STD plan with no premium cost to you. If you have questions regarding how to determine your earnings, please contact your human resources representative.

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

- 1. Enter your annual base salary (up to \$216,000 max), on Line 1 Line 1: \_\_\_\_\_
- 2. Subtract \$20,000 (which is covered by Basic STD) from Line 1 and enter on Line 2. Line 2: \_\_\_\_\_
- 3. Multiple the figure on Line 2 by .00528 and enter on Line 3  
This is your annual premium cost: Line 3: \_\_\_\_\_
- 4. Divide the figure in Line 3 by the number of pay periods in the year  
(12) and this is your monthly cost. Line 4: \_\_\_\_\_

As an example, if an Employee has an annual base salary of \$60,000 and they elect the optional STD coverage, line 1 would be \$60,000, line 2 would be \$40,000 (\$60,000 - \$20,000) and line 3 would be \$211.20 (\$40,000 x .00528).

The amount on Line 4 is the monthly premium cost of \$17.60.



### **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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GP399-STD, GP899-STD, GP309-STD, GP209-STD,  
GP399-STD/ASSOC, GP399-STD/TRUST