

**Questions and Answers from 9/17/2020 meeting with
Standard, U of A System Office, FGP faculty and Sibson.**

Question	Answer
I looked at the wording of the contract and it says that the Own Occupation definition only lasts 2 years of disability, then it reverts to an Any Occupation definition? That is incorrect.	This policy is an Own Occupation with Specialty language to Age 65.
Can UAMS elect to cancel the “Own Occupation” clause in the new Standard policy at any time in the future? Or is the “own occupation” clause guaranteed to stay for us?	The Own Occupation with specialty language Definition of Disability was added to the policy as of 9/1/2020 and our contract with The Standard is through 12/31/2021.
It looks like the own occupation period is only 2 years?	That is incorrect. The Own Occupation period is until Age 65.
In Open checkbook Benefits file, what is the vendor name for LTD insurance?	Standard Insurance Company
What should we as faculty do about the individual policy with UNUM?	If you would like to continue your individual policy with James D. Foss and Associates, please contact his office at 501-221-3700
What are the chances of Standard adding a “pandemic related sickness limitation” to the group policy in the future? Can Standard guarantee the limitation will not be added to the LTD plan in the future?	This type of limitation is not approved policy wording and would require vetting and approval by Standard’s legal and compliance teams.
Was UNUM offered a chance to counter and potentially decrease their rates?	No
Are there plans to reinstate the benefits that are being modified once the university is in a better financial situation?	Not currently
In the midst of the pandemic, during unprecedented times of stress and over-work, what is	The 24-month Mental Disorder limit is not a new addition. This has existed in The Standard policy since 1/1/2015.

the reason for limiting coverage for mental health disorders? This seems anti-thecal to what is in our best interest as clinical providers.	
Any difference in coverage between full time faculty vs. part-time? How low part time can an employee work to be covered?	There is no difference in coverage if you meet the Member definition that is in the policy. A regular full time employee of the Employer who is eligible for Faculty Group Practice (FGP) benefits and who is a) Actively At Work b) employed half-time or greater and c) is on at least a nine month appointment period; and A citizen or resident of the United States or Canada.
Does the \$2 million include the savings from canceling the umbrella insurance?	No
Has the deadline to choose pre-tax or post-tax passed already?	It was Friday, September 18, 2020
How much money is UAMS saving by changing to the new LTD policy?	Approximately \$2 mil
Application & Rates for LTD Conversion:	LTD Conversion Application - University of Arkansas - AR, CO, DC, KY, LA, NJ, NM, NY, OH, OK, PA, TN https://www.standard.com/eforms/8907_750976.pdf
Who pays first? The group policy or the private insurance?	Neither “pays first.” The group LTD Policy determines benefits based on the policy provisions which takes into consideration disability benefits from an individual disability insurance policy.
Can we purchase additional coverage from the company up to the 80% limit or pay for a shorter waiting period?	No
Where do we buy more specialty specific coverage? Is there any UAMS guidance on this?	Contact James D. Foss and Associates at 501-221-3700
How much is the premium?	.0036 X your monthly salary = your premium (which your department will still pay). Maximum premium is \$150 monthly
Do I have to change my tax status to “Tax me now”?	No, your previous election will stand unless you wanted to designate a change.

<p>Since the expanded LTD was previously paid by UAMS pre-tax will there be any issue paying the expanded UNUM LTD after-tax?</p>	<p>The expanded policy will no longer exist, if you wish to keep your individual policy with James D. Foss and Associates, please contact his office at 501-221-3700</p>
<p>Can a cola rider be added to the UAMS policy?</p>	<p>Not at this time</p>
<p>Can you be excluded from receiving benefits if too many individuals in your group are already disabled and receiving benefits?</p>	<p>No</p>
<p>If I buy additional disability insurance and I have the group policy, I know the total disability income cannot cross 80%.</p>	<p>Correct</p>
<p>How does the conversion to individual policy work upon separation of employment from UAMS? How much will the premium be?</p>	<p>You must elect conversion within 31 days from termination. LTD Conversion Application - University of Arkansas - AR, CO, DC, KY, LA, NJ, NM, NY, OH, OK, PA, TN https://www.standard.com/eforms/8907_750976.pdf</p>
<p>We have not been provided with a rate chart for portability. Understanding that this may change with time, in order to make a logical assessment of how to ensure adequate coverage, we need to know what it would cost us if we kept individually.</p>	<p>Portability is not allowed under the LTD Policy but Conversion is. LTD Conversion Application - University of Arkansas - AR, CO, DC, KY, LA, NJ, NM, NY, OH, OK, PA, TN https://www.standard.com/eforms/8907_750976.pdf</p>
<p>Is there a default on the tax issue? If I want taxes withheld now so that future payouts are tax free, do I have to do something or is that the default setting?</p>	<p>If you have not previously made an election “tax me later” is the default.</p>
<p>What is the age limit to receive income from disability insurance?</p>	<p>Maximum Benefit Period: Determined by your age when Disability begins, as follows: Age Maximum Benefit Period 59 or younger To age 65, or 5 years, if longer. 60 5 years</p>

	61 4 years 62 3 years 6 months 63 3 years 64 2 years 6 months 65 2 years 66 1 year 9 months 67 1 year 6 months 68 1 year 3 months 69 or older 1 year
Can a copy of the Summary Plan Description be sent out to FGP members?	When it is finalized, a copy will be emailed to you and it will be posted on the HR website
How long is the disability good for if you cannot return to work? Until retirement age?	Maximum Benefit Period: Determined by your age when Disability begins, as follows: Age Maximum Benefit Period 59 or younger To age 65, or 5 years, if longer. 60 5 years 61 4 years 62 3 years 6 months 63 3 years 64 2 years 6 months 65 2 years 66 1 year 9 months 67 1 year 6 months 68 1 year 3 months 69 or older 1 year
I'm assuming that one must use their sick leave before going on LTD? What happens if I am fired while on sick leave?	Correct, you must exhaust all sick leave benefits prior to LTD benefits starting. The group LTD Policy states: Benefit Waiting Period: The longer of a) 180 days, or

	b) the period of accumulated sick leave to which you are entitled from the Employer.
Where can we read the policy in its entirety?	When it is finalized a copy will be emailed to you and it will be posted on the HR website.
If UAMS policy covers 60% can I supplement with an additional policy that pays 40%?	It is possible, through the purchase of multiple Individual Disability policies. However, the group LTD policy will only allow you to receive up to 80% of your Pre-Disability Earnings from this policy. We recommend you discuss this with your financial advisor.
Does the true own occupation definition of disability revert to any occupation definition at any point in the future like other group policies?	No, it does not. It is Own Occupation until age 65.
Please show a hypothetical illustration of a total loss, 75% disability and 50% disability between the new and old policies for someone earning 400K.	We are unable to illustrate specific claim scenarios as many provisions and detailed calculations apply to customized scenarios.
If a faculty member earns 200K annually, what is the maximum output is \$120 per year?	The gross benefit is 60% of your Pre-Disability Earnings (PDE) up to a \$25,000 Maximum Monthly Benefit. Example: $\$200,000/12=\$16,666.67 \times 60\% = \$10,000$ Monthly Benefit, $\$10,000 \times 12$ months = \$120,000 per year
What is the guarantee that own occupation clause will not be removed later? Can Standard give this in writing? Is that in the policy and can it change?	This policy is guaranteed through 12/31/2021. Policy changes can be requested via amendment by the University of Arkansas Systems office.
Is the benefit payment really 60% or proportional? Or do you receive the full amount because its less than 500K?	The benefit payment is monthly and is 60% of your Pre-Disability Earnings (PDE) up to \$500,000 annually. We use the salary that is in effect as of your last day of work prior to becoming Disabled. The Maximum Monthly Benefit is \$25,000.00. The LTD Proportionate Benefit formula applies to the Return To Work Incentive 12 months after you have returned to work in some capacity. The formula is in the certificate.

How is this change benefiting the faculty? This seems to be entirely a cost saving maneuver.

Can you clarify that after 12 months, benefits are reduced by earnings from “any” source of income, such as working as a retail cashier?