



Offered by Life Insurance Company of North America (a Cigna company)

Employee-Paid

DISABILITY INSURANCE FOR EDUCATORS

Prepared for: Spring Branch ISD

SUMMARY OF BENEFITS

If you had an unexpected illness or injury and were unable to work, how long would you be able to pay your bills and take care of your family? Disability insurance pays a portion of your salary if you're unable to work due to a covered disability.

By purchasing coverage through your employer, you also benefit from cost-effective group rates and convenient payroll deduction.

Eligibility:

If you are a citizen or resident of the United States or Canada and one of the following:

- A regular contributing TRS employee of the Employer Actively at Work; or
- A TRS retiree who is Actively at Work 50% or more of the time required of the standard workload for a full-time position.

Eligibility Waiting Period:

- If you are a member on the group policy effective date, you are eligible on that date.
- If you become a member after the group policy effective date, you are eligible on the first day of the calendar month following the date you become a member.

Guaranteed Issue*:

Initial Enrollment: If you are eligible on or before the policy's effective date, you may enroll for coverage during the Initial Enrollment without submitting any evidence of good health.

New Hires: If you were hired after the policy's effective date, you may elect coverage once eligible without submitting any evidence of good health.

Annual Enrollment: During annual enrollment, you may enroll for the first time or make coverage changes, if already participating, without submitting any evidence of good health.

*The Pre-Existing Condition Limitation, as outlined in the Benefit Reductions, Conditions, Limitations and Exclusions section, will apply.

	Gross Monthly Benefit ¹	Maximum Gross Monthly Benefit	Benefit Waiting Period	Maximum Benefit Period
Employee Options	Select Monthly Benefit: Flat dollar benefit in \$100 increments between \$200 and \$10,000 that cannot exceed 66 2/3% of your Covered Earnings	\$10,000	Select from Four Options: <u>Accident/Sickness</u> 14 days/14 days 30 days/30 days 90 days/90 days 180 days/180 days	Please refer to the "Maximum Benefit Period" Schedules below for more details

¹ Your benefit amount will be reduced by any amounts payable to you by any of the sources listed under the "Effects of Other Income Benefits" section.

Monthly Cost of Coverage: Use the attached rate sheets. Costs are subject to change.

NOTE: The following are some of the important policy provisions that apply to benefits described in the policy. This is not a complete list of policy provisions, terms and conditions.

Important Definitions and Policy Provisions:

“Disability or Disabled” if, solely because of a covered Injury or Sickness, you are unable to perform the material duties of your regular occupation and are unable to earn 80% or more of your indexed earnings from working in your regular occupation. After benefits have been payable for 24 months, you will be considered disabled if solely due to your Injury or Sickness, you are unable to perform the material duties of any occupation for which you are (or may reasonably become) qualified by education, training or experience, and unable to earn 60% or more of your indexed earnings. We will require proof of earnings and continued disability.

A disability will be considered to be due to accident if it occurs as a direct result of accidental bodily injury, and is not caused or contributed to by pregnancy or by any sickness or disease. Any other disability will be considered to be due to sickness.

Regular Occupation means the occupation you routinely perform at the time the Disability begins. In evaluating the Disability, we will consider the duties of the occupation as it is normally performed in the general labor market in the national economy. It is not work tasks that are performed for a specific employer or at a specific location.

Covered Earnings means your wages or salary, not including bonuses, commissions, and other extra compensation.

Appropriate Care means you: 1) have received treatment, care and advice from a physician who is qualified and experienced in the diagnosis and treatment of the conditions causing Disability. (if the condition is of a nature or severity that it is customarily treated by a recognized medical specialty, the physician is a practitioner in that specialty); 2) continue to receive such treatment, care or advice as often as is required for treatment of the conditions causing Disability; 3) adhere to the treatment plan prescribed by the physician, including the taking of medications.

Benefit Waiting Period is the period of time you must be continuously Disabled before Disability Benefits are payable.

When Coverage Takes Effect: Your coverage takes effect on the latest of the policy’s effective date, the date you become eligible, the date we receive your completed enrollment form, or the date you authorize any necessary payroll deductions. If you’re not actively at work on the date your coverage would otherwise take effect, your coverage will take effect on the date you return to work.

Qualifying for Disability Benefits: We will pay Disability Benefits if you become Disabled while covered under this Policy. You must satisfy the Benefit Waiting Period, be under the Appropriate Care of a physician, and meet all the other terms and conditions of the policy. You must provide us, at your expense, satisfactory proof of Disability before benefits will be paid. We will require continued proof of your Disability for benefits to continue.

When Benefits Begin: You must be continuously Disabled for your elected Benefit Waiting Period before benefits will be payable for a covered Disability. **For any selected Benefit Waiting Period of 30 days or less, the Benefit Waiting Period will end on the date you are admitted as an inpatient in a hospital if that date is before the end of the time period specified.**

Recurrent Disability: If you return to work in your regular occupation after receiving benefits under this policy and again becomes disabled from the same or related cause, you will not have to satisfy a new Benefit Waiting Period if you worked less than 6 consecutive months and earned less than the percentage of Indexed Earnings used when determining your disability during at least one month. If the second disability recurs beyond this time frame or results from a cause unrelated to the first, you must file a new claim and meet a new Benefit Waiting Period.

Maximum Benefit Period: Once you qualify for benefits under this policy, you will continue to receive them until the end of the maximum benefit period or until you no longer qualify for benefits, whichever occurs first. Should you remain Disabled, your benefits will continue according to one of the following schedules, depending on your age at the time the Disability begins and the plan selected.

Option A: To age 65 for Accident and Sickness Maximum Benefit Period Schedule

Age at Disability	Prior to age 63	63	64	65	66	67	68	69+
Duration of Payments (resulting from a covered Accident or Sickness)	To age 65 or 3 years 6 months, whichever is longest	To age 65 or 3 years, whichever is longest	To age 65 or 2 years 6 months, whichever is longest	2 years	1 year 9 months	1 year 6 months	1 year 3 months	1 year

Option B: 1 Year for Accident and Sickness Maximum Benefit Period Schedule

If you become disabled, LTD benefits may continue during disability for 1 year.

Waiver of Premium: Your premium cost will be waived while Disability Benefits are payable.

Rehabilitation During a Period of Disability: While Disabled, you may be eligible to participate in a Rehabilitation Plan or may be participating in a program that you desire to have approved by us as a Rehabilitation Plan. We have the sole discretion to approve your participation in a Rehabilitation Plan and to approve a program as a Rehabilitation Plan. Eligible rehabilitation expenses may include: medical, education, accommodation, moving or family care expenses. We may pay for these expenses with no contractual dollar cap. For details, see your Certificate of Insurance.

Rehabilitation Plan is a written agreement between you and us in which we agree to provide, arrange or authorize vocational or physical rehabilitation services.

Survivor Benefit: We will pay a Survivor Benefit if you die while Monthly Benefits are payable. For this benefit to be payable, you must have been continuously Disabled for 3 months. The Survivor Benefit amount is 100% of the sum of the last full Disability Benefit plus the amount of any disability earnings by which the benefit had been reduced for that month. This benefit is payable as a single lump sum payment equal to 3 monthly Survivor Benefits.

Benefit Reductions, Conditions, Limitations and Exclusions:

Effects of Other Income Benefits*: This plan is structured to prevent your total benefits and post-disability earnings from equaling or exceeding pre-disability earnings. Therefore, we reduce this plan's benefits by Other Income Benefits payable to you, your dependents, or a qualified third party on behalf of you or your dependents. Disability benefits may be reduced by amounts received through Social Security disability benefits payable to you, your dependents, or a qualified third party on behalf of you or your dependents. Your disability benefits will not be reduced by any Social Security disability benefits you are not receiving as long as you cooperate fully in efforts to obtain them and agree to repay any overpayment when and if you do receive them. Disability benefits will also be reduced by amounts received through other government programs, sick leave, employer's sabbatical leave, employer's assault leave plan, employer funded retirement benefits, workers' compensation, franchise/group insurance, auto no-fault, and damages for wage loss. For details, see your policy certificate or your employer's summary plan description. *Note: Some of the Other Income Benefits, as defined in the group policy, will not be considered until after disability benefits are payable for 12 months.*

***You should consider the impact of Other Income Benefits when making your benefit election. An elected benefit amount significantly lower than what you're eligible for may result in a lesser benefit than expected once applicable Other Income Benefits are deducted.**

Minimum Benefit: Your benefits from this plan will never be less than 25% of your Monthly Benefit prior to any reductions for Other Income Benefits, unless an overpayment of benefits is being recovered.

Earnings While Disabled: During the first 24 months that benefits are payable, benefits will be reduced if benefits plus income from employment exceeds 100% of pre-disability Indexed Earnings. After that, benefits will be reduced by 50% of earnings from employment.

Limited Benefit Period: Disabilities caused by or contributed to by any one or more of the following conditions are subject to a lifetime limit of 24 months for outpatient treatment: Anxiety-disorders, delusional (paranoid) or depressive disorders, eating disorders, mental illness, somatoform disorders (including psychosomatic illnesses) ,alcoholism, drug addiction or abuse. Benefits are payable during periods of hospital confinement for these conditions for hospitalizations lasting more than 14 consecutive days that occur before the 24-month lifetime outpatient limit is exhausted.

Pre-existing Condition Limitation:

We will not pay benefits for any period of Disability caused or contributed to by, or resulting from, a Pre-existing Condition. A "Pre-existing Condition" means any Injury or Sickness for which you received medical treatment, care or services including diagnostic measures, took prescribed drugs or medicines within 3 months before your effective date of insurance.

The Pre-existing Condition Limitation will apply to any added benefits or increases in benefits. This limitation will not apply to a period of Disability that begins after you are covered for at least 12 months after your effective date of insurance, or the effective date of any added or increased benefits.

Exclusions: This plan does not pay benefits for a Disability which results, directly or indirectly, from any of the following:

- Suicide, attempted suicide, or intentionally self-inflicted injury while sane or insane.
- war or any act of war, whether or not declared.
- active participation in a riot;
- commission of a felony;
- the revocation, restriction or non-renewal of an your license, permit or certification necessary to perform the duties of his or her occupation unless due solely to Injury or Sickness otherwise covered by the Policy;
- any cosmetic surgery or surgical procedure that is not Medically Necessary; "Medically Necessary" means the surgical procedure is: (a) prescribed by a Physician as required treatment of the Injury or Sickness; and (b) appropriate according to conventional medical practice for the Injury or Sickness in the locality in which the surgery is performed. (The Insurance Company will pay benefits if the Disability is caused by you donating an organ in a non-experimental organ transplant procedure.)
- In addition, the plan does not pay disability benefits for any period of Disability during which you are incarcerated in a penal or corrections institution.

Termination of Disability Benefits: Benefits will end on the earliest of the following dates; 1) the date you earn from any occupation, more than the percentage of Indexed Earnings set forth in the definition of Disability applicable to you at that time; 2) the date the Insurance Company determines you are no longer Disabled; 3) the end of the Maximum Benefit Period; 4) the date you die; 5) the date you are no longer receiving Appropriate Care; 6) the date you fail to cooperate with the Insurance Company in the administration of the claim. Such cooperation includes, but is not limited to, providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due.

Termination of Coverage: Your coverage will end on the earliest of any of the following dates: 1) the date you are eligible for coverage under a plan intended to replace this coverage; 2) the date the policy is terminated; 3) the date you are no longer in an eligible class; 4) the day after the end of the period for which premiums are paid; 5) the date you are no longer in active service; 6) the date benefits end for failure to comply with the terms and conditions of the policy.

How to Apply:

You must enroll for Disability Insurance to become insured. If you're currently eligible, you may elect coverage during the initial enrollment period. If you are hired after the plan effective date you may elect coverage once you become eligible. During annual enrollment, you may enroll for the first time or if already participating, make coverage changes without submitting any evidence of good health. Your plan administrator will provide enrollment instructions and should be contacted with any questions.

Terms and conditions of coverage for Long-Term Disability insurance are set forth in Group Policy No.SLH100020. This is not intended as a complete description of the insurance coverage offered. This is not a contract. Complete coverage details, including premiums, are contained in the Policy Certificate. If there are any differences between this summary and the group policy, the information in the group policy takes precedence. Product availability and/or features may vary by state. Please keep this material as a reference. Insurance coverage is issued on group policy form number: Policy Form TL-004700. Coverage is underwritten by Life Insurance Company of North America, 1601 Chestnut St. Philadelphia, PA 19192.

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