

FAQ, Long-Term Disability (LTD) Insurance

1. What is long-term disability insurance?

Long-term disability insurance protects your income should you become disabled for an extended period due to either an accident or illness. Long-term disability insurance should not be confused with long-term care insurance which refers to a wide range of personal care, health care, and social services for people who can no longer care for themselves.

2. Who is the LTD plan with?

The plan is administered by The Standard Insurance Company (Standard).

3. Who is eligible to receive long-term disability insurance through Standard?

Long-term disability insurance through Standard is for all faculty who are working in a position equal to or greater than 0.5 FTE and who are enrolled in the traditional sick leave program.

4. How much does long-term disability insurance cost eligible faculty members?

This new benefit is at no cost to the faculty member. Mason pays the premium.

5. What is the long-term disability coverage?

The monthly benefit is equal to 50% of monthly pre-disability earnings up to a maximum of \$6,000 per month. This coverage is equal to the highest benefit level that was offered under UNUM.

6. When does this long-term disability insurance coverage begin?

Insurance coverage begins on July 1, 2017.

7. Is there any paperwork to fill out?

No. Your coverage begins on July 1, 2017 and there is no enrollment form to complete. You will be automatically enrolled in the coverage under the conditions described in "a" and "b" below.

a. Faculty hired on or before July 1, 2017: The LTD coverage is in effect 7/1/17 as long as the Faculty member is "actively at work". Faculty can be on regularly scheduled days off, holidays or vacation days and would still be considered "actively at work", so long as s/he is medically capable of working on those days.

b. Faculty hired after July 1, 2017: Faculty will be enrolled on the first of the month that follows or coincides with their date of hire. For example, if a Faculty member is hired on 8/1/2017, s/he would be enrolled effective 8/1/2017; if a Faculty member is hired on 8/25/17, s/he would be enrolled effective 9/1/2017. Faculty will not be enrolled into the plan until s/he chooses a retirement plan as this LTD plan is only for employees enrolled in the Optional Retirement Plan; the coverage would go retroactive to first of the month that follows or coincides with their date of hire.

8. I am a Faculty member in the traditional sick leave program who currently has long-term disability insurance with UNUM. How do I transition to the Standard policy?

If you are currently enrolled in the voluntary UNUM benefit, that benefit will end on 6/30/17. Because this is a prepaid benefit, the last payroll deduction will be taken from your 6/1/2017 pay check.

9. Is this a taxable benefit?
Yes, because the premium is paid by the employer (Mason), any long-term disability benefit will be taxable to the employee when the benefit is received.
10. Is the premium taxable to me?
No, the premium is not taxable to you.
11. If I have coverage currently through UNUM, may I continue with that policy?
No, the group plan has been terminated effective 7/1/2017.
12. If I need to invoke long-term disability insurance, is there a waiting period?
Yes, you must be continuously disabled for a period of 180 calendar days before you are eligible to begin receiving the LTD benefit. You can use a combination of sick leave, annual leave (if eligible), and any other eligible leaves to cover the waiting period.
13. Are there Exclusions for Preexisting Conditions?
Yes, benefits will not be paid if you go out on claim during the first 12 months you are covered under LTD plan for a condition that you were treated for in the 3 months prior to your effective date. Treated means: received medical treatment, consulted with a physician or took prescribed drugs and medications.
14. If I have coverage currently through UNUM, would this impact the Preexisting Conditions?
If you have been covered by UNUM for the 12 months prior to 7/1/2017, you have met the preexisting condition waiting period. If you have been covered with UNUM for 6 months, then you have already met 6 months of the preexisting condition waiting period; you would need to only wait for 6 more months before a claim for a pre-existing condition would be covered.
15. What is the maximum length of coverage under this long-term disability insurance policy?
If you become disabled before age 62: The maximum benefit period (the duration you may receive long-term disability coverage) is to Social Security's full/normal retirement age OR 3 years and 6 months, whichever is longer. The Social Security retirement age chart can be found at <https://www.ssa.gov/planners/retire/retirechart.html>.

If you become disabled at age 62 or older: The maximum benefit is determined by the age when the disability began.

Age	Maximum benefit period
63	To Social Security Normal Retirement Age or 3 years, whichever is longer
64	To Social Security Normal Retirement Age or 2 years and 6 months, whichever is longer
65	2 years
66	1 year and 9 months
67	1 year and 6 months
68	1 year and 3 months
69+	1 year