



Voluntary Long Term Disability Insurance

Standard Insurance Company has developed this document to provide information about the optional insurance coverage you may select through your *employer*. Written in non-technical language, this is not intended as a complete description of the coverage. If you have additional questions, please refer to the Voluntary Long Term Disability brochure included in your packet or check with your Benefits Office.

Employer Plan Effective Date

September 1, 2009.

Eligibility

To become insured, you must be:

- An active employee of The Howard County Public School System, excluding temporary or seasonal employees and full-time members of the armed forces
- Regularly working at least 30 hours each week
- A citizen or resident of the United States or Canada

Employee Coverage Effective Date

Please contact your Benefits Office for more information regarding the following requirements that must be satisfied for your insurance to become effective. You must satisfy:

- Eligibility requirements
- An *eligibility waiting period*
- An *evidence of insurability* requirement
- An *active work* requirement. This 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 day of *active work* as an eligible employee.

Benefit Amount

Your monthly benefit is 25 percent, 40 percent or 50 percent of your insured *predisability earnings* reduced by *deductible income**. Please contact the Benefits Office for additional information regarding what is included in *predisability earnings*.

Plan Maximum Monthly Benefit: \$6,500

Plan Minimum Monthly Benefit: \$100

*Excluding benefits from Social Security and Maryland State Retirement and Pension System.

Cost of Living Adjustment Benefit

A *Cost of Living Adjustment* benefit is included under this plan.

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 continuously *disabled*. Benefits are not payable during the *benefit waiting period*.

Pre-existing Condition Exclusion

A general description of the *pre-existing condition exclusion* is included in the Group Long Term Disability employee brochure. If you have questions, please check with your Benefits Office.

Pre-existing Condition Period: The 3 month period just before your insurance becomes effective

Exclusion Period: 12 months

Own Occupation Period

For the plan's definition of *disability*, as described in your brochure, the *own occupation period* is the first 24 months for which *LTD benefits* are paid. During the *benefit waiting period* and the *own occupation period*, you are partially *disabled* if you are unable to earn 80 percent or more of your *indexed predisability earnings*.

Any Occupation Period

The *any occupation period* begins at the end of the *own occupation period* and continues until the end of the *maximum benefit period*. During the *any occupation period*, you are partially *disabled* if you are unable to earn 60 percent or more of your *indexed predisability earnings*.

Maximum Benefit Period

If you become *disabled* before age 62, *LTD benefits* may continue during *disability* until the Social Security Normal Retirement Age (SSNRA). If you become *disabled* at age 62 or older, the benefit duration is determined by your age when *disability* begins:

<u>Age</u>	<u>Maximum Benefit Period</u>
62	To SSNRA or 48 months, whichever is longer
63	42 months
64	36 months
65	30 months
66	27 months
67	24 months
68	21 months
69+	18 months

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 plan under which you become insured through employment during a period of *temporary recovery*

Conversion

When your insurance ends, you may buy LTD conversion insurance if you meet the requirements described in your Certificate. See your Certificate for additional information, or contact your Benefits Office.

Rates

If you have questions regarding how to determine your earnings, please contact your Benefits Office.

Age (as of last Jan 1)	Rate % (25%)	Rate % (40%)	Rate % (50%)
<25	0.0342	0.0360	0.0414
25-29	0.0342	0.0360	0.0414
30-34	0.0552	0.0582	0.0666
35-39	0.0696	0.0774	0.0864
40-44	0.1110	0.1218	0.1356
45-49	0.1524	0.1650	0.1842
50-54	0.2322	0.2496	0.2796
55-59	0.3018	0.3270	0.3642
60+	0.3018	0.3270	0.3642

To calculate your cost per payroll deduction, use the formula indicated below. There are 20 payroll deductions per year.

1. Determine your annual earnings (not to exceed the maximums as shown below). Divide your annual earnings by 12 and enter that number on Line 1. Line 1: _____
2. Divide Line 1 by 100 and enter that number on Line 2. Line 2: _____
3. Multiply Line 2 by your rate as shown to the left. Enter that number on Line 3. Line 3: _____

The amount shown on Line 3 is your estimated cost per payroll deduction.

Maximum annual income: \$156,000 for the 50% plan, \$195,000 for the 40% plan, and \$312,000 for the 25% plan.

Group Insurance Certificate

If you become insured, you will receive a group insurance certificate containing a detailed description of the insurance coverage. The information presented above is controlled by the *group policy* and does not modify it in any way. The controlling provisions are in the *group policy* issued by Standard Insurance Company.