



# 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.<sup>1</sup>

## 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:

<sup>1</sup> 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 SHORT-TERM DISABILITY INSURANCE BENEFITS SUMMARY



## For Employees of Granville Exempt Village Schools

<b>ELIGIBILITY - ALL ELIGIBLE EMPLOYEES WITH FEWER THAN 80 DAYS OF BANKED SICK LEAVE</b>	
<b>Eligibility Requirement</b>	You must be actively at work (able to perform all normal duties of your job) to be eligible for coverage.
<b>Minimum Work Hours</b>	You must be working a minimum of 15 hours per week to be eligible for coverage.
<b>Coverage Payment</b>	You pay 100% of the premium for this coverage through easy payroll deduction.
<b>BENEFITS</b>	
<b>Benefits Begin (Elimination Period)</b>	If you become disabled, there is an elimination period before benefits are payable. Your benefits begin on the later of: <ul style="list-style-type: none"> <li>▪ On the 15th day of your disabling injury or your disability illness</li> <li>▪ Exhaustion of your accumulated sick bank</li> </ul>
<b>Weekly Benefit</b>	Your benefit is equivalent to 60% of your before-tax weekly earnings, not to exceed the plan's maximum weekly benefit amount.
<b>Maximum Benefit Period</b>	Short-term disability benefits are available for up to 13 weeks .
<b>Maximum Weekly Benefit</b>	\$1,250
<b>Minimum Weekly Benefit</b>	\$25
<b>DEFINITIONS</b>	
<b>Definition of Disability</b>	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 prevented from performing at least one of the material duties of your regular job and are unable to generate current earnings which exceed 99% of your weekly earnings from your regular job. You can be totally or partially disabled during the elimination period.
<b>Definition of Weekly Earnings</b>	Weekly earnings for salaried employees is based on your gross annual salary in effect prior to the onset of disability. Weekly 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.
<b>FEATURES</b>	
<b>Partial Disability Benefits</b>	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.
<b>Vocational Rehabilitation Benefit</b>	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 weekly benefit increase of 5%.
<b>Waiver of Premium</b>	The premium for your short-term disability coverage is waived while you are receiving benefits.
<i>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.</i>	
<b>EXCLUSIONS &amp; LIMITATIONS</b>	
<b>Pre-existing Conditions Limitation</b>	Disabilities that occur during the first 12 months of coverage due to a pre-existing condition during the 3 months prior to coverage are excluded.
<b>Other Exclusions</b>	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. Short-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 SHORT-TERM DISABILITY BENEFIT AND PREMIUM CALCULATION

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

Age/Rate Table	
Age Band	Pricing Factor Used Below
0 - 24	\$.01734
25 - 29	\$.01695
30 - 34	\$.0165
35 - 39	\$.0147
40 - 44	\$.0111
45 - 49	\$.0117
50 - 54	\$.01374
55 - 59	\$.01548
60 - 64	\$.02127
65 - 69	\$.02289
70+	\$.02826

### Benefit and Premium Calculation Example

*This example is for a 48-year-old employee earning \$52,000 a year.*

A. Enter your Weekly Salary* (use a maximum amount of \$2,083.33)	\$1,000.00
B. Enter the rate for your age (from the Age/Rate Table)	.0117
C. Multiply A x B. This is your cost <b>per paycheck</b> (24 deductions)	<b>\$11.70 per pay period</b>
<p><u>Notes:</u></p> <ol style="list-style-type: none"> <li>1. Your Weekly Benefit available will be 60% of "A" above</li> <li>2. If you are unsure of your Monthly Salary, please consult your employer</li> </ol>	

### Your Benefit and Premium Calculation Worksheet

A. Enter your Weekly Salary* (use a maximum amount of \$2,083.33)	\$
B. Enter the rate for your age (from the Age/Rate Table)	
C. Multiply A x B. This is your cost <b>per paycheck</b> (24 deductions)	<b>per pay period</b>
<p><u>Notes:</u></p> <ol style="list-style-type: none"> <li>1. Your Weekly Benefit available will be 60% of "A" above</li> <li>2. If you are unsure of your Monthly Salary, please consult your employer</li> </ol>	

#### **To enroll for short-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.