



GROUP BENEFIT PROGRAM SUMMARY For CITY OF LEANDER

Today, most American would not be able to make payments on their homes or keep their family financially stable without their current salary; LTD reduces the burden during these unstable times. It is a convenient, economical way of securing an income while out of work from an unexpected injury or illness. Group LTD is a guaranteed issue coverage, which requires no health questionnaires to complete.

Voluntary Paid Group Long Term Disability Insurance (LTD)

Eligibility	All Active Full Time Employees regularly working 40 hours per week are eligible for insurance the first of the month following or coinciding with their date of hire.
Group LTD Benefit	60%
Maximum Monthly Benefit	\$5,000
Minimum Monthly Benefit	\$100
Elimination Period	90 Days
Maximum Benefit Period	5 years or until age 70
Social Security Offset Method	Primary and Family Integration
Own Occupation Period	24 months
Partial Disability Earnings Test – During Own Occ Period	80%
Earnings Test – After Own Occ Period	60%
Work Incentive Benefit	<p>Proportionate – 12 months. Partial disabled employees are eligible for a Work Incentive Benefit. The Work Incentive Benefits allows the partially disabled employee to receive their monthly benefit if their benefit plus their earnings do not exceed 100% of indexed pre-disability income. If their benefit plus their earnings exceeds 100% of indexed pre-disability income, their benefit is reduced by the excess. After 12 months, the employee's Work Incentive Benefit is calculated by multiplying their monthly benefit by their loss of salary ratio.</p> <p>"Partial Disabled" means than an employee is working in a partial or part-time capacity after becoming disabled and meets the earnings test shown above.</p>
Rehabilitation Incentive Income (RII)	<p>Proportionate – 12 months. RII is offered to employees who agree to take part in a rehabilitation plan, structured to return them to gainful employment in another occupation because they can not return to their regular occupation. During the first 12 months, RII is equal to the monthly benefit. If disability earnings during this period exceed 100% of indexed pre-disability earnings, the monthly benefit is reduced by the excess. After 12 months, RII is equal to the monthly benefit reduced by multiplying the monthly benefit by the adjusted loss of salary ratio.</p>
Survivor Benefit	If the employee passes away after being disabled and receiving long-term disability benefits for 6 consecutive months, Blue Cross Blue Shield of Texas will pay the employee's beneficiary a lump sum benefit equal to 3 months of disability benefits.
Day Care Expense Benefit	While receiving RII, and participating in an approved rehabilitation plan, the claimant may be reimbursed for eligible day care expenses.



**BlueCross BlueShield
of Texas**

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Mental Disorder Limitation	24 months
Substance Abuse Limitation	24 months
Special Conditions Limitation	24 months
Pre-Existing Condition Limitation	3/12 – A pre-existing condition means a sickness or injury for which an employee received treatment within 3 months prior to the effective date. Any disability contributed to or caused by a pre-existing condition within the first 12 months of the effective date will not be covered.
Additional Features	Disability Resource Services – In addition to the resource services available on-line at GuidanceResources.com, Disability Resource Services provides a 24-hour telephonic support for all LTD insureds for behavior health issues. A staff of master's degree clinicians are available to provide each caller with assessment, counseling and referral advice for face-to-face counseling. Face-to-face counseling – Up to three face-to-face counseling sessions per year to address appropriate behavioral health issues.

LTD RATE GRID

Age	Monthly Rate per \$100 of <u>Monthly Earnings</u>	Age	Monthly Rate per \$100 <u>of Monthly Earnings</u>
Under 20	\$0.07	45-49	\$0.40
20-24	\$0.07	50-54	\$0.61
25-29	\$0.07	55-59	\$0.87
30-34	\$0.13	60-64	\$1.19
35-39	\$0.20	65-69	\$1.19
40-44	\$0.27	70+	\$1.19

Your Premium Calculation

Enter your salary and the rate for your current age from the table above

Annual Salary ÷ 12 =	Monthly Earnings (Max - \$8,333)	÷ Monthly Earnings by \$100	X	LTD Rate (From above table)	=	Monthly Premium
\$ _____	\$ _____	\$ _____		\$ _____		\$ _____

This piece is for illustrative purposes only. The disability and life insurance policies referenced may not be available in all states. All policies are subject to issue limitations, exclusions and other coverage conditions, which may include a waiting period for pre-existing conditions. Only the policy can provide the actual terms of coverage.

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