



**University System of Maryland
Policy Number 510162
Long Term Disability Income Protection
Insurance Plan Highlights**

This plan highlight is a summary provided to help you understand your insurance coverage from UnumProvident. Please refer to your certificate booklet for your complete plan description. If the terms of this plan highlight summary or your certificate differ from your policy, the policy will govern.

Your Plan

Eligibility

All permanent employees of the University System of Maryland (and contractual employees whose contract allow this benefit) employed at least 50% of full-time status in active employment.

Guarantee Issue

Current Employees: If you have not been previously declined for disability coverage by UnumProvident, you may enroll between 10/01/2004 and **10/31/2004**, without answering any medical questions or providing evidence of insurability. (After the enrollment period, your coverage will be medically underwritten, and you will be required to qualify based on information you provide regarding your health history).

Employees hired on or after 10/01/2004: You may apply for coverage without answering any medical questions or providing evidence of insurability if you apply for coverage within 60 days after your eligibility date. If you apply more than 60 days after your eligibility date, your coverage will be medically underwritten, and you will be required to qualify based on information you provide regarding your health history.

Benefit Amount

Monthly LTD Benefit:

- 60% of your monthly earnings
- To a maximum of \$8000

Definition of Disability

You would be considered disabled and eligible for benefits because of sickness or injury if:

- you are limited from performing the material and substantial duties of your regular occupation; and
- you have a 20% or more loss in indexed monthly earnings due to the same sickness or injury.

You will continue to receive benefits if:

- after benefits have been paid for **36** months, you are working in any occupation and continue to have a 20% or more loss in indexed monthly earnings due to your sickness or injury; or
- you are not working and, due to the same sickness or injury, are unable to perform the duties of any gainful occupation for which you are reasonably fitted by education, training or experience.

You must be under the regular care of a physician in order to be considered disabled.

Elimination Period You can choose an elimination period of **90 or 365** consecutive days of disability.
The Elimination Period is the length of time of continuous disability which must be satisfied before you are eligible to receive benefits.

Benefit Duration	<u>Age at Disability</u>	<u>Benefit Duration</u>
	Less than 60	To age 65, but not less than 5 years
	60	60 months
	61	48 months
	62	42 months
	63	36 months
	64	30 months
	65	24 months
	66	21 months
	67	18 months
	68	15 months
	69 and over	12 months

Taxation The taxability of benefits depends on how premium was taxed during the plan year in which you become disabled. If premium for the plan year is paid with **post-tax** dollars, your benefits **will not** be taxed. If premium for the plan year is paid with **pre-tax** dollars, your benefits **will** be taxed. If premium for the plan year is paid partially with post-tax dollars and partially with pre-tax dollars, then a portion of your benefits will be taxed.

Additional Benefits

Dependent Care Expense Benefit

If you are disabled and participating in UnumProvident's Rehabilitation and Return to Work Assistance program, UnumProvident will pay a Dependent Care Expense Benefit when you are disabled and you:

- are incurring expenses to provide care for a child under the age of 15;
- and/or start incurring expenses to provide care for a child age 15 or older or a family member who needs personal care assistance.

The payment will be \$250 per month per dependent, to a maximum of \$1,000 per month for all dependent care expenses combined.

Waiver of Premium

You will not be required to pay LTD premiums as long as you are receiving LTD benefits.

Work/Life Balance Employee Assistance Program

UnumProvident's work/life balance employee assistance program is a comprehensive resource designed to provide fast and convenient answers and advice on a wide variety of topics ranging from severe to everyday problems. Available to you and your family members, UnumProvident's work/life balance employee assistance program provides 24 hour access to professional advice - even face to face sessions when needed. Every inquiry is answered by an experienced, masters-level consultant, who can help in a variety of ways including: telephone consultations, personalized searches and referrals, educational materials, Tips-on-Tape™, and online resources. Some of the topics addressed are parenting and childcare, older adults, legal and financial issues, emotional well-being and education.

**Universal Access
Card**

The Universal Access card puts you in touch with some of UnumProvident's support services that enhance your coverage and help you deal with concerns both in and out of the workplace.

**Worldwide
Emergency Travel
Assistance Services**

A 24-hour network of emergency medical and legal resources offers valuable protection for you and your family when traveling more than 100 miles from home. With just one call, you have access to a global network of highly qualified professionals trained to manage any travel emergency. (Note that spouses traveling on business are not eligible.)

**Limitations/Exclusions/
Termination of Coverage**

**Pre-existing Condition
Exclusion**

You have a pre-existing condition if:

- you received medical treatment, consultation, care or services including diagnostic measures, or took prescribed drugs or medicines in the 3 months just prior to your effective date of coverage; and
- the disability begins in the first 12 months after your effective date of coverage.

**Instances When Benefits
Would Not Be Paid**

Benefits would not be paid for disabilities caused by, contributed to by, or resulting from:

- intentionally self-inflicted injuries;
- active participation in a riot;
- war, declared or undeclared, or any act of war;
- conviction of a crime;
- loss of professional license, occupational license or certification;
- pre-existing conditions (see definition).

UnumProvident will not pay a benefit for any period of disability during which you are incarcerated.

Mental and Nervous

The lifetime cumulative maximum benefit period for all disabilities due to mental illness is 24 months. Only 24 months of benefits will be paid for any combination of such disabilities based on mental illness even if the disabilities are not continuous and/or are not related. Mental illness payments would continue beyond 24 months only if you are confined to a hospital or institution as a result of the disability.

Next Steps

Calculating Your Premium

- 1) Write down your age, elimination period, and annual salary.
- 2) Divide your annual salary by \$100 to determine your number of units. *If your annual salary exceeds \$160,000, use \$160,000 as your annual salary.*
- 3) Refer to the rate table below to find your age bracket and appropriate rate.
- 4) Multiply appropriate rate by number of units to actual annual cost
- 5) Divide annual cost by the number of paychecks you receive each year.

*Your rates will increase as you move into the next age bracket

Formula for Calculation

$$\frac{\text{Annual Salary}}{\text{Annual Salary}} \div 100 = \frac{\text{Annual Salary}}{\text{Annual Salary}} \times \frac{\text{Rate}}{\text{Rate}} = \frac{\text{Your Annual Premium}}{\text{Your Annual Premium}} \div \frac{\text{\# of Paychecks}}{\text{\# of Paychecks}} = \frac{\text{Cost per Paycheck}}{\text{Cost per Paycheck}}$$

RATES

Rates for 90 Day EP Per \$100 of Covered Payroll			
Age	Rate	Age	Rate
<25	0.06	50-54	0.81
25-29	0.08	55-59	0.76
30-34	0.11	60-64	0.67
35-39	0.20	65-69	0.45
40-44	0.29	70+	0.31
45-49	0.49		

Rates for 365 Day EP Per \$100 of Covered Payroll			
Rate	Age	Rate	Age
<25	0.05	50-54	0.65
25-29	0.06	55-59	0.61
30-34	0.09	60-64	0.54
35-39	0.16	65-69	0.36
40-44	0.24	70+	0.25
45-49	0.41		

How to Apply

Current employees: To apply for coverage, complete your enrollment form by 10/31/2004 and remit to your campus personnel office. After that date you will be required to provide evidence of insurability in order to qualify for coverage.

For employees hired on or after 10/01/2004: To apply for coverage, complete your enrollment form within 60 days of your eligibility date. After that date you will be required to provide evidence of insurability in order to qualify for coverage.

Questions

If you should have any questions about your coverage or how to enroll, please contact your Benefit Administrator. For status on a medical evidence of insurability form, please call 800-868-1773 option 4.

Travel assistance services are provided exclusively by Assist America, Inc. The services are subject to availability and may be withdrawn by UnumProvident without prior notice.

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