

C.5 Disability Benefits

Date

8/20

A. **Group Long-Term Disability**

The University provides group long-term disability insurance coverage for eligible faculty, administrative, and support staff upon completion of three years of continuous service.

Employees on a regular fiscal year or academic year appointment of at least 75 percent are eligible to participate after three years of continuous service. Employees working in a temporary assignment regardless of percentage of appointment are ineligible to participate in the Long Term Disability program during the period of temporary employment. After a regular appointment of at least 75 percent is received, time served under consecutive temporary one-year appointments may be counted toward the three-year waiting period.

Waiver of the three (3) year waiting period is available in full or in part if the newly hired eligible employee was covered by his/her former employer under a similar group long-term disability policy through an insurance company which was in effect within 90 days prior to his/her employment at the University, and the eligible employee provides acceptable documentation of such coverage to the University's Human Resources Department within 60 calendar days of the first day of employment. If the prior group coverage was in place for at least three (3) years, USI's waiting period will be waived; if for less than three years, service credit (in months) will be applied toward and reduce USI's three (3) year waiting period.

The full cost of this program is paid by the University, except for senior administrators who pay 100% of their LTD premium, effective January 1, 2016. If it is anticipated that a disability will extend more than six months, an employee must file an application to qualify for benefits. The long-term disability monthly income benefit equals 60 percent of the employee's monthly wage base, not to exceed a benefit of \$6,000 less the sum of the benefits from other offsetting sources, such as Social Security or any other retirement disability benefits.

Upon the approval and commencement of disability benefits, the employee will be placed in a disability retirement status. For certain employees hired before July 1, 2014, participation in the health and life insurance programs may be continued. Otherwise, all University-provided and voluntary benefit programs will be discontinued as of the disability eligibility date.

Information about the University sponsored Long Term Disability plan is available in the Human Resources Department.

B. **Disability Benefits Under Social Security**

Disability benefits are provided under the provisions of the Social Security Act. To determine benefits payable, employees should consult the Social Security website (www.ssa.gov), call the Social Security toll-free number (800-772-1213) or contact the local Social Security office.

C. **Disability Benefits Under Indiana Public Retirement System for Support Staff Hired Before July 1, 2014**

The Indiana Public Employees' Retirement Fund provides disability benefits for employees who have been members of the fund five or more years and who qualify for Social Security disability benefits. For other conditions and terms, employees should consult INPRS. Estimates of benefits payable are secured at the time of disability.

D. **Insurance Benefits During Disability**

Some employees hired prior to July 1, 2014, may have some continued insurance coverages available upon disability. See Retirement Policy, Section C6.

E. Status During a Period of Disability

An employee enrolled in the University-provided group long-term disability (LTD) insurance plan, who becomes disabled and is determined by the LTD insurance carrier to be eligible to receive LTD benefit payments, will be considered a "Disabled Retiree" by the University. This status shall be retained until the individual reaches the Maximum Benefit Period as outlined under the LTD contract, as long as the individual continues to be determined as being disabled by the LTD plan provider. Once the employee is considered a disabled retiree, the position held by the employee will be considered vacant and no longer held open for the employee.

If the LTD plan provider determines that the individual is no longer disabled and therefore ineligible to receive LTD benefit payments, the individual has the right to appeal such a decision to the LTD plan provider. If the appeal is unsuccessful, the University will change the individual's status to "terminated;" any benefits associated with retirement, if applicable, will end at that time. The individual may reapply for employment with the University for those positions open at the time of application for which the individual is qualified.

F. Optional Group Short Term Disability

The University offers optional short term disability insurance to eligible employees. The entire cost of the insurance is paid by the employee. When an employee reaches a new age which moves them into a new age bracket and premium schedule, the amount of compensation necessary to cover the increased premium cost will automatically be adjusted to reflect the change in the premium. Premiums are deducted on a post-tax basis. Benefits are payable subject to the short term disability plan provisions.

Information about the Optional Short Term Disability plan is available in the Human Resources Department.