

LONG TERM DISABILITY

Long Term Disability Insurance is underwritten by The Standard Insurance Company

NBA VEBA offers participating institutions a valuable long-term disability plan underwritten through The Standard Insurance Company. This plan provides an income benefit for a disability due to a covered accident or sickness which results in the inability to perform job duties.

Schedule of Benefits

Monthly Disability Benefit

- 66 2/3% of basic monthly earnings, plus bonuses averaged from the prior 12 month period, up to a maximum monthly benefit of \$8,000.
- The monthly benefit will not be less than \$100 or 10% of the gross monthly benefit, whichever is greater.
- The monthly benefit is reduced or integrated to adjust for other possible sources of income eligible to the employee, spouse and dependents.

Elimination Period

- Plan 1: 180 days
- Plan 2: 90 days

The institution may select only one of the two plans.

Maximum Benefit Period

| AGE | MAXIMUM BENEFIT PERIOD |
|---------------|------------------------|
| 61 or younger | To age 65 |
| 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 |

Eligibility Requirements

- Active employees working a minimum of 17.5 hours per week or the number of hours weekly required by your employer.
- Seasonal or temporary employees are not eligible.
- Active officers and employees will be eligible on the first day of the month following their eligibility period.
- Directors are not eligible.

General Information

- At least 75% of all eligible employees must participate in the plan.

- Long Term Disability may be selected by employees without enrollment in other group insurance coverage.

Rates

| RATES PER \$100 OF INSURABLE SALARY | | |
|-------------------------------------|----------|--------|
| Plan 1 | 180 days | \$0.23 |
| Plan 2 | 90 days | \$0.28 |

Example of Annual Premium - \$15,000 Salary

- Plan 1: \$0.23 x 150 = \$34.50
- Plan 2: \$0.28 x 150 = \$42.00

Definition of Disability

For employees earning more than \$40,000.

- A covered person is totally disabled under this definition if he or she is not able to perform each of the material duties of his or her regular occupation because of sickness or injury. There is no test to determine if the disabled person can work in another occupation.

For employees earning less than \$40,000.

- A covered person is totally disabled under this definition if because of injury or sickness: **(a)** he or she is not able to perform each of the material duties of his or her regular occupation; and **(b)** after benefits have been paid for 36 months, he or she cannot perform each of the material duties of any gainful occupation for which he or she is reasonably fitted by training, education or experience.
- Partial disability means that although the covered person is unable to perform all of the material duties of his or her regular occupation on a full-time basis, he/she is performing at least one of the material duties of his or her regular occupation or another occupation, and is earning more than 20% but less than 80% of his or her pre-disability earning due to the same sickness or injury.
- To qualify for benefits under either of the situations shown above, the covered person may be partially or totally disabled during the elimination period.

(continued)

Plan Features

- **Preexisting Conditions:** Benefits are not payable for a disability which begins during the first 12 months after your insurance becomes effective, if the disability is caused or contributed to by a preexisting condition or medical or surgical treatment of a preexisting condition that occurred within 90 days prior to becoming insured under the policy.
- **Alcohol and Drug Abuse Limitation/Mental and Nervous Disorder Limitation:** Payment of LTD benefits is limited to no more than 24 months during your lifetime for disability caused or contributed to by mental disorder or substance abuse, including use of alcohol, alcoholism, use of any drug, including hallucinogens, or drug addiction.
- **Accumulation of Elimination Period:** During the elimination period, a disability can cease for 30 days without the employee having to start a new elimination period if the disability recurs.
- **Three Month Survivor Benefit:** This plan pays the eligible survivor a lump sum equal to three times the disabled employee's monthly benefit.
- **Integration With Other Benefit Sources:** Benefits are reduced or integrated to adjust for other possible sources of income during a disability.
- **Guaranteed Issue:** As a group policy, this plan is available to all actively working eligible employees without proof of insurability, except for late enrollees.
- **Full Maternity Benefits:** Disability due to a pregnancy will be paid the same as any other illness.
- **Waiver of Premium:** While you are receiving disability benefits, you will not be required to make premium payments.
- **Reasonable Accommodation Expense Benefit:** Benefit reimbursement up to \$25,000, if approved. This includes modifications to a disabled employee's work place in the event he/she can return to work.
- **Short Term Disability** benefits end when **Long Term Disability** benefits begin.

This form is intended to provide a brief overview of benefits. For a complete summary of covered services, limitations, and exclusions, please refer to the certificate of coverage. This form and the group insurance certificate do not modify the group insurance policy or the insurance coverage in any way. For more information, call 1-888-419-8322 or (402) 475-8322 in Lincoln.