

Long-Term Disability Insurance is Paycheck Insurance



Just Over 1 in 4 of Today's 20-Year Olds Will Become Disabled Before Retiring.¹ Are You Willing to Gamble with Those Odds?

✓ **Health Insurance**

✓ **Car Insurance**

✓ **Life Insurance**

? Paycheck Insurance

Most people remember to insure their car, their health and their life. However, almost everything you own is based on your ability to earn an income. Disability Insurance is not an "extra". It is a "must".

Upper Dublin School District is pleased to provide you with the opportunity to purchase Group Voluntary Disability Insurance. Now you can protect your wages by taking advantage of affordable group rates. When you enroll in this coverage, you will be paid a percentage of your salary if you suffer a covered disability.

Are you willing to gamble with your paycheck?

Just over 1 in 4 of today's 20-year olds will become disabled before retiring.¹ In just the last 10 minutes, 490 Americans became disabled.² That's 49 every minute. Are you willing to gamble with those odds?

- In the U.S., a disabling injury occurs every second, a fatal injury occurs every four minutes.²
- Disability is not only caused by freak accidents. It is often caused by conditions such as arthritis, cancer, pregnancy, heart disease...³
- The risk of long-term disability during a worker's

career is greater than the risk of premature death. Yet most workers would never think of going without Life Insurance protection for their families.⁴

- Disability can be more disastrous financially than death. If you are disabled, you lose your earning power, but you still have living expenses and medical care costs not covered by Health Insurance.⁵

What about Social Security, Workers Comp and other insurance plans?

- Only 36% of the 2.8 million workers who applied for Social Security Disability Insurance benefits in 2011 were approved.⁶
- Workers' Compensation provides benefits ONLY if a disability is a result of an on-the-job accident, injury or occupational disease. Close to 90% of disabling accidents and illnesses are not work related.⁷
- Health Insurance covers medical services and prescriptions; it does not replace income if you cannot work.
- Unemployment Compensation is for those who are physically and mentally able to work.

(over)

¹ U.S. Social Security Administration, Fact Sheet February 7, 2013 | ² National Safety Council, Injury Facts 2012 Ed. | ³ Council for Disability Awareness, disabilitycanhappen.org | ⁴ Guide to Disability Income Insurance, America's Health Insurance Plans, 2013. ⁵ "Life and Disability Insurance," ssa.gov, October 17, 2012. | ⁶ 2011 Social Security Administration, Office of Chief Actuary, ssa.gov/OACT/STATS/dibStat.html | ⁷ Council for Disability Awareness, CDA 2012 Long Term Disability Claims Review.

Upper Dublin School District - Voluntary Long-Term Disability Insurance FAQ

Am I eligible for this coverage?

You are eligible for this plan if you are an active employee of Upper Dublin School District working a minimum of 25 hours per week.

Are there any medical questions?

If you are a new hire or a newly eligible employee you can purchase this plan without medical questions or tests if the following conditions apply to you:

- if you enroll within 31 days from your date of hire or eligibility date.
- if at least 25% of all eligible Upper Dublin School District employees are enrolled (Options 2-4 only).

If you enroll late (after 31 days from your hire date or eligibility date), wish to change your plan option, or if less than 25% of Upper Dublin School District eligible employees have enrolled (Options 2-4 only), you will need to complete the medical questionnaire.

Please note that coverage may be denied based upon your answers to the medical questions.

What about maternity coverage?

Pregnancy, childbirth and related medical conditions are covered the same as any other illness. Coverage may continue up to 6 weeks for natural childbirth, 8 weeks for cesarean delivery or longer if there are complications.

How much coverage is available?

Long-Term Disability benefits replace a fixed percentage of your salary - typically 50-60% - up to a maximum monthly amount. See the cost calculation sheet enclosed

to view the coverage options, rates and maximum monthly benefit.

What is an "Elimination Period"?

An Elimination Period is the time between when your disability begins and the time you are eligible to receive benefits. No benefits are paid during the Elimination Period. The Elimination Period can be the greater of 30, 60 or 90 consecutive calendar days (whichever option you choose).

Your disability benefits are tax-free

If you pay for this insurance with post-tax dollars, the benefit is not subject to income tax. Please see your tax adviser for complete advice.

Waiver of Premium

The Waiver of Premium feature waives your Disability Insurance premium payment during a disability. This begins as soon as you start receiving benefits and continues while you are disabled.

What if I earn income while I'm disabled such as Social Security income?

As with most Disability Insurance plans, benefits are reduced by other income you may receive during a disability, including employer-sponsored sick leave pay, Social Security or a State Retirement Disability benefit plan.

This is a brief description of disability insurance. For complete details including all benefits, exclusions and limitations, refer to Certificate form number GLDI-C200-(12/06) as issued to your employer.

Administered by:

NATIONAL INSURANCE
SERVICES
Corporate Headquarters
250 South Executive Drive, Suite 300, Brookfield, WI 53005
Offices Nationwide
800.627.3660

Underwritten by:

 **Madison National**
Life Insurance Company
Independence Holding Group
PO Box 5008, Madison, WI 53705

Madison National Life Insurance Company, Inc. is a Wisconsin Insurance company and a Member of the IHC Group. The IHC Group is an insurance organization composed of Independence Holding Company (NYSE: IHC) and its operating subsidiaries. The IHC Group has been providing life, health and stop loss insurance solutions for over 30 years. For information on the IHC Group, see www.ihcgroup.com.

Upper Dublin School District - Voluntary Long-Term Disability Insurance Cost Calculation

Choose a plan option

Option	Elimination Period	Percent of Salary	Maximum Monthly Benefit	Benefit Duration	Rate
1	60 consecutive calendar days before benefits kick in	60% of salary covered	\$2,000	Maximum benefit period is 5 years with a reducing benefit duration*	\$0.0060
2	90 consecutive calendar days before benefits kick in	66 ² / ₃ % of salary covered	\$5,556	To age 65 with a reducing benefit duration*	\$0.0073
3	60 consecutive calendar days before benefits kick in	66 ² / ₃ % of salary covered	\$5,556	To age 65 with a reducing benefit duration*	\$0.0084
4	30 consecutive calendar days before benefits kick in	66 ² / ₃ % of salary covered	\$5,556	To age 65 with a reducing benefit duration*	\$0.0134

Calculate your monthly cost

, . Enter your annual salary**

x Choose an option above and multiply by the rate shown

= . Annual cost

÷ 12

= . Your cost per month

* Class 01

Age at Disablement	Benefit Duration (in years)
61 or younger	5
62	3 1/2
63	3
64	2 1/2
65	2
66	1 3/4
67	1 1/2
68	1 1/4
69 and over	1

* Classes 02, 03 and 04

Age at Disablement	Benefit Duration (in years)
61 or younger	to age 65
62	3 1/2
63	3
64	2 1/2
65	2
66	1 3/4
67	1 1/2
68	1 1/4
69 and over	1

**This policy will not cover any amount of salary that exceeds \$100,000. If your annual salary exceeds this amount, do not enter your full salary. Instead, use \$100,000 as your salary amount on this line. Please note: rates are subject to change.

Exclusions and Limitations

1. The policy will not cover any disability: caused by, contributed to by, or resulting from a pre-existing condition which begins in the first 12 months after your effective date. "Pre-existing condition" means a mental or physical condition whether or not diagnosed or misdiagnosed for which you have consulted a Physician or other licensed medical professional, received medical treatment, services or advice, undergone diagnostic procedures, including self-administered procedures, or taken prescribed drugs or medications at any time during the 3 months prior to your effective date. If you are: disabled due to a pre-existing condition on the day which is 12 months after your effective date; and after that day, return to active service for at least 5 days in a row; and again become disabled due to the same pre-existing condition; then this pre-existing condition exclusion shall not apply to the new period of total disability.
2. The policy does not cover any total disability:
 - due to war, declared or undeclared, or any act of war,
 - due to any act of international armed conflict or conflict involving the armed forces of any country,
 - due to your attempted suicide or as a result of your intentionally self-inflicted injuries while sane or insane,
 - due to your imprisonment while confined in a penal or correctional institution or under house arrest,
 - during any military leave for active duty including training duty,
 - as a result of your committing of or attempting to commit an assault, battery or any other crime,
 - as a result of your engaging in an illegal activity or actively participating in a violent disorder or riot.
3. Mental Disorders and Substance Abuse
 - LTD Benefit payments based on a Mental Disorder or Substance Abuse are limited to 24 months for each period of continuous Disability unless institutionalized.
 - If the Insured Person's Disability is caused by Substance Abuse, he or she must be participating in an available rehabilitative program recommended by a Physician.
4. Foreign Residency. Payment of LTD Benefits is limited to 6 months for each period of continuous Disability while the Insured Person resides outside of the United States or Canada.
5. Payment Limit. In no event will the LTD Benefit plus Deductive Income plus Work Earnings exceed 100% of Predisability Earnings.

Administered by:

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250 South Executive Drive, Suite 300, Brookfield, WI 53005
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Insurance Benefit Enrollment Form

Return to: National Insurance Services, Attn: Billing Department
250 S. Executive Drive, Suite 300 Brookfield, WI 53005-4273
Phone 1.800.627.3660 Fax 262.785.9269



Enter your information:

Employer Name: UPPER DUBLIN SCHOOL DISTRICT				NIS Group Number: 027774	
Full Name (Last name, First name, Middle Initial):				Date of Hire:	
Home Address:		City:		State:	Zip:
Social Security Number:		<input type="checkbox"/> Single <input type="checkbox"/> Married	U.S. Citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No*	Date of Birth:	<input type="checkbox"/> Male <input type="checkbox"/> Female
Occupation/Title:				Hours worked per week:	Annual Salary:

*If you are not a U.S. Citizen, please provide a copy of your Visa.

Insurance benefits:

Optional Insurance Benefits:

<input type="checkbox"/> Elect	<input type="checkbox"/> Decline	Voluntary Long-Term Disability Insurance Select an option:		
		<input type="checkbox"/> Option 1: 60 Day Elimination	60% of salary covered	benefits payable for five years with a reducing benefit duration
		<input type="checkbox"/> Option 2: 90 Day Elimination	66 2/3% of salary covered	benefits payable to age 65 with a reducing benefit duration
		<input type="checkbox"/> Option 3: 60 Day Elimination	66 2/3% of salary covered	benefits payable to age 65 with a reducing benefit duration
		<input type="checkbox"/> Option 4: 30 Day Elimination	66 2/3% of salary covered	benefits payable to age 65 with a reducing benefit duration

Sign here (required whether electing or declining any coverage):

I have been given the opportunity to apply for group insurance and agree to accept or decline coverage(s) as noted above. If I am declining coverage(s), I understand that if my dependents or I decide to apply for coverage at a later date, Evidence of Insurability (medical questions) may be required at my own expense and the insurance company must approve coverage. If I have elected any coverage(s) above, I authorize my employer to make any required deductions, if any, from my salary to pay my portion of the insurance premium when my insurance becomes effective.

Warning: Any person who knowingly presents false information on an application for insurance may be guilty of a crime and subject to fines, confinement in prison, and/or denial of insurance benefits.

Signature:	Date:
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Return form to: Human Resources

Address questions to: Joe Walsh, Hillendale Associates, 610.399.3635