

PEBB Long Term Disability

Eligibility & Effective Dates

Only permanent PEBB-eligible employees may enroll in this benefit. Seasonal and intermittent employees are not eligible to enroll.

If you enroll during Open Enrollment, your coverage becomes effective January 1 of the new plan year. If you enroll outside of Open Enrollment, your coverage becomes effective the first of the following month.

Description of Benefit

The benefit covers a percentage of your monthly insured earnings. You determine the percentage when you choose from the four options. For long-term disability, the insured earnings amount is based on your monthly earnings in effect on your last full day of work. When your insured earnings increase (for example, with a pay increase), your premium rate increases. Insured earnings do not include overtime pay, bonuses, or dollars received when you opt out of medical coverage.

The maximum of insured earnings for long-term disability insurance is limited to \$12,000. The maximum monthly benefit (before reduction of deductible income) is \$7,200 if you choose option 1 or 2, or \$8,000 if you choose option 3 or 4. The minimum is \$50. The maximum weekly benefit is \$1,662 before reduction of deductible income.

Deductible income means other income you are eligible to receive because of your disability. This includes:

- A portion of your earnings from work while disabled
- Sick leave or other salary continuation, including donated leave (but not vacation or personal business leave)
- A portion of the benefits you are eligible to receive under any other group disability program. This includes state disability income benefits from the Public Employees Retirement System
- Workers' compensation benefits
- Social Security benefits payable to you and your dependents
- For members employed by the Oregon University System, benefits you are eligible to receive under any employer-sponsored individual disability policy arranged for individuals in a common group

Duration of Benefit

Your maximum benefit period is determined by your age when disability begins, as follows:

61 or younger to age 65, or 3 years 6 months, if longer

62 3 years, 6 months

63 3 years

64 2 years, 6 months

65 2 years

66 1 year, 9 months

67 1 year, 6 months

68 1 year, 3 months

69 or older 1 year

Premium Rates

This insurance may replace a portion of your monthly income should you become disabled. You must self pay for this coverage; the state does not provide a benefit amount for this benefit.

Long-term Disability Premium Rates Premium = Rate X month salary				
Option	Rate	Waiting Period	Coverage	Coverage Maximum/Minimum
1	\$0.0051	90 days	60% of first \$12,000 minus deductible income	\$7,200 before reduction by deductible income/\$50
2	\$0.0018	180 days		
3	\$0.0106	90 days	66 2/3% of first \$12,000 minus deductible income	\$8,000 before reduction by deductible income/\$50
4	\$0.0027	180 days		

This benefit has a waiting period. The waiting period is the amount of time you must wait before you start receiving a weekly payment after you become disabled. It is either 90 or 180 days, depending on the option you choose.

Here is an example to illustrate your premium cost based on your choice of options:

You choose option 1 -- with a 90-day waiting period and a monthly benefit amount of 60 percent of your pre-disability earnings.

Your gross monthly salary (before any deductions)	\$1,900
Times premium	X 0.0051
Premium amount you pay each month	\$9.69

Tax Treatment

For this long-term disability insurance program, payroll deducts the monthly premium after taxes. However, any long-term disability dollars you receive through this benefit are not taxed.

Additional Benefits

This plan offers additional benefits to help you return to work after you become disabled. Review the online plan certificate for information on these features.

Pre-existing Condition Period

The plan will look back for evidence of a pre-existing condition if you file a long-term disability claim within 12 months of becoming insured. Otherwise, the plan will look back three months from the time you submit a claim.