



# Disability Income Insurance

California Schools

## Help Protect Your Income

**Disability Income Insurance** provides a benefit to help cover daily costs while you cannot work due to a covered Accidental Injury or Sickness.



### Benefits Paid Directly to You

Your monthly benefit payments may be deposited directly into your bank account. You can use the funds for what you need, like copays, deductibles and daily living expenses.



### Return-to-Work Benefit

You may receive a partial benefit for returning to work part-time while on Disability.



### Guaranteed Issue

Apply for coverage without answering medical questions.  
*Pre-Existing Conditions apply.*

## Ways To Use Your Benefits



- Mortgage or Rent
- Utility Bills and Groceries



- Car Payment(s)
- Gasoline



- Credit Card Payments
- Tuition

# Disability Income Protection

## How Our Disability Insurance Works



### Waiting Period

The elimination period (or waiting period) is seven consecutive working days.



### Sick Pay Period

You will receive \$25 per scheduled work day in addition to paid sick leave. You will also receive \$35 for each day in the Hospital instead of other benefits payable during sick leave.



### After Sick Pay Ends

You will be eligible for up to 75% of each regular day of required attendance (reduced by deductible sources of income). The minimum Disability benefit will be \$30 per regular day of required attendance.



### After The Second Benefit Year

Employees with more than five years of California State Teachers Retirement System (CalSTRS)/California Public Employees Retirement System (CalPERS) credit receive 10% of their regular monthly contract salary subject to plan provisions to age 65. Total benefits from all sources will not exceed 80% of the regular monthly contract salary. After the second benefit year, the minimum benefit will be \$100.

Employees with less than five years of CalSTRS/CalPERS credit receive 66<sup>2</sup>/<sub>3</sub>% of their regular monthly contract salary reduced by deductible sources of income. After the second benefit year, the minimum benefit will be 10% of the Disability benefit or \$100, whichever is greater.

Please refer to the CalSTRS/CalPERS booklet for details.

## Definitions

**Disability** for the first 2 benefit years that Disability benefits are paid means that you are unable to perform with reasonable continuity of the material and substantial duties of your regular occupation in the usual and customary way. After that, Disability means you are unable to perform with reasonable continuity the material and substantial duties of any gainful occupation that you reasonably could be expected to perform satisfactorily in light of your age, education, training, experience, station in life, and physical and mental capacity.

**Accidental Injury** means an accidental bodily injury you sustained that is independent of disease, bodily infirmity or any other cause; and takes place while your coverage is active.

**Sickness** means a disease or illness (including pregnancy). The Disability must begin while your coverage is active.

**Regular Daily Contract Salary** means the gross salary payable to you for the regular school year, divided by the number of regular days of required attendance specified by the district for the contract year during which Disability begins, up to the amount for which premium is paid. It may also include other equivalent compensation arrangements for the regular school year as mutually agreed upon by the policyholder and us. It excludes any additional compensation, including but not limited to overtime pay, weekend or summer school work compensation, bonuses or district-funded fringe benefits.

## Plan Highlights

### Eligibility

All permanent employees specified by the employer, association, or collective bargaining unit are eligible. Claims incurred while coverage is active will be subject to all policy terms, including any Pre-Existing Condition limitation.

- **Class 1 Insureds**  
To be considered Class 1 insured, you would already have five or more years of credited service under the CalSTRS or CalPERS on the date you become Disabled.
- **Class 2 Insureds**  
To be considered Class 2 insured, you would have participated in, but have less than five years of credited service under the CalSTRS or CalPERS on the date you become Disabled.

### Monthly Premium

\$1.06 per \$100 of Monthly Salary.

### When Coverage Begins

Coverage will become effective on the requested effective date following the date we receive your written election of coverage, provided you are actively employed and premium has been paid.

### Waiver of Premium

No premium payments are required while receiving benefits under the plan after you have been Disabled for 90 consecutive days. We will require proof annually that you remain Disabled during that time.

## Accidental Death and Dismemberment Benefit

A benefit of \$50,000 will be paid to your designated beneficiary if you die from an Accidental Injury within 90 days after the Accidental Injury. If you lose one or more members, including hands, feet, or eyes, you will receive a percentage of the benefit.

## Donor Benefit

If you are Disabled as a result of being an organ or tissue donor, we will pay your benefit as any other Sickness under the terms of the plan.

## Short-Term Disability Benefit

The following benefit amount for each period of Disability is payable during the first two benefit years for class 1 and class 2 insureds beginning on the eighth consecutive Regular Day of Required Attendance missed during Disability.

**Regular Days of Required Attendance** means any day of teacher attendance required by regulations of the employing unit.

- **While eligible to receive fully paid sick leave**  
\$25 for each Regular Day of Required Attendance missed during Disability or \$35 while confined to a Hospital for at least 18 continuous hours.
- **While not eligible to receive fully paid sick leave**  
75% of the Regular Daily Contract Salary, less any deductible sources of income, for each Regular Day of Required Attendance missed during Disability. The minimum Disability benefit will be the lesser of 75% of the Regular Daily Contract Salary or \$30.

## Summer Benefit

A \$500 per month benefit payable during the summer months will only be provided if you satisfy the elimination period and Disability begins before the end of the regular school year.

## Return to Work Incentive

If you are Disabled and working and receiving Long-Term Disability Benefits, you may be eligible to continue to receive a percentage of your Disability benefit in addition to your Disability earnings. However, if your Disability earnings exceed 80% of your regular monthly contract salary, payments will stop, and your claim will end.

- **Worksite Accommodation**  
As a part of the claims evaluation process, if worksite modifications may assist your return to work, we will evaluate your claim for appropriate action.

## Mental Illness Limited Benefit

If you are Disabled due to a mental illness, regardless of the cause, Disability benefits will be provided for up to six months. After six months, benefits will be paid if you are confined to a Hospital.

## Alcoholism and Drug Addiction Limited Benefit

If you are Disabled due to alcoholism or drug addiction, a limited benefit of up to six months for each Disability will be paid. In no event will benefits be paid beyond the maximum Disability period. If drug addiction is sustained at the hands of, or while under, the regular and appropriate care of a physician during treatment for an Accidental Injury or Sickness, it will be covered the same as any other Disability.

## Survivor Benefit

A benefit equal to the dollar amount of the daily benefit will be paid if, on the date of your death, your Disability had continued for 90 or more consecutive days and you were receiving or entitled to receive short-term Disability benefits under this policy. This benefit will be paid to the end of your maximum disability period or 100 required days of attendance, whichever is less. If there are no eligible survivors, no payment will be made.

## Maximum Benefit Period

Benefits are payable up to the time shown in the chart below. This information is based on your age as of the date the Disability begins.

Age	Maximum Benefit Period
Less than age 60	To Social Security Normal Retirement Age (SSNRA)*
60	60 months, or to SSNRA*, whichever is greater
61	48 months, or to SSNRA*, whichever is greater
62	42 months, or to SSNRA*, whichever is greater
63	36 months, or to SSNRA*, whichever is greater
64	30 months, or to SSNRA*, whichever is greater
65	24 months, or to SSNRA*, whichever is greater
66	21 months, or to SSNRA*, whichever is greater
67	18 months, or to SSNRA*, whichever is greater
68	15 months, or to SSNRA*, whichever is greater
Age 69 or older	12 months, or to SSNRA*, whichever is greater

\*Age at which you are entitled to unreduced social security benefits based on current social security amendments.

## Minimum Disability Benefit

The minimum Disability benefit for **class 1 insureds** will be \$100. The minimum benefit for **class 2 insureds** will be 10% of the Disability benefit or \$100, whichever is greater. Long-term Disability benefits are not payable for a Disability caused by mental illness, alcoholism or drug addiction unless you are Hospital confined.

No Disability payment will be provided for any period in which you are not under the regular and appropriate care of a physician.

## Long-Term Disability Benefit

The following benefit amount for each period of Disability is payable after the period for which short-term Disability benefits are provided (after the second benefit year):

- **Class 1 Insureds**  
10% of the regular monthly contract salary up to a maximum covered salary of \$111,000. The Disability benefit and all deductible sources of income must not exceed 80% of your regular monthly contract salary.
- **Class 2 Insureds**  
66<sup>2/3</sup>% of the regular monthly contract salary up to a maximum covered salary or \$111,000, less any deductible sources of income.

## Paid Family Leave Limited Benefit

We will pay a benefit if your leave of absence:

- has been approved by your employer;
- is due to any one of the following qualifying reasons: bonding, family caregiving or qualifying exigency; and
- extends at least beyond your elimination period of seven days.

The benefit will pay 60% of your regular monthly contract salary, as defined in the policy. Benefits will not exceed the amount of coverage paid for.

Leave may be taken up to 10 weeks in any 12-month period and can be taken continuously or intermittently. Benefits will be payable in full-day increments based on your regularly scheduled employment on your 1st day of covered leave. Intermittent leave must be taken in intervals of no less than one day of work under your regularly scheduled employment.

If any benefit is to be paid for less than an entire month, the amount payable will be reduced pro rata on the basis that one day's benefits equal one-thirtieth of the monthly Paid Family Leave Benefit amount. Documentation will need to be submitted for each type of leave taken. Please see your certificate for specific requirements.

### Plan Highlights (cont.)

#### Special Conditions Limited Benefit

This provides a benefit of up to two years due to special conditions if you are Disabled and under your physician's regular and appropriate care. Eligible conditions include: Chronic fatigue syndrome; Fibromyalgia; Any disease, disorder, accident, or injury of the neck or back not resulting in hemiplegia, paraplegia or quadriplegia; Environmental allergic illnesses including, but not limited to, sick building syndrome and multiple chemical sensitivity; or Self-Reported Symptoms.

**Self-Reported Symptoms** are symptoms the insured tells their physician that are not verifiable using tests, procedures or clinical examinations. Examples include, but are not limited to, headaches, pain, fatigue, stiffness, soreness, ringing in the ears, dizziness, numbness or energy loss.

#### Deductible Sources of Income

Deductible sources of income include: Income which you are eligible to receive from your employer; Disability benefits you receive or which you are eligible to receive under any other group Disability insurance plan, including those required under any employers' liability law; pension or retirement benefits, including the CalSTRS/CalPERS; any governmental plan, including Social Security benefits or negotiated alternative Social Security benefit plans payable to you and your dependents, which you are eligible to receive, regardless of whether application has been made for such benefits, with the exception of military Disability allowances and/or military service retirement benefits received due to prior service-connected Disabilities, which are excluded, unless you apply for these after you become Disabled; Disability allowances and service retirement benefits received under the CalSTRS/CalPERS, are excluded during the first six months of Disability.

#### Pre-Existing Condition Limitation

If a Disability is due to a Pre-Existing Condition and begins before you have been continuously covered under the policy for 12 months, no Disability benefit will be payable. This provision will not apply if you have: gone treatment-free; incurred no expense; taken no medication; and received no diagnosis or advice from a physician for 12 consecutive months for such condition(s).

Benefits will not be excluded for Disability due to a Pre-Existing Condition, which begins after you have been continuously covered under the policy for 12 months. Any increase in benefits will be subject to this Pre-Existing Condition limitation. A new Pre-Existing Condition period must be satisfied for any increase applied for and approved by us.

**Pre-Existing Condition** means a disease, Accidental Injury, Sickness, physical condition or mental illness for which you have experienced any of the following: (a) treatment; (b) incurred expense; (c) took medication; (d) received care or services including diagnostic testing or related measures; or (e) received a diagnosis or advice from a physician; during the 12 months immediately before your effective date of coverage.

*This brochure highlights important features of the policy. Please refer to your certificate for complete details.*

*Pre-Existing Conditions may apply.*

*The premium and benefit amounts vary dependent upon the plan selected at time of application.*

*Policy provisions and benefits may vary if you reside in a state other than your employer's state of domicile.*

#### Paid Family Leave Limited Benefit

No benefits will be payable for:

- Any period for which leave is being taken for your own serious health condition.
- Leave for circumstances surrounding your own military active duty status, or notification of an impending call or order to military active duty status, in support of a contingency military operation.
- Any period for which your employer has not approved your leave for bonding, family caregiving or qualifying exigency.
- Any period for which you were eligible for or receiving Disability benefits under the base policy.
- More than one qualifying reason for any one period of leave.

#### Limitations and Exclusions

The policy does not cover any loss, fatal or non-fatal, resulting from: a Disability that starts while you are not working on a regularly scheduled basis due to lay-off, labor disputes or any leave of absence; intentionally self-inflicted Accidental Injury while sane or insane; acts of war when serving as a member of any military, air force, naval organization, or an auxiliary unit thereto. This exclusion includes Accidental Injuries sustained or Sickness contracted while in the service of any military, naval, or air force of any country engaged in war or act of war. We will refund the pro-rata unearned premium for any period you or your dependent(s) are not covered; Accidental Injury sustained or Sickness contracted while in the service of the armed forces of any country; committing a felony; penal incarceration. We will not pay benefits for Disability or any other loss for any period for which you are incarcerated in a penal or correctional institution for 30 consecutive days or longer; and Accidental Injury or Sickness arising out of and in the course of any occupation for wage or profit or for which you are entitled to Workers' Compensation. The term "entitled to Workers' Compensation" shall also include Workers' Compensation claim settlements that occur via compromise and release. Further, no benefits will be paid under this policy for any period you are entitled to Workers' Compensation benefits.

#### Leave of Absence

Your coverage may be continued for up to one year during a leave of absence approved in writing by your employer.

#### Termination of Insurance

Coverage will continue as long as the policy remains active, the premiums are paid' and you remain eligible for coverage under the policy. Your coverage will end when you no longer qualify as an insured, the policy is discontinued, you retire, you are not on active employment, your employment terminates or the first day of the month after you enter full-time military, naval or air service. Your coverage can be terminated or premiums may be increased on any premium due date with 31 days advance notice.



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