

# MCEA/NEA

# MONTGOMERY COUNTY EDUCATION ASSOCIATION LONG TERM DISABILITY INCOME INSURANCE

MONTHLY SALARY	MONTHLY BENEFIT*	PLAN 1 - PAYROLL DEDUCTION AMOUNT**						
		Under Age 35	Ages 35-44	Ages 45-54	Ages 55-59	Ages 60-64	Age 65 or Older	
\$2,101 to \$2,250	\$1,400	\$23.59	\$26.62	\$32.66	\$44.76	\$ 63.91	\$ 66.94	
\$2,251 to \$2,400	\$1,500	\$25.26	\$28.50	\$34.98	\$47.94	\$ 68.46	\$ 71.70	
\$2,401 to \$2,550	\$1,600	\$26.93	\$30.38	\$37.30	\$51.12	\$ 73.01	\$ 76.46	
\$2,551 to \$2,700	\$1,700	\$28.60	\$32.26	\$39.62	\$54.30	\$ 77.56	\$ 81.22	
\$2,701 to \$2,850	\$1,800	\$30.27	\$34.14	\$41.94	\$57.48	\$ 82.11	\$ 85.98	
\$2,851 to \$3,000	\$1,900	\$31.94	\$36.02	\$44.26	\$60.66	\$ 86.66	\$ 90.74	
\$3,001 to \$3,150	\$2,000	\$33.61	\$37.90	\$46.58	\$63.84	\$ 91.21	\$ 95.50	
\$3,151 to \$3,299	\$2,100	\$35.28	\$39.78	\$48.90	\$67.02	\$ 95.76	\$100.26	
\$3,300 to \$3,449	\$2,200	\$36.95	\$41.66	\$51.22	\$70.20	\$100.31	\$105.02	
\$3,450 to \$3,599	\$2,300	\$38.62	\$43.54	\$53.54	\$73.38	\$104.86	\$109.78	
\$3,600 to \$3,749	\$2,400	\$40.29	\$45.42	\$55.86	\$76.56	\$109.41	\$114.54	
\$3,750 or more	\$2,500	\$41.96	\$47.30	\$58.18	\$79.74	\$113.96	\$119.30	

\* Benefits are doubled while in the hospital during the first 60 days of total disability.

MONTHLY SALARY	MONTHLY BENEFIT*	PLAN 5 PAYROLL DEDUCTION AMOUNT **							PLAN 4 PAYROLL DEDUCTION AMOUNT**
		Under Age 35	Ages 35-44	Ages 45-54	Ages 55-59	Ages 60-64	Age 65 & Older		
\$1,950 to \$2,099	\$1,300	\$3.98	\$ 5.33	\$ 7.95	\$13.26	\$18.56	\$19.89	\$ 5.33	
\$2,100 to \$2,249	\$1,400	\$4.28	\$ 5.74	\$ 8.57	\$14.28	\$19.99	\$21.42	\$ 5.74	
\$2,250 to \$2,399	\$1,500	\$4.59	\$ 6.15	\$ 9.18	\$15.30	\$21.42	\$22.95	\$ 6.15	
\$2,400 to \$2,549	\$1,600	\$4.89	\$ 6.56	\$ 9.80	\$16.32	\$22.85	\$24.48	\$ 6.56	
\$2,550 to \$2,699	\$1,700	\$5.20	\$ 6.97	\$10.41	\$17.34	\$24.28	\$26.01	\$ 6.97	
\$2,700 to \$2,849	\$1,800	\$5.50	\$ 7.38	\$11.03	\$18.36	\$25.71	\$27.54	\$ 7.38	
\$2,850 to \$2,999	\$1,900	\$5.81	\$ 7.79	\$11.64	\$19.38	\$27.14	\$29.07	\$ 7.79	
\$3,000 to \$3,149	\$2,000	\$6.11	\$ 8.20	\$12.26	\$20.40	\$28.57	\$30.60	\$ 8.20	
\$3,150 to \$3,299	\$2,100	\$6.42	\$ 8.61	\$12.87	\$21.42	\$30.00	\$32.13	\$ 8.61	
\$3,300 to \$3,449	\$2,200	\$6.72	\$ 9.02	\$13.49	\$22.44	\$31.43	\$33.66	\$ 9.02	
\$3,450 to \$3,599	\$2,300	\$7.03	\$ 9.43	\$14.10	\$23.46	\$32.86	\$35.19	\$ 9.43	
\$3,600 to \$3,749	\$2,400	\$7.33	\$ 9.84	\$14.72	\$24.48	\$34.29	\$36.72	\$ 9.84	
\$3,750 to \$3,899	\$2,500	\$7.64	\$10.25	\$15.33	\$25.50	\$35.72	\$38.25	\$10.25	

\*\*The Payroll Deduction Amount is equal to the 10-month mode premium, payable twice a month (20 payments a year).

### HIGHER BENEFIT AMOUNTS AVAILABLE, BASED ON MONTHLY SALARY.

#### BENEFITS BEGIN:

Plan 1: On the 1st day of total disability due to a covered accident or on the 4th day of total disability due to a covered illness.

Plan 4 and 5: On the 151st day of total disability due to a covered accident or illness.

#### BENEFITS ARE PAYABLE:

Up to the period of time shown in the table below, based on your age as of the date benefits begin.

Age	Maximum Benefit Period
59 or younger	to age 65
60 through 64	five years
65 through 68	to age 70
69 or older	one year

#### DOCTOR BILL BENEFIT (applicable to Plan 1 only):

Accident: Pays up to \$75 in doctor bills for non-disabling injury, if no other benefits are paid under this plan.

Illness: Pays up to \$25 in doctor bills for covered illness, if you are disabled at least one full day, you see the doctor on the day disabled, and no other benefits are paid under this plan.

**ELIGIBILITY (PLANS 1 & 5):** All full-time members and employees of members.

**ELIGIBILITY (PLAN 4):** All regular full-time members and employees of members working 20 hours or more per week with 5 years or more credit in the state retirement system.

**EFFECTIVE DATE OF COVERAGE:** Certificates issued become effective the first of the month following the date of application (or date of approval), provided the first premium has been paid.

The applicant must be on Active Service on the date his or her coverage would become effective, otherwise the insurance will become effective on the first day of the month following the date the applicant resumes Active Service. "Active Service" means that the applicant is able to perform all of the regular duties of his or her employment on a full-time basis on a scheduled work day, or would be able to do so if it were a scheduled work day.

#### ADJUSTMENTS AND LIMITATIONS:

**(PLAN 1):** You should note that monthly disability benefits offered under this plan will be reduced by the amount the Insured and the Insured's dependents are entitled to receive from items (a) through (h) listed below:

**(PLAN 4 AND 5):** During the first year benefits are payable, the monthly benefits payable under this plan, together with other benefits from other sources, as stated below, may not exceed 70% of the monthly salary earned by the Insured on the date of disability. Thereafter, the monthly benefits payable under this plan will be reduced by benefits received from the following sources:

- (a) group insurance coverage or like coverage from persons in a group;
- (b) Federal Social Security Act (this includes benefits paid to the Insured and his or her dependents on account of the Insured's disability);
- (c) state or federal government disability or retirement plan;
- (d) pension plan to which the Policyholder or Employer contributes or makes payroll deductions;
- (e) salary or wage continuance plans paid for by the Policyholder or the Employer of the Insured which extend beyond 60 calendar days;

(f) Workers' Compensation or like law; (g) Federal Old Age Benefits provided under the Federal Social Security Act on the Insured's own behalf; and (h) loss benefits provided under the mandatory portion of any group or individual automobile insurance policy written under the "no fault" insurance provisions of the law of any jurisdiction.\*

\*Item (h) applicable to Plan 1 only.

For the purposes of items (b) and (g) above, if you are covered under the Federal Social Security Act, you will be considered to be receiving periodic cash payments under the such Act, in an amount equal to the amount you and your dependents would receive if you were receiving such payments, unless you submit proof to the Company that such payments have been applied for but are not payable. Social Security increases which take effect after monthly disability benefits become payable will not further reduce benefits under this policy.

**Plan 1:** The minimum monthly benefit payable will be \$50.00.

**Plan 4:** The minimum monthly benefit during the first year benefits are payable will be 20% of the regular monthly benefit. The minimum monthly benefit thereafter will be 10% of the regular monthly benefit or \$50.00, whichever is greater.

**Plan 5:** The minimum monthly benefit payable will be \$100.00.

**EXCLUSIONS:** No benefits will be paid for loss due to: (a) intentionally self-inflicted injury while sane or insane; (b) an act of war, declared or undeclared, insurrection, or rebellion; (c) taking part in a riot, civil commotion, civil disobedience, or unlawful assembly, except while acting in a lawful manner within the scope of authority; (d) narcotics and drug addiction\*; (e) accident sustained or sickness contracted while in the service of the armed forces of any country; (f) committing a felony; (g) mental illness or functional or organic nervous disorder, regardless of the cause\*; (h) alcoholism\*; (i) taking part in a sport or contest of speed; and (j) any period during which the Insured is not under the regular care and attendance of a Physician.

\*If an Insured is Totally Disabled due to mental illness, functional or organic nervous disorder, regardless of the cause, alcoholism or drug addiction, Monthly Disability Benefits will be paid for up to two years, and thereafter, only if hospitalized.

**PRE-EXISTING CONDITIONS:** The policy will only pay up to one-half of one month's benefit per 12-month period for any disability occurred after the effective date due to a Pre-Existing Condition for which you had received treatment, incurred expense, taken prescription drugs or received a diagnosis or advise from a physician within six months prior to your effective date of coverage. this limitation is waived after you have gone 12 months treatment-free.

**TOTAL DISABILITY:** The term "Total Disability" (or Totally Disabled) for the first 24 months of disability means that the Insured is disabled and completely prevented from performing each and every duty pertaining to his or her occupation. After that "Total Disability" means the Insured is disabled and completely prevented from engaging in any occupation or employment for wage or profit for which he or she is reasonably qualified by training, education or experience.

**PARTIAL DISABILITY:** The term "Partial Disability" means an Insured is unable to perform most of the major and essential duties of his or her employment or occupation as a result of a period of total disability or an injury. The Insured will receive 50% of his or her regular monthly benefit for up to three consecutive months. Partial disability must begin within 30 days after the accident or immediately following a period of total disability.

**REHABILITATIVE EMPLOYMENT:** If an Insured engages in company approved rehabilitative work while disabled, he or she will receive payments for up to 12 months. The total income may not exceed 80% of his or her annual compensation at the time of the initial disability.

**DEATH BENEFIT:** If an Insured dies after having received disability benefits for at least 150 consecutive days, your beneficiary will be paid a sum equal to six times the monthly benefit.

**WAIVER OF PREMIUM (Plans 4 and 5):** If an Insured becomes totally disabled due to a covered accident or illness, the premium for his or her coverage will be waived following satisfaction of the Elimination Period. Waiver of premium will continue until the end of his or her Total Disability, the end of the maximum Benefit Period, the end of the period for which benefits would otherwise be payable, or the date the Master Policy terminates, whichever first occurs. The Company will require proof on an annual basis that the Insured remains Totally Disabled during said period. This provision will not apply if the Insured's insurance terminates.

**HOSPITAL:** "Hospital" means a legally operated institution which maintains and regularly uses on its premises laboratory, x-ray equipment and operating rooms where major surgical operations may be performed by licensed physicians; maintains permanent and full time facilities for the care of overnight resident bed patients under the supervision of a licensed physician; provides 24-hour-a-day nursing service by graduate registered nurses; and maintains on the premises the patients written history and medical records. The term "Hospital" shall not include any institution or part thereof used by the Insured as a place for rehabilitation, rest, the aged, nursing or convalescent home, a long term nursing unit or geriatrics ward, or as an extended care facility for the care of convalescent, rehabilitative or ambulatory patients.

**TERMINATION OF INSURANCE:** The insurance coverage on an Insured will end on the earliest of these dates: (a) the date the Insured ceases to be in a class of eligible Insureds or ceases to qualify as an Insured; (b) the date the Insured retires or ceases to be actively engaged in the duties of his or her occupation in the state where this coverage was originally issued to him; (c) the last day of the period for which the Insured has made the required contribution, if any, toward the cost of this insurance; or (d) the date the Policy is discontinued.

If the Insured's coverage ends as a result of his or her termination of Active Service and such termination is caused by an Accident or illness for which Monthly Disability Benefits would be payable, benefits will be paid as if such termination had not occurred.



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