

# El Paso County

## Self-Funded Short Term Disability Plan

Effective January 1, 2003

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## INTRODUCTION

Our Self-Funded Short Term Disability Plan is designed to provide income to eligible Employees who become disabled through illness or injury. When the Employee is disabled, Short Term Disability (STD) provides the Insured Employee with income while he or she is unable to work. This plan is self-funded through El Paso County, and is administered by a Disability Management Company.

The Employee can obtain additional information by contacting the Plan Administrator at the address shown below:

El Paso County Government  
EBMS Benefits Division  
2880 International Circle, Suite N040  
Colorado Springs, CO 80910  
(719) 520-7420

## ELIGIBILITY

**ELIGIBLE CLASSES.** The classes of Employees eligible for insurance are shown below:

*Class I: All Regular Active Full-Time Employees as defined the El Paso County Policies and Procedures Manual are required to participate. Exhaustion of accrued sick and vacation is required.*

*Class II: All Elected or Appointed Officials are eligible for this plan and will automatically be enrolled. No exhaustion of sick or vacation leave is required. Elected and Appointed Officials would be immediately eligible for the STD benefit once determined to be disabled.*

**ELIGIBILITY DATE.** An Employee becomes eligible for coverage provided by the Policy on the later of:

1. the Policy's effective date; or
2. the date the Insured Employee satisfies the Waiting Period specified in the Police Effective Date

## POLICY EFFECTIVE DATES

Eligible Employees hired between the 1<sup>st</sup> and the 15<sup>th</sup> of the month are eligible for coverage on the first of the month following the first day of full-time employment. Eligible Employees hired between the 16<sup>th</sup> and the last day of the month are eligible for coverage on the first day of the second month following the first day of full-time employment. An Employee's effective date of any initial, increased or additional coverage will be delayed if such Employee is not actively-at-work on the date that coverage would otherwise be effective. Coverage will take effect on the Employee's second consecutive day of Active Work.

## **TERMINATION OF COVERAGE**

Your coverage terminates on the earliest of:

1. the day the Policy terminates;
2. the day your employment with the Employer terminates;
3. the last day of the period for which the premium for your insurance has been paid
4. the day you cease to be a member of an employee class shown under the Eligibility section of this policy
5. the day you enter the armed services of any state or country on active duty; except for duty of 30 days or less for training in the Reserves or National Guard.

Ceasing Active Work terminates your eligibility. However, STD benefits may continue if you were unable to work due to a covered Disability at the time of separation from employment with the Employer.

## **SHORT TERM DISABILITY BENEFITS**

### **Proof of Disability**

In order to qualify for STD benefits, the Employee must:

- 1 Be unable to perform the material and substantial duties of the Insured Employee's regular occupation due to illness or injury as certified by a Health Care Provider and confirmed by our Disability Management Company, and
- 2 have incurred at least a 20% loss in the Insured Employee's regular monthly earnings due to that illness or injury

The Disability Management Company may request additional certifications from the Insured Employee's Physician throughout the Disability period. Failure to provide medical certification will result in a delay of processing the Insured Employee's claim. Where benefits have already commenced, failure to submit to requests for a medical examination or to provide certification from the Insured Employee's attending Physician may result in the suspension or termination of benefits.

## **Elimination Period for Disability**

*Due to Illness or Injury:* Benefits begin following 14 continuous days of Disability or following exhaustion of all accrued sick and vacation leave, whichever is greater. The days you are not disabled will not count toward your elimination period. Benefits for Elected and Appointed Officials will begin immediately once determined to be disabled. No exhaustion of sick or vacation leave is required for Elected and Appointed Officials.

## **Maximum Payment Period for Each Disability**

*Due to Illness or Injury:* 26 Weeks following the date of disability

## **Disability Reimbursement Amount**

If the Insured Employee is Totally Disabled beyond the elimination period, due to a covered injury or sickness, the Insured Employee will be eligible to receive a benefit of 60% of the Employee's basic monthly earnings to a maximum weekly benefit of \$1000. This benefit may be reduced by income or benefits from certain other income sources listed in this document.

Once the Insured Employee's Disability is approved, benefits will be payable according to the regular payroll schedule after satisfying the elimination period for Disability.

The Short Term Disability plan provides the Insured Employee with benefits for up to a maximum of twenty-six (26) weeks of continuous Disability. The Insured Employee's last day worked prior to the Disability is used to determine the beginning date for the 26 week maximum for Short Term Disability benefits. The dollar amount of the benefit is based on the Insured Employee's basic monthly earnings on the last day worked prior to the Disability.

## **Continuation of Other Benefits**

Employer paid and optional Employee elected benefits will be continued. Applicable employee benefit contributions for medical, dental, vision, flexible spending account and voluntary life benefits and may be deducted from STD benefit payments. When STD ends the employee may be offered continuation of these benefits through Cobra. Other employee deductions such as 457 plan contributions, however, will not be taken from STD payments. Sick and vacation benefits do not accrue while on STD. If the STD benefit is terminated or modified while the Insured Employee is disabled and receiving payments, the Plan Administrator will continue benefits according to the benefit levels at the start of the Disability. The Employer or Employee does not make retirement contributions while receiving STD benefits, nor will retirement credit be earned.

## **Coordination of Disability Benefits**

Insured Employee's short term disability benefits will be reduced by the amount of income they are entitled to receive from any other source, including, but not limited to, income you earn while disabled, all Disability benefits received from any compulsory benefit act or law, all Disability benefits they are entitled to receive from any other insurance plan, all Disability benefits from the United States Social

Security Act or any similar act or plan. If the Disability is an occupational approved Workers' Compensation claim, the Insured Employee is not eligible to receive short-term Disability benefits.

### **When Payments End**

Short term disability benefits will terminate on the earliest of:

- the date the Insured Employee's Disability ends;
- the end of the 26 week maximum benefit period;
- The date the Insured is approved for Long Term Disability Benefits;
- the date of death;
- the date the Insured Employee fails to provide any required proof of Disability;
- the date the Insured Employee refuses to allow any physical exam required;
- the date the Insured Employee is no longer under the regular and continuing care of a Physician; or

Payments may continue following separation of employment provided the Insured Employee continues to satisfy the Disability requirements.

### **Return To Work**

If the Insured Employee does not return to active employment upon the Physician's release, he or she will automatically voluntarily terminate their employment effective on the date of release.

### **Recurring Disability**

If the Insured Employee's benefit ceased because the Disability ended, and becomes eligible again, El Paso County and the Disability Management Company will consider the later period of Disability to be a recurring Disability if: (a) the Employee returns to active, full-time employment immediately following the initial Disability, (b) the Employee's Disability recurs due to the same sickness or injury, and (c) the Employee's Disability recurs within 31 (thirty-one) successive continuous days after the end of the initial Disability period. If the Disability is deemed a recurring Disability, the Employee will not be required to satisfy a new elimination period before benefits will be payable under the plan. The coverage level and maximum benefit period will continue as an extension of the first period of Disability.

If the new Disability, following the Employee's return to work for at least one (1) full day, is not related to the initial Disability, a new benefit period will begin and the Employee will be required to satisfy the elimination period.

## PLAN EXCLUSIONS

### The plan does not:

- 1 Cover any period of Disability caused, directly or indirectly, by: (a) declared or undeclared war or act of war or armed aggression; (b) service in the armed forces, National Guard, or military reserves of any state or country; (c) taking part in a riot or other civil disorder; (d) the commission of, or attempt to commit, a felony; (e) the unlawful use of threat of force on another person without his or her consent; (f) intentional self inflicted injury or attempted suicide while sane; or (g) under the legally determined influence of drugs and/or alcohol.
- 2 Pay benefits for any period of benefits for which the Insured Employee is confined to any facility as a result of the conviction of a crime or public offense
- 3 Pay benefits for any period during which the Insured Employee is not under the regular care and treatment of a licensed Physician.
- 4 Pay benefits for any period during which the loss of earnings is not solely due to the Insured Employee's Disability.

## CLAIM PROCEDURES

**Notice of Claim:** Written notice of claim must be submitted to the Plan Administrator during the Elimination Period. The Insured Employee must complete the Employee's portion of the Short Term Disability Claim form and their Physician must complete the Attending Physician's portion.

**Proof of Claim.** The Plan Administrator must be given written proof of claim within 60 days after the end of the Elimination Period. When it is not reasonably possible to file written proof in the time required, the claim will not be reduced or denied solely for this reason; if the proof is filed:

1. as soon as reasonably possible; and
2. in no event later than six months after it was required.

These limits will not apply while an Insured Employee lacks legal capacity.

Proof of claim must be provided at the Insured Employee's own expense. It must show the date the Disability began, its cause and degree. Documentation must include:

1. completed statements by the Insured Employee and the Employer;
2. a completed statement by the attending Physician, which must describe any restrictions on the Insured Employee's performance of the duties of her or her regular occupation;
3. proof of any other income received;
4. proof of any benefits available from other income sources, which may affect Policy benefits;
5. a signed authorization for the Disability Management Company to obtain more information; and
6. any other items the Disability Management Company may reasonably require in support of the claim.

Proof of continued Disability, regular care of a Physician, and any other income benefits affecting the claim must be given to the Disability Management Company. This must be supplied within 45 days after the Disability Management Company requests it. If it is not, benefits may be denied or suspended.

**To Whom Payable.** All benefits are payable to the Insured Employee.

**Notice of Claim Decision.** The Disability Management Company will send the Insured Employee and the Plan Administrator a written notice of its claim decision.

**Right of Recovery.** If benefits have been overpaid on any claim; then full reimbursement to the Plan Administrator is required within 60 days. If reimbursement is not made, then the Plan Administrator has the right to:

1. reduce future benefits until full reimbursement is made and
2. recover such overpayments directly from the Insured Employee or from the Insured Employee's regular payroll.

Such reimbursement is required whether the overpayment is due to:

1. the Disability Management Company or Plan Administrator's error in processing a claim;
2. the Insured Employee's receipt of Other Income Benefits;
3. fraud or any other reason

## APPEALS

**Appeal Procedure:** Within 90 days after receiving a denial notice, the Insured Employee may request a claim review by sending the Plan Administrator:

1. a written request; and
2. any written comments or other items to support the claim.

The Plan Administrator will review the claim with the Disability Management Company and after a determination is made will send the Insured Employee a written notice of its decision. The notice will state the reasons for the decision, under the terms of the Policy and any internal guidelines. The notice will be sent within 60 days after the Plan Administrator receives the request for review, or within 90 days, if a special case requires more time. The Plan Administrator's decision will be final.

**Delay Notice:** If the Plan Administrator needs more than 60 days to process an appeal, then an extension of up to 45 more days will be permitted. In that event, the Plan Administrator will send the Insured Employee a written delay notice. The notice will explain:

1. the special circumstances which require the delay
2. whether more information is needed to review the claim; and
3. when a decision can be expected.

**Exception:** If the Plan Administrator needs more information from the Insured Employee to process an appeal; then it must be supplied within 45 days after the Plan Administrator requests it. The resulting delay will not count towards the above time limits for appeal processing.

## **DEFINITIONS**

**ACTIVE FULL-TIME** means an El Paso County Employee who regularly works a 40 hour (or the equivalent) work week and performs all main duties of such Employee's occupation at:

1. the Employer's usual place of business; or
2. any other business location to which the Employer requires the Employee to travel.

Unless Disabled on the prior workday or on the day of absence, an Employee will be considered Actively at Work on the following days:

1. a Saturday, Sunday or holiday which is not a scheduled workday;
2. a paid vacation day or other scheduled or unscheduled non-workday; or
3. an excused or emergency leave of absence (except a medical leave) of 30 days or less

**BASIC MONTHLY EARNINGS** means the Insured Employee's average monthly base salary or hourly pay from the Employer before taxes on the determination date. The determination date is the last day worked just prior to the date of Disability begins. It does not include income from a source other than the Employer.

**DAY or DATE** means the period of time that begins at 12:01 am and ends at Employer's place of business. When used with regard to effective dates, it means 12:01 a.m. When used with regard to termination dates, it means 12:00 midnight.

**DISABLED or DISABILITY** means Totally Disabled and/or Partially Disabled. Partial disability means you do not need to be continuously disabled through your elimination period as long as you satisfy the elimination period with in the thirty-one day accumulation.

**DISABILITY MANAGEMENT COMPANY** means Unum Group, whose Home Office address is 1 Fountain Square Chattanooga, TN 37421

**EFFECTIVE DATE** means the date the Employee's policy becomes active or is terminated.

**EL PASO COUNTY RETIREMENT BENEFIT** when used with the term Retirement Plan, means a benefit which is payable under the El Paso County Retirement Plan either in a lump sum or in the form of periodic payments; is payable upon: early or normal retirement; or Disability, if the payment does reduce the benefit which would have been paid at the normal retirement age under the plan, if Disability had not occurred.

**ELECTED OR APPOINTED OFFICIALS** includes the following positions: the Public Trustee, Assessor, Clerk and Recorder, Coroner, County Commissioner, District Attorney, Sheriff, Surveyor or Treasurer.

**ELIMINATION PERIOD** means the number of days of Disability during which no benefit is payable. The elimination period applies as follows.

1. The Elimination Period:
  - a. begins on the first day of Disability; and
  - b. is satisfied when the required number of days is accumulated within a period specified.

- During a period of Disability, the Insured Employee may return to full-time work at his or her own occupation for an accumulated number of days not to exceed thirty one days.
2. Only days of Disability due to the same or a related Sickness or Injury will count towards the Elimination Period. Days on which the Insured Employee returns to full-time work will not count towards the Elimination Period. Any part of a day worked will count as a full day.

**EMPLOYEE** means a person whose employment with the Employer is:

1. on a regular full-time basis;
  - a. the person's principal occupation; and
  - b. for regular wage or salary
2. who is regularly schedule to work at such occupation at least the required minimum number of hours shown for the Class under the Eligibility portion of this document, and
3. who is not a temporary or seasonal Employee; and
4. who is a citizen of the United States or legally works in the United States.

**EMPLOYER** means the policyholder, El Paso County.

**HEALTH CARE PROVIDER:** see the definition for **Physician**.

**INJURY** means bodily injury that is caused by and results directly from an accident, independently of all other causes. For purposes of determining benefits under the Policy, a Disability will be considered due to an Injury only if the Injury occurred while the Employee was insured under the Policy.

The term "Injury" shall **not** include any:

1. condition to which a physical or mental sickness, the natural progression of a sickness, or the treatment of a sickness is a substantial contributing factor (based upon the preponderance of medical evidence);
2. condition caused solely by emotional stress or mental trauma;
3. repetitive trauma condition which results from repetitious, physically traumatic activities that occur over time;
4. pregnancy; except for complications which result from a covered Injury;
5. condition caused by infection; except pyogenic bacterial infection of a covered Injury;  
or
6. condition caused by medical or surgical treatment; except when the treatment is needed solely because of a covered injury.

**MAIN DUTIES** or **MATERIAL AND SUBSTANTIAL DUTIES** means those job duties which:

1. are normally required to perform the Insured Person's regular occupation; and
2. cannot reasonably be modified or omitted

It includes those main duties as performed in the national workforce; **not** as performed for a certain firm or at a certain work site.

**MEDICAL PROFESSIONAL:** see definition for **Physician**.

**MEDICALLY APPROPRIATE TREATMENT** means diagnostic services, consultation, care or services which are consistent with the symptoms or diagnosis causing the Insured Employee's Disability. Such treatment must be rendered:

1. by a Physician whose license and any specialty are consistent with the disabling condition; and
2. according to generally accepted, professionally recognized standards of medical practice.

**PHYSICIAN** means:

1. a legally qualified medical doctor who is licensed to practice medicine, to prescribe and administer drugs or to perform surgery; or
2. any other duly licensed medical practitioner who is deemed by state law to be the same as a legally qualified medical doctor.

The medical doctor or other medical practitioner must be acting within the scope of his or her license; and must be qualified to provide medically appropriate treatment for the Insured Employee's disabling condition.

Physician does **not** include the Insured Employee or a relative of the Insured Employee receiving treatment. (Relatives include the Insured Employee's spouse, siblings, parents, children and grandparents; and his or her spouse's relatives of like degree.)

**POLICY** means the Group Short Term Disability Insurance Policy issued by the Employer to the Policyholder.

**POLICYHOLDER** means the person, individual, firm trust or other organization as shown on the Face Page of this Certificate.

**REGULAR CARE OF A PHYSICIAN or REGULAR ATTENDANCE OF A PHYSICIAN** means the Insured Employee:

1. personally visits a Physician, as often as medically required according to standard medical practice to effectively manage and treat his or her disabling condition; and
2. receives medically appropriate treatment, by a Physician whose license and any specialty are consistent with the disabling condition.

**RETIREMENT BENEFIT:** see definition for El Paso County Retirement Plan.

**SICKNESS** means illness, pregnancy or disease.

**VACATION LEAVE or ANY SALARY CONTINUANCE PLAN** means a plan which:

1. is established and maintained by the Employer for the benefit of Insured Employees and
2. continues payment for all or part of an Insured Employee's Pre-Disability Income for a specified period after he or she becomes Disabled.

It does **not** include compensation the Employer pays an Insured Employee for work actually performed during a Disability.

