

# Voluntary STD

## Town of Westford

announces income protection for its employees

Proposed Effective Date: 05/01/2006

If you were unable to work because of an injury or sickness, would you be financially prepared? Our Voluntary Short-Term Disability insurance can help protect your income in the event of disability by providing you a benefit for injuries and sicknesses that are **not** work related. Your employer is offering you the opportunity to purchase Short-Term Disability insurance through convenient payroll deduction.

**The plan your employer has selected includes the following features:**

### Eligibility

- ◆ You are eligible to participate in the plan if you are a full-time employee of the policyholder or an associated company,
  - whose annual pay is greater than or equal to \$12,000, and
  - who is at active work, and
  - who is working in the United States of America, except any temporary or seasonal worker.
  - Any other requirements set by your employer must also be met. "Full-time" means working at least 20 hours per week.

### Plan Features

- ◆ Weekly benefits are offered in units of \$50, from a minimum of \$100 to a maximum of \$1,000 per week, but not more than to 60% of basic covered weekly pay.
- ◆ Benefits begin on the 15th day of disability for accident and the 15th day of disability due to sickness or pregnancy. Pregnancy is covered as any other disability. Benefits are payable to 13 weeks.
- ◆ Benefits are not subject to federal income tax when premiums are paid with after-tax dollars.
- ◆ You may qualify for disability benefits by meeting **either** an occupation test **or** an earnings test.
  - Occupation Test  
You may qualify under the occupation test if you are under the regular care and attendance of a doctor, and an injury, sickness or pregnancy prevents you from performing at least one of the material duties of your occupation.
  - Earnings Test  
You may qualify under the earnings test if an injury, sickness or pregnancy prevents you from earning more than 80% of your pre-disability pay.

**The insurance policy or policies described in this document are underwritten by Union Security Insurance Company, a subsidiary of Assurant, Inc. Assurant Employee Benefits, a business unit of Assurant, Inc., markets life, disability and dental benefits plans as well as related products and services. In this document, the terms, "we", "us", "our", and the like, refer to each as applicable.**

- ◆ Your employer's plan includes a Quality of Care Benefit which provides services and support initiatives targeted at helping you return to better health and a Managed Rehabilitation Benefit which provides assistance and incentives to participate in a vocational rehabilitation plan should you become disabled.

### **Limitations**

- ◆ If a Long-Term Disability (LTD) policy is in force, the pre-existing conditions limitation for this plan will match those in the LTD plan. If no LTD policy is in force, or if a LTD policy is in force but it has no pre-existing conditions limitation, the following pre-existing conditions limitation will apply:
  - A pre-existing conditions limitation does not apply and benefit payments may begin if you have gone treatment-free for a condition for the 6 months prior to your coverage effective date; OR if you remain insured for 12 consecutive months.
  - A pre-existing condition is any injury, sickness, pregnancy or related condition for which you've consulted with or received the advice of a medical or dental practitioner in the 6 months prior to the effective date of coverage. We will not pay for a pre-existing condition unless the disability starts after you have been insured under this plan for 12 consecutive months.
- ◆ Your benefit may be reduced by disability benefits from retirement or government plans, other group disability plans, no-fault benefits and return-to-work earnings. If your benefit is reduced, a minimum monthly benefit of \$25 applies.
- ◆ The greater of 10 employees or 35% of all eligible employees must enroll in the plan before this group policy can be issued.

We will not pay benefits for any time you are confined to any facility because you were convicted of a crime or public offense. We will not pay benefits for any part of a period of disability during which you are receiving benefits under any Workers' Compensation Act or a similar law. We will not pay benefits for any disability caused by war or any act of war, whether declared or not; intentionally self-inflicted injury, while sane or insane; taking part in or the result of taking part in committing an assault or felony; an injury that arises out of or occurs in the course of any occupation for pay or profit; or a sickness that entitles you to benefits under any Workers' Compensation Act or a similar law. We will also not pay benefits if your employer, the policyholder, or an associated company has offered you the opportunity to return to limited work while you are disabled; you are functionally capable of performing the limited work which is offered; and you do not return to work when and as scheduled.

This coverage has limitations and exclusions. We do not pay for disabilities resulting from a pre-existing condition or a related condition. For complete details, please contact your company's benefits representative or refer to your benefit booklet. This highlight sheet provides a brief description of coverage. In the event that a discrepancy exists, the policy provisions will prevail. We can cancel the policy after giving the policyholder 31 days written notice.