

Long-Term Disability Q & A

*Strong Memorial Hospital Residents and Fellows receive benefits in accordance with their programs.
Individuals represented by collective bargaining agreements receive benefits in accordance with those agreements.*

Question 1: What is Long-Term Disability (LTD)?

Answer: Long-Term Disability provides you with a monthly income if you are totally disabled for more than six months.

Question 2: Who is eligible to receive LTD benefits?

Answer: Regular full-time and part-time faculty and staff with one continuous year of service.

The one year service requirement is waived for individuals who apply for coverage within three months after leaving another employer-sponsored group long-term disability plan which guaranteed income benefits for at least five years during disability. The LTD Coverage Credit Form must be completed to waive the service requirement; the form can be found online at:

<http://www.rochester.edu/working/hr/files/pltdcc.pdf>

Question 3: When do I enroll in LTD?

Answer: You must enroll in the LTD Plan within one month of appointment, although coverage does not begin until you have one continuous year of service. Full-time faculty or staff members will be required to elect Full or Limited coverage. A part-time faculty or staff member will be required to elect Full or Limited coverage, or waive coverage indicating that you do not wish to enroll for LTD Insurance.

Question 4: What is the difference between Limited LTD and Full LTD?

Answer: The difference between the two plans is the amount of annual salary that is covered if you become totally disabled for more than six months.

Limited LTD Insurance provides income protection for 60% of annual salary up to a maximum covered annual salary of \$36,000.

Full LTD Insurance provides income protection for 60% of annual salary up to a maximum covered annual salary of \$300,000.

Question 5: What is considered “annual salary” under the LTD Plan?

Answer: **For hourly staff:** annual salary means the individual's standard annual hours times his or her hourly rate of pay.

For faculty members under the School of Medicine and Dentistry Master Clinical Faculty

Compensation Plan: annual salary means Targeted Salary plus the prior fiscal year's (July 1 to June 30) extra compensation for clinical services, if any, when calculating the LTD Income Benefit; "Targeted Salary" is used when calculating the faculty member's share of premiums.

For other salaried faculty and staff: annual salary means 12 times the regular monthly salary or 24 times the regular semi-monthly salary.

Question 6: How much does LTD coverage cost?

Answer: **Full-time faculty and staff:** If you choose Full coverage you will pay 30 cents per month or 15 cents per semi-monthly/bi-weekly pay period for each \$1,000 of covered annual salary above \$36,000. If you choose Limited coverage it will be paid for entirely by the University.

Part-time faculty and staff: If you choose Full coverage you will pay 59 cents per month or 29.5 cents per semi-monthly/bi-weekly pay period for each \$1,000 of covered annual salary. If you choose Limited Long-Term Disability Insurance you will pay 59 cents per month or 29.5 cents per semi-monthly/bi-weekly pay period for each \$1,000 of covered annual salary, up to \$36,000.

Question 7: Can I cancel my enrollment in Full Long-Term Disability Insurance?

Answer: You may cancel Full Long-Term Disability Insurance at any time; the cancellation takes effect at the beginning of the next pay period. If you cancel Full Long-Term Disability Insurance and later wish to add this coverage, you must submit a statement of health for approval by the insurance company. Full-time employees cannot waive Long-Term Disability coverage completely; Limited coverage is the lowest level of coverage a full-time employee can elect.

A part-time faculty or staff member may waive or decrease their Long-Term Disability coverage at any time; the waiver (or decrease) takes effect at the beginning of the next pay period. A part-time faculty or staff member who later wishes to increase coverage levels must submit a statement of health for approval by the insurance company.

Question 8: Can I increase my Long-Term Disability coverage?

Answer: If you wish to increase coverage levels after your first month of appointment, you must submit a statement of health for approval by the insurance company. This form is available by contacting Leave Administration at 585-275-3525.

Question 9: I am out of work because of a disability, how do I use my LTD coverage?

Answer: If you become disabled and your disability is expected to continue beyond six months, the Insurance Carrier will send instructions for filing a claim for LTD benefits to your home.

It is your responsibility to complete the claim forms and to return the completed forms to the Insurance Carrier, currently The Hartford.

Once the insurance company receives all completed forms, they are responsible for reviewing, notifying you of missing information, and payment of the claim if approved.

Question 10: What benefits do I receive from the Long-Term Disability Plan?

Answer: If approved, you will receive a monthly income benefit equal to 60% of covered annual salary. Any other income that qualifies as Benefits from Other Sources will be subtracted from this benefit. The amount of annual salary that qualifies as covered annual salary depends on whether you have elected Limited or Full coverage. The LTD benefit (maximum \$15,000 per month; minimum \$50 per month) is calculated based on your covered annual salary at the time disability began.

Question 11: Are there age limits to the plan?

Answer: If you become fully disabled before age 60, Long-Term Disability Plan benefits will continue until the disability ends or you reach age 65, whichever comes first. If a disability begins after the attainment of age 60 but before age 68, Long-Term Disability benefits will end five years after the beginning of the disability or when you reach age 70, whichever comes first. If a disability begins at age 68 or later, Long-Term Disability benefits will continue for 24 months.

Question 12: Do I have to pay for LTD coverage when I am out on a Short-Term Disability or Workers' Compensation claim?

Answer: Yes, you are still responsible for paying your LTD premium while you are out on a STD or WC claim.

Question 13: What benefits do I receive through the University while I am out on an approved LTD claim?

Answer: You continue to receive the medical and/or dental benefits with the University. The Total Rewards office will bill you for the premium on a quarterly basis. Additional benefit questions should be directed to the Total Rewards office.

Question 14: I earn less than \$36,000 annually; can I still enroll in Full LTD coverage?

Answer: Yes. If you earn less than \$36,000 annually, there is still an important distinction between Limited LTD and Full LTD coverage. Limited LTD coverage will protect annual salary up to \$36,000. While this might cover your entire salary now, Limited LTD coverage will cap covered annual salary at \$36,000 even if you earn more in the future. Electing Full LTD coverage will cover your annual salary now, and will continue to cover annual salary up to \$300,000.

Question 15: I enrolled in LTD but I don't see any deductions coming out of my paycheck?

Answer: Coverage and deductions begin after you have completed one year of service unless you completed the LTD Coverage Credit Form. If you are a full-time employee and earn less than \$36,000 annually, you will not see any employee deductions until you earn more than \$36,000.

Question 16: What is the LTD Credit I see in my paycheck?

Answer: The University pays for the first \$36,000 in LTD coverage for full-time employees. The payroll system deducts the premium on your entire salary, and then pays you back in the form of the LTD Credit. The actual amount you pay for LTD coverage is the After-Tax deduction minus the LTD Credit.