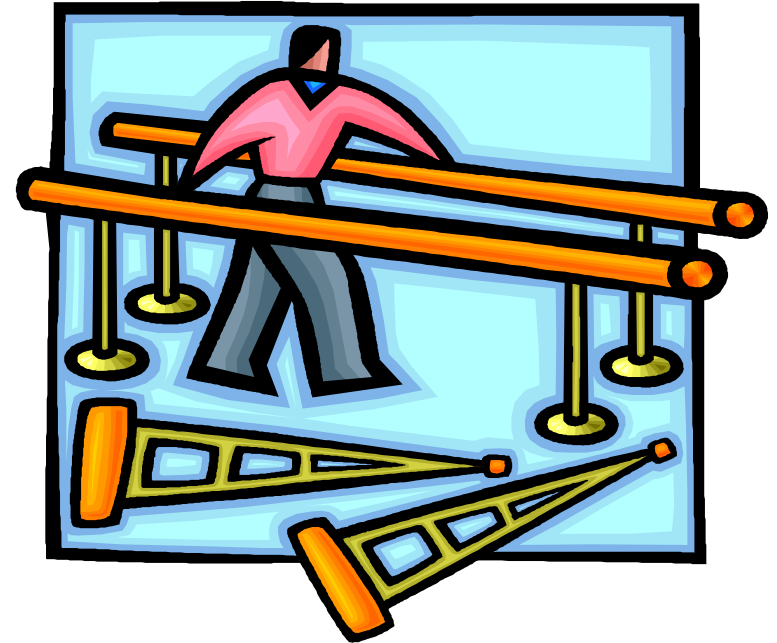


Disability Insurance



NOTE: Resident Physicians are not eligible to participate in the group disability plans. Faculty Group Practice members have separate long term disability benefits but are eligible for the short term disability plan.

Think you will never suffer a disability?

- Odds are 3-in-10 that you will become disabled sometime before retiring
- The Social Security Administration estimates that just more than 1-in-4 of today's 20-year-olds will become disabled before age 67
- The average long term disability lasts 2.5 years
- Can you afford to pay your bills if you can't work?
- What happens when your sick leave and savings run out?
- You insure your life, your home, your car...
you also need to protect your income

What is the disability benefit?

- Both Short Term and Long Term Disability could **replace up to 60% of your salary** should you run out of paid leave time and are unable to work due to a disability (illness, accident, and in some cases pregnancy)
- Amount of coverage depends on your salary and if you elected to “buy up” coverage above what the University provides
- Both plans are fully insured through Standard Insurance Company
- Pre-existing conditions are not covered on claims filed in the first year of coverage

What is Short Term Disability?

- Eligible for benefits to be paid to you...

...after you are off work more than 2 weeks due to illness, accident or pregnancy

AND

...after you run out of paid leave

(except women on maternity leave can choose to save some of their leave time before going on unpaid leave of absence)

- Pays a benefit up to 12 weeks
- This is good coverage to have if you don't have 12 weeks of leave saved up to cover a medical absence

Basic Short Term Disability

- We will automatically enroll you in **Basic STD**
- No forms to sign
- Covers your first \$45,000 of annual base salary
- **Maximum weekly benefit is \$519**
How benefit is calculated: $\$45,000/52 = \text{weekly salary of } \863.38
 $863.38 \times 60\% = \$519.23$

Not available to Medical Residents

Optional Short Term Disability

- If you make over \$45,000, you have the option to enroll in **Optional STD**
- Covers your annual base salary above \$45,000 and up to \$216,000
- Raises maximum weekly benefit to \$2,492
- You pay the premium of $0.00802 \times \text{salary above } \$45,000$.
 - Cost to employee making \$55,000 = \$6.68/mo
 - Cost to employee making \$100,000 = \$36.76/mo
 - Cost to employee making \$216,000+ = \$114.29/mo

What is Long Term Disability?

- Same benefit as STD - 60% replacement of your base salary (minus Social Security or other disability payments) if you can no longer perform the duties of your position due to accident or illness.
- Benefits begin after you are off work 6 months
- STD would transition into LTD if you continue to be unable to work after 6 months.
- Payments continue to be paid as long as you're disabled or until you reach age 65 (although benefits may be paid for a short period of time past age 65 if disability occurs after you reach that age)

Basic Long Term Disability

- We will automatically enroll you in **Basic LTD** effective your hire date
- No forms to sign
- Covers your first \$20,000 of annual base salary
- Maximum benefit is \$1000/month

Medical Residents are not eligible to participate in the regular employee LTD plans and instead will enroll in a special plan through James D. Foss and Associates, (501) 221-3700.

Faculty Group Practice members have separate LTD benefits, described later.

Optional Long Term Disability

- Applies to employees with **salaries above \$20,000**
- Provides same 60% protection of your salary, but raises your maximum benefit to \$25,000/month because it covers your salary **up to \$500,000**
- See rate sheet for premium calculation
- Example: if your annual salary is \$36,475, Optional LTD raises your maximum monthly benefit from \$1,000 to \$1,823.75 at your premium cost of \$7.03 per month

Not applicable to Medical Residents or Faculty Group Practice members

Effective Date of Disability Coverage

*If you miss your 1-month enrollment window as a new employee,
you have to wait for the next open enrollment period to enroll*

Optional Short Term Disability

- If you enroll within your first 30 days, coverage takes effect the first day of the NEXT calendar month after you enroll
- If your salary goes over \$45,000 in the future, you have 1 month to enroll in Optional STD

Optional Long Term Disability

- If you enroll within your first 30 days, coverage takes effect the first day of the NEXT calendar month after you enroll
- If your salary goes over \$20,000 in the future, you have 1 month to enroll in Optional LTD

Not applicable to Medical Residents or Faculty Group Practice members

Faculty Group Practice LTD

*Applies to those awarded FGP benefit status
by the Chancellor or College of Medicine Dean*

- Insurance premiums are paid by your department
- Benefit is same 60% replacement of your salary. “Salary” that is insured includes UAMS base, VA base + UAMS faculty incentive pay earned in the last 12 months
- Group policy administered through HR covers your **first \$100,000 of salary** for maximum benefit of \$5,000 per month.
- **Salary above \$100,000** is covered under individual policy called “Expanded LTD” through Foss & Associates.

Faculty Group Practice LTD

Applies to those awarded FGP Benefit status

- Mr. Foss's office will contact you to set up meeting to explain your benefits and enroll you. Or you may contact Foss & Associates at (501) 221-3700. Enrollment within your first month is required.
- While premiums are paid by your department, you will elect taxation of the premium that your department pays on your behalf. You will do this through Foss. Your 2 options are:
 - **NO, do not tax me now ("pre tax")**
No taxation cost to you now, but any future benefits would be taxable
 - **YES, tax me now ("post-tax")**
You elect to treat the premium as a taxable benefit now, therefore future benefits would be tax-free

Benefit Questions?



- Call HR/Employee Services at (501) **686-5650**
- Visit the Office of Human Resources Monday-Friday, 7:30 - 4:30 located on 4th floor, wing C of Central Building
- Send an email to **AskHR@uams.edu**
- Visit our web site at **www.hr.uams.edu**