



Standard Insurance Company
Optional/Buy-up Short Term Disability Coverage Highlights
Classified Employee
 University of Arkansas at Fayetteville

Buy-up 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 STD insurance offers you the opportunity to choose one of two levels of STD coverage.

The Basic STD plan is fully paid by the University and provides a basic level of STD coverage. The buy-up option is paid for by you. 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.

Eligibility Requirements

- Policy # 750976**
 - The group policy effective date is January 1, 2015
- Employee**
 - A regular full-time classified employee of the Employer employed at Fayetteville, excluding an employee in the Agriculture Department, 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 scheduled days off, holidays, or vacation days, so long as the person is capable of Active Work on those days. Member does not include a temporary or seasonal employee, a leased employee, or an independent contractor.
- Class Definition:**
 - Classified Member with annual base earnings of greater than \$45,000
- Premium**
 - You pay 100 percent of the premium for the buy-up portion of this coverage through easy payroll deduction

Benefit Amount and Duration

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

	<u>Basic STD Plan</u>	<u>Buy-up STD Plan</u>
Percentage of Weekly Predisability Earnings	60%	60%
Plan Maximum Weekly Benefit	\$519	\$2,492
Plan Minimum Weekly Benefit	\$25	\$25
Maximum Benefit Period	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>Basic STD Plan</u>	<u>Buy-up STD Plan</u>
1. Enter your weekly predisability earnings	\$ _____ (If your weekly predisability earnings exceed \$865, do not include amounts over \$865.)	\$ _____ (If your weekly predisability earnings exceed \$4,153, do not include amounts over \$4,153.)
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.

Benefit Waiting Period

Basic STD Plan

Buy-up STD Plan

For disability due to pregnancy

14 days, or the period for which you choose to receive accumulated sick leave and vacation/annual leave time payments (excluding donated leave), whichever is longer.

14 days, or the period for which you choose to receive accumulated sick leave and vacation/annual leave time payments (excluding donated leave), whichever is longer.

For disability due to accidental injury, physical disease, or mental disorder

14 days, or the period for which you choose to receive accumulated sick leave and vacation/annual leave time payments (excluding donated leave), whichever is longer.

14 days, or the period for which you choose to receive accumulated sick leave and vacation/annual leave time payments (excluding donated leave), whichever is longer.

Note: If you do not apply for the Buy-up STD coverage within 31 days of becoming eligible, you will be subject to a late enrollment penalty. The late enrollment penalty is explained your certificate.

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.

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.
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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
- 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 access to 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 Optional STD plan, your bi-weekly or monthly premium rate for this plan is indicated by the formula table below. Premiums for the Optional STD plan will be deducted directly from your paycheck. If you do not enroll in the 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 bi-weekly or monthly payroll premium deduction, use the formula indicated below:

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

- 1. Enter your annual base salary (up to \$216,000 max) on Line 1. Line 1: _____
- 2. Subtract \$45,000 (which is covered by Basic STD) from Line 1 and enter on Line 2. Line 2: _____
- 3. Multiply 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 and this is your monthly or bi-weekly cost: Line 4: _____

As an example, if someone has an annual base salary of \$60,000 and they elect the Optional STD coverage, their Line 1 is \$60,000, Line 2 is \$15,000 (\$60,000 - \$45,000) and Line 3 is \$82.50 (\$15,000 x .00528). The amount on Line 4 is your monthly cost of \$6.88 or bi-weekly cost of \$3.17.

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