

# PSEA Voluntary Long Term Disability Insurance Plan



## Why PSEA Members are Relying on Luck Rather than Coverage

The industry standard for Long Term Disability (LTD) Insurance is to replace 60% of your salary. Many members of PSEA do not have access to this type of coverage on an employer-paid or employee-paid basis, whereas many neighboring states do provide this coverage for school employees. That's why PSEA has come up with this plan. They want PSEA members to be able to replace their income if they can no longer perform the normal duties of their occupation.

### Plan Features

- Voluntary, member-paid
- Group rates
- Statewide plan: rates pooled with other PA districts
- Flat rates: do not increase with age
- Covers pregnancy
- Covers mental/emotional illness and substance abuse
- No medical questions if 25% of employees enroll during the initial offering
- Since all financial circumstances are different, there are 6 options for each PSEA member to choose from

### Includes MPEB

#### Medical Premium Expense Benefit

- Will pay up to \$1,500/month for medical insurance premiums
- Paid in addition to the disability benefits

## PSEA Voluntary LTD Plan Options

|          |   |                             |   |                                  |                                   |                                   |
|----------|---|-----------------------------|---|----------------------------------|-----------------------------------|-----------------------------------|
| <b>1</b> | 14<br>calendar days before<br>benefits kick in  | 60%<br>of salary<br>covered | -Sick Leave<br>benefits <u>reduced</u> by sick<br>leave pay                 | SSNRA*<br>Max benefit<br>period  | \$100,000<br>Max annual<br>salary | \$5,000<br>Max monthly<br>benefit |
| <b>2</b> | 30<br>calendar days before<br>benefits kick in  | 60%<br>of salary<br>covered | -Sick Leave<br>benefits <u>reduced</u> by sick<br>leave pay                 | SSNRA*<br>Max benefit<br>period  | \$100,000<br>Max annual<br>salary | \$5,000<br>Max monthly<br>benefit |
| <b>3</b> | 60<br>calendar days before<br>benefits kick in  | 60%<br>of salary<br>covered | -Sick Leave<br>benefits <u>reduced</u> by sick<br>leave pay                 | SSNRA*<br>Max benefit<br>period  | \$150,000<br>Max annual<br>salary | \$7,500<br>Max monthly<br>benefit |
| <b>4</b> | 90<br>calendar days before<br>benefits kick in  | 60%<br>of salary<br>covered | -Sick Leave<br>benefits <u>reduced</u> by sick<br>leave pay                 | SSNRA*<br>Max benefit<br>period  | \$150,000<br>Max annual<br>salary | \$7,500<br>Max monthly<br>benefit |
| <b>5</b> | 180<br>calendar days before<br>benefits kick in | 60%<br>of salary<br>covered | -Sick Leave<br>benefits <u>reduced</u> by sick<br>leave pay                 | SSNRA*<br>Max benefit<br>period  | \$150,000<br>Max annual<br>salary | \$7,500<br>Max monthly<br>benefit |
| <b>6</b> | 30<br>calendar days before<br>benefits kick in  | 50%<br>of salary<br>covered | +Sick Leave<br>benefits paid <u>in addition</u><br><u>to</u> sick leave pay | 2 Years<br>Max benefit<br>period | \$150,000<br>Max annual<br>salary | \$4,167<br>Max monthly<br>benefit |

(over)

## Exclusions and Limitations

1. The policy will not cover any total disability: caused by, contributed to by, or resulting from a pre-existing condition which begins in the first 12 months after your effective date. "Pre-existing condition" means a sickness or injury for which you had received medical treatment, consultation, care or services including diagnostic measures, or had taken prescribed drugs or medicines in the three months prior to your effective date.
2. Disabilities related to mental or emotional illness, or substance abuse are limited to 2 years of coverage under the Long Term Disability Insurance plan. After the 2-year period following the Elimination Period, benefit payments are made only if you are still totally disabled by the mental or emotional illness, and you are confined as an inpatient in a facility licensed to treat that illness.
3. Long Term Disability Insurance benefits will be paid if you cannot perform each of the substantial and material duties of your regular occupation. After benefits have been paid for 24 months, if you cannot perform each of the substantial and material duties of any gainful occupation for which you are reasonably fitted by training, education or experience benefits will continue until age 65, reducing duration if disabled after age 61.
4. The policy does not cover any total disability:
  - due to war, declared or undeclared, or any act of war
  - due to any act of international armed conflict or conflict involving the armed forces of any country
  - while you are in the armed forces of any country or international authority
  - due to your attempted suicide while sane or insane
  - as a result of your intentionally self-inflicted injuries
  - as a result of your committing of or attempting to commit a felony
  - as a result of your participation in a riot
  - as a result of your engaging in an illegal occupation
5. Payment Limit. In no event will the Long Term Disability Benefit plus Deductible Income plus Work Earnings exceed 100% of Predisability Earnings. In the event your Long Term Disability Benefit plus Deductible Income plus Work Earnings exceeds 100% of Predisability Earnings, the Long Term Disability Benefit will be reduced by the amount in excess of 100% of Predisability Earnings.

### Who to Contact:

Zachary Harris, CBC  
 Hillendale Associates, Inc.  
[www.hillendalepa.com](http://www.hillendalepa.com)  
 484.245.2890

Brought to you by:



[www.PSEAdisability.com](http://www.PSEAdisability.com)

*\*The maximum benefit period is the later of age 65 or the day before attaining the Social Security Normal Retirement Age as stated in the 1983 revision or any later revision of the United States Social Security Act. The maximum benefit period does reduce according to a standard reduction schedule, if the onset of disability occurs at age 60 or later.*