

# Long-Term Disability Insurance Overview

## City of Tampa

### Employee Annual Enrollment for 2019



#### Long-Term Disability Insurance Coverage – *paid by you and your employer*

**Eligibility** – All active, full-time Employees of the Employer regularly working a minimum of 40 hours per week and part-time Assistant Attorneys and Elected Officials regularly working a minimum of 20 hours per week.

**Monthly Benefit** – Your Employer provides an employer-paid basic benefit which pays up to 30% of your covered monthly earnings — up to \$10,000 per month. Your benefit amount will be reduced by any amounts payable to you by any of the sources listed under the “Effects of Other Income Benefits” section of Cigna's certificate of coverage.

This plan offers two employee-paid optional levels which allows you to change the percentage of your monthly benefit amounts as follows.

- (1.) 50% of your monthly covered earnings, or
- (2.) 60% of your monthly covered earnings.

Maximum monthly benefit to \$10,000. Your benefit amount will be reduced by any amounts payable to you by any of the sources listed under the “Effects of Other Income Benefits” section of Cigna's certificate of coverage.

**Definition of Disability** – Disability means that, solely because of a covered injury or sickness, you are unable to perform the material duties of your regular occupation, or you are unable to earn 80% or more of your indexed earnings from working in your regular occupation. After benefits have been payable for 12 months, you are considered disabled if solely due to your injury or sickness, you are unable to perform the material duties of any occupation for which you are (or may reasonably become) qualified by education, training or experience, and you are unable to earn 60% or more of your indexed earnings. We will require proof of earnings and continued disability.

**Covered Earnings** – Covered earnings means your wages or salary, not including bonuses, commissions and other extra compensation.

**Elimination Period** – You must be disabled for 180 days or the expiration of your sick leave, and/or Light Duty Program, whichever is greater, before benefits may be payable.

Forty-two percent of Americans live paycheck-to-paycheck.

CareerBuilder, 2011 Survey

60 percent of Americans do not have a “rainy day” fund to cover three months of unanticipated financial emergencies.

FINRA Foundation State-by-state Financial Capability Survey, 2011

#### Additional Plan Details

##### Earnings While Disabled

During the first 12 months that benefits are payable, benefits will be reduced if benefits plus income from employment exceeds 100% of pre-disability covered earnings. After that, benefits will be reduced by 50% of earnings from employment.

##### Termination of Disability Benefits

Your benefits will terminate when your disability ceases, when your benefit duration period is exceeded, or on the following

events: (1) the date you earn from any occupation more than 80% of your indexed earnings. (refer to your plan's definition of disability), or (2) the date you fail to cooperate with us in a rehabilitation plan, or transitional work arrangement, or the administration of the claim.

##### Pre-existing Conditions

Benefits are not payable for medical conditions for which you incurred expenses, took prescription drugs, received medical

treatment, care or services (including diagnostic measures,) or for which a reasonable person would have consulted a physician during the 6 months just prior to the most recent effective date of insurance.

Benefits are not payable for any disability resulting from a pre-existing condition unless the disability occurs after you have been under this plan for at least 12 months after your most recent effective date of insurance.

**Limited Benefit Period**

Disabilities caused by or contributed to by any one or more of the following conditions are subject to a lifetime limit of 24 months for outpatient treatment: Alcoholism, drug addiction or abuse.

Benefits are payable during periods of hospital confinement for these conditions for hospitalizations lasting more than 14 consecutive days that occur before the 24-month lifetime outpatient limit is exhausted. Once the 24-month outpatient benefits are exhausted, the plan pays no further benefits.

**Exclusions**

This plan does not pay benefits for a disability which results, directly or indirectly, from any of the following: Suicide, attempted suicide, or whenever you injure yourself on purpose; war or any act of war, whether or not declared; active participation in a riot; commission of a felony; the revocation, restriction or non-renewal of your license, permit or certification necessary for you to perform the duties of your occupation, unless solely due to injury or

sickness otherwise covered by the policy.

In addition, we will not pay disability benefits for any period of disability during which you are incarcerated in a penal or corrections institution for any reason.

**When Coverage Takes Effect**

Your coverage takes effect on the later of the program’s effective date, the date you become eligible, the date we receive enrollment information from your employer, or the date you authorize any necessary payroll deductions.

If you have to submit evidence of good health, your coverage takes effect on the date we agree, in writing, to cover you. If you’re not actively at work on the date your coverage would otherwise take effect, you’ll be covered on the date you return to work.

**Family Survivor Benefit**

If you die while receiving disability benefits, we will pay a survivor benefit based on 100% of the total of your last month’s benefit plus the amount of any disability earnings by which this benefit had been reduced for that month. This plan pays a single lump sum equal to 3 months of 100% of the base benefits, prior to any offsets that may be applicable. We pay this benefit directly to your lawful spouse, or to your children in equal shares, if there is no lawful spouse. If you have no lawful spouse or children, we pay this benefit to your estate.

Coverage/Age	Under 25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
Option 1 – 50% Plan	\$0.047	\$0.057	\$0.048	\$0.057	\$0.086	\$0.124	\$0.209	\$0.285	\$0.276	\$0.247	\$0.142
Option 2 – 60% Plan	\$0.095	\$0.095	\$0.124	\$0.162	\$0.238	\$0.380	\$0.599	\$0.750	\$0.760	\$0.703	\$0.693

This information is a brief description of the important features of the plan. It is not a contract. Terms and conditions of life insurance coverage are set forth in Group Policy No. FLK-960665, issued in Florida to The City of Tampa. The group policy is subject to the laws of the jurisdiction in which it is issued. The availability of this offer may change. Please keep this material as a reference. Coverage is underwritten by Life Insurance Company of North America, 1601 Chestnut Street, Philadelphia, PA. As used in this brochure, the term Cigna and Cigna Group Insurance are registered service marks of Life Insurance Company of North America, a CIGNA company, which is the insurer of the Group Policy. Insurance products and services are provided by the individual CIGNA companies and not by the Corporation itself. © Cigna 2016