

Disability HANDBOOK



Serving those who keep us safe.

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This handbook provides a description of your disability insurance benefits, provided pursuant to Chapter 104, RSMo, and The The Standard Group Insurance Policy Number 643110-A or successors thereto, issued to the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS). If there is a discrepancy between this handbook and the statute or insurance contract, the statute or insurance contract will control.

Overview of Group Policy

People insure their lives, health, homes, and other possessions, but often overlook their most important asset—their ability to earn an income. Disability insurance protects your earning ability by providing partial income replacement in the event you become disabled. Generally speaking, its purpose is to help bridge the gap between your date of disability and the date you recover or retire, whichever comes first. As an eligible, active employee of the Missouri Department of Transportation (MoDOT), Missouri State Highway Patrol (MSHP), or the MoDOT and Patrol Employees' Retirement System (MPERS), you are provided disability insurance coverage at no cost to you.

Please take a few minutes now to read through this handbook. If you have questions regarding your disability coverage or the claims process, please contact a MPERS benefit specialist at (800) 270-1271. Acquainting yourself with the terms in the glossary will also help you better understand the complexities of your disability coverage.

Basically, your disability insurance benefits provided by The Standard include:

- Coverage at no cost to you.
- Benefits for Long-Term Disability (LTD) and Work-Related Disability (WRD).
- Continuation of creditable service toward retirement benefits for each month you receive disability benefits or until you reach normal retirement eligibility in the plan you are a member of.

This handbook is intended for active members of MPERS who:

1. Meet the eligibility requirements for disability coverage through this group policy issued by The Standard Insurance Company; and
2. Become disabled on or after July 1, 2004, the effective date of the policy.

Group Policy Effective Date

July 1, 2004

Group Policy Number

643110-A

Name and Address of Insurance Carrier

The Standard Insurance Company

Group Benefits Department

P. O. Box 2800

Portland, OR 97208-2800

Claims: (800) 368-1135

Fax: (971) 321-8400

Name and Address of Policyholder

MoDOT & Highway Patrol

Employees' Retirement System (MPERS)

1913 William Street, P.O. Box 1930

Jefferson City, MO 65102-1930

Phone: (800) 270-1271 or (573) 298-6080

Fax: (573) 522-6111

Email: mpers@mpers.org

- This is not an insurance policy. The group policy is held by MPERS.
- All claims must be filed through MPERS. Claims are subject to the terms of the Group Policy in effect on the date you become disabled.
- As long as you meet the eligibility requirements set forth in Group Policy Number 643110-A, you will have disability coverage through MPERS.

Summary of Disability Benefits

The following summary highlights the major provisions of your disability insurance benefits. For more detailed information on a particular provision, please refer to the appropriate section of this handbook.

Automatically Enrolled	If you are an eligible employee working in a benefit-eligible position, you will automatically receive disability coverage. The monthly premiums are paid by your employer. (Page 9)
Long-Term Disability Amount	LTD benefits provide up to 60% of your monthly pre-disability earnings offset by deductible income. (See Page 10 for examples of deductible income.)
Work-Related Disability Amount	Work-Related Disability benefits provide the lesser of : (1) 70% of your monthly pre-disability earnings (not offset by deductible income); or (2) 90% of your monthly pre-disability earnings offset by deductible income. (See Page 10 for examples of deductible income.)
Own Occupation	During the benefit waiting period and the first 24 months that disability benefits are payable, you may be considered disabled if you are unable to perform with reasonable continuity the material duties of your own occupation, and you suffer a loss of at least 20% in your indexed pre-disability earnings. (See Page 7 for definition of own occupation disability.)
Any Occupation	After the first 24 months that disability benefits are payable, you are required to be disabled from any occupation. (Page 5)
Unpaid Leave of Absence	If you are on an approved unpaid leave of absence, you may continue your disability coverage for up to 24 months, provided you pay the monthly premiums. (Page 9)
Exclusions & Limitations	It is very important to know the exclusions to and limitations of your disability coverage. (Page 18)
Temporary Recovery	If you temporarily recover during your benefit waiting period and your period of recovery does not exceed 30 days, a new benefit waiting period may not be required. (Page 17)
Applying for Disability	Three forms are required when applying for disability benefits: (1) <i>Employee's Statement and Authorization to Obtain Information</i> ; (2) <i>Employer's Statement</i> ; and (3) <i>Attending Physician's Statement</i> . (Page 14)
Appeal Process	If your disability claim is denied, suspended, or terminated, you will have 180 days to submit a written appeal to the insurance company. (Page 15)
Tax Withholding	Your disability benefit (LTD and Work-Related Disability) may be subject to certain federal and state taxes. (Page 13)
Survivor Benefits	If you die while receiving disability benefits, your eligible spouse (or children) may receive a lump sum survivor benefit. (Page 19)
Accruing Service While Disabled	You will continue accruing creditable service toward retirement benefits for each month you receive disability benefits or until you reach normal retirement eligibility in the plan you are a member of. (Page 19)

Glossary of Terms

To understand your disability coverage and benefits, you will need to familiarize yourself with the following definitions. Remember, these definitions are specific to the contract between MPERS and The Standard Insurance Company (herein after referred to as “The Standard”), and you should not assume these definitions are applicable outside the scope of this contract.

Active Work/Actively at Work

Active work/actively at work means performing with reasonable continuity the material duties of your own occupation at your employer’s usual place of business or locations within the course and scope of your employment. If you are incapable of active work because of physical disease, injury, pregnancy, or mental disorder on the day before the scheduled effective date of your insurance, your insurance will not become effective until the day after you complete one full day of active work as an eligible member.

You will also meet the active work requirement if you were:

- Absent from active work because of a regularly scheduled day off, holiday, or vacation day.
- Actively at work on your last scheduled workday before the date of your absence.
- Capable of active work on the day before the scheduled effective date of your insurance.

Any Occupation

Any Occupation means any occupation or employment which you are able to perform, whether due to education, training, or experience, which is available at one or more locations in the national economy and in which you can be expected to earn at least 60% of your indexed pre-disability earnings within twelve months following your return to work, regardless of whether you are working in that or any other occupation.

Any Occupation Definition of Disability

After the first 24 months that disability benefits are payable, you are required to be disabled from all occupations.

You are disabled from all occupations if, as a result of physical disease, injury, pregnancy or mental disorder, you are unable to perform with reasonable continuity the material duties of any occupation.

The any occupation period extends from the end of the own occupation period to the end of the maximum benefit period. During the any occupation period, you will no longer be disabled when your work earnings exceed 60% of your indexed pre-disability earnings.

Benefit Waiting Period

The benefit waiting period is the period of time that must pass before benefits are payable to you. You must be continuously disabled during this waiting period, and no benefits will be paid during this period. The benefit waiting period begins on the date you first become disabled, as determined by The Standard, and is normally the day after your last day on the job. There are different benefit waiting periods for Long-Term Disability (LTD) and Work-Related Disability (WRD).

LTD: The benefit waiting period ends when sick leave benefits expire **or** the date you have been disabled for 180 days, whichever is later.

WRD: The benefit waiting period ends when sick leave benefits expire **or** the date it is determined you have reached your maximum medical improvement under the Missouri Workers’ Compensation Law, whichever is later.

Take time to acquaint yourself with the Glossary of Terms. This will help you better understand the complexities of your disability coverage.

The rate of pay is **not** indexed for Closed Plan members.

Date of Disability

The date you first become disabled as determined by The Standard.

Deductible Income

Other sources of income considered by The Standard, which reduce your disability benefits (e.g. work earnings, Social Security, share leave, workers' compensation for lost time).

Disability

For the purposes of your disability coverage, The Standard defines disability in two ways—"Own Occupation" and "Any Occupation". It is important that you understand the distinctions between the two definitions of disability and how each impacts your benefits. Remember, to be determined disabled by The Standard, you must be under the continuous and appropriate care of a physician.

Indexed Pre-Disability Earnings

Indexed Pre-Disability Earnings are your pre-disability earnings adjusted by the rate of increase in the Consumer Price Index for All Urban Consumers for the United States (CPI-U). During your first year of disability, your indexed pre-disability earnings are the same as your pre-disability earnings. Thereafter, your indexed pre-disability earnings are determined each year on the anniversary of your disability by increasing the previous year's indexed pre-disability earnings by the rate of increase in the CPI-U for the prior calendar year. The maximum adjustment in any year is 10%. Your indexed pre-disability earnings will not decrease, even if the CPI-U decreases.

Material Duties

Material duties mean the essential tasks, functions and operations, and the skills, abilities, knowledge, training, and experience generally required by your employer to engage in a particular occupation that cannot be reasonably modified or omitted. In no event will working an average of more than 40 hours per week be considered a material duty.

Maximum Benefit Period

The maximum benefit period is the maximum amount of time that disability benefits are payable for one period of continuous disability, whether from one or more causes. It begins at the end of the benefit waiting period. There are different maximum benefit periods for LTD and Work-Related Disability.

Maximum Benefit Period – Long-Term Disability (LTD)

The maximum benefit period for LTD ends on the earlier of the following events:

- The day immediately preceding the date you are first eligible to receive normal (unreduced) retirement benefits from MPERS in the plan you are a member of, or
- The day immediately preceding the date you begin receiving early (reduced) retirement benefits from MPERS.

Glossary of Terms

Maximum Benefit Period – Work-Related Disability (WRD)

The maximum benefit period for Work-Related Disability ends on the earlier of the following events:

- The day immediately preceding the date you begin receiving any retirement benefit, reduced or unreduced, from MPERS, or
- The date determined by your age when disability begins, as follows:

<u>Age</u>	<u>Maximum Benefit Period</u>
60 or younger	To age 65 or 60 months, if longer
61	4 years
62	3 years 6 months
63	3 years
64	2 years 6 months
65	2 years
66	1 year 9 months
67	1 year 6 months
68	1 year 3 months
69 or older	1 year

Own Occupation

Own Occupation means any employment, business, trade, profession, calling or vocation that involves material duties of the same general character as the occupation you are regularly performing for your employer when disability begins. In determining your own occupation, The Standard is not limited to looking at the way you perform your job for your employer, but may also look at the way the occupation is generally performed in the national economy. If your own occupation involves the rendering of professional services and you are required to have a professional or occupational license in order to work, your own occupation is as broad as the scope of your license.

Own Occupation Definition of Disability

During the benefit waiting period (previously defined for LTD and Work-Related Disability) and the 24 months following that period, you are disabled if as a result of physical disease, injury, pregnancy, or mental disorder: (1) you are unable to perform with reasonable continuity the material duties of your own occupation; and (2) you suffer a loss of at least 20% in your indexed pre-disability earnings when working in your own occupation. Your own occupation is not limited to your job with your employer and you are not disabled merely because your ability to perform your own occupation is restricted, including a restriction or loss of license.

The own occupation period is the first 24 months for which disability benefits are paid. During the own occupation period, you will no longer be disabled when your work earnings exceed 80% of your indexed pre-disability earnings.

Pre-Disability Earnings

Pre-disability earnings means income used to determine your disability benefit. It is your monthly rate of earnings from your employer in effect on your last full day of active work. Any subsequent change in your earnings after that last full day of active work will not affect your pre-disability earnings. Your pre-disability earnings include:

- Contributions deducted from your salary to an Internal Revenue Code (IRC) Section 457 deferred compensation arrangement.
- Contributions to IRC Section 125 and 132 fringe benefit plans and shift differential, if any.
- Shift differential pay.

Pre-disability earnings does not include bonuses, commissions, overtime, employer contributions paid on your behalf, or any other extra compensation paid by your employer.

If you are paid hourly, your monthly rate of earnings is based on your hourly pay rate multiplied by the number of hours you are regularly scheduled to work per month, but not more than 173 hours. If you do not have regular work hours, your monthly rate of earnings is based on the average number of hours you worked per month during the preceding 12 calendar months (or during your period of employment if less than 12 months), but not more than 173 hours).

Pre-Existing Condition

A pre-existing condition is a mental or physical condition for which you have done any of the following during the 90 days just before your insurance becomes effective:

- Consulted a physician or other licensed medical professional.
- Received medical treatment, services or advice.
- Undergone diagnostic procedures.
- Taken prescription drugs or medicine.

You will not be covered for a disability caused or contributed to by a pre-existing condition or medical or surgical treatment of a pre-existing condition unless, on the date you become disabled, you: 1) have been continuously insured under this group policy for 12 months, and 2) have been actively at work for at least one full day after the end of that 12 months.

Work Earnings

Work earnings means your gross monthly earnings from work you perform while disabled, plus the earnings you could receive if you worked as much as you are able to, considering your disability, in work that is reasonably available.

Work earnings include earnings from your employer, any other employer, or self-employment, and any sick leave, annual leave, or personal leave pay or other salary continuation earned or accrued while working.

Should your earnings vary substantially from month to month, The Standard may determine your work earnings by averaging your earning over the most recent 3-month period. During the own occupation period, you will no longer be disabled when your average work earnings over the last 3 months exceed 80% of your indexed pre-disability earnings. During the any occupation period, you will no longer be disabled when your average work earnings over the last 3 months exceed 60% of your indexed pre-disability earnings.

Eligibility for Coverage

Eligible Employees

You are eligible for disability insurance coverage if you are a citizen or resident of the United States or Canada and are:

- An employee who is a member of the Missouri Department of Transportation and Highway Patrol Employees' Retirement System working in a position normally requiring at least 1,040 hours per year; or
- A participant in the Employee's Cooperative Educational Training Program who meets the requirements of Personnel Policy 6500 of the Missouri Department of Transportation Personnel Policy Manual.

You are not eligible for disability coverage if you are a full-time member of the armed forces of any country, a leased employee, or an independent contractor.

If you are a full-time member of the Armed Forces of any country, a leased employee, or an independent contractor, you are not eligible for coverage.

Effective Date of Coverage

Providing you meet the actively at work requirement, your disability coverage becomes effective on the later of the following dates:

- The effective date of the Group Policy, July 1, 2004; or
- The first day you become a member of MPERS.

Cost of Coverage

If you are eligible for disability insurance coverage through MPERS, your monthly premiums will be paid by your employer (unless you are on an unpaid leave of absence).

When Disability Coverage Ends

Your disability coverage automatically ends the earlier of:

- The date the last period ends for which a premium was paid.
- The date the group policy terminates.
- The date your employment ends.
- The date you cease to be a member of MPERS.

Coverage During an Approved Unpaid Leave of Absence

As long as you remain in active pay status, your employer pays your disability premiums. If you take an unpaid leave of absence and wish to continue your coverage, you may do so for up to 24 months. During this period, MPERS will bill you directly for the monthly premiums. At the end of the 24-month period, your coverage will terminate.

If you choose to terminate your coverage while on an unpaid leave of absence, your coverage will begin again on the date you return to active work.

Once you begin receiving benefits, your employer may terminate your employment.

Long-Term Disability (LTD) Benefit Amount

If your disability is not work-related, and you complete the benefit waiting period, you will be eligible for a LTD Benefit. The LTD Benefit equals:

- 60% of your pre-disability earnings, reduced by deductible income.
- The maximum LTD Benefit is \$15,000 per month before reduction by deductible income.
- LTD Benefits are not payable if Work-Related Disability Benefits are payable.

Work-Related Disability (WRD) Benefit Amount

If your disability arises out of or in the course of your employment and you complete the benefit waiting period, you will be eligible for a Work-Related Disability Benefit as set out below. The Work-Related Disability Benefit equals the lesser of:

- 70% of your monthly pre-disability earnings (not offset by deductible income); or
- 90% of your monthly pre-disability earning offset by any deductible income.

The maximum Work-Related Disability Benefit is \$15,000 per month before reduction by deductible income.

If you are receiving Work-Related Disability Benefits, you are eligible for annual cost-of-living adjustments (COLAs) on the first day of the month following the anniversary date of your disability. Annual COLAs are equal to 80% of the increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the prior calendar year. The maximum COLA is 5%.

Work-Related Disability Benefits are payable only if you are receiving or have been receiving benefits under a workers' compensation law because of your partial or total disability, whether permanent or vocational. Work-Related Disability Benefits are not payable if LTD Benefits are payable.

Minimum Benefit

Your minimum disability benefit is \$50 or 15% of your disability benefit before reduction by Deductible Income, whichever is greater.

However, if the amount of the Minimum Disability Benefit plus the amount of your Deductible Income exceeds 100% or your Indexed Pre-Disability Earnings, the amount in excess will be subtracted from the Minimum Disability Benefit.

Disability Benefit Amount

How to Determine Your Benefit Amount

Now that you're familiar with the criteria that can determine your maximum and minimum monthly disability benefit, let's look at an example of a hypothetical long-term disability (LTD) and work-related disability (WRD) benefit payment and how that benefit can be impacted by potential sources of deductible income.

LTD Benefit Example:

ASSUMPTIONS: Pre-Disability Earnings \$2,500
Social Security Disability \$1,000

1. Start with your pre-disability earnings on your <u>last full day</u> of active work	\$2,500
2. Multiply by 60%	x .60
Total (<i>before deductible income</i>)	\$1,500
3. Subtract any deductible income you receive	- 1,000
Total LTD benefit (<i>after deductible income</i>)	\$ 500

In this example, your monthly LTD benefit would be **\$500**.

WRD Benefit Example (using the same assumptions)

1. Start with your pre-disability earnings on your <u>last full day</u> of active work	\$2,500
2. Multiply by 70%	x .70
Total WRD benefit (<i>not reduced for deductible income</i>)	\$1,750

1. Start with your pre-disability earnings on your <u>last full day</u> of active work	\$2,500
2. Multiply by 90%	x .90
Total (<i>before deductible income</i>)	\$2,250
3. Subtract any deductible income you receive	- 1,000
Total WRD benefit (<i>reduced for deductible income</i>)	\$1,250

In this example, your monthly WRD benefit would be **\$1,250**.

These are just examples; they do not represent your actual benefit. All dollar amounts in these examples are pre-tax (gross) amounts.

Dual Employment Provision

If you work in more than one benefit eligible position covered by MPERS and become disabled, the following will apply:

- If you are disabled from all your positions, your pre-disability earnings will be based on your earnings for all your positions.
- If you are disabled from one of your positions and you continue to work in the others, your work earnings will be considered deductible income as described in the "Return to Work Incentive" section of this handbook.
- If you are disabled from one of your positions and you elect not to work in the other, your pre-disability earnings will only be based on your earnings for the position from which you are disabled.

LTD Benefit Equals:

- 60% of your pre-disability earnings (reduced by deductible income)

WRD Benefit Equals:

The lesser of:

- 70% of your pre-disability earnings (not reduced by deductible income); or
- 90% of your pre-disability earnings (reduced by deductible income)

Time of Payment

Generally speaking, The Standard will pay disability benefits within 30 days after you satisfy Proof of Loss.

Deductible Income

To avoid overpayments, you must notify The Standard immediately if you begin receiving income such as:

- Work earnings
- Workers' compensation
- Social Security disability
- Disability benefits under another group disability insurance policy
- Pre-disability earnings received while disability benefits are payable from The Standard
- Unemployment compensation

When Benefits Begin

Your disability benefit payments will begin at the end of the applicable benefit waiting period. Disability benefits will be paid to you at the end of each calendar month you qualify for them. If you work during the benefit waiting period, it could delay the effective date of your disability benefits. **Once you begin receiving benefits, your employer may terminate your employment.**

When Benefits End – LTD and WRD Disability

Benefits end automatically on whichever of these dates occur first:

- The date you are no longer disabled.
- The date you fail to provide proof of continued disability and entitlement to disability benefits.
- The date you die.
- The date your maximum benefit period ends.
- The date benefits become payable under any other long-term group disability insurance plan under which you become insured through employment during a period of Temporary Recovery.

Deductible Income

Disability insurance is intended to replace a percentage of your income lost as a result of disability. In replacing the percentage of lost wages, The Standard also takes into account certain other sources of income you may be eligible to receive as a result of your disability. These other sources of income are called "deductible income," because they are deducted from your disability benefit. It is your duty to pursue deductible income for which you may be eligible.

Your disability benefit will be reduced by the following deductible income:

- Work earnings, as described in the Return to Work Provision.
- Primary Social Security benefits paid because of your disability (*Social Security COLAs will not reduce the amount of your disability benefit*).
- Regular monthly workers' compensation benefits payable for time lost from work (disability benefits will not be reduced by your workers' compensation lump sum settlement for benefits other than lost wages).
- Any amount received or eligible to receive under another group disability insurance plan.
- Any amount you receive or are eligible to receive under any unemployment compensation law.
- Any amount you receive or eligible to receive under any state disability income benefit law.

It is important to remember that disability benefits under this group policy and Social Security disability benefits are independent of each other. Approval of one does not guarantee approval of the other.

Disability Benefit Amount

Overpayment of Benefits/Duty to Pursue Deductible Income

To provide you with an income as soon as possible, monthly disability benefits may be paid before a Social Security or workers' compensation monthly benefit is determined. To avoid receiving overpayments, you must notify The Standard if you begin receiving benefits from workers' compensation or Social Security while receiving your disability benefits. **You must promptly refund any overpayment.** If you do not, The Standard will reduce or withhold future benefits until the overpayment has been repaid. According to the terms of the policy, you are required to pursue deductible income for which you may be eligible, including Social Security and workers' compensation benefits. The Standard may ask you to provide written documentation that you are actively pursuing these or other applicable benefits.

When Your Social Security Disability Benefits May Start

Source: Social Security - Disability Benefits

If your application is approved, your first Social Security disability benefit will be paid for the **sixth full month** after the date they find that your disability began.

For example, if your disability began on June 15, 2014, your first disability benefit will be paid for the month of December 2014, the sixth full month of disability. Social Security disability benefits are paid in the month following the month for which they are due. This means that the benefit due for December would be paid to you in January 2015, and so on.

To avoid overpayments, you must notify The Standard immediately if you begin receiving workers' compensation or Social Security disability benefits.

Cost-of-Living Adjustment (COLA)

Annual COLAs are payable to eligible members receiving work-related disability benefits. You will be eligible for an annual COLA if on the first day of the month following each anniversary of your date of disability, you have been disabled for the preceding 12 months.

The annual COLA rate is determined each January, based on 80% of the increase in the Consumer Price Index for All Urban Consumers (CPI-U), with a maximum rate of 5%.

Tax Implications of Your Disability Benefit

Your disability benefits may be subject to certain federal and state taxes. It may be advisable to consult a tax authority to see how you may be affected. If you wish to have taxes withheld from your monthly benefit, The Standard will provide you with the necessary forms. Each year, The Standard will send you a W-2 for use in preparing your income tax return.

To avoid receiving overpayments, you must notify The Standard if you begin receiving benefits from workers' compensation or Social Security while receiving your disability benefits.

Social Security Disability Contact Information

<http://www.ssa.gov/disability/>

Phone: (800) 772-1213

The Standard will send you a W-2 each January for use in preparing your income tax return.

For your convenience,
click on the link below to :

**Disability Claim Packet
and Instructions**

All forms must be mailed to The Standard **no later than 90 days** after the end of your benefit waiting period.

Required Forms

If you believe you have a claim for disability benefits, the following forms, available from your payroll/personnel representative or on the MPERS website (www.mpers.org), must be completed and submitted to The Standard. For your convenience, a link to the forms is provided below:

- *Employee's Statement and Authorization to Obtain Information*
 - To be completed by the member
- *Employer's Statement*
 - To be completed by the payroll/personnel representative
- *Attending Physician's Statement*
 - To be completed by the physician - member must complete Section A

Link to **Disability Claim Packet & Instructions**

Required Filing Dates

You should submit the required forms as soon as possible after becoming disabled. All forms must be mailed to The Standard **no later than 90 days after the end of your benefit waiting period**. If your claim forms are not sent to The Standard within one year of the initial 90 day period, your claim will be denied. These time limits do not apply if you lack legal capacity to perform the filing procedure.

Any additional documentation requested by The Standard must be provided within 45 days; otherwise, your claim may be denied.

Costs Associated With Applying for Benefits

There are certain costs for which you will be responsible when you file a claim for disability benefits. You will be responsible for paying any costs associated with the completion of the Attending Physician's Statement.

If The Standard requests it, you may be required to provide evidence of continuing disability at your expense. In some cases, a physician hired by The Standard may be required to examine you to determine disability. In such cases, The Standard will pay the costs of the examination.

Denial, Suspension, or Termination of a Disability Claim

The Standard will notify you in writing if your disability claim is denied, suspended, or terminated. The Standard will outline the reasons for such action, referring to the Group Policy provisions on which the denial, suspension, or termination is based. During the approval or denial process, you may be told that additional information is required from you and why it is needed.

Filing a Disability Claim

Appeal Procedures

If your claim is denied, suspended, or terminated, you will be informed by The Standard of what steps you can take to resubmit your claim for review and reconsideration. If you disagree with the amount of disability benefits being paid or if your claim is denied, suspended, or terminated, you may ask for a review and submit any additional information you feel may be helpful in order to reevaluate your claim. You must make your request in writing to The Standard within 180 days after you received notice of the denial, suspension, or termination.

If any additional information is needed to process your appeal, it will be promptly requested from you. The decision on any review of your appeal will be provided to you in writing from The Standard. The reasons for the decision will be fully explained, with reference to the applicable provisions of the Group Policy.

Ordinarily, a decision on your appeal will be reached within 45 days after the receipt of your review request. However, in special circumstances, an additional 45 days may be necessary to reach a final decision. The obligation to provide disability benefits is primarily that of the insurance carrier (The Standard) and secondarily that of MPERS' Board. If you are denied disability benefits after following the appeal procedures listed above, you may appeal the decision by filing a petition against the insurance carrier in a court of law in your county of residence. Neither MPERS nor its Board of Trustees are liable for the disability benefits provided by the insurance carrier and are not subject to suit with regard to disability benefits unless you obtain a judgment against the insurance carrier and they are unable to satisfy your judgment.

New Disabilities

If a period of disability is extended by a new cause during the benefit waiting period or while benefits are payable, benefits will continue while you remain disabled. However, benefits will not continue beyond the end of the original maximum benefit period, and all other provisions of the Group Policy will apply to the new cause of disability. If you temporarily recover during your benefit waiting period and the period of recovery does not exceed a total of 30 days, a new benefit waiting period is not required.

Notice of Decision on Claim

Within 45 days after The Standard receives your claim, they will send you:

- a. A written decision on your claim; or
- b. A notice that they are extending the period another 30 days to decide your claim.

Before the end of the extension period, The Standard will send you:

- a. A written decision on your claim; or
- b. A notice that they are extending the period another 30 days to decide your claim.

The Standard will notify you of the following:

- a. The reason(s) for the extension.
- b. When they expect to decide your claim.
- c. An explanation of The Standards on which entitlement to benefits is based.
- d. The unresolved issue(s) preventing a decision.
- e. Any additional information needed to resolve those issues.

Providing incentives for disabled employees to return to work is critical for any successful rehabilitation plan. Frequently, this means that claimants who return to work will receive more total income than those who do not.

Return to Work Incentive

Whether or not your employer utilizes the return to work provision is dependent on their ability to accommodate a part-time work schedule. Unless otherwise required by law, agencies are not obligated to accommodate part-time work schedules.

You are eligible for the return to work incentive on the first day you work after the benefit waiting period if disability benefits are payable on that date. The return to work incentive changes 24 months after that date, as follows:

1. During the first 24 months, your work earnings will be deductible income as determined in (a), (b), and (c) below:
 - a. Determine the amount of your disability benefit as if there were no deductible income, and add your work earnings to that amount.
 - b. Determine 100% of your indexed pre-disability earnings.
 - c. If (a) is greater than (b), the difference will be deductible income.
2. After those first 24 months, 50% of your work earnings will be deductible income.

Worksite Modifications and Personal Aids

To help you return to active work as soon as you are able, The Standard has a Worksite Modification/Aid Expense Benefit. This benefit reimburses your employer up to \$25,000 for modifications made to your worksite, which result in a return to work. The worksite modifications or personal aids are subject to The Standard's prior approval.

- Generally speaking, this benefit is payable for worksite modifications or personal aids, but The Standard will consider other types of assistance.
- To utilize this benefit, contact your employer to discuss possibilities or assistance. You and your employer may contact The Standard to further explore possible assistance.
- In most cases the Worksite Modification/Aid Expense Benefit will be paid directly to your employer or the vendor providing the modification. If paid directly to you, the benefit will be considered a taxable benefit.

Rehabilitation Plan Provision

While you are receiving disability benefits, you may qualify to participate in a rehabilitation plan. Rehabilitation plan means a written plan, program or course of vocational training or education that is intended to prepare you to return to work.

To participate in a rehabilitation plan you must apply in writing to The Standard. The terms, conditions and objectives of the plan must be accepted by you and approved by The Standard in advance. The Standard has the sole discretion to approve the rehabilitation plan.

An approved rehabilitation plan may include payment by The Standard of some or all of the expenses you incur in connection with the plan, including:

- Training and education expenses
- Family care expenses
- Job-related expenses
- Job search expenses

Returning to Work

Workplace Possibilities Program

The Standard provides a unique, proactive approach to helping keep members at work and productive. The Standard offers the Workplace Possibilities Program to assist employees who may be affected by an illness or medical condition by offering consultations that may lead to providing accommodations or services to promote a healthier workplace. Examples could include ergonomic evaluation for specialized seating, sit/stand work station (for those who need to change positions frequently throughout the work day), lifting devices, specialized shoes, etc.

The Standard understands workplace pressures from both the employee and the employer point of view. And they know that the line between work and the rest of an employee's life can be a fine one. That's why The Standard focuses on programs that help employers keep their employees both healthy and happy. The goal is to reduce incidents and their duration, and to help employees continue to contribute to their organization in a meaningful way.

The Standard's Workplace Possibilities Program features a local Workplace Possibilities Consultant who works with you and your employer. The Standard's consultant takes an on-site comprehensive view of the workplace, assisting the employer in identifying potential ergonomic risks and making modifications that remove barriers to productivity.

Temporary Recovery

If you temporarily recover from your disability for a period of time, but later suffer a relapse and become disabled again from the same cause or causes, you may not have to begin a new benefit waiting period depending on the length of the period of temporary recovery.

A new benefit waiting period is not required if:

- The temporary recovery occurs during the benefit waiting period and the period of recovery does not exceed a total of 30 days.
- The period of recovery occurs during the maximum benefit period and does not exceed 180 consecutive days.

If your temporary recovery does not exceed the allowable periods outlined above, the following provisions will apply:

- No benefits will be payable for the period of temporary recovery.
- The temporary recovery period will not count toward your benefit waiting period, or your maximum benefit period.
- The pre-disability earnings used to determine your benefits will not change.
- No benefits will be paid after benefits become payable under any other group long-term disability policy during your temporary recovery period.

For more information, view the informational brochure below and check out the blog.

Website:

<http://workplacepossibilities.com/>

Informational Brochure:

http://workplacepossibilities.com/wp-content/uploads/Reworking-Return-to-Work.pdf?utm_source=resources&utm_medium=download&utm_campaign=Reworking-R-T-W-DL

Blog:

<http://workplacepossibilities.com/blog/>

Exclusions

Your disability benefit is subject to certain exclusions and limitations. You are not covered for a disability caused or contributed to by:

- A pre-existing condition or the medical or surgical treatment of a pre-existing condition, unless, on the date you become disabled, you: (1) have been continuously insured under the Group Policy for 12 months (exclusion period) and (2) have been actively at work for at least one full day after the end of those 12 months. This pre-existing condition exclusion applies only to persons who become members after July 1, 2004.
- An intentionally self-inflicted injury, while sane.
- War, or any act of war.
- The loss of your professional license, occupational license or certification.
- Committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot. Actively participating does not include being at the scene of a violent disorder or riot while performing your official duties.

Limitations

Disability benefits are not payable for:

- Any period of disability when you are not under the continuous care of a physician in the appropriate specialty as determined by The Standard.
- More than 24 months during your lifetime for a disability caused or contributed to by use of alcohol, alcoholism, use of any drug, including hallucinogens, or drug addiction.
- Payment of disability benefits is limited to 12 months for each period of continuous disability when you reside outside of the United States or Canada.
- Any period of disability when you are not participating in good faith in a plan, program or course of medical treatment or vocational training or education approved by The Standard unless your disability prevents you from participating.
- No disability benefits will be paid for any period of disability when you are confined for any reason in a penal or correctional institution.

Miscellaneous Information

Survivor Benefits

If you die while receiving disability benefits, and on the date you die you have been continuously disabled for at least 180 days, The Standard will pay a survivor benefit to your eligible survivor. This benefit is a lump sum equal to three times your monthly disability benefit, without reduction by deductible income. The survivor's benefit is intended to meet a portion of your family's financial needs in the event of your death. The benefit will be paid to your surviving spouse, your unmarried children under age 25, or your spouse's unmarried children under age 25. If you are not survived by an eligible spouse or children, no survivor benefit will be paid.

In the event there is an overpayment outstanding to The Standard at the time of your death, the survivor benefit will first be applied toward the overpayment.

Calculating Your Retirement Benefit

For retirement purposes only, you will continue to accrue service and salary credit while receiving disability benefits (as if you were still working) or until you reach normal retirement eligibility in the plan you are a member of. If you are a Year 2000 Plan or 2011 Tier member, your rate of pay (pre-disability) will be indexed each year in the month your date of disability occurred, to reflect a cost-of-living adjustment (COLA). The annual COLA rate is based on 80% of the increase in the Consumer Price Index for All Urban Consumers for the United States, not to exceed 5%. MPERS will send you a retirement packet approximately 120 days prior to the later of your date of retirement eligibility or the date your disability benefit is scheduled to end. The rate of pay is **not** indexed for Closed Plan members.

Applying for Retirement

MPERS will send you a retirement packet approximately 120 days prior to the later of your date of retirement eligibility or the date your disability benefit is scheduled to end.

Disability Timeline



The date you first become disabled as determined by The Standard Insurance Company. All forms must be completed and mailed to The Standard Insurance Company **no later than 90 days** after the end of your benefit waiting period.

LTD Benefit Waiting Period - The longer of:

- 180 days; or
- The period of paid sick leave to which you are entitled under the employer's sick leave program.

WRD Benefit Waiting Period - The longer of:

- The period of paid sick leave to which you are entitled under the employer's sick leave program; or
- The period ending on the date of the determination that you have reached your maximum medical improvement under the Missouri Workers' Compensation Law.

If you are approved for Social Security disability, your first Social Security disability benefit will be paid the sixth full month after the date your disability began. To avoid receiving overpayments, you must notify The Standard Insurance Company if you begin receiving benefits from Workers' Compensation or Social Security while receiving disability benefits.

24-Months
Own Occ/
Any Occ

After the first 24 months that disability benefits are payable, disability changes from your "Own Occupation" to "Any Occupation." In other words, you are disabled from all occupations if, as a result of physical disease, injury, pregnancy or mental disorder, you are unable to perform with reasonable continuity the material duties of any occupation.

Early
Retirement

Approximately 120 day prior to the date you are eligible for early (reduced) retirement, MPERS will send you a retirement packet. You are **not** required to retire early; you can wait until you are eligible for normal retirement.

Normal
Retirement

Approximately 120 days prior to the date you are eligible for normal retirement, MPERS will send you a retirement packet. Generally speaking, your disability benefit ends when you become eligible for normal retirement in the plan you are a member of, elect early retirement, or as determined by your age when your disability began. (See the "When Benefits End - LTD and WRD Disability" section on page 12 of this handbook.)

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