



THE NEED FOR DISABILITY INSURANCE

Your ability to earn an income may be your most important asset. Most people wouldn't think twice about insuring their home, automobile or health. However, many people do not recognize just how important it is to insure their income. According to the American Payroll Association, 72 percent of employees live paycheck to paycheck, without enough savings to cushion a financial blow.¹

HOW MUCH DISABILITY INSURANCE DO YOU NEED?

A lengthy disability can be devastating, and is more common than you might think. The result may lead to a loss of income, independence and financial security. Consider how long your savings would last to pay for:

- Mortgage or rent
- Credit cards and other debts
- Health care
- Groceries
- Utilities
- Car payments
- Other transportation
- Clothing

EASY-TO-UNDERSTAND PROTECTION

- **Elimination Period** – The amount of time you must be disabled before benefits begin
- **Benefit Amount** – The amount paid directly to you for as long as you're disabled, or until you've reached the plan's Maximum Benefit Period
- **Maximum Benefit Period** – The longest time period benefits are payable to you
- **Continuation of Benefits** – Allows your disability coverage to continue at no cost while you're receiving benefits



Sources:

¹ American Payroll Association, "Getting Paid in America" survey, 2010

Disability insurance underwritten by United of Omaha Life Insurance Company, Mutual of Omaha Plaza, Omaha, NE 68175. United of Omaha Life Insurance Company is licensed in all states except New York. Policy form: 7000GM-U-EZ 2010 or state equivalent (In FL: 7000GM-U-EZ 2001 FL 02; In NC: 7000GM-U-EZ 2010 NC). In New York, disability insurance is underwritten by Mutual of Omaha Insurance Company, Mutual of Omaha Plaza, Omaha, NE 68175. Policy form number 7000GM-M-EZ 2010.

Each company is responsible for its own contractual and financial obligations.

VOLUNTARY LONG-TERM DISABILITY INSURANCE BENEFITS SUMMARY



For Employees of Granville Exempt Village Schools

ELIGIBILITY - ALL ELIGIBLE EMPLOYEES			
Eligibility Requirement	You must be actively at work (able to perform all normal duties of your job) to be eligible for coverage.		
Minimum Work Hours	You must be working a minimum of 15 hours per week to be eligible for coverage.		
Coverage Payment	You pay 100% of the premium for this coverage through easy payroll deduction.		
BENEFITS			
Benefits Begin (Elimination Period)	If you become disabled, there is an elimination period before benefits are payable. Your benefits begin 90 days after the onset of your disabling injury or illness.		
Monthly Benefit	Your benefit is equivalent to 60% of your before-tax monthly earnings, not to exceed the plan's maximum monthly benefit amount less other income sources.		
Maximum Benefit Period You have two plan options	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Plan Option 1: Payable until age 65 or your Social Security Normal Retirement Age (SSNRA)</p> <p>If the start of your disability is at age 62 (or later), the benefit period will be based on a reduced duration schedule (shown in the certificate).</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Plan Option 2: 5 year max benefit</p> <p>If the start of your disability is at age 65 through 68, benefits are payable to age 70. At age 69 (and older), benefits are payable for one year.</p> </td> </tr> </table>	<p>Plan Option 1: Payable until age 65 or your Social Security Normal Retirement Age (SSNRA)</p> <p>If the start of your disability is at age 62 (or later), the benefit period will be based on a reduced duration schedule (shown in the certificate).</p>	<p>Plan Option 2: 5 year max benefit</p> <p>If the start of your disability is at age 65 through 68, benefits are payable to age 70. At age 69 (and older), benefits are payable for one year.</p>
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Maximum Monthly Benefit	\$5,000		
Minimum Monthly Benefit	\$100		
DEFINITIONS			
Definition of Disability	<p>Disability and disabled mean that because of an injury or illness, a significant change in your mental or functional abilities has occurred, for which you are:</p> <ul style="list-style-type: none"> ▪ Prevented from performing at least one of the material duties of your regular occupation during the first 24 months of disability and after 24 months are unable to perform all of the material duties of any gainful occupation; and ▪ During the first 24 months of disability are unable to generate current earnings which exceed 99% of your monthly earnings from your regular occupation, and after 24 months if partially disabled, are unable to generate current earnings which exceed 85% of your monthly earnings from any gainful occupation. <p>You can be totally or partially disabled during the elimination period.</p>		
Definition of Monthly Earnings	Monthly earnings for salaried employees is based on your gross annual salary in effect prior to the onset of disability. Monthly earnings for hourly employees is based on your average hourly rate of pay in effect prior to the onset of disability. These earnings are used to determine your benefit in the event of claim. Earnings may include commissions, bonuses, overtime or differentials.		
FEATURES			
Partial Disability Benefits	If you become disabled and can work part-time (but not full-time), you may be eligible for partial disability benefits, which will help supplement your income until you are able to return to work full-time.		
Vocational Rehabilitation Benefit	If you become disabled and participate in the vocational rehabilitation program, which offers services that help you return to work and ability, you will be eligible for a monthly benefit increase of 5%.		
Survivor Benefit	If you pass away while receiving long-term disability benefits, your benefits will be provided to your beneficiaries for a period of time after your death.		
Waiver of Premium	The premium for your long-term disability coverage is waived while you are receiving benefits.		
Alcohol & Drug Abuse	For disabilities related to drug and alcohol abuse, benefits are available for up to 24 months.		
Mental Disorders	For disabilities related to mental disorders, benefits are available for up to 24 months.		

FEATURES (CONTINUED)

Note: Additional information about the benefits and features of this plan will be included in the summary of coverage, which you will receive after enrolling, and in the certificate booklet, available from your employer. Please contact your employer if you have questions prior to enrolling.

EXCLUSIONS & LIMITATIONS

Pre-existing Conditions Exclusion	Disabilities that occur during the first 12 months of coverage due to a pre-existing condition during the 12 months prior to coverage are excluded.
Other Exclusions	Information about other exclusions for this plan will be included in the certificate booklet, available from your employer. Please contact your employer if you have questions prior to enrolling.

This information describes some of the features of the benefits plan. Benefits may not be available in all states. Please refer to the certificate booklet for a full explanation of the plan's benefits, exclusions, limitations and reductions. Should there be any discrepancy between the certificate booklet and this outline, the certificate booklet will prevail. Benefits availability is subject to final acceptance and approval of the group application by Mutual of Omaha. Long-term disability insurance is underwritten by Mutual of Omaha Insurance Company or United of Omaha Life Insurance Company. Mutual of Omaha Insurance Company is licensed in all 50 states. United of Omaha Life Insurance Company is licensed in all states but New York. In New York, Mutual of Omaha Insurance Company underwrites the plan. Policy Form Number 7000GM-MU-EZ 2001.

VOLUNTARY LONG-TERM DISABILITY BENEFIT AND PREMIUM CALCULATION

Use the rates in the Age/Rate Table to calculate your premium for voluntary long-term disability coverage in the worksheet below, using the example as a guide.

Plan Option 1: Age 65/SSNRA	
Age	Pricing Factor (used below)
0 - 19	.00055
20 - 24	.00060
25 - 29	.00080
30 - 34	.00125
35 - 39	.00150
40 - 44	.00175
45 - 49	.00240
50 - 54	.00335
55 - 59	.00385
60 - 64	.00405
65 - 69	.00425
70+	.00445

Plan Option 2: 5 Year Duration	
Age	Pricing Factor (used below)
0 - 19	.00025
20 - 24	.00025
25 - 29	.00045
30 - 34	.00065
35 - 39	.00110
40 - 44	.00140
45 - 49	.00180
50 - 54	.00260
55 - 59	.00335
60 - 64	.00695
65 - 69	.00840
70+	.01080

Benefit and Premium Calculation Example

This example is for a 42-year-old employee earning \$48,000 a year.

A. Enter your Monthly Salary* (use a maximum amount of \$8,333.33)	\$4,000.00	
B. Enter the rate for your age (from the Age/Rate Table)	Option 1: .00175	Option 2: .00140
C. Multiply A x B. This is your cost per paycheck (24 deductions)	Option 1: \$7.00	Option 2: \$5.60
<p><u>Notes:</u></p> <ol style="list-style-type: none"> 1. Your Monthly Benefit available will be 60% of "A" above 2. If you are unsure of your Monthly Salary, please consult your employer 		

Your Benefit and Premium Calculation Worksheet

A. Enter your Monthly Salary* (use a maximum amount of \$8,333.33)	\$	
B. Enter the rate for your age (from the Age/Rate Table)	Option 1:	Option 2:
C. Multiply A x B. This is your cost per paycheck (24 deductions)	Option 1:	Option 2:
<p><u>Notes:</u></p> <ol style="list-style-type: none"> 1. Your Monthly Benefit available will be 60% of "A" above 2. If you are unsure of your Monthly Salary, please consult your employer 		

To enroll for long-term disability coverage:

- 1) Select the Benefit Option you wish to enroll for on the online benefits portal or using your enrollment form.
- 2) If using an enrollment form, sign your enrollment form and return it to your HR department.