

# Long Term Disability

## *Plan Highlights for A&M System employees*

**Are you the primary wage earner for your family? If you are, then you should seriously consider adding Long-Term Disability to your benefit package.**

**Long-Term Disability (LTD)** provides income if you cannot work due to a disability. An injury, a back problem, cancer, or any other condition that keeps you from being able to perform your job is considered a disability. You do not have to be permanently disabled or unable to work at all to qualify for benefits. LTD is an optional coverage for which you pay the full cost.

### **When can I enroll?**

You can enroll in the Long Term Disability plan during your first 60 days of employment or subsequently during an Annual Enrollment period. Evidence of good health is **not required** to enroll in LTD.

### **What is "Disability"?**

You are considered disabled if you are unable to perform one or more of the essential duties of your occupation due to sickness or injury and you are earning 80% or less of the amount (adjusted for inflation) you were earning before you became disabled due to that sickness or injury. This definition of disability applies during the 90-day waiting period and the next 60 months of disability.

You are still considered disabled after this 60-month period if you cannot perform one or more of the essential duties of any gainful occupation for which you are reasonably qualified by training, education or experience. A gainful occupation is one that can be expected to provide you an income of at least 65% of your pre-disability income adjusted for inflation, or \$8,000, if less, within 12 months of your return to work.

There are other requirements that must be met as well, for example, throughout your disability, you must be receiving appropriate care and treatment from a physician for the disabling condition and complying with the requirements of such treatment.

The term ***occupation*** is used instead of job because the carrier looks at not only your specific job, but the typical job description for that job title.

### **What is the benefit amount?**

The Long Term Disability benefit replaces 65% of your gross monthly earnings, less income you may receive from certain other sources (e.g., Social Security, Workers' Compensation, etc.). The maximum monthly benefit is \$8,000. There is also a minimum monthly benefit of \$100 or 10% of your monthly benefit, whichever is greater. So even if you are receiving sick leave pay, you can receive some benefit from Long-Term Disability.

### **When do benefits begin and how long do they continue?**

Benefits begin after the end of the elimination period of 90 days and continue, as long as you remain disabled, generally up to age 65. The elimination period is the length of time you must wait after you become disabled before you begin to receive benefits.

**Can I return to work part-time and still receive a benefit?**

Yes. The LTD plan provides financial incentives for you to return to work, even on a part-time basis. For the first 12 months of disability benefit payments, you may receive up to 100% of your pre-disability earnings in disability benefit payments including rehabilitation incentives, family care expense reimbursements, and part-time earnings combined. You may also be eligible to receive Rehabilitation Incentive and/or Family Care Incentive expense reimbursements.

**Does the plan have limitations and exclusions?**

The LTD plan does have limitations and exclusions. The plan does not cover pre-existing conditions, unless your disability begins after you have been covered under the plan for 12 consecutive months. A pre-existing condition is a sickness or accidental injury for which you, during the 3 months prior to your effective date, received medical treatment, consultation, care or services; took prescription medication or had medications prescribed; or had symptoms or conditions which would cause a reasonably prudent person to seek diagnosis, care, or treatment. Disability is excluded from coverage if it is caused or contributed to by: war, whether declared or undeclared, or act of war, insurrection, rebellion, or terrorist act; your active participation in a riot; intentionally self-inflicted injury; attempted suicide; or the commission of or attempt to commit a felony. The plan also has limited benefits for particular conditions, such as mental or nervous disorders or diseases and alcohol, drug, or substance abuse or addiction.

This "Plan Highlights" provides only a brief overview of the LTD plan. A more complete description of the benefits provisions, conditions, limitations, and exclusions will be included in the employee booklet. If any discrepancies exist between this information and the legal plan documents, the legal plan documents will govern.