

**Life and Long-Term Disability  
Insurance**



**Chapter 3**

# Life and Long-Term Disability Insurance

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## Life Insurance Overview

The life insurance is a group term life insurance policy, which means the policy ends when employment ends. (Note: Employees may have options to continue some or all of their life insurance coverage by “porting” or converting coverage.) In addition to employer-paid coverage, employees can enroll in supplemental coverage for themselves and their dependents. The chart below describes the types of coverage, who pays for the premium (and how the premium is determined), coverage amount, and guaranteed issue amount.

Life insurance coverage	Premiums	Coverage amount	Guaranteed issue amount
<b>Employee basic life and accidental death and dismemberment (AD&amp;D)</b>	Paid by employer	<ul style="list-style-type: none"> <li>\$25,000 of basic life</li> <li>\$5,000 of basic AD&amp;D</li> </ul>	
<b>Employee supplemental</b>	Paid by employee (premium determined by employee’s age and amount requested)	<ul style="list-style-type: none"> <li>\$10,000 to \$750,000</li> <li>Purchase coverage in \$10,000 increments</li> </ul>	<ul style="list-style-type: none"> <li>Up to \$250,000 if under age 60</li> <li>Up to \$100,000 if 60 or over</li> </ul>
<b>Spouse basic</b>	Paid by employee (premium is \$0.60 per month, regardless of number of dependents)	<ul style="list-style-type: none"> <li>\$2,500 of basic spouse</li> </ul>	
<b>Dependent basic</b>		<ul style="list-style-type: none"> <li>\$2,500 of dependent basic for each child (14 days old to the month the dependent turns 26 and disabled dependents of any age)*</li> </ul>	
<b>Spouse supplemental</b>	Paid by employee (premium determined by age of employee and amount requested)	<ul style="list-style-type: none"> <li>Must first enroll spouse in spouse basic</li> <li>Purchase coverage in increments of \$5,000</li> <li>Not to exceed ½ of employee supplemental amount</li> </ul>	<ul style="list-style-type: none"> <li>Up to \$50,000</li> </ul>
<b>Employee supplemental AD&amp;D</b>	Paid by employee	<ul style="list-style-type: none"> <li>\$25,000 to \$250,000</li> <li>Purchase coverage in increments of \$25,000</li> </ul>	

<b>Dependent supplemental AD&amp;D</b>	Paid by employee	<ul style="list-style-type: none"> <li>• Must first enroll in employee supplemental AD&amp;D</li> </ul>	
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\*As long as the disability occurred before age 26.

### *Guaranteed Issue Amount*

Employees have a one-time opportunity to elect supplemental coverage for themselves or their spouse or registered domestic partner without evidence of insurability and approval from ReliaStar. To take advantage of the guaranteed issue amount, an employee must submit their *Life Insurance Enrollment/Change* form, selecting up to the guaranteed issue amount, within 60 days of their date of eligibility or date of marriage.

Forms requesting more than the guaranteed issue amount or submitted after 60 days will require evidence of insurability and approval from ReliaStar. Employees may apply for, change, or request additional life insurance coverage at any time; however, evidence of insurability and approval from ReliaStar may be required.

Carrier approval is never required if adding child basic. Carrier approval is required if adding or making changes to spouse basic or spouse supplemental after the employee’s initial date of eligibility. Accidental death and dismemberment never requires evidence of insurability or approval. See WAC 182-08-197 for details.

### *Eligibility*

Eligibility for life insurance is the same as medical and dental coverage. Dependents eligible for enrollment include: spouse, registered domestic partner, children (14 days old to the month the dependent turns 26 years of age who meet the definition of dependent as defined in WAC 182-12-260), and children of any age with a developmental disability or physical handicap that renders the child incapable of self-sustaining employment and chiefly dependent upon the subscriber for support and maintenance, provided such condition occurs before age 26.

## Effective Dates

Life insurance coverage	Effective date
Employee basic life and accidental death and dismemberment (AD&D)	<ul style="list-style-type: none"> <li>First of the month following the date of eligibility, <b>regardless</b> if employee timely submitted their form (if date of eligibility is the first working day of the month, coverage begins on that date)</li> </ul>
Employee supplemental	<ul style="list-style-type: none"> <li>If within 60 days, coverage begins the first of the month following signature date on the form</li> <li>If employee requested <b>more than the guaranteed issue amount</b> within 60 days, the guaranteed issue amount is effective the first of the month following the signature date on the form; the amount over the guaranteed issue amount is effective the first of the month following approval from ReliaStar</li> <li>If employee submitted form after 60 days, coverage begins the first day of the month following approval from ReliaStar</li> </ul>
Spouse basic	<ul style="list-style-type: none"> <li>If within 60 days, coverage begins the first of the month following signature date on the form</li> <li>If employee submitted form after 60 days, coverage begins the first day of the month following approval from ReliaStar</li> </ul>
Dependent basic	<ul style="list-style-type: none"> <li>Coverage begins the first of the month following signature date on the form</li> <li>Dependent basic never requires approval</li> </ul>
Spouse supplemental	<ul style="list-style-type: none"> <li>If within 60 days of the employee's date of eligibility or date of marriage, coverage begins the first of the month following signature date on the form</li> <li>If employee requested <b>more than the guaranteed issue amount</b> within 60 days, the guaranteed issue amount is effective the first of the month following the signature date on the form; the amount over the guaranteed issue amount is effective first of the month following approval from ReliaStar</li> <li>If employee submitted form after 60 days, coverage begins the first day of the month following approval from ReliaStar</li> </ul>
Employee supplemental AD&D	<ul style="list-style-type: none"> <li>First of the month following signature date on the form</li> <li>Employee can add or make changes at any time, and does not require evidence of insurability or approval from ReliaStar</li> </ul>
Dependent supplemental AD&D	<ul style="list-style-type: none"> <li>First of the month following signature date on the form</li> <li>Employee can add or make changes at any time, and does not require evidence of insurability or approval from ReliaStar</li> </ul>

## Forms

*Life Insurance Enrollment/Change form:* Used any time the employee is enrolling in or making changes, returning from leave, or re-gaining eligibility for benefits.

*Evidence of Insurability (EOI) form:*

Required when enrollment form is submitted after 60 days of employee's date of eligibility, if requested amount is higher than the guaranteed issue amount, or if employee did not self-pay supplemental life insurance while on LWOP.

## *Claims Procedures*

### *Death Claim*

See the Life Insurance Administration Manual for instructions on filing a death claim.

### *Accelerated Benefit Claim*

The accelerated benefit may be payable if insured subscriber has a terminal condition and a life expectancy of no more than two years. The insured must have at least \$10,000 of term life coverage and the request must be submitted in writing.

See the Life Insurance Administration Manual for instructions on filing an accelerated benefit claim.

### *Waiver of Premium Claim*

The waiver of premium benefit allows the subscriber's life insurance to be continued without payment of premium while the insured is totally disabled. The plan requires that the insured be disabled prior to age 60 and the disability must continue for at least six months. Total disability is required to qualify for this benefit.

See the Life Insurance Administration Manual for instructions on filing a waiver of premium claim.

### *Transfer Life Insurance*

For more information on transferring life insurance, see [Chapter 5](#) of the Eligibility Manual.

## *Resources*

### *For the Employee:*

- [Life Insurance Booklet](#): Provides detailed information on the various types of life insurance coverage and amounts.

## For the Employer:

- [Life Insurance Benefits Decision Tree](#): Helps determine whether carrier approval is required.
- [Life Insurance Administration Manual](#): Provides information on processing enrollment, change, and claims forms.
- [PAY1 System Manual](#): Provides instructions on entering life insurance in the insurance system.

## Sample Letters

### Life Insurance Final Action Notice (FAN)

**VOYA**

EMPLOYEE BENEFITS  
Medical Underwriting  
Final Action Notice

Current Date: 09/01/2014 Reference Number: [REDACTED]

Plan Name: [REDACTED]  
Plan Number: [REDACTED]  
Agency: [REDACTED]  
SSN: XXX-XX-1234  
John Doe

[REDACTED]

We have received for processing the Evidence Form and taken action as indicated below. Thank you for applying for insurance coverage with our company. We appreciate the opportunity to participate in meeting your insurance needs.

**FINAL ACTION:**

John Doe - E				
Part D*				
	Underwrite	\$30,000	Approve	09/01/2014
Jane Doe - S				
Part B Supplemental*	Underwrite	\$2,000	Approve	09/01/2014

**ALL LIFE INSURANCE COVERAGE IS SUBJECT TO YOUR EMPLOYER'S BENEFIT PLAN LIMITS.** The amount of coverage we may approve and the amount of coverage your employer determines you are eligible for may not be the same. If your life insurance coverage is limited by your employer's benefit plan, the death benefit under your policy (including any refund of premiums) will be adjusted at the time of claim payment. Please contact your employer for specific details regarding your employer's benefit plan limits.

**PLEASE NOTE THAT APPROVED LIFE INSURANCE COVERAGE MAY NOT BE EFFECTIVE IMMEDIATELY.** The effective date of your coverage is determined by your employer's benefit plan and the group contract. The Company will have no liability for any claim on account of death occurring prior to the effective date of coverage. Please contact your employer for specific details regarding your coverage effective date.

An appeal regarding this underwriting determination must be in writing and be made within 90 days of the date you receive this communication. In order to give your appeal proper consideration, it should include your name, your reference number, the specific reasons for your appeal and any additional medical evidence or documentation to support your appeal. Our written response will be sent to you within 21 days after receipt of your written appeal.

Questions regarding the underwriting process can be submitted to us in writing at P. O. Box 20, Route 7812, Minneapolis, MN 55440-9978 or call us at the number listed below. When writing or calling, be sure to give us the Reference Number indicated in the upper right section of this notice.

Administrative Office, Mail Stop 4-S  
29 Washington Avenue South  
Minneapolis, MN 55401

FAX 612-342-3913  
Phone: 800-337-5024 Option 4

ReliaStar Life Insurance Company\* and  
ReliaStar Life Insurance Company of New York\*\*  
are members of the Voya™ family of companies.

Page 1 of 1

## Life Insurance Waiver Letter



ReliaStar Life Insurance Company  
Home Office: Minneapolis, MN  
Administration Office: Minneapolis, MN  
A member of the *Voya*<sup>®</sup> family of companies  
March 3, 2015

Re: Insured- [REDACTED]  
Policyholder- [REDACTED]  
Insurer- ReliaStar Life Insurance Company  
Waiver of Life Insurance Premium Disability Benefit

Dear [REDACTED]

This claim for the Waiver of Life Insurance Premium Disability Benefit has been approved for \$25,000.00 Basic Life Insurance and \$,000.00 Supplemental Life coverage effective >. Any Life Insurance premium adjustments or refunds should be made at the next billing.

Under the terms of this group policy, the Insured's Basic Life Insurance amount of \$25,000.00 will reduce to \$3,500.00 at age 65. It will further reduce at [REDACTED] to \$3,000.00. The remaining amount will be lifetime coverage. Conversion will be offered when any amount is lost due to reduction. The Supplemental Life Insurance does not reduce or terminate and is lifetime coverage.

This coverage will remain in effect according to all policy provisions, during this period of continuous and total disability. We would appreciate being notified as soon as possible if the insured returns to work.

Waiver of Life Insurance Premium Disability Benefit also applies to dependent coverage in effect at the time of disability. We show Basic child and Spouse Coverage of \$2,500.00 each and Supplemental Spouse Coverage of \$25,000.00. The dependent coverage will continue according to the age limits for children and spouse coverage continues during the life of the insured person.

We are glad to be of service at this time. Please let us know if there are questions regarding this claim. A copy of this letter and the *Voya* Privacy Promise is being sent to the Insured.

Sincerely,

RETIREMENT | INVESTMENTS | INSURANCE



## Long-Term Disability (LTD) Overview

This is a group LTD insurance policy, which means the policy ends when employment ends. There are two parts to this program:

- Basic LTD (paid by employer)
- Optional LTD (optional coverage includes a retirement supplement)

Premiums for the optional coverage are determined by:

- The waiting period for benefits the enrollee elects
- The employees' income
- The retirement system of the employee

An *Evidence of Insurability* form is required if the enrollment form is submitted after the first 31 days of eligibility, or the enrollee wants to reduce the waiting period for optional benefits. An *Evidence of Insurability* form is **not** required to increase the waiting period.

### *Eligibility*

All employees eligible to enroll as a subscriber in PEBB benefits as defined in WAC 182-12-114 are eligible for basic LTD, unless the employer does not participate in LTD. Most employees eligible to enroll as a subscriber in PEBB benefits are also eligible to enroll in optional LTD coverage.

Employees eligible for **basic LTD only** include:

- Seasonal employees who work a season that is less than nine months
- Port Commissioners

### *Seasonal Employees*

Seasonal employees who work a season of nine months or more are eligible for the employer contribution through the offseason following each season worked.

The employer is responsible for collecting the employee premium for benefits during the employee's offseason. The optional LTD premium collected during the off-season is based on the employee's monthly base salary during the nine months or more the employee works.

## *Enrollment*

An employee can elect optional coverage no later than 31 days after the date of eligibility without providing evidence of insurability. Applications for LTD insurance after the initial 31 days of eligibility require evidence of insurability and approval from The Standard Insurance Company (Standard). Employees may apply for or change coverage at any time. Applications to decrease the waiting period require evidence of insurability and approval from Standard. Refer to WAC 182-08-197 for more details.

## *Effective Dates*

**Basic:** The effective date is the first of the month following the date of eligibility. If the date of eligibility is on the first day of the month, coverage begins on that date. (The effective date is the same as the employee's medical and dental coverage.)

**Optional:** The effective date for employees enrolling no later than 31 days after the date of eligibility is the first of the month following the signature date on the enrollment form. If the employee is enrolling after the 31 days of eligibility or requesting to decrease their waiting period, the employee must submit an *Evidence of Insurability* form to the carrier. The effective date is the first of the month following insurance company approval.

## *Forms*

- *Long-Term Disability (LTD) Enrollment/Change* form
- *Long-Term Disability (LTD) Evidence of Insurability* form

The *LTD Enrollment/Change* form is used by all employees electing to enroll in, decline, or make changes to optional coverage. An *Evidence of Insurability* form is required when the employee applies more than 31 days after the date of eligibility or applies to reduce the waiting period of their optional coverage.

## *Benefits*

**Basic:** Has a 90-day waiting period and pays 60% of the first \$400 of monthly pre-disability\* earnings, reduced by deductible income\*\*. The minimum benefit is \$50, up to a maximum of \$240 per month.

**Optional:** Employee chooses the waiting period and pays 60% of the first \$10,000 of monthly pre-disability\* earnings, reduced by deductible income\*\* and any benefits under Plan A. The minimum combined benefit (basic + optional) is \$50, up to a maximum of \$6,000 per month.

## Retirement

**Supplement:** A retirement supplement is included in optional coverage and is based on the employee's retirement plan. Payment begins after the maximum benefit period has ended.

*TIAA-CREF or the Higher Education Academic Retirement Plan*—The retirement supplement amount is paid directly to the pension plan. The amount is the sum of the required employer and employee contribution. This amount will not exceed 15% of the first \$10,000 of monthly pre-disability\* earnings.

*All other pension plans*—The retirement supplement amount is paid into an annuity for the disabled employee.

- For all pension plans except PERS 1, the amount is 2% of the first \$10,000 of monthly pre-disability\* earnings times the number of qualifying years of disability, not to exceed 60% of the first \$10,000 of the pre-disability earnings.\* The employee must have at least five years of employment with the state.
- For PERS 1 members, the amount is 1% of the first \$10,000 of monthly pre-disability earnings times the number of qualifying years of disability, not to exceed 30% of the first \$10,000 of the pre-disability\* earnings. The employee must have at least five years of employment with the state.

*\*Pre-disability income does not include overtime or shift differential.*

*\*\*Deductible income includes, but is not limited to: worker's compensation, sick pay, Social Security, disability retirement payments, etc.*

Refer to the Long-Term Disability Insurance Booklet for more details.

## *Benefit Waiting Period*

**Basic:** 90 days or the period of sick leave to which the employee is entitled, whichever is longer (*employee does not have to exhaust their sick leave*).

**Optional:** The waiting period the employee elects, or the period of sick leave to which the employee is entitled, whichever is longer (*employee does not have to exhaust their sick leave*).

## *Maximum Benefit Period*

The maximum benefit period is determined by the age at which the employee becomes disabled. See the Long-Term Disability Insurance Booklet for details.

## *Rates*

The rates for optional coverage are a percentage of the employee's pre-disability earnings and depend on the waiting period selected and the retirement system the employee is enrolled in. The maximum benefit is based on a maximum monthly income of \$10,000; therefore any income over that amount is not considered in the premium calculation. See the Long-Term Disability Insurance Booklet for details.

## *Approved Leave*

Most employees who leave work on approved leave are not eligible to continue LTD while on leave. There are two exceptions:

- Employees on approved educational leave
- Employees called to active military duty (USERRA leave)

If the employee does not continue their LTD while on educational or USERRA leave, the employee will be required to submit an *Evidence of Insurability* form to Standard for carrier approval in order to reinstate their optional LTD coverage when they return.

Employees eligible to continue LTD coverage while on leave can self-pay for up to 29 months. To maintain LTD coverage while on leave, an employee must be in pay status at least 8 hours (5% of full-time for faculty) each month they are in leave status.

## *Reinstatement after Approved Leave*

Coverage for employees **not** eligible to continue LTD insurance while on leave will be reinstated as follows:

- **Basic LTD**—First day of the month in which the employee has at least eight hours of pay status.
- **Optional LTD**—First day of the month following the month in which the employee has at least eight hours of pay status.

Coverage for employees eligible to continue LTD insurance while on leave will be reinstated as follows:

- **Basic LTD**—First day of the month in which the employee has at least eight hours of pay status.
- **Optional LTD**—*If the employee self-paid their LTD while on leave*, the first day of the month in which the employee has at least eight hours of pay status. *If the employee was eligible, but did not self-pay their LTD while on leave*, the optional coverage cannot be reinstated without carrier approval. Advise the employee to submit an *LTD Enrollment/Change* form to the agency and *Evidence of Insurability* form to Standard for approval.

## *Resources*

- [LTD Benefits Decision Tree](#): Helps determine whether carrier approval is required.
- [LTD Benefit Design Chart](#): Shows the breakdown of the LTD insurance benefits.
- [LTD Administration Manual](#): Provides information on processing enrollment, change, and claims forms.
- [PAY1 Manual](#): Provides instructions on entering LTD in the insurance system.

## Sample LTD Final Action Notice (FAN) Letter



September 9, 2008



### NOTICE OF APPROVAL GROUP INSURANCE COVERAGE

POLICY OWNER:

GROUP POLICY NUMBER:

APPLICANT:

MEMBER IDENTIFICATION:

COVERAGE APPROVAL AND TYPE OF COVERAGE:

Long Term Disability / 60 day BWP

DATE EVIDENCE OF

INSURABILITY APPROVED: September 8, 2008

The applicant named above has been approved for group coverage with Standard Insurance Company.

This approval notice is subject to all terms and conditions of the group policy and state limitations. Premiums should be deducted in accordance with the provisions of the group policy.

If you have questions regarding this letter, please write to the address below or call




Sincerely



## LTD Claim Letters

If the employee has both basic and optional coverage, two letters will be issued explaining the benefits. To identify which type of coverage the letter is for, look at the minimum and maximum benefit payable amounts. The basic coverage will always have a minimum of \$50 and a maximum of \$240 per month.

### Basic Coverage Letter Sample:

	Standard Insurance Company Benefits Department PO Box 2800 Portland, Oregon 97208-2800										
<b>TO:</b> John Doe <b>GROUP POLICYOWNER:</b> [REDACTED] <b>DATE:</b> 08/15/2008											
We are pleased to inform you that your claim for long-term disability (LTD) benefits has been APPROVED. This notice explains how your benefits have been calculated.											
LTD Benefits have been computed using the benefit formula described in your group policy. Your LTD benefits are reduced by any Deductible Income that you or your dependents are eligible to receive as a result of your disability or retirement (including, but not limited to, sick leave or salary continuation, Social Security, Workers Compensation, Unemployment benefits, rehabilitation wages, and/or retirement benefits).											
If you are presently receiving Deductible Income which is not shown below, please forward a copy of any official statement you have received about the amount of this income and the period it covers. In some cases, a minimum LTD benefit may be payable if your Deductible Income exceeds a specified amount.											
If you are awarded deductible Income in the future and you return to work to recover from your disability, please notify our office immediately to continue possible payment of your claim. Your monthly LTD benefit is:											
<table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Maximum Benefit Payable.....</td> <td style="width: 20%; text-align: right;">\$ 240.00</td> </tr> <tr> <td>Minimum Benefit Payable.....</td> <td style="text-align: right;">\$ 50.00</td> </tr> </table>		Maximum Benefit Payable.....	\$ 240.00	Minimum Benefit Payable.....	\$ 50.00						
Maximum Benefit Payable.....	\$ 240.00										
Minimum Benefit Payable.....	\$ 50.00										
<b>Deductible Income used in calculation of the first check*:</b> NONE USED IN THIS CHECK											
Below is the first check calculation. The first line indicates the dates the benefit Waiting Period began and ended. As you can see, no benefits are payable during the Benefit Waiting Period.											
<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;"> <b>Waiting Period in Days:</b> 90                      05/07/2008 THRU 08/07/2008.....                 </td> <td style="width: 40%; text-align: right;">\$ 0.00</td> </tr> <tr> <td>Adjusted Net Benefit 08/08/2008 THRU 08/31/2008.....</td> <td style="text-align: right;">\$ 201.29</td> </tr> <tr> <td>Less Social security Tax .....</td> <td style="text-align: right;">\$ -12.48</td> </tr> <tr> <td>Less Medicare Tax .....</td> <td style="text-align: right;">\$ -2.92</td> </tr> <tr> <td><b>FIRST CHECK DUE:</b> 09/01/2008 TOTAL .....</td> <td style="text-align: right;"><b>\$ 185.89</b></td> </tr> </table>		<b>Waiting Period in Days:</b> 90 05/07/2008 THRU 08/07/2008.....	\$ 0.00	Adjusted Net Benefit 08/08/2008 THRU 08/31/2008.....	\$ 201.29	Less Social security Tax .....	\$ -12.48	Less Medicare Tax .....	\$ -2.92	<b>FIRST CHECK DUE:</b> 09/01/2008 TOTAL .....	<b>\$ 185.89</b>
<b>Waiting Period in Days:</b> 90 05/07/2008 THRU 08/07/2008.....	\$ 0.00										
Adjusted Net Benefit 08/08/2008 THRU 08/31/2008.....	\$ 201.29										
Less Social security Tax .....	\$ -12.48										
Less Medicare Tax .....	\$ -2.92										
<b>FIRST CHECK DUE:</b> 09/01/2008 TOTAL .....	<b>\$ 185.89</b>										
If you are eligible for additional LTD Benefits, you will receive them on the 1 <sup>st</sup> of the month.											
We hope that the above information helps you understand your first benefit check from STANDARD. If you have any questions about your coverage under your group policy, please refer to your Certificate of Insurance or contact: John Smith – LTD [REDACTED]											
<b>MONTHLY RATE:</b> <i>*Deductible Income received for less than a one-month period is converted to an equivalent monthly rate.</i>											
<b>DAILY RATE:</b> <i>A Daily Rate is used when your LTD benefit or your Deductible Income applies for only a partial month. The Daily Rate is calculated by dividing the monthly rate by the number of days in that particular month.</i>											

**Optional Coverage Letter Sample:**



Standard Insurance Company  
Benefits Department  
PO Box 2800  
Portland, Oregon 97208-2800

**TO:** John Doe  
**GROUP POLICYOWNER:** [REDACTED]  
**DATE:** 08/15/2008

We are pleased to inform you that you claim for long-term disability (LTD) benefits has been APPROVED. This notice explains how your benefits have been calculated.

LTD Benefits have been computed using the benefit formula described in your group policy. Your LTD benefits are reduced by any Deductible Income that you or your dependents are eligible to receive as a result of your disability or retirement (including, but not limited to, sick leave or salary continuation, Social Security, Workers Compensation, Unemployment benefits, rehabilitation wages, and/or retirement benefits).

If you are presently receiving Deductible Income which is not shown below, please forward a copy of any official statement you have received about the amount of this income and the period it covers. In some cases, a minimum LTD benefit may be payable if your Deductible Income exceeds a specified amount.

*If you are awarded deductible Income in the future when you return to work or recover from your disability, please notify our office immediately to minimize possible overpayment of your claim. Your monthly LTD benefit is:*

Maximum Benefit Payable.....	\$	1540.40
Minimum Benefit Payable.....	\$	50.00
<b>Deductible Income in calculation of the first check*:</b>		
SALARY CONTINUATION 05/01/2008 TO 05/31/2008	\$	2734.00

Below is the first check calculation. The first line indicates the dates the benefit Waiting Period began and ended. As you can see, no benefits are payable during the Benefit Waiting Period.

Waiting Period in Days: 60		
05/07/2008 THRU 08/07/2008.....	\$	0.00
Adjusted Net Benefit 07/08/2008 THRU 07/31/2008.....	\$	43.11
<b>FIRST CHECK DUE: 07/11/2008 TOTAL</b> .....	\$	43.11

If you are eligible for additional LTD Benefits, you will receive them on the 1<sup>st</sup> of the month.

We hope that the above information helps you understand your first benefit check from STANDARD. If you have any questions about your coverage under your group policy, please refer to your Certificate of Insurance or contact:  
John Smith – LTD [REDACTED]

**MONTHLY RATE:** \*Deductible Income received for less than a one-month period is converted to an equivalent monthly rate.

**DAILY RATE:** A Daily Rate is used when your LTD benefit or your Deductible Income applies for only a partial month. The Daily Rate is calculated by dividing the monthly rate by the number of days in that particular month.