

Disability Insurance

Disability Insurance

Enrollment Information

Eligible employees are guaranteed acceptance in the Long Term and Short Term Disability Insurance plans if they enroll within 60 days of their date of hire, within 60 days of and consistent with a qualified status change, or during Open Enrollment. Coverage is effective the first of the month following receipt of the applicable form by the agency. For Open Enrollment changes, coverage is effective the first of the new plan year.

Effective Dates

All coverage is subject to the actively at work requirement. For purposes of disability insurance, you are actively at work if you are physically on the job and receiving pay for the first scheduled day of work and performing the material duties of your own occupation at your employer’s usual place of business.

If you are incapable of active work because of sickness, injury or pregnancy on the day before the scheduled effective date of your insurance or an increase in your insurance, your insurance or increase will not become effective until the day after you complete one full day of active work.

Plan Features

Short Term Disability (STD)

Benefit: 60 percent of the first \$2,769 of your weekly Predisability Earnings, reduced by deductible income.

Maximum: Maximum weekly STD benefit is \$1,662 before reduction of deductible income. If you are eligible to receive STD benefits and sick leave benefits are paid or payable to you by your employer, the amount of your STD benefit is \$25 per week.

Benefit Waiting Period: Your benefit waiting period is A, B, or C, whichever is longest, where:

A = 7 days if your disability is caused by sickness or pregnancy.

B = 0 days if your disability is caused by accidental injury.

C = The period ending on the last day before you were scheduled to return to work, if you become disabled while you are scheduled to be away from work under the terms of your employment.

Maximum Benefit Period:

4 weeks, if your disability is subject to the Pre-existing Condition limitations

13 weeks, if your disability is not subject to the Pre-existing Condition limitations

Each day you are disabled, if you are disabled for less than one full week, with one-seventh of the STD Benefit paid for each day of disability.

Long Term Disability (LTD) Benefit:

Plans 1 and 2:

60 percent of the first \$12,000 of your monthly predisability earnings, reduced by deductible income.

Plans 3 and 4:

66 2/3 percent of the first \$12,000 of your monthly predisability earnings, reduced by deductible income.

Maximum Benefit:

Plans 1 and 2:

\$7,200 monthly before reduction by deductible income.

Plans 3 and 4:

\$8,000 monthly before reduction by deductible income.

Minimum Benefit:

All Plans: \$50 per month.

Benefit Waiting Period:

Plans 1 and 3: 90 days

Plans 2 and 4: 180 days

Maximum Benefit Period: Determined by your age when disability begins as follows:

Age	Maximum Benefit Period
61 or younger	To age 65, or 3 years 6 months if longer
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 or older	1 year

General Information

Insured Earnings

For purposes of determining the disability benefit payable, insured earnings are based on your earnings in effect on your last full day of work. Insured earnings include your regular earnings from the State of Oregon, including deferred compensation (e.g., 401k), grant assistance wages and stipends, and amounts contributed to your benefits under a Section 125 plan salary reduction agreement. When your insured earnings increase (e.g., with a pay increase), your premium rate increases proportionately. Insured earnings do not include overtime pay, bonuses, state-paid contributions on your behalf to any deferred compensation arrangement or plan, state-paid benefit dollars in excess of medical, dental and the first \$5,000 of group life insurance, or any other compensation.

Donated Leave

Sick leave or other salary continuation benefits you receive reduce disability benefits. For purposes of determining the benefit payable, donated leave you receive is considered to be sick leave. Donated leave benefits will be deducted from the disability benefit payable.

Pre-existing Conditions

Unless on the date you become disabled, you have been insured under a State of Oregon Short Term or Long Term Disability policy for at least 24 months, any claim you file will be subject to a “pre-existing condition” clause. A pre-existing condition is a mental or physical condition for which you consulted a physician, received medical treatment or services, or took prescribed

medication during the six-month period before the effective date of your disability insurance. You must serve a pre-existing condition period for both Short Term and Long Term Disability if you are insured for both.

Short Term Disability Four-week Benefit. The maximum benefit period for Short Term Disability benefits is limited to four weeks for a disability caused or contributed to by a pre-existing condition. You must meet all other policy provisions to receive benefits for the four-week period.

The pre-existing condition clause will no longer apply after you have been insured under the policy for 24 months.

Long Term Disability. Benefits are not payable for a disability caused or contributed to by a pre-existing condition if you are disabled during the first 24 months of coverage.

The pre-existing condition clause will no longer apply if you become disabled after you have been insured under the policy for 24 months.

Benefit Waiting Periods for Long Term Disability

The pre-existing condition exclusion also applies to a change in plan that either decreases the benefit waiting period or increases your LTD benefit. The pre-existing condition period and the exclusion period for the new plan will be based on the effective date of your insurance under the new plan. However, if benefits are not payable under the new plan because of the pre-existing condition exclusion, your claim will be administered as if you had not elected to change plans.

Deductible Income

The disability benefit payable under the Short Term and Long Term Disability policies is reduced by deductible income, which is other income you are eligible to receive because of your disability. Deductible income is different for Short Term and Long Term Disability coverage.

Deductible Income for Short Term Disability.

Deductible income includes your earnings from work while disabled and a portion of the benefits you are eligible to receive under any other Short Term Disability program. Also, your Short Term Disability benefit is reduced to \$25 per week if sick leave benefits, including donated leave, are paid or payable. The \$25 minimum will not apply if your sick leave balance is 40 hours or

less and you are receiving paid sick leave. For Short-term Disability, vacation and personal business leave pay is not deductible income.

Deductible Income for Long Term Disability.

Deductible income includes the following:

- Sick leave or other salary continuation (including donated leave but not including vacation)
- Earnings from work while disabled
- Workers' compensation benefits
- Social Security benefits payable to you and your dependents
- Disability or retirement benefits you are eligible to receive under your employer's retirement plan, including a public employees retirement system, a state teacher retirement system, and a plan arranged and maintained by a union or employee association
- Benefits you are eligible to receive because of your disability from any other group insurance coverage, including state disability income benefits, and, for members employed by the Oregon State University System, benefits you are eligible to receive under an employer-sponsored individual disability policy.

How to File a Disability Claim

If you become disabled and need to apply for STD or LTD benefits, please contact your agency representative to obtain a disability claim packet. Or you may print a copy of the claim packet from PEBB's Web site. The claim packet for disability benefits consists of five forms: an Employer Statement, an Employee Statement, an Authorization to Obtain Information, the Attending Physician's Statement

and a Repayment Agreement for Workers' Compensation benefits. The claim packet contains detailed instructions for completing and submitting the forms to The Standard Insurance Company. Additional questions can be directed to your agency representative, a PEBB Benefits Counselor or Standard.

Disability Retirement Benefits

PEBB members may also be eligible for disability benefits through Public Employees Retirement System (PERS) Disability retirement. Refer to the PERS Member Handbook and contact PERS for information.

Exclusions and Limitations

Short Term Disability Insurance

Intentionally Self-Inflicted Injury

You are not covered for a disability caused or contributed to by an intentionally self-inflicted injury, while sane or insane.

Work Related

You are not covered for a disability arising out of or in the course of any employment for wage or profit.

Care of A Physician

You must be under the ongoing care of a physician during the benefit waiting period. No STD benefits will be paid for any period of disability when you are not under the ongoing care of a physician.

Occupational Benefits

No STD benefits will be paid for any period while you are eligible to receive benefits under a workers' compensation law or similar law. If your claim for these benefits is accepted, compromised or settled (whether disputed or undisputed), you must repay the full amount of any STD

2006 Short & Long Term Disability Premium Rates				
<i>Premium = rate X monthly salary</i>				
Plan	Duration	Coverage	Rate	
Short Term	4 weeks if pre-existing, 13 weeks maximum	60%	\$0.00600	
Long Term	From 1 year to 3 years and 6 months, depending on age when disability begins	Option 1	90-day* @60%	\$0.00630
		Option 2	180-day* @60%	\$0.00225
		Option 3	90-day* @66 ² / ₃ %	\$0.00990
		Option 4	180-day* @66 ² / ₃ %	\$0.00350

* Waiting period before benefit payment begins

benefits you receive while your claim for occupational benefits is pending.

Sick Leave

If you are receiving or are eligible to receive paid sick leave (including donated leave) from your employer, the amount of your STD benefit will be \$25.

Working

No STD benefits will be paid for any period when you are working for wage or profit for any employer other than the State of Oregon, or when you are self-employed. This limitation applies whether you are working in your own or another occupation.

Imprisonment

No STD benefits will be paid for any period of disability when you are confined for any reason in a penal or correctional institution.

Pre-existing Condition

Payment of STD benefits will be limited to four weeks if your disability is caused or contributed to by a pre-existing condition. However, this limitation will not apply if, on the date you become disabled, you have been

1. Continuously insured for at least 24 months and
2. Actively at work at least one full day after those 24 months.

Long Term Disability Insurance

Intentionally Self-Inflicted Injury

You are not covered for a disability caused or contributed to by an intentionally self-inflicted injury, while sane or insane.

Pre-existing Condition

You are not covered for a disability caused or contributed to by a pre-existing condition or medical or surgical treatment of a pre-existing condition unless, on the date you become disabled you have been:

1. Continuously insured for at least 24 months and
2. Actively at work at least one full day after those 24 months.

Mental Disorder

Payment of LTD benefits is limited to 24 months for each period of disability caused or contributed to by a mental disorder. However, if you are in a hospital at the end of the 24 months, this limitation will not apply while you are continuously hospitalized.

Care of a Physician

You must be under the ongoing care of a physician during the benefit waiting period. No LTD benefits will be paid for any period of disability when you are not under the ongoing care of a physician.

Imprisonment

No LTD Benefits will be paid for any period of disability when you are confined for any reason in a penal or correctional institution.

Disability Insurance Q&A

How do I file a disability claim?

Contact your agency to coordinate completion of the applicable claim form. The agency is required to complete portions of the form, and the employee or family member is responsible for other portions.

I am pregnant. Will I be eligible for benefits under the PEBB STD and LTD policies while I'm off work?

Disability caused by pregnancy is covered under both the STD and LTD policies. Maternity claimants are considered disabled when, because of pregnancy, they are unable to perform the material duties of their own occupation. For benefits to be paid, all policy provisions, including the pre-existing condition clause and benefit waiting period, must be met.

The medical community has well-established duration guidelines for disability caused by pregnancy.

If there are complications associated with the pregnancy, either pre- or postpartum, disability could be established outside these guidelines. Benefits are paid only while the claimant is unable to work at her own occupation because of pregnancy.

Can I continue my disability insurances if I go on leave without pay?

Disability insurance cannot be continued unless the leave is caused by a disability. For detailed information on continuation rights during a leave, refer to PEBB's Administrative Rules at www.oregon.gov/DAS/PEBB.