Chapter 8 — Disability

**Fast Facts**

- STD benefits (if elected) generally continue 60% of your pre-disability pay for up to 11 weeks if you become disabled and unable to work.
- Once an eligible employee has been disabled for 90 consecutive days, LTD benefits generally continue 60% of your pre-disability pay, provided the disability continues.
- LTD benefits are payable up to age 65 provided you remain disabled; extended payment periods apply if you become disabled on or after age 60.
- Work incentive benefits continue a portion of your LTD and STD benefit if you are able to work in some manner while you are disabled.
- If you die after receiving LTD benefits for at least 180 consecutive days, your beneficiary will receive a survivor income benefit.

The university offers disability plans that continue a portion of an eligible employee’s pay if he or she is unable to work due to an illness or injury. Short-term disability (STD) coverage is a voluntary benefit. Long-term disability (LTD) coverage is automatically provided to eligible employees by the university. Eligibility to receive disability benefits is defined later in this chapter.
Benefits At-A-Glance

<table>
<thead>
<tr>
<th>Plan Features</th>
<th>Short-Term Disability</th>
<th>Long-Term Disability</th>
</tr>
</thead>
<tbody>
<tr>
<td>When benefits begin</td>
<td>After 14 consecutive days (your elimination period) during which you have been unable to work due to an accident or sickness and disabled, as defined in the section below, “How STD Benefits Work”</td>
<td>After 90 consecutive days (the eligible employee’s elimination period) during which the eligible employee has been unable to work due to a disability as defined in the section below, “How LTD Benefits Work”</td>
</tr>
<tr>
<td>Amount you are paid</td>
<td>60% of your pre-disability weekly earnings up to a maximum of $1,000 per week</td>
<td>60% of your pre-disability monthly earnings up to a maximum of $10,000 per month</td>
</tr>
<tr>
<td>Employee cost for this benefit</td>
<td>You pay the premium for this benefit</td>
<td>The university pays the premium for this benefit—eligible employees pay nothing</td>
</tr>
</tbody>
</table>

Eligibility/When Coverage Begins
Eligibility for STD and LTD coverage is consistent with the eligibility requirements outlined in “The Big Picture,” the first chapter of this document. Coverage begins as follows:

- STD — coverage begins the first day of active, full-time employment with the university, provided you enroll in the plan
- LTD — coverage begins the first day of the month coincident with or next following the completion of 12 months of full-time continuous employment with the university

If you are hired by the university as an eligible employee within three months after being covered under a long-term disability plan of a previous employer for at least one year, the 12-month waiting period will be waived. You will need to provide proof of your prior coverage.

Cost
STD is a voluntary benefit. If you elect STD coverage, you pay the full cost of coverage through pre-tax payroll deductions. The university pays the full cost of eligible employees’ LTD coverage. Any STD or LTD payments you receive are considered taxable income.

Short-Term Disability
Short-term disability benefits continue a portion of your pay for a maximum of 11 weeks when an illness or injury prevents you from working.
Electing Short-Term Disability Coverage

Enrollment
During the annual enrollment period, you may enroll for STD coverage. Your coverage will begin on January 1. If you are a new employee, you may enroll within 30 days of becoming eligible. (You are eligible the first day of active, full-time employment.) If, because of injury or sickness, you are eligible but not actively at work on the date the insurance would otherwise take effect, it will take effect on the day after you return to active work for a continuous period equal to the time you were not actively working. This return to active work requirement will not exceed 30 days.

Pre-existing condition
If you are a new employee or enroll for the first time due to a family status change, no pre-existing condition exclusion will apply to you. If you are a current employee and elect STD coverage for the first time during annual enrollment, STD benefits are not payable for pre-existing conditions. A pre-existing condition is a condition for which medical treatment or advice was received six months prior to your coverage effective date. A condition shall no longer be considered pre-existing if it causes a disability which begins after the earlier of the date you have been insured for 6 consecutive months during which you received no medical advice or treatment of that condition; or you have been insured under the policy for a period of 12 consecutive months.

How STD Benefits Work
STD benefits begin if an injury or sickness prevents you from working for more than 14 consecutive days. These benefits may continue for a maximum of 11 weeks starting with the 15th day of your absence, provided you remain disabled. In this case, “disabled” means you are unable to perform the material and substantial duties of your regular occupation and you are not being paid to work in any occupation for which you are qualified by education, training or experience.

You will need to provide medical documentation that shows you are disabled (from your physician or health care provider) once you have been absent for 14 days in order to be approved for STD benefits. You are not considered disabled if you are able to earn 80% of your pre-disability income.

STD benefits continue 60% of your pre-disability weekly pay, excluding commissions, bonuses and overtime. The maximum weekly STD benefit you can receive is $1,000. STD benefits under the plan are reduced by any payments you receive under workers’ compensation, an occupational disease act or law or a statutory disability benefit.

A claim overpayment — an amount paid to you in excess of what should have been paid under the policy — can occur when you receive a retroactive payment, when the insurance provider inadvertently makes an error in the calculation of a claim, or if fraud occurs. In an overpayment situation, you will be required to make a full repayment for any overpayment.

Continuation of Other Benefits
Coverage for certain JHU benefits will continue as long as you continue to pay your share of the cost for the benefits. If you do not make your payment by its due date, you will no longer be covered. Contact the Benefits Service Center for more information.
Recurring Disabilities
If the disability for which benefits were payable ends but the disability recurs due to the same or a related cause less than 15 days after the end of a prior disability, it will be considered a resumption of the prior disability. In this case, benefit payments will not be subject to a new elimination period and a single 11-week payment period for benefits will apply to both periods of disability.

If a disability recurs more than 14 days after the end of a prior disability, it is treated as a new disability and subject to a separate elimination period and eligible for a new 11-week payment period.

STD Work Incentive Benefit
If you are disabled but can work in some capacity, you may be approved for work incentive benefits. Work incentive benefits, which allow you to receive a portion of your STD benefits while you work, are available if you earn less than 80% of your pre-disability earnings. Work incentive benefits are equal to your regular STD benefit, less the amount of your work earnings which, when combined, exceed 100% of your pre-disability weekly earnings.

Coordination with Family and Medical Leave
If you are approved for leave under the Family and Medical Leave Act (FMLA), your STD coverage will continue for up to 12 weeks following the date the leave begins, provided the required premium continues to be paid. If you do not return to work as scheduled in your agreement with the university, coverage will be terminated.

Long-Term Disability
If an eligible employee is disabled and unable to work, Long-Term disability (LTD) benefits generally pay 60% of pre-disability monthly earnings up to a monthly maximum benefit of $10,000. The eligible employee must be considered continuously disabled, as defined, for 90 days.

How LTD Benefits Work
LTD benefits begin if the eligible employee is disabled and unable to work for more than 90 consecutive days. In this case, “disabled” is defined for the following time periods:

• Faculty and Senior Staff: Continuously unable to perform the material and substantial duties of your regular occupation and not gainfully employed
• Support Staff: First 24 months—the inability to perform the material duties of your regular occupation
• Support Staff: After 24 months—the inability to engage in any occupation for which you are or become qualified by education, training or experience

LTD benefits continue 60% of your pre-disability monthly earnings (up to a monthly maximum benefit of $10,000) until the earlier of:

• The date you are no longer disabled, or
• When you reach age 65 (extended payment periods apply if you become disabled on or after age 60).

Your pre-disability monthly earnings are your regular monthly earnings, excluding commissions, bonuses or overtime. The maximum monthly LTD benefit is $10,000. LTD benefits are reduced by any payments you receive from: Social Security, workers compensation, any occupational disease act or law, any occupational accident coverage, a state teachers retirement system, benefits under a statutory disability benefit law, the
Railroad Retirement Act, the Canada Pension Plan, the Québec Pension Plan, the Canada Old Age Security Act or any other public employee retirement system plan. If benefits under one of the above programs increase while you are receiving LTD benefits, your LTD benefit will not be further reduced by the increase.

If you expect to be eligible for Social Security benefits as a result of your disability, it is assumed that you will apply for Social Security disability benefits. Service representatives from the LTD insurance company are available to assist you, at no charge, in applying for and securing Social Security disability awards.

LTD benefits will continue as shown below, provided you remain totally disabled and comply with any requirements to provide proof of your ongoing disability.

<table>
<thead>
<tr>
<th>Age Disability Began</th>
<th>Maximum Period Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 59 or younger</td>
<td>To your 65th birthday</td>
</tr>
<tr>
<td>Age 60 through 68</td>
<td>60 months or to your 70th birthday, whichever occurs first</td>
</tr>
<tr>
<td>Age 69 or older</td>
<td>12 months</td>
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</table>

Recurring Disabilities

If a disability for which benefits were payable ends but the disability recurs (due to the same or related causes) within the first six months after the end of a prior disability, it will be considered a resumption of the prior disability. In this case, LTD payments will immediately resume at the initial payment amount. (Any pay increase received during that time is not included.)

If a disability for which benefits were payable ends but the disability recurs due to the same or related causes more than six months after the end of a prior disability, then it is subject to:

- New elimination period
- New maximum period payable
- Other provisions of the policy in effect on the date the disability recurs

LTD Work Incentive Benefit

If you are disabled but can work in some capacity, you may be approved for work incentive benefits. Work incentive benefits, which allow you to receive a portion of your LTD benefits while you work, are available if you earn less than 80% of your pre-disability earnings. During the first 12 months of employment, this benefit is calculated as follows:

1. The LTD monthly benefit and disability earnings are added together and compared to the monthly earnings.
2. If the total exceeds 100% of the monthly earnings, the work incentive benefit equals the LTD monthly benefit, reduced by the amount above 100%.
3. If the total does not exceed 100% of monthly earnings, the work incentive benefit will equal the LTD monthly benefit amount.

After the first 12 months of employment, the benefit will equal the LTD monthly benefit multiplied by the adjusted loss of salary ratio, which is:

8.5 Disability
1. Monthly earnings increased each anniversary of the start of your disability by the lesser of the CPI-W or 10%, less than your monthly LTD benefit.

2. The above is then divided by your monthly earnings increased each anniversary of the start of your disability by the lesser of the CPI-W or 10%.

**Coordination with Family and Medical Leave**

If you are approved for leave under the Family and Medical Leave Act, any LTD coverage will continue up to 12 weeks after the date of leave begins. If you do not return to work as scheduled in your agreement with the university, coverage will be terminated.

**Additional Benefits and Services**

**Survivor Income Benefit**

If you die after having received LTD benefits for 180 consecutive days, your beneficiary will receive a survivor income benefit. The survivor income benefit continues the LTD benefit you were receiving to your beneficiary for six months. If no beneficiary exists, the benefit will be paid as provided in the insurance contract.

**Catastrophic Disability Benefit**

In case of a “catastrophic disability” as defined by the plan and described below, an eligible employee will be paid an additional monthly benefit for 12 months. An eligible employee becomes eligible for this benefit after he or she has been disabled for 180 consecutive days.

To be considered catastrophically disabled, the disability must result in one of the following:

- The eligible employee being unable to perform at least two of six daily living activities,* without assistance or regular supervision.
- The eligible employee having deterioration in intellectual capacity that poses a health or safety hazard to the eligible employee or to others and requires supervision.
- The eligible employee is not gainfully employed.

*Eating; toilet functions; transferring from bed, chair or wheelchair; bathing; dressing and continence.*

Catastrophic disability benefits increase the LTD monthly benefit by 10% of pre-disability earnings, up to a maximum monthly benefit of $5,000. This benefit is not subject to increase or reduction due to changes in deductible sources of income.

**Caregiver Respite/Caregiver Training Benefits**

While you are receiving catastrophic disability benefits, you are also eligible for certain caregiver benefits.

The plan covers the following caregiver respite benefits:

- Informal home care is defined as medically necessary care provided at your home or private residence by an informal caregiver, in lieu of confinement in a nursing home or care by a paid provider. Care that has been provided for at least six continuous months from the date of your disability will be covered.
- Companion care is defined as medically necessary custodial care for a minimum of eight hours a day by an accredited home health care provider while the informal caregiver is on a respite interval. Care must be received by you in your home or private residence during a respite interval (period of one or more consecutive days which the informal caregiver is temporarily relieved of duties). The plan provides a
maximum of 14 days of companion care per calendar year. Any unused days expire and cannot be carried over after December 31.

- Daily companion care (maximum $100 per day).

Caregiver training benefits provide reimbursement of up to $500 of incurred costs for training received by an informal caregiver to provide home care training. Training must be provided by a home health care provider accredited by either the Joint Commission of Accreditation of Health Care Organizations or Community Health Accreditation Program, nursing home or by a hospital. If you are in a nursing home or hospital, the benefit will be provided only if the training will allow you to return to your residence to be cared for by the informal caregiver.

You must submit proof of your incurred costs for caregiver respite or caregiver training to be reimbursed under the plan.

**Emergency Alert System Benefit**

While you are receiving a catastrophic disability benefit, the plan will reimburse you up to $25 per month for the cost to rent or lease an emergency alert system. An emergency alert system is a communication system in your residence which summons medical attention in case of emergency. Your condition must be such that you could not be left alone without the presence of the emergency alert system.

The emergency alert system benefit is payable to you, in arrears, after every six months following submission of proof for the costs incurred for the system. Any charges incurred for installation, servicing or maintaining the system are not covered. This includes, but is not limited to charges for normal telephone service while the system is installed or for a home security system.

**Worksite Modification Benefit/Vocational Rehabilitation Services**

The LTD insurance company will evaluate your eligibility to receive worksite modification benefits or vocational rehabilitation services. You, the university and the LTD insurance company must agree, in writing, to these services.

Worksite modifications are those modifications designed to help you remain at work or return to work. If agreed to, worksite modification will be provided for an amount that is up to the greater of $1,500 or two months of your LTD benefits.

Vocational rehabilitation services are available to assist you in returning to your employment. Services might include one or more of the following:

- Job modification
- Job retraining
- Job placement
- Other activities

Eligibility for vocational rehabilitation services is based on your education, training, work experience and physical and/or mental capacity. To be considered for vocational rehabilitation services:

- Your disability must be preventing you from working,
- You must have the physical and/or mental capacities necessary for successful completion of a rehabilitation program, and
- There must be a reasonable expectation that rehabilitation services will help you return to work.
Conversion Option
If you terminate employment with the university, your disability coverage will end. You may, however, be eligible to purchase LTD insurance under the group conversion policy available through the LTD insurance company. To be eligible to covert your LTD insurance, you must have been covered by the plan for at least 12 consecutive months on the date your coverage ends. You must apply for coverage with the LTD insurance company, pay the first premium within 30 days after your employment ends, and meet any other requirements of the insurance company.

You are not eligible to convert coverage if you:
• Are or become insured under another group LTD plan within 30 days after employment ends
• Are disabled under the terms of the policy
• Recover from a disability and do not return to work for the employer
• Are on leave of absence
• Have coverage under the policy that ends for any of the following reasons:
  - Policy is canceled
  - Policy is changed to exclude the class of employees to which you belong
  - You end your working career or retire and receive payment from the university retirement plan
  - Failure to pay the required premium under the policy

Features That Apply to Both STD and LTD Plans

Limitations and Exclusions
STD and LTD coverage does not cover any loss caused by, contributed to or resulting from:
• Attempted suicide, while sane or insane or an intentionally self-inflicted injury or sickness
• Occupational injury or sickness (STD only)
• Commission of or attempt to commit a felony

Benefits are not payable during any period in which you are confined in a penal or correctional institution if the period of confinement exceeds 30 days.

When Your Disability Coverage Ends
Your disability coverage will end on the earliest of:
• The date the plan is terminated
• For STD, the date you no longer pay the required premium
• The date you retire or otherwise terminate employment with the university

If you cease work due to leave of absense or military leave, STD and LTD coverage will continue for three months from the date you last actively worked, subject to continued payment of premium.
To Apply for Disability Benefits

You should apply for STD benefits as soon as you are aware that your absence will extend beyond 14 days. You should apply for LTD benefits as soon as it is known that your disability will extend beyond 90 consecutive days.

You apply for STD Benefits by calling the STD insurance company to begin the claim process. If you enrolled in the STD plan and are on claim for STD, after 90 days your claim will be automatically transferred to the LTD claim area for handling.

To apply for LTD benefits only, complete and return the Application for Long-Term Disability Income Benefits (available on the Benefits Web site at http://benefits.jhu.edu/health-and-life/disability.cfm/Hartford_LTD.pdf) to the LTD insurance company:

Benefit Management Services
Maitland Claim Office
P.O. Box 946710
Maitland, FL 32794-6710

You will need to provide the following as proof of your disability:

- The cause of the disability, the date it began and the prognosis
- Proof that you are receiving appropriate and regular care for your condition from a doctor who is not a member of your immediate family and whose specialty or expertise is appropriate for your condition
- The extent to which your disability prevents you from performing your regular occupation
- The name and address of the doctor, health care facility or hospital where you are being treated for your condition

If proof of your disability is not provided within 30 days, your STD benefits may be suspended or terminated. For LTD benefits, proof of disability must be given no later than one year after the end of your elimination period, unless you are legally incapacitated. You may be asked to submit proof of your ongoing disability on a periodic basis to the LTD insurance company. You are responsible for the cost of providing this information. In addition, the insurance company has the right to have you examined, at its expense, as often as necessary while your disability claim continues.

Assignment, Subrogation and Reimbursement

You may not assign your STD or LTD benefits to another individual or organization. This means you may not transfer your benefits to someone else. In addition, the insurance company reserves any and all rights to subrogation and/or reimbursement to the fullest extent allowed by law and customary practice. The insurance company also reserves the right to recover any overpayment made by the plans.
For Other Information, Go To…

<table>
<thead>
<tr>
<th><strong>The Big Picture</strong></th>
<th>For general information about JHU's benefits program and how the myChoices Program works</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Changes to Your Benefits</strong></td>
<td>For information on how changes in family or work situations may affect your coverage</td>
</tr>
<tr>
<td><strong>Administrative Information</strong></td>
<td>For important facts about life, travel accident, and personal accident plan administration, and your rights under ERISA</td>
</tr>
<tr>
<td><strong>Resources</strong></td>
<td>For a list of contacts and available resources</td>
</tr>
</tbody>
</table>