MOSSE & MOSSE
SCHOOL AND MUNICIPAL SERVICES

Dudley-Charlton Regional School District
Long Term Disability Plan Outline

- **Guaranteed Issue.** The benefit is a guaranteed issue product, meaning if you sign up when you are first offered the coverage, you cannot be denied access to the plan for any reason. However, if you do not elect the coverage when you are first offered it and then wish to join the plan at a later date, you have to prove evidence of insurability and you may be denied access to the plan.

- **Benefit: 60% of gross pay to a maximum of $7,000 per month.** All benefits will be paid tax free, both federal and state, because the employees are paying the premium.

- **Elimination Period: 90 Calendar days.** This is the length of time that an employee has to be out of work due to disability before being eligible for benefits.

- **Maximum Benefit Duration:** benefits payable for disability to age 65/SSNRA/ADEA

- **Exclusions:**
  - Intentional self-inflicted injury
  - War, declared or undeclared, or any act of war
  - Active participation in a riot, rebellion or insurrection
  - Committing or attempting to commit an assault, felony or other illegal act

- **Two year limitation** on benefits for:
  - Outpatient drug and alcohol abuse
  - Outpatient mental and nervous disorder

- **Residual/Partial Benefit:** During elimination and benefit period, an employee showing a 20% or greater earnings loss due to disability is benefit eligible. In the elimination period, the days worked on partial basis count towards fulfillment of period. After the elimination period, employee will receive partial benefits not to exceed 100% of pre-disability earnings.

- **Integration/Minimum benefit:** plan offsets with workers' compensation social security and disability retirement awards. Minimum benefit is $100 per month

- **Two Year Own Occupation.** This is the definition of disability and states that employees are considered disabled if, due to injury or illness, they can no longer perform the duties of their own occupation for first 24 months of disability.

How much does the plan cost?

Below are the age banded rates for our program as well as a formula to calculate employee premium.

Cost per 24 pays Based on Various Salary Examples

Age Band	Rate Per $100 of Income	$30,000	$40,000	$50,000	$60,000	$70,000	$80,000
< 25	$0.190	$2.38	$3.17	$3.96	$4.75	$5.54	$6.33
25-29	$0.205	$2.56	$3.42	$4.27	$5.13	$5.98	$6.83
30-34	$0.221	$2.76	$3.68	$4.60	$5.53	$6.45	$7.37
35-39	$0.323	$4.04	$5.38	$6.73	$8.08	$9.42	$10.77
40-44	$0.470	$5.88	$7.83	$9.79	$11.75	$13.71	$15.67
45-49	$0.702	$8.78	$11.70	$14.63	$17.55	$20.48	$23.40
50-54	$0.923	$11.54	$15.38	$19.23	$23.08	$26.92	$30.77
55-59	$1.142	$14.28	$19.03	$23.79	$28.55	$33.31	$38.07
60+	$1.232	$15.40	$20.53	$25.67	$30.80	$35.93	$41.07

Formula for cost per pay period: **Annual Salary / $100 x Rate / Number of Pay Periods**

Example

40 year old employee earning $50,000 with 24 pay periods:

1. $50,000 / $100 x $0.470 = $235
2. $235.00 / 24 pay periods = $9.79 per pay period

How do I sign up?

If you wish to take advantage of this coverage, please complete the enrollment form by filling out your name, date of birth, check "yes" under acceptance and sign the bottom of the form. If you do not choose to enter the program, simply check "no" under refusal and sign the bottom of the form. All employees must complete a form. Please be aware that staff may only receive guaranteed coverage in the program when it is initially offered. If you decide against electing coverage in this initial offering and wish to sign up later, you are not guaranteed coverage in the plan.

If you have any questions about our LTD plan, please feel free to contact our consultant at Mosse & Mosse Services, Brian Fitzgerald, at 781-224-1709 x139 or brf@mosseservices.com He will be happy to go over the program with you in more detail and answer any questions you may have.