

**COLORADO HIGHER EDUCATION  
INSURANCE BENEFIT ALLIANCE TRUST**

**CERTIFICATE:**

**LONG TERM DISABILITY INCOME BENEFIT PLAN**

Plan Sponsor has established a long-term disability income benefit plan. Plan Sponsor is solely responsible for payment of LTD Benefits payable under the terms of the Plan during the Self-Funded Period. Standard Insurance Company is solely responsible for payment of LTD Benefits payable under the Plan during the Insured Period, according to the terms of the Group Policy.

Plan Sponsor has retained Standard as claims administrator for the Plan during the Self-Funded Period. Standard shall receive, process, investigate and evaluate claims for benefits and shall recommend to Plan Sponsor approval or denial of each claim during the Self-Funded Period. Standard shall also investigate and process appeals of denied claims and recommend to Plan Sponsor approval or denial of each appeal during the Self-Funded Period. In each case, Plan Sponsor retains the right of final review and decision on all claims and appeals during the Self-Funded Period. Standard has the same rights on all claims and appeals during the Insured Period, according to the terms of the Group Policy.

Standard will also perform certain administrative services for the Plan, including advising and assisting Plan Sponsor with preparation and revision of the Plan. Standard has no authority or obligation with respect to management or investment of the assets of the Plan, other than the Group Policy, or Plan Sponsor's right of subrogation under the Plan.

You will be covered as provided by the terms of the Plan. Possession of this Certificate does not necessarily mean you are covered. You are covered only if you meet the requirements set out in this Certificate.

Plan Sponsor has the right at anytime to amend or terminate the Plan or to require or change the amount of Member contributions. If your coverage is changed by an amendment to the Plan, Plan Sponsor will provide you with a revised Certificate or other notice. No agent has authority to change the Plan or to waive any of its provisions.

"You" and "your" mean the Member. "We", "us", and "our" mean Plan Sponsor and include Standard during the Insured Period and during any period you are claiming LTD Benefits from Standard. Other defined terms appear with their initial letters capitalized. Section headings, and references to them, appear in boldface type.

PC190-LTD-H

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## COVERAGE FEATURES

This section contains many of the features of your long term disability (LTD) coverage. Other provisions, including exclusions, limitations, and Deductible Income, appear in other sections. Please refer to the text of each section for full details. The Table of Contents and the Index of Defined Terms help locate sections and definitions.

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### GENERAL PLAN INFORMATION

Plan Sponsor:	The Colorado Higher Education Insurance Benefit Alliance and Trust
Employer(s):	The Colorado Higher Education Insurance Benefit Alliance and Trust which includes the following participating State colleges and universities: Adams State College, the Auraria Higher Education Center, Colorado School of Mines, Colorado State University at Pueblo, Fort Lewis College, Metropolitan State College of Denver, University of Northern Colorado and Western State College.
ASO Number:	611812-B
Plan Effective Date:	August 1, 1992
Group Policy Effective Date:	August 1, 1992

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### BECOMING COVERED

To become covered you must: (a) Be a Member; (b) Complete your Eligibility Waiting Period; and (c) Meet the requirements in **Active Work Provisions and When Your Coverage Becomes Effective**.

Definition Of Member:	You are a Member if you are: <ol style="list-style-type: none"><li>1. An active professional employee of the Employer;</li><li>2. On contract for 0.50 FTE or more in a fiscal year, or eligible for long term disability coverage under the rules and regulation of the Employer; and</li><li>3. A citizen or resident of the United States or Canada.</li></ol> You are not a Member if you are: <ol style="list-style-type: none"><li>1. A seasonal or non-contract temporary employee; or</li><li>2. A full time member of the armed forces of any country.</li></ol>
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#### Class Definition:

- Class 1: Non-classified Members employed at University of Northern Colorado, Colorado State University at Pueblo and all classified Members except Fort Lewis College
- Class 2: All other non-classified Members except Fort Lewis College
- Class 3: Non-classified Fort Lewis Members

Eligibility Waiting Period: You are eligible on the Plan Effective Date if you are a Member of that date.

You are eligible on the first day as a Member, if you become a Member after the Plan Effective Date.

Medical History Statement Required for:

- a. Late application for Contributory coverage.
- b. Reinstatements if required.
- c. Members eligible but not covered under the Prior Plan.

### SCHEDULE OF COVERAGE

LTD Benefit: The lesser of:

1. 66 2/3% of the first \$10,500 of your Predisability Earnings; and
2. 70% of your Predisability Earnings, reduced by Deductible Income.

Maximum: \$7,000

Minimum: \$100

Benefit Waiting Period: 90 days

Self-Funded Period: The first 33 months for which LTD Benefits are paid.

Insured Period: Begins after LTD Benefits have been paid for 33 months.

Maximum Benefit Period: Determined by your age when Disability begins, as follows:

Age	
61 or younger .....	To age 65, or to SSNRA, or 3 years 6 months, whichever is longest.
62 .....	To SSNRA, or 3 years 6 months, whichever is longer.
63 .....	To SSNRA, or 3 years, whichever is longer.
64 .....	To SSNRA, or 2 years 6 months, whichever is longer.
65 .....	2 years
66 .....	1 year 9 months
67 .....	1 year 6 months
68 .....	1 year 3 months
69 or older .....	1 year

Social Security Normal Retirement Age (SSNRA) means your normal retirement age under the Federal Social Security Act, as amended.

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## DISABILITY PROVISIONS

Own Occupation Period:	The first 24 months for which LTD Benefits are paid.
Any Occupation Period:	From the end of the Own Occupation Period to the end of the Maximum Benefit Period.
Partial Disability:	Covered
Own Occupation Income Level:	80% of your Indexed Predisability Earnings
Any Occupation Income Level:	80% of your Indexed Predisability Earnings

See **Definition of Disability** for more information.

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## EXCLUSIONS AND LIMITATIONS

Preexisting Condition Exclusion:	Yes
Preexisting Condition Period:	The 90-day period just before your coverage becomes effective.
Exclusion Period:	12 months
Chronic Fatigue Conditions Limitation:	Yes
Limitation Period:	24 months
Chemical And Environmental Sensitivities Limitation:	Yes
Limitation Period	24 months
Musculoskeletal And Connective Tissue Disorder Limitation:	Yes
Limitation Period	24 months

See **Exclusions and Limitations for** this and other exclusions and limitations.

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## DEDUCTIBLE INCOME

Social Security Offset:	Full Offset
Salary Continuation Offset:	Sick Pay or other salary continuation payable to you by your Employer, but not including vacation pay.

See **Deductible Income for** these and other Deductible Income.

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## OTHER BENEFITS

Survivors Benefit Amount:	A lump sum equal to 3 times your LTD Benefit without reduction by Deductible Income.
Estate Payment Allowed:	No
Leave of Absence Provision:	Unpaid leave: Coverage is continued while on a leave of absence scheduled to last 30 days or less.  Fully or partially paid leave: Coverage is continued while on a leave of absence scheduled to last 18 months or less. LTD Benefits payable during the leave will be based on the Predisability Earnings in effect during the leave. LTD Benefits payable after the date the leave is scheduled to end will be based on the Predisability Earnings in effect on the last day before the leave.
Continuity of Coverage:	Yes
Cost Of Living Adjustment:	Yes
Predisability Earnings based on:	Earnings in effect on your last full day of Active Work.
Earnings Period for Bonuses (see Predisability Earnings):	The preceding 12 calendar months.

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## MEMBER CONTRIBUTIONS

Coverage is:

Class 1:	Contributory
Class 2:	Noncontributory
Class 3:	Noncontributory (contribution included)*

\*Noncontributory (contribution included) means that the cost of coverage is included in the Member's gross earnings or is paid by the Member on an after-tax basis.

## STATEMENT OF COVERAGE

If you become Disabled while covered under the Plan, we will pay LTD Benefits according to the terms of the Plan after we receive satisfactory Proof Of Loss. Plan Sponsor is solely responsible for payment of LTD Benefits during the Self-Funded Period. Standard is solely responsible for payment of LTD Benefits during the Insured Period.

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## DEFINITION OF DISABILITY

You are Disabled if you meet one of the following definitions during the period it applies:

- A. Own Occupation Definition of Disability;
- B. Any Occupation Definition of Disability; or
- C. Partial Disability Definition.

Own Occupation means any employment, business, trade, profession, calling or vocation that involves Material Duties of the same general character as your regular and ordinary employment with the Employer. Your Own Occupation is not limited to your job with your Employer.

Material Duties means the essential tasks, functions and operations, and the skills, abilities, knowledge, training and experience, generally required by employers from those engaged in a particular occupation.

### A. Own Occupation Definition Of Disability

During the Benefit Waiting Period and the Own Occupation Period you are required to be Disabled only from your Own Occupation.

You are Disabled from your Own Occupation if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to perform with reasonable continuity the Material Duties of your Own Occupation.

### B. Any Occupation Definition Of Disability

During the Any Occupation Period you are required to be Disabled from all occupations.

You are Disabled from all occupations if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to perform with reasonable continuity the Material Duties of any gainful occupation for which you are reasonably fitted by education, training and experience.

### C. Partial Disability Definition

1. During the Benefit Waiting Period and the Own Occupation Period, you are Partially Disabled when you work in your Own Occupation but, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to earn the Own Occupation Income Level or more.
2. During the Any Occupation Period, you are Partially Disabled when you work in an occupation but, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to earn the Any Occupation Income Level, or more, in that occupation and in all other occupations for which you are reasonably fitted under the Any Occupation Definition of Disability.

You may work in another occupation while you meet the Own Occupation Definition of Disability. If you are Disabled from your Own Occupation, there is no limit on your Work Earnings in another occupation. Your Work Earnings may be Deductible Income. See **Return To Work Incentive** and **Deductible Income**.

Your Any Occupation Period, Any Occupation Income Level, Own Occupation Period, and Own Occupation Income Level are shown in the **Coverage Features**.

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## **RETURN TO WORK INCENTIVE**

### **A. During The Benefit Waiting Period**

You may serve your Benefit Waiting Period while working, if you meet either the Own Occupation Definition of Disability or the Partial Disability Definition.

### **B. After The Benefit Waiting Period**

You are eligible for the Return to Work Incentive on the first day you work after the Benefit Waiting Period if LTD Benefits are payable on that date. The Return To Work Incentive changes 12 months after that date, as follows:

1. During the first 12 months, your Work Earnings will be Deductible Income as determined below:
  - a. Determine the amount of your LTD Benefit as if there were no Deductible Income, and add your Work Earnings to that amount.
  - b. Determine 100% of your Indexed Predisability Earnings.
  - c. If a. is greater than b., the difference will be Deductible Income.
2. After those first 12 months, one half of your Work Earnings will be Deductible Income.

Work Earnings means your gross monthly earnings from work you perform while Disabled, including earnings from your Employer, any other employer, or self-employment.

LT.RW.01

## **TEMPORARY RECOVERY**

You may temporarily recover from your Disability, and then become Disabled again, without having to serve a new Benefit Waiting Period. Temporary Recovery means you cease to be Disabled for less than the applicable allowable period. See **Definition of Disability**.

### **A. Allowable Periods**

1. During the Benefit Waiting Period: a total of 5 days of recovery for every 30 days of the Benefit Waiting Period.
2. During the Maximum Benefit Period: 180 days for each period of recovery.

### **B. Effect of Temporary Recovery**

If your Temporary Recovery does not exceed the allowable periods, 1 through 5 below will apply.

1. The Predisability Earnings used to determine your LTD Benefit will not change.
2. The period of Temporary Recovery will not count toward your Benefit Waiting Period or your Own Occupation Period.
3. No LTD Benefits will be payable for the period of Temporary Recovery.
4. No LTD Benefits will be payable after benefits become payable to you under any other group long term disability plan or group long term disability insurance policy under which you become covered during your period of Temporary Recovery.

5. Except as stated above, the provisions of the Plan will be applied as if there had been no interruption of your Disability.

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### **WHEN LTD BENEFITS END**

Your LTD Benefits end automatically on the earliest of 1 through 4 below.

1. The date you are no longer Disabled.
2. The date your Maximum Benefit Period ends.
3. The date you die.
4. The date benefits become payable under any other group LTD plan or group LTD insurance policy under which you become covered during a period of temporary recovery.

AS.BE.01

### **PREDISABILITY EARNINGS**

Your Predisability Earnings will be based on your earnings in effect on your last full day of Active Work unless a different date applies (see the **Coverage Features**). Any subsequent change in your earnings will not affect your Predisability Earnings.

Predisability Earnings means your monthly rate of earnings from your Employer, including:

1. Contributions you make through a salary reduction agreement with your Employer to:
  - a. An Internal Revenue Code (IRC) Section 401(k), 403(b), or 457 deferred compensation arrangement; or
  - b. An executive nonqualified deferred compensation arrangement.
2. Bonuses averaged over the Earnings Period shown in the **Coverage Features** or over the period of your employment if less than the Earnings Period.
3. Shift differential pay.
4. Amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.

Predisability Earnings does not include:

1. Overtime pay.
2. Your Employer's contributions on your behalf to any deferred compensation arrangement or pension plan.
3. Any other extra compensation.

If you are paid on an annual contract basis, your monthly rate of earnings is one-twelfth (1/12th) of your annual contract salary.

If you are paid hourly, your monthly rate of earnings is based on your hourly pay rate multiplied by the number of hours you are regularly scheduled to work per month, but not more than 173 hours. If you do not have regular work hours, your monthly rate of earnings is based on the average number of hours you worked per month during the preceding 12 calendar months (or during your period of employment if less than 12 months), but not more than 173 hours.

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## **DEDUCTIBLE INCOME**

Subject to **Exceptions To Deductible Income**, Deductible Income means:

1. Sick pay or other salary continuation as shown in the **Coverage Features**.
2. Your Work Earnings, as described in the **Return To Work Incentive**.
3. Any amount you receive or are eligible to receive because of your disability under any workers' compensation law or similar law, including amounts for partial or total disability, whether permanent, temporary, or vocational.
4. Any amount you, your spouse, or your children under age 18 receive or are eligible to receive because of your disability or retirement under:
  - a. The Federal Social Security Act;
  - b. The Canada Pension Plan;
  - c. The Quebec Pension Plan; or
  - d. Any similar plan or act.

Benefits your spouse or children receive or are eligible to receive because of your disability are Deductible Income regardless of marital status, custody, or place of residence.

The **Coverage Features** states which one of the following options applies to your Social Security benefits.

- a. Full offset: Both the primary benefit (the benefit awarded to you) and dependents benefits are Deductible Income.
  - b. Primary offset: Primary benefits are Deductible Income, but dependents benefits are not.
  - c. Partial dependents offset: Primary benefits are Deductible Income. Dependents benefits are Deductible Income as determined below:
    - (1) Determine the amount of your LTD Benefit as if there were no Deductible Income, and add your dependents benefits to that amount.
    - (2) Multiply your Predisability Earnings by the dependents limit.
    - (3) If (1) is greater than (2), the difference will be Deductible Income.
5. Any amount you receive or are eligible to receive because of your disability under any state disability income benefit law or similar law.
  6. Any amount you receive or are eligible to receive because of your disability under any group insurance coverage.
  7. Any disability or retirement benefits you receive or are eligible to receive under your Employer's retirement plan, including a public employee retirement system, a state teacher retirement system, and a plan arranged and maintained by a union or employee association for the benefit of its members.

If any of these plans has two or more payment options, the option which comes closest to providing you a monthly income for life with no survivors benefit will be Deductible Income, even if you choose a different option.
  8. Any amount you receive by compromise, settlement, or other method as a result of a claim for any of the above, whether disputed or undisputed.

LT.DI.02X

## **EXCEPTIONS TO DEDUCTIBLE INCOME**

Deductible Income does not include:

1. Any cost of living increase in any Deductible Income other than Work Earnings, if the increase becomes effective while you are Disabled and while you are eligible for the Deductible Income.
2. Reimbursement for hospital, medical, or surgical expense.
3. Reasonable attorneys fees incurred in connection with a claim for Deductible Income.
4. Benefits from any individual disability insurance policy.
5. California Workers' Compensation benefits for permanent total or permanent partial disability.
6. Early retirement benefits under the Federal Social Security Act which are not actually received.
7. Group credit or mortgage disability insurance benefits.
8. Accelerated benefits paid under a life insurance policy.
9. Benefits from a through h below.
  - a. Profit sharing plan.
  - b. Thrift or savings plan.
  - c. Deferred compensation plan.
  - d. Plan under IRC Section 401(k) or 457.
  - e. Individual Retirement Account (IRA).
  - f. Tax Sheltered Annuity (TSA) under IRC Section 403(b).
  - g. Stock ownership plan.
  - h. Keogh (HR-10) plan.
10. Any short term disability benefits paid under Standard group policy 604530 issued to State of Colorado as policyholder.

LT.ED.01X

## **RULES FOR DEDUCTIBLE INCOME**

### **A. Monthly Equivalentents**

Each month we will determine your LTD Benefit using the Deductible Income for the same monthly period, even if you actually receive the Deductible Income in another month.

If you are paid Deductible Income in a lump sum or by a method other than monthly, we will determine your LTD Benefit using a prorated amount. We will use the period of time to which the Deductible Income applies. If no period of time is stated, we will use a reasonable one.

### **B. Your Duty To Pursue Deductible Income**

You must pursue Deductible Income for which you may be eligible. We may ask for written documentation of your pursuit of Deductible Income. You must provide it within 60 days after we mail you our request. Otherwise, we may reduce your LTD Benefits by the amount we estimate you would be eligible to receive upon proper pursuit of the Deductible Income.

C. Pending Deductible Income

We will not deduct pending Deductible Income until it becomes payable. You must notify us of the amount of the Deductible Income when it is approved. You must repay us for the resulting overpayment of your claim.

D. Overpayment Of Claim

We will notify you of the amount of any overpayment of your claim. You must immediately repay us. You will not receive any LTD Benefits until we have been repaid in full. In the meantime, any LTD Benefits paid, including the Minimum LTD Benefit, will be applied to reduce the amount of the overpayment. We may charge you interest at the legal rate for any overpayment which is not repaid within 30 days after we first mail you notice of the amount of the overpayment.

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### **COST OF LIVING ADJUSTMENT BENEFIT**

A. Eligibility

You are eligible for a COLA Benefit if, on each April 1, you have been Disabled for the preceding 5 calendar years (January 1, through December 31) and are receiving LTD Benefits.

B. COLA Benefit Rules

1. Your LTD Benefits becoming payable after you are eligible for a COLA Benefit are increased by the COLA Factor in effect for the current year.
2. A new COLA Factor is determined each April 1.
3. Your first COLA Factor is equal to 1.00 plus the rate of increase in the CPI-W for the prior calendar year.
4. Each following COLA Factor is equal to 1.00 plus the rate of increase in the CPI-W for the prior calendar year, times the previous COLA Factor.
5. The maximum rate of increase in the CPI-W that we will use is 3%.
6. The amount payable after adjustment by the COLA Factor will not exceed \$25,000.
7. Your COLA Factor will not decrease, even if the CPI-W decreases.

LT2.CA.03

### **SURVIVORS BENEFIT**

If you die while LTD Benefits are payable, we will pay a Survivors Benefit according to 1 through 4 below.

1. The amount of the Survivors Benefit is shown in the **Coverage Features**.
2. The Survivors Benefit will first be applied to reduce any overpayment of your claim.
3. The Survivors Benefit will be paid at our option to any one or more of the following:
  - a. Your surviving spouse;
  - b. Your surviving unmarried children under age 25; or
  - c. Any person providing the care and support of any of them.

4. If you are not survived by a spouse or an unmarried child under age 25, no Survivors Benefit will be paid unless payment to your estate is allowed as stated in the **Coverage Features**.

LT.SB.01

## **WAIVER OF CONTRIBUTIONS**

While LTD Benefits are payable, your coverage will be continued without payment of premiums or Member contributions.

AS.WP.02

## **BENEFITS AFTER COVERAGE ENDS OR IS CHANGED**

Your right to receive LTD Benefits for a period of Disability which begins while you are covered will not be affected by:

1. Termination of the Plan after you become Disabled; or
2. Termination of your coverage while the Plan remains in force; or
3. Any amendment to the Plan approved after the date you become Disabled.

AS.BA.02

## **EFFECT OF NEW DISABILITY**

If a period of Disability is extended by a new cause while LTD Benefits are payable, LTD Benefits will continue while you remain Disabled. However, 1 and 2 apply.

1. LTD Benefits will not continue beyond the end of the original Maximum Benefit Period.
2. All provisions of the Group Policy, including the **Exclusions** and **Limitations** sections, will apply to the new cause of Disability.

LT.ND.01

## **EXCLUSIONS**

### A. War

You are not covered for a Disability caused or contributed to by War or any act of War. War means declared or undeclared war, whether civil or international, and any substantial armed conflict between organized forces of a military nature.

### B. Intentionally Self-Inflicted Injury

You are not covered for a Disability caused or contributed to by an intentionally self-inflicted injury, while sane or insane.

### C. Preexisting Condition

#### 1. Definition

Preexisting Condition means a mental or physical condition for which you have done any of the following at any time during the Preexisting Condition Period shown in the **Coverage Features**:

- a. Consulted a Physician;
- b. Received medical treatment or services; or
- c. Taken prescribed drugs or medications.

## 2. Exclusion

You are not covered for a Disability caused or contributed to by a Preexisting Condition or medical or surgical treatment of a Preexisting Condition unless, on the date you become Disabled, you:

- a. Have been continuously covered under the Plan for the entire Exclusion Period shown in the **Coverage Features**; and
- b. Have been Actively At Work for at least one full day after the end of the Exclusion Period.

AS.EX.01X

## LIMITATIONS

### A. Care of A Physician

You must be under the ongoing care of a Physician during the Benefit Waiting Period. No LTD Benefits will be paid for any period of Disability when you are not under the ongoing care of a Physician.

### B. Mental Disorder

Payment of LTD Benefits is limited to 24 months for each period of continuous Disability caused or contributed to by a Mental Disorder. However, if you are confined in a Hospital at the end of the 24 months, this limitation will not apply while you are continuously confined.

Mental Disorder means any mental, emotional, behavioral, psychological, personality, cognitive, mood or stress-related abnormality, disorder, disturbance, dysfunction or syndrome, regardless of cause, including any biological or biochemical disorder or imbalance of the brain. Mental Disorder includes, but is not limited to, bipolar affective disorder, organic brain syndrome, schizophrenia, psychotic illness, manic depressive illness, depression and depressive disorders, or anxiety and anxiety disorders.

Hospital means a legally operated hospital providing full-time medical care and treatment under the direction of a full-time staff of licensed Physicians. Rest homes, nursing homes, convalescent homes, homes for the aged, and facilities primarily affording custodial, educational, or rehabilitative care are not Hospitals.

### C. Assets in the State Colleges Employee Disability Insurance Benefit Trust

LTD Benefits payable during the Self-Funded Period are limited solely to the assets in the State Colleges Employee Disability Insurance Benefit Trust (the "Trust"). Additionally, the Employer is limited in the Employer's ability to commit to fund the Trust beyond each state fiscal year.

### D. Rehabilitation

LTD Benefits will not be payable for any period of Disability when you are not participating in good faith in a plan, program or course of medical treatment or vocational training or education approved by us, unless your Disability prevents you from participating.

### E. Musculoskeletal And Connective Tissue Disorder

Payment of LTD Benefits is limited to the Musculoskeletal And Connective Tissue Disorder Limitation Period shown in **Coverage Features** during your entire lifetime for a Disability caused or contributed to by musculoskeletal or connective tissue disorders including, but not limited to:

1. Any disease or disorder of the cervical, thoracic, or lumbosacral back and its surrounding soft tissue.
2. Sprains or strains of joints or muscles.

3. Carpal tunnel or repetitive motion syndrome.
4. Fibromyalgia.
5. Temporomandibular joint or craniomandibular joint disorder.
6. Myofascial pain.
7. Arthritis.

This limitation will not apply to:

- a. Herniated discs with neurological abnormalities that are documented by electromyogram, and computerized tomography or magnetic resonance imaging.
- b. Scoliosis.
- c. Tumors, malignancies, or vascular malformations.
- d. Radiculopathies that are documented by electromyogram.
- e. Spondylolisthesis, grade II or higher.
- f. Myelopathies and myelitis.
- g. Demyelinating diseases.
- h. Traumatic spinal cord necrosis.
- i. Osteopathies.
- j. Rheumatoid or psoriatic arthritis.
- k. Lupus.

#### F. Chronic Fatigue Conditions

Payment of LTD Benefits is limited to the Limitation Period for Chronic Fatigue Conditions shown in **Coverage Features** during your entire lifetime for a Disability caused or contributed to by chronic fatigue conditions including, but not limited to:

1. Chronic Fatigue Syndrome.
2. Chronic Fatigue Immunodeficiency Syndrome.
3. Post Viral Syndrome.
4. Limbic Encephalopathy.
5. Epstein-Barr virus infection.
6. Herpesvirus type 6 infection.
7. Myalgic Encephalomyelitis.

This limitation will not apply to clinical conditions where a cause for the chronic fatigue is otherwise identifiable, such as:

- a. Neoplastic disorders.
- b. Neurological disorders.
- c. Endocrine disorders.
- d. Hematological disorders.
- e. Rheumatologic disorders.

f. Depression.

G. Chemical And Environmental Sensitivities

Payment of LTD Benefits is limited to the Limitation Period for Chemical And Environmental Sensitivities shown in **Coverage Features** during your entire lifetime for a Disability caused or contributed to by an allergy or sensitivity to chemicals or the environment including, but not limited to:

1. Environmental allergies.
2. Sick Building Syndrome.
3. Multiple Chemical Sensitivity Syndrome.
4. Chronic Toxic Encephalopathy.

This limitation will not apply to:

- a. Asthma.
- b. Allergy-induced reactive lung disease

H. Alcohol Use, Alcoholism Or Drug Use

Payment of LTD Benefits is limited to 24 months during your entire lifetime for a Disability caused or contributed to by your use of alcohol, alcoholism, use of any drug, including hallucinogens, or drug addiction.

LT.LM.01X

## **CLAIMS**

A. Filing A Claim

Claims should be filed on our forms. If you do not receive our forms within 15 days after you ask for them, you may submit your claim in a letter to us. The letter should include the date disability began, and the cause and nature of the disability.

B. Time Limits On Filing Proof Of Loss

You must give us Proof Of Loss within 90 days after the end of the Benefit Waiting Period. If you cannot do so, you must give it to us as soon as reasonably possible, but not later than one year after that 90 day period. If Proof Of Loss is filed outside these time limits, your claim will be denied. These limits will not apply while you lack legal capacity.

C. Proof Of Loss

Proof Of Loss means satisfactory written proof that you are Disabled and entitled to LTD Benefits. Proof Of Loss must be provided at your expense.

D. Documentation

At your expense, you must submit completed claims statements, your signed authorization for us to obtain information, and any other items we may reasonably require in support of your claim. If you do not provide the documentation within 60 days after we mail you our request, your claim may be denied.

E. Investigation Of Claim

We may investigate your claim at any time.

At our expense, we may have you examined at reasonable intervals by specialists of our choice. We may deny or suspend LTD Benefits if you fail to attend an examination or cooperate with the examiner.

#### F. Time Of Payment

We will pay LTD Benefits within 60 days after you satisfy Proof Of Loss.

LTD Benefits will be paid to you at the end of each month you qualify for them. LTD Benefits remaining unpaid at your death will be paid to the person(s) receiving the Survivor Benefit. If no Survivor Benefit is paid, the unpaid LTD Benefits will be paid to your estate.

#### G. Notice of Decision On Claim

You will receive a written decision on your claim within a reasonable time after we receive your claim.

If you do not receive our decision within 90 days after we receive your claim, you will have an immediate right to request a review as if your claim had been denied.

If we deny any part of your claim, you will receive a written notice of denial containing:

1. The reasons for our decision;
2. The reference to the parts of the Plan on which our decision is based;
3. A description of any additional information needed to support your claim; and
4. Information concerning your right to a review of our decision.

#### H. Review Procedure

You may request in writing a review of a denial of all or part of your claim within 60 days after you receive notice of the denial.

When you request a review, you may send us written comments or other items to support your claim. You may review any non-privileged information that relates to your request for review.

We will review your claim promptly after we receive your request. We will send you a notice of our decision within 60 days after we receive your request, or within 120 days if special circumstances require an extension. We will state the reasons for our decision and refer you to the relevant parts of the Plan.

#### I. Assignment

The rights and benefits under the Plan are not assignable.

AS.CL.01

### **SUBROGATION**

If LTD Benefits are paid or payable to you under the Plan as the result of the act or omission of a third party, we will be subrogated to all rights of recovery you may have in respect to such act or omission. You must execute and deliver to us such instruments and papers as may be required and do whatever else is needed to secure such rights. You must avoid doing anything that would prejudice our rights of subrogation.

If suit or action is filed, we may record a notice of payment of LTD Benefits, and such notice shall constitute a lien on any judgement recovered, less a pro rata share of the costs of recovery, including attorney fees.

If you or your legal representative fail to bring suit or action promptly against such third party, we may institute such suit or action in our own name or in your name. We are entitled to retain from any

judgement recovered the amount of LTD Benefits paid or to be paid to you or on your behalf, together with our costs of recovery, including attorney fees. The remainder of such recovery, if any, shall be paid to you or as the court may direct.

AS.SU.01

### **ALLOCATION OF AUTHORITY**

We have full and exclusive authority to control and manage the Plan, to administer claims, and to interpret the Plan and resolve all questions arising in the administration, interpretation, and application of the Plan.

Our authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the Plan and any claim under it;
3. The right to determine:
  - a. Eligibility for coverage;
  - b. Entitlement to benefits;
  - c. Amount of benefits payable;
  - d. Sufficiency and the amount of information we may reasonably require determining a., b., or c., above.

Subject to the review procedures of the Plan, any decision we make in the exercise of our authority is conclusive and binding.

AS.AL.01

### **TIME LIMITS ON LEGAL ACTIONS**

No action at law or in equity may be brought until 60 days after you have given us Proof Of Loss. No such action may be brought more than three years after the earlier of:

1. The date we receive Proof Of Loss; and
2. The end of the period within which Proof Of Loss is required to be given.

LT.TL.01

### **INCONTESTABILITY PROVISIONS**

Any statement you make to obtain coverage is a representation and not a warranty.

No misrepresentation by you will be used to reduce or deny your claim or contest the validity of your coverage unless:

1. Your coverage would not have been approved if we had known the truth; and
2. We have given you a copy of a written instrument signed by you which contains your misrepresentation.

After your coverage has been in effect for two years, we will not use a misrepresentation by you to reduce or deny your claim, unless it was a fraudulent misrepresentation.

AS.IN.01

## **CONTINUITY OF COVERAGE**

If your Disability is subject to the Preexisting Condition Exclusion, LTD Benefits will be payable if:

1. You were covered under the Prior Plan on the day before the effective date of your Employer's coverage under the Plan;
2. You were continuously covered under the Plan from the effective date of your Employer's coverage under the Plan through the date you became Disabled from the Preexisting Condition; and
3. Benefits would have been payable under the Prior Plan if it had remained in force, taking into account the preexisting condition exclusion, if any, of the Prior Plan.

Payment of your LTD Benefit will be under the terms of the Prior Plan or the Plan, whichever pays less.

AS.CC.01

## **WHEN YOUR COVERAGE BECOMES EFFECTIVE**

The **Coverage Features** states whether your coverage is Contributory or Noncontributory.

### A. Noncontributory Coverage

Subject to the **Active Work Provisions**, your Noncontributory coverage becomes effective on the date you become eligible.

### B. Contributory Coverage

You must apply in writing for Contributory coverage and agree to pay Member contributions. Subject to the **Active Work Provisions**, your coverage becomes effective on:

1. The date you become eligible, if you apply on or before that date;
2. The date you apply, if you apply within 31 days after you become eligible; or
3. The date we approve your Medical History Statement, if you apply more than 31 days after you become eligible (late application).

### C. Coverage Subject To A Satisfactory Medical History Statement

Coverage subject to a satisfactory Medical History Statement becomes effective on the date we approve your Medical History Statement.

### D. Takeover Provisions

1. If you were covered under the Prior Plan on the day before the effective date of your Employer's coverage under the Plan, your Eligibility Waiting Period is waived on the effective date of your Employer's coverage under the Plan.
2. You must submit a satisfactory Medical History Statement to become covered for Contributory coverage if you were eligible for coverage under the Prior Plan for more than 31 days but were not covered.

AS.EF.01

## **ACTIVE WORK PROVISIONS**

### A. Active Work Requirement

If you were absent from Active Work because of Physical Disease, Injury, Pregnancy or Mental Disorder on the day before the scheduled effective date of your coverage, your coverage will not become effective until the day after you complete one full day of Active Work as an eligible Member.

Active Work and Actively At Work mean performing the material duties of your own occupation at your Employer's usual place of business.

#### B. Changes In Coverage

This Active Work Requirement also applies to any increase in your coverage. However, if you return to Active Work during a period of Disability or Temporary Recovery (see **Temporary Recovery**), you will not qualify for any change in coverage caused by a change in:

1. Your status as a member of a class;
2. The rate of earnings used to determine your Predisability Earnings; or
3. The terms of the Plan.

#### C. Exception

The Active Work Requirement will not apply to you if:

1. You were absent from Active Work because of a regularly scheduled day off, holiday, or vacation day;
2. You were Actively At Work on your last scheduled work day before the date of your absence; and
3. You were capable of Active Work on the day before the scheduled effective date of your coverage.

AS.AW.01

### **WHEN YOUR COVERAGE ENDS**

Your coverage ends automatically on the earliest of:

1. The date the last period ends for which you made a required Member contribution, if your coverage is Contributory.
2. The date the Plan terminates.
3. The date your employment terminates.
4. The date you cease to be a Member. However, if you cease to be a Member because you cease to be on contract for 0.50 FTE or more in a fiscal year, your coverage will be continued during the following periods, unless it ends under 1 through 3 above.
  - a. While your Employer is paying you the same amount paid to you immediately before you ceased to be a Member.
  - b. During the Benefit Waiting Period and while LTD Benefits are payable.
  - c. During a leave of absence if continuation of your coverage under the Group Policy is required by the state-mandated family or medical leave act or law.
  - d. During a leave of absence approved by your Employer in advance and in writing and scheduled to last the period shown in the **Coverage Features**.

AS.EN.01

### **CONTINUED COVERAGE DURING SCHOOL VACATIONS**

If you cease to be a Member because of a school break or vacation, your coverage will be continued during that period.

LT.SV.01X

## REINSTATEMENT OF COVERAGE

If your coverage ends, you may become covered again as a new Member. However, 1 through 3 below will apply.

1. If your coverage ends because you cease to be a Member, and if you become a Member again within 90 days, the Eligibility Waiting Period will be waived.
2. If your coverage ends because you fail to make a required Member contribution, you must provide a satisfactory Medical History Statement to become covered again.
3. If your coverage ends because you are on a state-mandated family or medical leave of absence, and you become a Member again immediately following the period allowed, your coverage will be reinstated pursuant to the state-mandated family or medical leave act or law.
4. If you become covered again within 90 days, the Preexisting Conditions Exclusion will be applied as if there had been no break in coverage.

AS.RE.01X

## DEFINITIONS

Benefit Waiting Period means the period you must be continuously Disabled before LTD Benefits become payable. No LTD Benefits are payable for the Benefit Waiting Period. See **Coverage Features**.

Contributory means you pay all or part of the cost for your coverage.

CPI-W means the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the United States Department of Labor. If the CPI-W is discontinued or changed, we may use a comparable index. Where required, we will obtain prior state approval of the new index.

Eligibility Waiting Period means the period you must be a Member before you become eligible for coverage. See **Coverage Features**.

Group Policy means the group LTD insurance policy issued by Standard to Plan Sponsor and identified by the Group Policy Number.

Providing Medical History means: To provide Medical History you must:

1. Complete and sign our Medical History Statement;
2. Sign our form authorizing us to obtain information about your health;
3. Undergo a physical examination, if required by us, which may include blood testing; and
4. Provide any additional information about your medical history that we may reasonably require.

Indexed Predisability Earnings means your Predisability Earnings adjusted by the rate of increase in the CPI-W. During your first year of Disability, your Indexed Predisability Earnings are the same as your Predisability Earnings. Thereafter, your Indexed Predisability Earnings are determined on each anniversary of your Disability by increasing the previous year's Indexed Predisability Earnings by the rate of increase in the CPI-W for the prior calendar year. The maximum adjustment in any year is 10%. Your Indexed Predisability Earnings will not decrease, even if the CPI-W decreases.

Injury means an injury to your body.

Insured Period means the portion of each period of continuous Disability for which Standard is solely responsible for payment of LTD Benefits. No LTD Benefits are payable by Plan Sponsor during the Insured Period.

LTD Benefit means the monthly benefit payable to you under the terms of the Plan during the Self-Funded Period and Insured Period .

Maximum Benefit Period means the longest period for which LTD Benefits are payable for any one period of continuous Disability, whether from one or more causes. It begins at the end of the Benefit Waiting Period. No LTD Benefits are payable after the end of the Maximum Benefit Period, even if you are still Disabled. See **Coverage Features**.

Noncontributory means (a) coverage is nonelective and the Plan Sponsor or Employer pay the entire contribution for coverage; or (b) the Plan Sponsor or Employer require all eligible Members to have coverage and to pay all or part of the contribution for coverage.

Physical Disease means a physical disease entity or process that produces structural or functional changes in the body as diagnosed by a Physician.

Physician means a licensed medical professional, other than yourself, diagnosing and treating you within the scope of the license.

Plan means the LTD income benefit plan established by the Policyholder (Plan Sponsor) under ASO Number 611812-B and Group Policy 611811-B.

Pregnancy means your pregnancy, childbirth, or related medical conditions, including complications of pregnancy.

Prior Plan means your Employer's long term disability plan in effect on the day before the effective date of your Employer's coverage under the Plan and which is replaced by the Plan.

Self-Funded Period means the portion of each period of continuous Disability for which Plan Sponsor is solely responsible for payment of LTD Benefits. No LTD Benefits are payable by Standard during the Self-Funded Period. See **Coverage Features**.

AS.DF.02