

# University of California Summary of Benefits

## 2017 Voluntary Long-Term Disability Insurance

### Group disability insurance offers income protection

Disability is often called the “forgotten risk,” as few employees think about how they would survive financially with no earned income. The impact of a disabling illness or injury, both financially and emotionally, can be devastating.

While health insurance may cover most medical bills, daily living expenses such as rent or mortgage, car payments, and utilities continue. Disability insurance provides partial income replacement if you are unable to work due to a qualifying non-occupational illness or injury. UC offers Voluntary Short-Term Disability, which covers disabilities for up to 26 weeks, and Voluntary Long-Term Disability, which offers protection for disabilities extending beyond 26 weeks.

<b>Eligibility</b>	You are eligible to enroll in Voluntary Long Term Disability Insurance if you are eligible for Core, Mid-level or Full benefits.
<b>Eligibility Waiting Period</b>	None. If you are currently enrolled in Supplemental Disability, your enrollment in Voluntary Long-Term Disability will be automatic. If you were not previously enrolled in Supplemental Disability and choose to enroll in Voluntary Long-Term Disability during the 2017 annual open enrollment period, your coverage will begin as of January 1, 2017. If you choose to enroll after the 2017 annual enrollment period, you must provide Evidence of Insurability to enroll.
<b>Benefit</b>	<p><b>Voluntary Long-Term Disability (VLTD) Coverage:</b> The Voluntary LTD option is paid for by you. If you purchase this coverage, become disabled (as defined in the plan), and remain disabled through the waiting period, you will receive 60% of eligible monthly earnings, less other deductible sources of income, such as Social Security, UCRP Disability Income and retirement, and workers’ compensation. The maximum monthly benefit is \$15,000 and the minimum benefit is \$100.</p> <p>This benefit is non-taxable.</p>
<b>Benefit Waiting Period</b>	Benefits are payable after the later of 6 months, end of sick leave usage or end of Voluntary Short-Term Disability benefits.
<b>Definition of Disability</b>	<p><b>“Disability” or “Disabled,”</b> with respect to Voluntary Long-Term Disability, means:</p> <ol style="list-style-type: none"> <li>1) During the first 24 months of VLTD, “Disability” or “Disabled” means that during the Waiting Period and the next 24 months of Disability you, as a result of Injury or Sickness, are unable to perform with reasonable continuity the Substantial and Material Acts necessary to pursue your Own Occupation in the usual and customary way; and</li> <li>2) Starting with the 25<sup>th</sup> month of VLTD, you are unable to perform, with reasonable continuity, the Substantial and Material Acts of any occupation, meaning that as a result of Sickness or Injury you are not able to engage with reasonable continuity in any occupation in which you could reasonably be expected to perform satisfactorily in light of your age, education, training, experience, station in life, and physical and mental capacity.</li> </ol>

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<b>Age at Disability</b>	<b>Maximum Benefit Period</b>
Less than age 60-----	Greater of SSNRA* or to age 65 (but not less than 5 years)
60 -----	60 months
61 -----	48 months
62 -----	42 months
63 -----	36 months
<b>Maximum Benefit Period</b> 64 -----	30 months
65 -----	24 months
66 -----	21 months
67 -----	18 months
68 -----	15 months
69 and over -----	12 months

\*SSNRA means the Social Security Normal Retirement Age as figured by the 1983 amendment to the Social Security Act and any subsequent amendments. This can be found on [www.ssa.gov](http://www.ssa.gov).

**Successive Disability**

A Successive Period of Disability will be treated as part of a prior Disability if, after receiving Disability Benefits under this coverage, you (1) return to work for the University on an Active Employment basis, based on your normally scheduled workday; and (2) in less than six consecutive months after you return to work for the University and while covered under this plan, you again become Disabled due to the same or related cause as the prior Disability.

Benefit payments will be subject to the terms of this coverage for the prior Total Disability.

If you return to a job with the University on an Active Employment basis for six consecutive months or more, the Successive Period of Disability will be treated as a new period of Disability. You must complete another Benefit Waiting Period.

**Pre-Existing Condition Limitation**

If medical treatment (including examination, laboratory test, diagnosis and/or prescription) of any kind was prescribed for or rendered to or received by you during the 90 days immediately before the effective date of your coverage under this plan:

1. a period of Disability due to that Sickness or Injury that begins within 12 months of the effective date of coverage under this policy\* will not be covered; and
2. any later Total Disability considered a continuation of that period of Disability will not be covered.

\*Please note that prior continuous coverage under the University of California's Supplemental Disability plan will be considered when determining the effective date of the plan.

**Benefit Limitations**

A Mental Illness and Substance Abuse Limitation applies if your Disability, as determined by Liberty, is caused at least in part by a mental, psychoneurotic or personality disorder or by substance abuse. In such cases, benefits are not payable for your Disability for more than a combined period of 24 months after the date LTD benefits begin.

If you are in a Hospital or Institution for Mental Illness and/or Substance Abuse at the end of a combined period of 24 months, the Monthly Benefit will be paid during the confinement.

If you are not confined in a Hospital or Institution for Mental Illness and/or Substance

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Abuse, but are fully participating in an Extended Treatment Plan for the condition that caused your Disability, the Monthly Benefit will be payable to you for up to a combined period of 36 months from the date LTD benefits begin.

## Exclusions

This plan will not cover disabilities due to:

1. war, declared or undeclared or any act of war;
2. active participation in a riot;
3. your committing of or attempting to commit an indictable offense;

## Monthly Cost

The VLTD insurance premium requires employee contributions. A premium estimator can be found on UCnet to assist you in determining your monthly cost for this benefit by clicking [here](#).

Please Note: This is non-taxable as you pay for the cost of this benefit on an after-tax basis.

## Online solutions to manage your benefits

The University of California has a comprehensive page on UCnet dedicated to your disability plan options. You can access this page by clicking [here](#).

Additionally, Liberty Mutual provides online resources and tools to help you better understand and manage your benefits on MyLibertyConnection®. You can:

- Report an absence or track the status of an existing absence
- Review claim payment information