

# Protect your Income with Group Voluntary Short Term Disability Insurance



**Over half of American adults indicate they would not have enough savings to cover three months of living expenses if they were to lose their income<sup>1</sup>. Disability insurance is paycheck insurance.**

## Why Short Term Disability Insurance?

Short Term disability insurance works alongside your long term disability insurance plan to cover you during the period of time before your long term benefits kick in (90 days or more). The first few months of an illness or injury that takes you out of work may be costly. How would you keep your family afloat during this period of time without a paycheck?

## What causes disabilities?

Many think that accidents and injuries cause most disabilities; however, disabilities are more often caused by conditions such as back injuries, cancer, pregnancy, and heart disease.<sup>2</sup>

## What about Social Security, Workers' Comp and other insurance plans?

- Health insurance only covers medical services and prescriptions, not lost income.
- The application process for Social Security Disability Insurance (SSDI) can take months or even years and applications are generally only approved when disabilities are expected to last a year or more.<sup>3</sup>
- Workers' Compensation only covers disabilities resulting from an on-the-job related injury or illness. Most disabilities are not job-related.
- Unemployment Compensation is for those who are physically and mentally able to work.

**Saint Paul Public Schools and Madison National Life Insurance Company, Inc.** are pleased to provide you with the opportunity to purchase Group Short Term Disability Insurance. Now you can protect your wages by taking advantage of affordable group rates. When you enroll in this coverage, you will be able to choose a monthly benefit amount that is best for you.

## How much coverage is available?

Your Group Short Term Disability policy allows you receive a portion of your lost earnings should you become disabled. You will elect a monthly benefit amount (increments of \$100) between \$200 and \$3,000 (not to exceed 66-2/3% of your Monthly Predisability Earnings).

## Am I eligible for this coverage?

You are eligible to enroll in this plan if you are an active employee working at least 20 hours per week.

## Are there any medical questions or tests needed to qualify for the plan?

### New Hires

- If you enroll within 31 days from your hire date or eligibility date, you do not need to complete the medical questionnaire.

### Late Enrollees

- If you enroll late (after 31 days from your hire date or eligibility date) you will need to complete the medical questionnaire. Please note that coverage may be denied based upon your answers to the medical questions.

### Annual Enrollment

- Active Employees who have already elected Short Term Disability coverage may increase coverage by one \$100 increment without providing Evidence of Insurability, up to the maximum benefit amount.
- Any additional increases beyond \$100 will require Evidence of Insurability. Please note that coverage may be denied based upon your answers to the medical questions.

<sup>1</sup> Federal Reserve, Report on the Economic Well-Being of U.S. Households in 2016, May, 2017 | <sup>2</sup> The Council for Disability Awareness, Chances of Disability, 2019 | <sup>3</sup> The Council for Disability Awareness, The State of Disability Coverage in America, 2019

# Group Short Term Disability Insurance

## What is an “Elimination Period”?

An Elimination Period is the time between when your disability begins and the time you are eligible to receive benefits. No benefits are paid during the Elimination Period. **Your Elimination Period for a disability resulting from an Physical Disease is 7 days. There is no Elimination Period for a disability resulting from an Injury.**

## How do you define Disability?

Disability or Disabled means that during the Elimination Period and while benefits are payable, as a result of Physical Disease, Injury, Mental Disorder, Substance Abuse or Pregnancy, you are unable to perform one or more of the Material Duties of your Occupation.

## When will Benefits End?

The duration of benefits depends on whether you are eligible for the Employer-Paid Long Term Disability (LTD) coverage:

If you are eligible for the Employer-Paid LTD coverage, benefits are payable for the lesser of 13 weeks or until LTD benefits commence.

If you are not eligible for the Employer-Paid LTD coverage, benefits are payable for the lesser of 26 weeks or until LTD benefits commence.

## Are there any Limitations or Exclusions?

### Limitations:

- Payment of Short Term Disability (STD) Benefits is limited to 6 months for each period of continuous Disability while you reside outside of the United States or Canada.
- In no event will the STD Benefit plus Deductible Income plus Work Earnings exceed 100% of Pre-disability Earnings. In the event your STD Benefit plus Deductible Income plus Work Earnings exceeds 100% of Pre-disability Earnings, the STD Benefit will be reduced by the amount in excess of 100% of Pre-disability Earnings.

### Exclusions:

You are not covered for a Disability caused or contributed to by:

- War or any act of War.
- Your committing or attempting to commit a felony .
- Your engaging in an illegal occupation.
- Activity during any military leave for active duty, including training duty.
- An intentionally self-inflicted injury or attempted suicide, while sane or insane.
- Elective surgery;
  - If not medically necessary; or
  - Does not promote the proper function of your body or prevent or treat Physical Disease or Injury; or
  - Is directed at improving your appearance, unless such surgery or procedure is necessary to correct a deformity resulting from a congenital abnormality or a disfiguring Physical Disease or Injury.
- Arising out of in the course of any employment for wage or profit.
- A disability for which Worker's Compensation benefits are payable.

**This is a brief description of disability insurance. For complete details including all benefits, exclusions and limitations, refer to the Certificate GSDI-C200-(12/06)-MN issued by your employer.**

Independence Holding Company (NYSE: IHC), formed in 1980, is a holding company that is principally engaged in underwriting, administering and/or distributing group and individual specialty benefit products, including disability, supplemental health, pet, and group life insurance through its subsidiaries (Independence Holding Company and its subsidiaries collectively referred to as “The IHC Group”). The IHC Group includes three insurance companies (Standard Security Life Insurance Company of New York, Madison National Life Insurance Company, Inc. and Independence American Insurance Company), and IHC Specialty Benefits, Inc., a technology-driven full-service marketing and distribution company that focuses on small employer and individual consumer products through general agents, telebrokerage, call centers, advisors, private label arrangements, independent agents, and through the following brands: [www.HealtheDeals.com](http://www.HealtheDeals.com); Health eDeals Advisors; [www.PetPartners.com](http://www.PetPartners.com); and [www.PetPlace.com](http://www.PetPlace.com)

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# Group Short Term Disability Insurance Cost Summary

## 26-Week Plan Short Term Disability Rates

Monthly Benefit	Monthly Premium	Monthly Benefit	Monthly Premium
\$200	\$2.93	\$1,700	\$24.92
\$300	\$4.40	\$1,800	\$26.39
\$400	\$5.86	\$1,900	\$27.85
\$500	\$7.33	\$2,000	\$29.32
\$600	\$8.80	\$2,100	\$30.79
\$700	\$10.26	\$2,200	\$32.25
\$800	\$11.73	\$2,300	\$33.72
\$900	\$13.19	\$2,400	\$35.18
\$1,000	\$14.66	\$2,500	\$36.65
\$1,100	\$16.13	\$2,600	\$38.12
\$1,200	\$17.59	\$2,700	\$39.58
\$1,300	\$19.06	\$2,800	\$41.05
\$1,400	\$20.52	\$2,900	\$42.51
\$1,500	\$21.99	\$3,000	\$43.98
\$1,600	\$23.46		

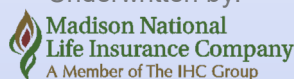
## 13-Week Plan Short Term Disability Rates

Monthly Benefit	Monthly Premium	Monthly Benefit	Monthly Premium
\$200	\$2.70	\$1,700	\$22.92
\$300	\$4.04	\$1,800	\$24.26
\$400	\$5.39	\$1,900	\$25.61
\$500	\$6.74	\$2,000	\$26.96
\$600	\$8.09	\$2,100	\$28.31
\$700	\$9.44	\$2,200	\$29.66
\$800	\$10.78	\$2,300	\$31.00
\$900	\$12.13	\$2,400	\$32.35
\$1,000	\$13.48	\$2,500	\$33.70
\$1,100	\$14.83	\$2,600	\$35.05
\$1,200	\$16.18	\$2,700	\$36.40
\$1,300	\$17.52	\$2,800	\$37.74
\$1,400	\$18.87	\$2,900	\$39.09
\$1,500	\$20.22	\$3,000	\$40.44
\$1,600	\$21.57		

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