



# Arkansas State Employees Long Term Disability Insurance

HIR Introduction  
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## **Unum's Group Voluntary Long Term Disability plan is designed to help Arkansas State Employees:**

- Provide sound financial protection in the event of a disability
- Increase productivity and performance
- Meet diverse employee needs at every life stage
- Attract and retain skilled employees

# What is different between the options?

## **Choice 1: 60% to SSNRA; integrated<sup>1</sup> to maximum amount of \$5,000**

### **What does this mean?** (Most traditional LTD offering)

Choice 1 provides a 60% income replacement benefit to the employee's Social Security Normal Retirement Age. Other sources of income will be offset from the benefit amount including Primary and Family Social Security benefits. The maximum monthly benefit amount will not exceed \$5,000.

## **Choice 2: 25% to SSNRA; non-integrated<sup>2</sup> to maximum amount of \$5,000**

### **What does this mean?**

Choice 2 provides a 25% income replacement benefit to the employee's Social Security Normal Retirement Age. Other sources of income will not be offset from the benefit amount but may consider disability earnings (earnings for work performed while disabled) when determining benefit payments.

## **Choice 3: 60% for 5 years; integrated<sup>1</sup> to maximum amount of \$5,000**

### **What does this mean?**

Choice 3 provides a 60% income replacement benefit for a duration of 5 years. Other sources of income will be offset from the benefit amount including Primary and Family Social Security benefits.

<sup>1</sup>Integrated – Primary and Family Social Security benefits are offset

<sup>2</sup>Non-Integrated – Plan will not offset for other sources of income but may consider disability earnings (earnings for work performed while disabled) when determining benefit payments

## Plan Design Features Common for all 3 Choices

Plan Provisions	Benefit Schedule
Eligibility	Actively at work, working 30 hours per week
Definition of Disability	2 year Regular Occupation
Elimination Period (EP)	180 days
Survivor Benefit	3 Month Lump Sum
Waiver of Premium	Included
Premiums	5 year age band rates; based on covered payroll
Recurrent Disability	6 months
Limitations	24 months Mental Illness and Self-Report Symptoms
Exclusions	<ul style="list-style-type: none"> <li>• Intentionally self-inflicted injuries</li> <li>• Active participation in a riot</li> <li>• Loss of professional license, Occupational License or Certification</li> <li>• Commission of a crime for which the employee has been convicted</li> <li>• War, declared or undeclared or any act of war</li> <li>• Incarceration</li> <li>• Pre-existing condition</li> </ul>

# Unum Group LTD Product Highlights





## Long Term Disability Plan summary

- ▶ Employer owns the master policy. Employee gets a certificate of coverage outlining the plan benefits
- ▶ Employee paid with post-tax deductions; therefore benefit is non-taxable
- ▶ Monthly benefits that protect a portion of covered earnings of either 25% or 60% of pre-disability earnings to a \$5,000 maximum. Benefit amount automatically increases when salary increase occurs.
- ▶ Guaranteed issue (GI) is standard
- ▶ Generally offset for other disability earnings, such as Social Security unless Non-Integrated
- ▶ Definition of disability: 2 year own occupation
- ▶ Elimination Period: 180 days
- ▶ Benefit period options: to normal Social Security Retirement age or 5 year duration
- ▶ Premiums are step rate (rates increase with age)
- ▶ Eligibility: actively at work
- ▶ 3/12 pre-existing condition limitation
- ▶ Waiver of premium
- ▶ Value-added services available: Assist America, Work life balance EAP

The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable.

## Value Added Services

Unum offers several “value-added” services to covered employees:

<p><b>Work Life Balance EAP</b></p>	<p>LTD – Standard</p>	<ul style="list-style-type: none"> <li>• No additional cost</li> <li>• Provides employees assistance with personal issues</li> <li>• Administered by Ceridian</li> <li>• Employees and their families have 24 hour, toll-free access to Master's level consultants who provide confidential advice and local referrals if needed</li> </ul>	
<p><b>Worldwide Travel Assist</b></p>	<p>LTD – Standard</p>	<ul style="list-style-type: none"> <li>• Provided by Assist America</li> <li>• Offers emergency assistance to insureds, their spouses, and children up to age 19 (24 if a full time student) when traveling more than 100 miles from home, in US or abroad</li> <li>• Family covered even if not travelling with EE</li> <li>• Spouse traveling on business not covered</li> </ul>	
<p><b>SSDI Advocacy Service</b></p>	<p>LTD – Standard</p>	<ul style="list-style-type: none"> <li>• EEs receiving LTD benefits receive expert advice and assistance from GENEX Services, Inc as they pursue SSDI benefits</li> <li>• Only applies to SSDI (not other SS benefits)</li> </ul>	