

# Disability Insurance

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# *Disability Insurance*

# Disability Insurance

If you become disabled, either temporarily or permanently, Deseret Mutual's Disability Plan provides valuable income protection for when you need it most. Of course, no one wants to think about the possibility of becoming disabled. But just knowing the benefit is available allows you to concentrate on what is most important — your health and financial security.

*This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Disability Plan as of January 1, 2008.*

## Enrollment

If you are a full-time employee and you enroll in Deseret Mutual's core benefits program within 30 days of becoming eligible, you are enrolled in the Disability Plan without needing to meet health standards. Your coverage is effective on the date you enroll.

If you do not enroll within 30 days of becoming eligible and later want to enroll, you must meet the health standards determined by Deseret Mutual. Your coverage becomes effective the first day of the month after Deseret Mutual gives approval.

If you apply more than 30 days from when you are eligible and you do not meet Deseret Mutual's health standards, you'll not be eligible for Disability Plan coverage.

## Coverage

The Disability Plan covers eligible employees only. It does not cover your spouse or dependent children.

## Benefit

The Disability Plan benefit is equal to two-thirds of your predisability income. Exceptions are explained under *Benefit Reductions* on page 6 and under *Return-to-work Incentives* on page 7.

## Eligibility

To be eligible for a Disability Plan benefit, you must be unable to perform at least 70 percent of regular job duties because of illness or injury as documented by objective medical evidence.

Disability Plan benefit payments begin after a waiting period, which is 45 consecutive calendar days after leaving employment as a result of a disability. During this waiting period, Disability Plan benefit payments are not available.

In special circumstances of permanent disability, you may work part time while you satisfy the 45-day waiting period requirement. However, both your employer and Deseret Mutual must approve this special arrangement in advance.

# ***Disability Insurance***

## ***Applying for Benefits***

If you know or expect you cannot work for 45 days or more, request a Disability Plan Application from your employer and submit it to Deseret Mutual.

**Step 1:** Get the Disability Plan Application from your employer or from Deseret Mutual.

**Step 2:** Complete the employee statement.

**Step 3:** Give the physician's part of the application to your physician. Ask your physician to be thorough in answering all questions in this section. Incomplete answers can cause delays in evaluating your application and in receiving your benefit payments.

Ask the physician to return this part of the application to Deseret Mutual.

**Step 4:** Return your statement to Deseret Mutual or your employer

Your employer will forward the completed application, both the employee, if applicable, and the employer sections, to Deseret Mutual.

Deseret Mutual then evaluates your eligibility to receive a Disability Plan benefit.

To meet your request for your Disability Plan benefit payment in a timely manner, please complete and submit your application within 30 days from your last day at work. Keep in mind that if we need more information, we may contact you.

Benefits are paid on the first day of each month following the 45-day waiting period. Weekly payments are made for past due benefits.

*You will not be eligible for a benefit if we receive your application one year or more from your last day worked.*

## **Seek and Follow Medical Recommendations**

You must seek and follow reasonable medical treatment and/or procedures recommended by your physician. If you do not follow these recommendations to get relief from your disabling condition, the benefit will be denied or discontinued.

Please note: You are responsible for paying medical costs to document you are or continue to be eligible for a Disability Plan benefit. Some of these costs may be paid by your medical insurance. In addition, Deseret Mutual has the right to require independent medical exams during your disability to determine eligibility. In this case, Deseret Mutual pays for the exams.

# Disability Insurance

## End of Coverage

Coverage automatically ends on the earliest of these dates:

- The day your employment ends, either voluntarily or involuntarily, such as retirement or termination
- The day you die
- The day you enter active duty in the armed forces of any country
- The termination date of the plan

## Definition of “Disability”

### First Six Months of Benefit Payments

During the first six months of disability, your benefit eligibility is determined by your inability to work in **your own** occupation. To qualify for disability benefit payments, you must have a disabling injury or illness that prevents you from performing at least 70 percent of the duties of your regular occupation.

### Seven Months or Longer of Benefit Payments

After the first six months, your benefit eligibility is determined by your ability to work in **any** occupation. This means to qualify for disability benefit payments, your disability must prevent you from holding a *comparable job* (such as any job in the national economy in which you have the ability to earn 70 percent of your regular monthly income that was in effect on the last day you worked before you became disabled, or your *predisability income*).

## Mental Illness Benefit

To receive a benefit for disability because of a mental illness, you must have a diagnosed, manifest psychiatric disorder, as defined in the *Diagnostic and Statistical Manual of Mental Disorders (DSM IV)*. A health-care professional who is licensed to treat mental illness must submit a psychiatric evaluation and a written treatment plan to Deseret Mutual.

To determine continued eligibility, your mental health-care professional must submit written treatment documentation every three months to Deseret Mutual, which includes a report of your progress and compliance with your treatment plan. You are responsible for paying expenses for the treatment plan and periodic reports.

## ***Disability Insurance***

Benefit payments may continue for up to 24 months from the end of your 45-day waiting period, unless you are committed to an institution licensed for the continuous care and treatment of people with mental illnesses. During a personalized treatment plan administered by an institution, Deseret Mutual considers each case on an individual basis to determine continued eligibility.

### ***Chronic Pain and Fatigue-related Illness Benefit***

If you have chronic pain or a fatigue-related illness, you may be eligible for a Disability Plan benefit as long as you are actively trying to find a diagnosis and your symptoms include all of the following:

- Are primarily pain and/or fatigue
- Significantly interfere with your ability to work
- Are medically documented
- Do not have an identified, correlating cause

If you are diagnosed with either chronic fatigue syndrome or fibromyalgia, you may be eligible for benefit payments for up to 12 months, including any time you received benefit payments before your diagnosis.

If you have a disabling diagnosis in addition to chronic pain or a fatigue-related illness, you may be eligible for additional Disability Plan benefit payments beyond the 12-month limit. You must qualify based on plan guidelines.

### ***Concurrent Disabling Conditions***

You can only be eligible for one Disability Plan benefit at one time. If you have more than one disabling condition, your benefit payments and the time of the Disability Plan benefit run concurrently.

For example, if you receive benefit payments for chronic fatigue and several months later the chronic fatigue is determined to be the result of a mental illness, then the maximum benefit you can receive is up to 24 months. You cannot receive a one-year benefit for chronic fatigue and then a two-year benefit for mental illness.

### ***Tax Information***

The part of your benefit provided by the employer-paid premium is always taxable.

## ***Disability Insurance***

If you pay your part of the premium with before-tax dollars, your entire benefit is taxable. In other words, if you are enrolled in the Premium Only Plan, your part of the premium is paid with before-tax dollars and so your benefit payments are 100 percent taxable.

If you are not enrolled in the Premium Only Plan, you pay your part of the premium with after-tax dollars and so the part of the benefit you paid for is not taxable (see the Flexible Benefits section in your Benefits Handbook for more information).

### ***Insurance Premiums***

While you're receiving Disability Plan benefit payments, your core benefits (Medical, Dental, Group Term Life, and Disability) continue. Your employer pays your entire monthly premium.

If you are eligible for Deseret Secure and you select Deseret Secure Plus, you'll be responsible for paying the difference between the two plan premiums.

Your premiums for supplemental benefits (Supplemental Group Term Life and 24-Hour Accidental Death & Dismemberment) are waived and your coverage continues at the same level as when you were working.

You continue to pay for any value-added benefits, such as long-term care, auto and home owners insurance (see the General Information section of your Benefits Handbook).

### ***Thrift Plan***

If you are receiving Disability Plan benefit payments and not a salary, sick pay, or paid leave, you cannot contribute to the Thrift Plan (see the Thrift Plan section of your Benefits Handbook). If you are earning some salary, sick pay, or paid leave while receiving Disability Plan payments, then you can continue to make Thrift Plan contributions on those earnings.

In any event, your prior Thrift Plan account continues to be active.

### ***Flexible Spending***

If you are receiving Disability Plan benefit payments but no salary, sick pay, or paid leave, you cannot contribute to the Flexible Spending Account (FSA) program (see the Flexible Benefits section of your Benefits Handbook). However you can make on-going contributions to your

## ***Disability Insurance***

FSA account on any salary, sick pay, or paid leave you may earn from a participating employer while receiving your Disability Plan payments.

Your FSA coverage stops at the end of the month in which you stop making contributions to your FSA account. However, you can continue to submit expenses that were incurred prior to that time. The deadline for submitting expenses for the calendar year is April 30 of the following calendar year.

### ***Benefit Reductions***

Your benefit payments are reduced, or offset dollar-for-dollar, by the amount of compensation you receive, or could receive, from these sources:

- Social Security old age and disability insurance benefits for you, your spouse, and/or children
- Workers' compensation benefit
- Money you recover from a third party or the insurer of a third party who caused your disabling injury or illness
- Lost-wages benefit provided by uninsured and underinsured or no-fault auto insurance programs
- Any other federal or state required disability or medical retirement benefit provided by your employer

If you are eligible for benefits from any of these sources, you must maintain eligibility in these programs and apply for the compensation they offer. If you do not, Deseret Mutual estimates the offset and deducts it from your Disability Plan benefit payments.

The minimum monthly benefit payment you can receive from Deseret Mutual is \$100.

### ***Rehabilitation***

To be eligible for a Disability Plan benefit, you are not able to earn 70 percent or more of your predisability income but you may be able to perform some work. If so, you must participate in a rehabilitation program, which means participating in an approved program that may result in employment.

Your rehabilitation program could include physical, occupational, and speech therapy, workplace modification, job placement, or part-time employment. It may take place in

## ***Disability Insurance***

colleges, trade or technical schools, rehabilitation centers, or for another employer. We'll provide information about resources that are available, as well as provide other help that's needed on a case-by-case basis. However, it is your responsibility to create a program and to obtain approval for that program from Deseret Mutual.

Please remember that you're responsible for all costs associated with the rehabilitation. If you choose *not* to participate in an approved rehabilitation program, *you'll forfeit your Disability Plan benefit.*

You may receive Disability Plan benefit payments for a maximum of 24 months from the date you first had the ability to become involved in a rehabilitation program if:

- You participate in an approved training program and
- You continue to meet disability eligibility requirements. (Once you have the ability to earn at least 70 percent of your predisability income, you'll no longer be eligible for a Disability Plan benefit.)

### ***Return-to-work Incentives***

For the first twelve months of Disability Plan payment status, you may retain all of your Disability Plan benefit as long as the amount you earn from part-time employment plus the Disability Plan benefit payment do not exceed your predisability income. If this amount exceeds your predisability income, your benefit payment will be reduced, dollar-for-dollar.

However, after 12 months of part-time employment, your Disability Plan benefit will be recalculated. For example, if your predisability monthly earnings were \$3,000 and in the second twelve months you are able to earn \$2,000 a month, then your new lost earnings are \$1,000 and your benefit payment would be two-thirds of the \$1,000.

### ***End of Benefit Payments***

Benefit payments end on the earliest of these dates:

- The day you die
- The day you are no longer eligible for the benefit
- The day you request benefit payments to end
- The day your employment terminates
- The day you retire

## ***Disability Insurance***

If you are receiving a Disability Plan benefit, payments may continue up to the maximum time specified below or until you recover, whichever is sooner:

<b>Age when disabled</b>	<b>Eligible benefit continues . . .</b>
61 or younger	To 65
62	3½ years
63	3 years
64	2½ years
65	2 years
66	1¾ years
67	1½ years
68	1¼ years
69 and older	1 year

If you are receiving a limited benefit, payments may end sooner.

### ***Later Periods of Disability***

If you return to work with a participating employer after receiving a Disability Plan benefit and then have another period of disability for the same cause within six months of your claim closure, the second period is considered a continuation of the preceding period of disability. Therefore, with proper documentation, your benefit payments resume without having to satisfy another 45-day waiting period.

If you return to work and you have another disability for the same condition that occurs more than six months after your claim closure, you must apply for disability benefit payments again, as well as meet the 45-day waiting period.

### ***Master Retirement Plan Benefit***

You receive Master Retirement Plan benefit credit as long as you continue to receive a Disability Plan benefit (for more information, see the Master Retirement Plan section in your Benefits Handbook).

Generally, the income you made before you were disabled is used to calculate your final average salary.

## ***Disability Insurance***

### ***Exclusions***

You cannot receive more than one Disability Plan benefit from Deseret Mutual at one time, regardless of the number of disabling conditions you have. Also, disabilities that result from these causes are not eligible for a benefit:

- War or act of war or service in the military forces of any country at war, declared or undeclared. War includes hostilities conducted by force or arms by one country against another country or between countries or factions within a country, either with or without a formal declaration of war, except when the employee is actively pursuing a specific assignment given and authorized by your employer
- Injury or illness contracted while in the military
- Injury or illness resulting from participation in or attempt at committing an assault or felony
- Injury or illness that is a direct result of an ongoing problem with alcoholism or drug abuse, or that occurred while intoxicated or under the influence of nonprescription drugs, except for secondary illness or illnesses resulting from alcoholism or drug abuse
- A pre-existing condition, which is an illness or injury that is treated, diagnosed, or shows notable signs or symptoms within 90 days before you enroll in the plan. Disabilities caused by pre-existing conditions are excluded for one year after you enroll in the plan. However, if you remain treatment-free for 90 days after enrolling, this exclusion is waived
- Attempted suicide or self-inflicted injuries, while sane or insane

### ***Appeal Process***

If you are not satisfied with a decision about your Disability Plan benefit, you may appeal. Deseret Mutual must receive your appeal within 15 months of when Deseret Mutual sent you the notification of the benefit decision. To appeal, submit a written statement detailing the complaint to:

Deseret Mutual  
Appeals Coordinator  
Disability Claims  
P.O. Box 45530  
Salt Lake City, UT 84145

Deseret Mutual will respond to you within 45 days.

## ***Disability Insurance***

### ***Notification of Discretionary Authority***

Deseret Mutual has full discretionary authority to interpret the plan and to determine eligibility. Deseret Mutual also has the sole right to construe plan terms. All Deseret Mutual decisions relating to plan terms or eligibility are binding and conclusive.

### ***Notification of Benefit Changes***

Deseret Mutual is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and reserves the right to amend or terminate this plan at any time. If the benefit changes, we'll notify you at least 30 days before the effective date of change.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Disability Plan. It is not the plan legal document. If you would like a copy of the plan legal document, please contact your employer or Deseret Mutual.

If you have any questions, please call your Deseret Mutual Benefits Team or visit our Web site. Our telephone numbers and Web site address are:

Salt Lake City area . . . . . 1-801-578-5600  
Toll free . . . . . 1-800-777-3622  
Web site . . . . . [www.dmba.com](http://www.dmba.com)

If your hearing is impaired, we also have lines to accommodate Telecommunications Devices for the Deaf (TDD). Our telephone numbers for this service are:

Salt Lake City area . . . . . 1-801-578-5655  
Toll free . . . . . 1-800-333-9715







