

2017 SHORT-TERM DISABILITY INSURANCE (UNUM LIFE INSURANCE COMPANY)

The university offers voluntary group short-term disability insurance through Unum Life Insurance Company. This insurance coverage pays a percentage of gross weekly salary if the insured faculty or staff member cannot work due to pregnancy disability or a covered injury or illness. These income benefits can provide added financial security during such times.

If a faculty or staff member becomes temporarily or permanently disabled due to a serious injury or illness, there is a window of up to six months of qualifying disability before university-paid long-term disability payments begin, if applicable. As you make a decision about participating in this voluntary short-term disability program, we hope that you carefully consider how an extended period of income loss could affect you and your family.

Please note: Puget Sound must maintain a minimum participation rate of 25% of those eligible for this benefit. If participation is below 25%, Unum may not provide this benefit.

Following is a description of your short-term disability benefits:

- The benefit is equal to 60% of your salary, up to a maximum of \$2,000 per week.
- Premiums for this coverage are paid on an after-tax basis, which means that the actual benefit will not be taxable, maximizing your benefit payment. Additionally, you are allowed to drop the benefit at any time, effective the first of the month following Human Resources' written receipt of your request.
- There is a 14-day waiting period from the onset of the illness/injury and when benefits begin (should you become disabled, you would use university-provided paid leave benefits or, if you have no paid leave benefits, be on leave without pay during the 14-day waiting period).
- There is a maximum benefit period of 24 weeks, which dovetails with the university-paid long-term disability benefits (provided to faculty and staff members in benefit-eligible positions .75 FTE and greater). Together, these two benefits provide little to no break in income protection under covered circumstances. Note, however, that there is generally a one-year waiting period for eligibility for university-paid LTD benefits, so an individual would generally have to be employed in an eligible position for one year to be covered by the LTD policy and then experience six months of qualifying disability before actually qualifying for any LTD payments (eligibility for benefit payments is determined by Unum Life Insurance Company).
- If you enroll during your **initial period of eligibility** (within 30 days of hire or change to a benefits-eligible position), you do not need to provide evidence of insurability to qualify for coverage. Enrollment in this plan during any **open enrollment period following your initial offer to elect this benefit** is subject to evidence of insurability before you qualify for coverage. You may obtain an Evidence of Insurability Form from Human Resources. Human Resources must receive Unum's approval of your Evidence of Insurability with an approval date of no later than December 31, 2015, in order to enroll you on short-term disability benefits in 2016. You will not be enrolled on 2016 short-term disability benefits if your Unum approval date is after December 31, 2015, so please take action early to ensure that Unum has enough time to process your application.
- If you receive medical treatment, consultation, care or services (including diagnostic measures and medications) during the three month period immediately preceding enrollment on the plan, there will be a 12-month pre-existing condition waiting period on that condition, and that condition won't qualify you for benefits until the 12-month pre-existing condition exclusion period has elapsed.

- Should you qualify for short-term disability benefits, you would receive the benefits from Unum in addition to your university-provided paid leave benefits (faculty disability salary continuance benefits; staff sick leave and vacation leave benefits). This could provide you with additional income to help pay medical bills and other expenses during your period of disability.
- In addition to providing benefits in the event of temporary and permanent physical disabilities, this policy also provides benefits for disabilities related to mental health conditions.

Because the short-term disability benefits being offered are priced at a group rate, the premiums are generally much more affordable than individual plans that may be available on the “open market.” Premiums for short-term disability benefits are paid through payroll deductions, based on the rates below.

Table 3 – Monthly Rate Per \$10 of Covered Benefit			
Age as of 1/1/2017	Rate	Age as of 1/1/2017	Rate
15-24	\$0.54	45-49	\$0.42
25-29	\$0.60	50-54	\$0.50
30-34	\$0.52	55-59	\$0.68
35-39	\$0.42	60-64	\$0.86
40-44	\$0.40	65+	\$0.98

Example of faculty/staff member age 30 earning \$30,000 per year:

Annual Salary	\$30,000
Divide by Weeks	÷ 52
Weekly Benefit Percent	x 60%
Weekly Benefit	\$346.15
To Find Rate Per \$10 of Benefit	÷ \$10
Rate by Age (see Table 8)	x \$0.52
Monthly Cost	\$18.00
Semi-Monthly Payroll Deduction	\$9.00

Enter your information to calculate your monthly premium:

Your Annual Salary*	Divide by Weeks	Weekly Benefit Percent	Weekly Benefit	To Find Rate Per \$10 of Benefit	Rate By Age (See First Table in This Section)	Your Monthly Cost
\$ _____	÷ 52	x 60%	= \$ _____	÷ 10	x \$ _____	\$ _____

*This can be obtained from your contract, offer letter, your Total Compensation Statement or by calling Human Resources at 253.879.3369.