

Voluntary Short Term Disability Overview

Voluntary Short Term Disability insurance provides peace of mind and protection against life's unexpected events. This voluntary benefit will be open for new hires to enroll in during their 30-day enrollment period, as well as during Open Enrollment each year. Only new hires are able to enroll without completing Evidence of Insurability (EOI) regarding pre-existing conditions. Look below for more details to help you determine if this benefit is right for you.

Who may enroll?

All full-time employees.

What is Voluntary Short Term Disability?

When an unexpected illness or injury happens, your focus should be on your health – not your budget. While you cannot predict the future, you can prepare for it by choosing benefits that can help protect your financial security.

Voluntary Short Term Disability insurance pays you part of your covered earnings when you cannot work for a short period of time due to an off-the-job covered illness or injury, including maternity.

Why is Devereux offering Group Voluntary Short Term Disability?

Through this new benefit option, Devereux is offering you the opportunity to protect yourself – and your lifestyle. Advantages of purchasing this coverage may include:

- **Convenience:** Premiums are paid through bi-weekly payroll deductions; no underwriting, no pre-existing conditions, or having to apply through an insurance company.
- **Savings:** Typically, group insurance rates are lower than rates of individual insurance plans, generally providing you with coverage at a lower cost.
- **Peace of mind:** You can take comfort and satisfaction knowing you have taken steps toward securing your income during a period of disability.

Do I need Voluntary Short Term Disability insurance?

While purchasing this coverage is a decision only you can make, consider this: What if, due to a debilitating injury or illness, you were unable to work for an extended period of time and, as a result, you were unable to meet your financial obligations? Voluntary Short Term Disability insurance could be part of the answer to get you and your family back on your feet. This benefit provides two options:

1. 14-day elimination period for sickness/accident
2. 28-day elimination period for sickness/accident

What is an elimination period?

An elimination period is the number of days you need to wait – once approved for Short Term Disability insurance – before the benefit kicks in. Employees who select this insurance will use Devereux's Health Management Leave (HML) or Time-off Benefit (TOB) until Short Term Disability coverage begins, or not be paid for the 14-day or 28-day elimination period.

How long does Short Term Disability last?

Once approved, Short Term Disability lasts as long as you are unable to work due to a disabling condition, up to 11 weeks. If you continue to meet the definition of disability after 11 weeks, you would become eligible for Long-term Disability, a benefit paid by Devereux.

How much is the weekly Short Term Disability benefit?

Once approved, the weekly Short Term Disability benefit is 60 percent of your salary, up to a maximum of \$1,500 per week. Salary does not include bonuses, overtime, commission or extra compensation. Benefits are paid tax-free since premiums are paid with post-tax dollars.

What is the cost for this benefit option and how is it paid?

This voluntary benefit is paid 100 percent by the employee. Rates are based on age and base salary, which determines the amount of Short Term Disability benefit received:

Age	14-day elimination period	28-day elimination period
<25	\$0.94	\$0.47
25-29	\$1.14	\$0.55
30-34	\$1.35	\$0.65
35-39	\$1.02	\$0.45
40-44	\$0.66	\$0.30
45-49	\$0.70	\$0.34
50-54	\$0.85	\$0.43
55-59	\$0.96	\$0.45
60-64	\$1.12	\$0.54
65+	\$1.18	\$0.54

How to determine the bi-weekly cost of this benefit option:

To calculate the bi-weekly payroll deduction for voluntary Short Term Disability coverage, use the rates above and the formula below:

1. Enter your annual pre-disability earnings, not to exceed \$130,000, divided by 52 weeks, and multiply by benefit of 60 percent and enter on Line 1	1)
2. Select your rate from the rate table and enter on Line 2	2)
3. Multiply Line 1 by the amount shown on Line 2 and enter on Line 3	3)
4. Divide Line 3 by \$10 and enter on Line 4	4)
5. Multiply Line 4 by 12 months and enter on Line 5	5)
6. Divide Line 5 by 26 pays and enter on Line 6	6)

The amount shown on Line 6 is your estimated bi-weekly payroll deduction for this benefit; premiums will be deducted directly from your paycheck.

Example:

- A 43-year-old employee chooses 28-day elimination period (\$0.30 from above table) and their salary is \$40,000 per year.
- \$40,000 (salary) divided by 52 weeks = \$769.23 x 60 percent benefit = \$461.54 x \$0.30 (cost) divided by \$10 = \$13.85 x 12 = \$166.20 divided by 26 pays = \$6.39 per pay period

Questions? Need more information?

For more information, visit Benefits.Devereux.org, select Voluntary Benefits and click on Short Term Disability for additional resources. Questions? Contact your local People Operations representative.