



Long Term Disability Insurance



Sun Life Financial

(800) 451-4531

The group plan summarized below applies to total disabilities commencing on or after April 1, 1989, and is subject to the terms and conditions of the Plan Document for Colorado State University's self-insured Long-Term Disability (LTD) Income Replacement Plan. The plan is intended and expected to continue, but the University reserves the right to discontinue or revise it at any time.

Plan Description

LTD insurance is provided at no cost to you. Employees receive an LTD allowance based off of covered monthly salary and plan premium maximums (taxable) each payroll and then the premium cost is deducted post-tax.

The plan provides a monthly income replacement benefit, which begins on the 91st consecutive **calendar** day of total disability and continues to be payable each month during the term of continuous disability. The last monthly income replacement benefit payment will be made as of the first day of the month in which the earlier of these events occur:

- Termination of disability (recovery or death); or

- Attainment of these age or time limits.

Age When Disability Starts

Less than 60
60 but less than 65
65 but less than 68 ¾

The Attainment of the Age or Maximum Duration of Benefits

to age 65
4 ¾ years
to age 70

Actively at Work Provision

Coverage for employees absent from work on the effective date of coverage will be deferred until the employee commences or resumes active work.

New Hire / Newly Eligible

Your premiums are taken by payroll deduction on a post-tax basis. This means if you become disabled, the income replacement benefits will not be subject to income tax.

Income Replacement

Your "Covered Monthly Salary" used to determine benefits is one-twelfth of your base salary (exclusive of any overtime and other forms of additional compensation, except that, for an employee who

- has taught two out of the last three summer sessions or
- has taught one out of the last two summer sessions and has signed a contract to teach the next summer session, basic

annual salary will include compensation for the most recent summer session taught).

PERA and Federal Retirement Plan participants: the monthly income replacement benefit is up to 60% of your "Covered Monthly Salary" as of the date the disability begins, but not to exceed \$22,500 per month.

DCP participants: the monthly income replacement benefit is up to 69% of your "Covered Monthly Salary" as of the date the disability begins, but not to exceed \$25,875 per month.

The monthly income replacement benefit payable by the Plan during continuous total disability will increase each year by 3% compounded annually, beginning with the first calendar month following 13 full months of such continuous disability.

Income Replacement Offset

The monthly income replacement benefit is offset by any income benefits payable from Social Security for yourself and/or your dependent children, Workers' Compensation, disability benefits payable under any employer group insurance, disability or retirement benefits payable under a public pension plan (e.g. PERA), federal retirement plan and/or the University's Defined Contribution retirement plan, or benefits payable under the University's sick leave or salary continuation program. In no

Retirement Plan Enrolled	Monthly Premium— The cost of coverage is provided by the University
Defined Contribution Plan	Cost: 0.45% of your covered monthly salary. Maximum premium is \$168.75
PERA or Federal	Cost: 0.15% of your covered monthly salary. Maximum premium is \$56.25

event will the monthly income replacement benefit be less than \$50 per month, even though this amount may bring your total disability income to more than 60% or 69%, respectively, of your "Covered Monthly Salary."

Definition of Total Disability

Total disability under this program is, "during the first 27 months of such total disability the inability of the employee, by reason of sickness, bodily injury or pregnancy, to engage in his or her regular own occupation. Thereafter, it will mean the inability of the employee, by reason of sickness, bodily injury or pregnancy, to engage in any occupation for which the employee is reasonably fitted by education, training or experience." Disability recertification may be requested at any time by the administrator, but is generally recertified every six to twelve months to determine continued eligibility for plan benefits.

Filing Claims

An employee applying for LTD must complete an LTD Claim Statement (available in Human Resources), which shall be furnished to Sun Life Financial within 12 months after the commencement of disability. Sun Life Financial is the University's third party administrator on the LTD Plan, meaning they review claims and make determinations on behalf of the University's LTD plan provisions. The LTD Claim Statement shall include any and all supporting medical or other information to support your disability that may be requested by Sun Life Financial. The burden of proof for establishing the existence of a qualifying disability rests with the claimant.

Exclusions

Benefits are not payable if total disability results from any of the

following causes:

- Injury or sickness resulting from war, declared or undeclared.
- Intentional self-inflicted injury or sickness.

Disabilities caused by any condition for which treatment was rendered within the twelve month period preceding enrollment in the plan, will not be covered until twelve consecutive months have elapsed after enrollment in the plan.

Termination of Coverage

Your insurance will terminate if your active service stops, if you cease to be in a class of employees eligible for coverage, if your appointment drops below 50%, or if the plan is terminated. There is no Conversion Policy for this plan.

