



Long Term Disability Insurance

A Description of Benefits for Employer Members of Indiana Manufacturers Association

WHAT'S AVAILABLE

Minimum Group Size	<ul style="list-style-type: none"> • 5 employees when other coverages are selected • 10 employees when only one coverage is selected 	
Benefit Percentage	<ul style="list-style-type: none"> • 60 % • 66 2/3 % 	
Maximum Monthly Benefit	• \$3,000 – \$6,000	
Minimum Monthly Benefit	• \$100	
Elimination Period	<ul style="list-style-type: none"> • 90 Days • 180 Days 	
Benefit Duration	Less than age 60	Benefits to age 65
	Age 60	Benefits for 60 months
	Age 61	Benefits for 48 months
	Age 62	Benefits for 42 months
	Age 63	Benefits for 36 months
	Age 64	Benefits for 30 months
	Age 65	Benefits for 24 months
	Age 66	Benefits for 21 months
	Age 67	Benefits for 18 months
	Age 68	Benefits for 15 months
	Age 69 and older	Benefits for 12 months
Waiver of Premium	• Included	
Cost of Living Freeze	• Included	
Pre-Existing Condition Limitation	• 6 months/12 months	
Underwriting Requirements	• Under 10 employees — medically underwritten	

DEFINITIONS

✓ **Disability**

Due to a sickness, pregnancy or accidental injury, the employee is receiving appropriate care and treatment from a doctor on a continuing basis; and

- during the first 24 months, including the employee's elimination period, the employee is unable to earn more than 80% of his/her predisability earnings or indexed predisability earnings at his/her own occupation for any employer member in his/her local economy; or
- after the first 24 months, the employee is unable to earn more than 60% of his/her

indexed predisability earnings from any employer in his/her local economy at any gainful occupation for which he/she is reasonably qualified taking into account his/her training, education, experience and predisability earnings.

The employee's loss of earnings must be a direct result of his/her sickness, pregnancy or accidental injury. Economic factors such as, but not limited to, recession, job obsolescence, pay-cuts and job-sharing will not be considered in determining whether the employee meets the loss of earnings test.

FEATURES

✓ **Work Incentive Benefit**

Provides financial incentives when working while partially disabled. Allows up to 100% of predisability earnings replacement.

This benefit includes:

- **No Offset:** No offset for rehabilitation or part-time earnings during the first 12 months of disability until total income exceeds 100% of predisability earnings. After 12 months, there is a 50% offset from rehabilitation earnings.
- **Rehabilitation Incentive:** 10% increase in an employee's scheduled monthly benefit for participation in an approved rehabilitation program while disabled.
- **Family Care Expense Benefit:** While participating in an approved rehabilitation program, an employee will receive a benefit of up to \$250 per month for each eligible family member during the first 24 months of monthly benefit payments.
- **Return to Work Incentive:** Employees may satisfy the elimination period with days of partial and/or total disability, commonly called "zero-day residual."

✓ **Temporary Recovery During Elimination Period**

Allows employees to return to work full-time, for 30 days or less, during the elimination period without needing to satisfy a new elimination period if disabled again for the same or a related condition.

✓ **Temporary Recovery**

Return to work for less than 6 months is allowed once the elimination period has been satisfied. If an employee becomes disabled again due to the same or a related condition, he or she may not have to begin a new elimination period.

✓ **Continuity of Coverage Upon Replacement of Plans ("No Loss / No Gain")**

In applying this plan's pre-existing conditions provision, to prevent a loss of coverage due to a transfer of insurance carriers, this plan will give consideration towards the continuous time an employee was covered under the prior carrier's plan. However, the benefit under this plan will be limited to the lesser of the maximum benefit under this plan and the maximum benefit under the prior plan.

✓ **Cost of Living Freeze**

Cost of living increases awarded by Social Security will not reduce an employee's disability benefit.

✓ **Waiver of Premium**

Premium payments for disabled employees are waived while benefits are payable.

✓ **Indexing**

Increases predisability earnings 7% annually for the purpose of keeping pace with inflation.

CLAIMS SERVICES

Managed Disability Resources

Focus on abilities

Clinical approach to case management

Job site accommodation service

Early intervention programs

Duration control guidelines

U.S. Behavioral Health physician experts

Social Security application & appeals assistance

Human Resources

Disability nurse specialist to medically evaluate claims

Medical director & panel of consulting physicians

Certified rehabilitation counselors (CRC)

Vocational/Nurse rehabilitation specialist

Occupational health nurse

Employability consultants

Social Security specialists

- Other Claims Services:**
- Toll-free claim submission, if requested
 - FICA tax reporting & withholding
 - Electronic Funds Transfer of benefits (EFT)

RATES

Actual charged rates are guaranteed for the stated amount of time from the effective date of coverage provided:

- ◆ The plan of benefits and eligibility remains unchanged;
- ◆ There are no additions or deletions of subsidiaries or affiliates; and

- ◆ The census, volume or geographic distribution does not change by 25% or more.

Rates are based on participation in Workers' Compensation. Actual rates will be based on enrollment, contribution levels and plan design purchased.

ELIGIBILITY

- ◆ **Only active full-time employee** who is regularly scheduled to work at least 30 hours per week or greater as deemed by the Employer Member and accepted by the Policyholder and the Company.
- ◆ **Part-time and seasonal employees** are not eligible for coverage.¹
- ◆ **Eligibility waiting period:** Eligibility date for current employees; and first of the month following the employer member's selected number of months for all others.
- ◆ **Retirees** are not eligible for coverage.

MINIMUM PARTICIPATION REQUIREMENTS

Contributory Plans

At least 75% of all eligible employees must enroll.

Non-contributory Plans

100% participation is required.

Minimum Monthly Premium Payment

The minimum monthly premium is \$100 per month.

LIMITATIONS

× Pre-existing Conditions

The employee may be disabled due to a pre-existing condition. No benefits are payable under the IMA plan in connection with that disability unless his/her elimination period starts after he/she has been an active employee under the IMA plan for 12 consecutive months.

A pre-existing condition is an injury, sickness, or pregnancy for which the employee in the 6 months before his/her effective date: 1) received medical treatment, consultation, care or services; 2) took prescription medications or had medications prescribed; or 3) had symptoms or conditions which would cause a reasonably prudent person to seek diagnosis, care or treatment.

× Disabilities Due to Particular Conditions

Monthly benefits are limited to the lesser of 12 months, including the elimination period, or the maximum benefit duration during the employee's lifetime, if the employee is disabled due to: 1) mental or nervous disorder or disease unless due to schizophrenia, bipolar disorder, dementia or organic brain disease; 2) neuromusculoskeletal and soft tissue disorder unless there is objective medical evidence; or 3) chronic fatigue syndrome and related conditions.

× Disabilities Due to Alcohol, Drug or Substance Abuse or Dependency — Lifetime limitation

Benefits limited to one period of disability until the earlier of: 1) 12 months, including the elimination period, or 2) the date an employee is no longer participating in a rehabilitative program, or 3) the date an employee refuses to participate in an available rehabilitative program, or 4) the date an employee completes the rehabilitative program, or 5) the maximum benefit duration.

× Mandatory Rehabilitation²

Benefit payments cease on the date an employee refuses to participate in an approved rehabilitation program in which the employee is capable of participating.

× Reduction of Benefits — Other Income Benefits

An employee's monthly benefit is reduced by other income benefits shown below. The monthly benefit payable: 1) will not be less than the amount shown in plan highlights under minimum monthly benefit (except in the case of an overpayment or while receiving work earnings); 2) will not be further reduced due to cost-of-living increases payable under other income benefits after the correct reduction has been determined; 3) will not be reduced by any reasonable attorney fees included in any award or settlement; and 4) will not be reduced by any sources other than those shown below.

If an employee receives other income benefits in a lump sum instead of in monthly payments, he or she must provide satisfactory proof of the breakdown of: 1) the amount attributable to lost income; and 2) the time period for which the lump sum is applicable. If an employee does not provide this information to MetLife, MetLife may reduce the monthly benefit by an amount equal to the monthly benefit otherwise payable. MetLife will reduce the monthly benefit each month until the lump sum has been exhausted. However, if MetLife is given proof of the time period and amount attributable to lost income, MetLife will make a retroactive adjustment.

Other income benefits may include the following:

1. Federal Social Security Act, Railroad Retirement Act, Canada Pension Plan, or any provincial pension or disability plan, or the Canada Old Age Security Act, including benefits payable to the employee's spouse and dependents.

2. Group Insurance Policies — If the participant employer contributes towards them or makes payroll deduction for them and the policies are: (a) other group health insurance policies to the extent they provide benefits for loss of time from work due to disability; or (b) a group life policy that provides installment payments for permanent disability.

¹ Quote assumes that all eligible employees are working 30 hours per week on a regular basis.

² This applies only if the current employer, or another employer with a similar job position, is willing to participate in a rehabilitation program. Benefits do not terminate solely because an employee is capable of participating in a rehabilitation program but chooses not to — a rehabilitative employment opportunity must exist.

LIMITATIONS

(Continued)

3. **Work Earnings, Rehabilitation Incentive, and Family Care** expenses will not be used to reduce an employee's monthly benefit except as described in "Work Incentive Benefit."
4. **Participant Employer's Retirement Plan** disability and/or retirement benefits will be counted to the extent that they are attributable to the participant employer's contributions.
5. **No-fault Auto Laws** — Only the basic reparations portion for loss of income of a law providing for payments without determining fault in connection with automobile accidents will be counted. Supplemental disability benefits an employee buys under a no-fault auto law will not be counted.
6. **Workers' Compensation or a Similar Law** — Periodic benefits and substitutes and exchanges for periodic benefits will be counted.
7. **Occupational Disease Laws**
8. **Maritime Maintenance & Cure**
9. **Third Party Recovery** — The amount of recovery you receive for loss of income as a result of claims against a third party by judgment, settlement or otherwise.
10. **Unemployment Insurance Law or Program**
11. **Other Programs or Plans** including (a) a compulsory benefit program of any government which provides payment for loss of time from the employee's job because of disability will be counted; (b) any other group disability income plan, fund or other arrangement if the participant employer contributes toward it or makes payroll deductions for it, will be counted; or (c) any sick pay or other salary continuation, other than vacation pay, paid to the employee by the participant employer will be counted.
12. **Individual Insurance Policies** — Benefits payable under an individual disability policy will be counted to the extent the sum of the benefit payable under the plan and the individual policy(ies) exceeds 80% of predisability earnings or indexed predisability earnings.

EXCLUSIONS

The plan does not cover any disability which results from or is caused or contributed to by:

- ✗ War, insurrection or rebellion;
- ✗ Active participation in a riot;

- ✗ Intentionally self-inflicted injuries or attempted suicide;
- ✗ The commission of a felony.

CANCELLATION/ TERMINATION

Coverage is provided through employer member participation in the IMA Master Group Policy (Form G.2130-S), situated in the State of Indiana, with certificates of insurance (Form G.23000) issued to each insured employee. In any state validly exercising extraterritorial jurisdiction, the plan will be modified to meet applicable laws.

Coverage terminates:

- ✗ On the date the employee's employment ends, or the employee goes on strike, gets locked out, laid off, or ceases work as an eligible employee;
- ✗ When the employee's contributions cease (if such contributions are required);

- ✗ When the employer member's contributions cease;
- ✗ When the employer member terminates coverage, with prior written notice to MetLife;
- ✗ If the group insurance policy is discontinued by MetLife for non-payment of premium or if participation requirements are not met;
- ✗ When the employer stops being an employer member of the Indiana Manufacturers Association;
- ✗ If the IMA terminates group disability coverage, with prior written notice to MetLife; or
- ✗ If this plan ends in whole or in part, the employee's benefits which are affected will end.

Note: Your MetLife, IMA-dedicated representative can answer any questions about costs and details of coverage. A full description of the benefits will be provided in the certificate.

Coverage provided by Metropolitan Life Insurance Company. Like most group long term disability insurance policies, MetLife group policies contain certain exclusions, limitations, reductions of benefits and terms for keeping them in force. To the extent permitted under applicable law, MetLife reserves the right to refuse coverage to any group which we believe will cause an underwriting risk not supported by our standard rates or for any other reason.



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