

SHORT-TERM TOTAL DISABILITY BENEFITS

Short-Term Disability (University paid premiums):

If you are a member of the University of California Retirement Plan (UCRP) and maintain an appointment of 43.75% time or greater, you are automatically covered under Short-Term Disability.

Short-Term Disability provides:

- Benefits for non-industrial disabilities only. Industrial disability benefits are paid under Workers' Compensation.
- A waiting period of 7 calendar days or the waiting period you chose for your supplemental disability benefits (if applicable), whichever is longer. The waiting period starts the day you become disabled.
- A benefit of 55% of your salary (max. \$800 per month); and
- Benefits paid up to 26 weeks.

Supplemental Disability (Employee paid premiums):

If you are enrolled in this plan, Supplemental Disability will supplement your Short-Term Disability (or in some cases your Workers' Compensation benefits). Supplemental Disability provides:

- A choice of a 7, 30, 90 or 180 day waiting period (whichever you selected); and
- A total benefit (Short-Term Disability plus Supplemental Disability) of 70% of your gross salary (maximum of \$10,000 per month); and
- Disability benefits paid up to 52 weeks or longer, if totally disabled.

Liberty Mutual Claim Forms:

Complete the blue Disability Claim Form and the white Reimbursement Agreement and submit to Liberty Mutual in the attached postage-paid envelope. Fill in the top portion of the yellow Attending Physician's Statement and give it to your doctor. Your doctor will complete the form and then mail or fax it to Liberty Mutual. Liberty Mutual's toll-free telephone number is (800) 838-4461. Their address is:

Group Market Disability Claims
Liberty Life Assurance Co.
P.O. Box 37500
Phoenix, AZ 85069

Disability Benefit Payments:

Once your doctor has taken you off work, you must use **up to 30 calendar days (not counting University holidays) of sick leave** before disability payments from Liberty Mutual can begin. You must use up to 30 calendar days of sick leave regardless of your waiting period. You are **NOT** required to use your vacation leave before disability payments can begin. The decision to use vacation leave is between you and your department. (See your Department Benefits Assistant if you have any questions regarding vacation usage.)

Disability checks from Liberty Mutual will be mailed directly to your home address. You will receive separate checks for Short-Term Disability benefits and Supplemental Disability benefits (if enrolled) every two weeks. Payments from Liberty Mutual will begin after all three of the following events have occurred:

- Your sick leave is exhausted (or you have used 30 calendar days of sick leave);
- Your UC salary stops; and
- Your waiting period is exhausted.

Examples:

Sue has 200 hours of sick leave and a 30-day waiting period. If she becomes disabled, she would use only 30 calendar days of sick leave (approximately 176 hours, depending upon the month) and disability benefits would begin thereafter.

Bob, however, has only worked for UCD for a couple years and has accrued only 40 hours of sick leave. He also has a 30-day waiting period. If he becomes disabled, he would need to use all of his sick leave. Once sick leave was exhausted he might use vacation until his waiting period is met or he might go on leave without pay and save his vacation hours. When his 30-day waiting period is up, his disability benefits would begin.

Taxes

Short-Term Disability - Social Security (OASDI) and Medicare taxes will be withheld from your Short-Term Disability benefit checks, if you normally have OASDI/Medicare withholding from paychecks. Public Law 97-123 states that, effective 1/1/82, OASDI and Medicare taxes must be withheld from disability income benefits paid during the first six months that a disabled employee is off of work. Any benefit you receive from Short-Term Disability is subject to state and federal income taxes and will be reported to the IRS by Liberty Mutual. You may elect state and federal income tax withholding from your disability checks.

Supplemental Disability - Since your monthly Supplemental Disability premiums are taxed, the benefits you receive from Supplemental Disability are **tax-free**.

You will receive a W-2 form directly from Liberty Mutual next year showing Short-Term Disability and Supplemental Disability benefits. Questions regarding your tax liability may be directed to an IRS office or a tax consultant.

California State Disability Insurance (SDI):

If the University has employed you for less than eighteen months at the time you become disabled, you **MUST** apply for benefits under SDI. A SDI claim form will be mailed to you after you have filed your Liberty Mutual claim. When you receive written notification from SDI regarding their benefit, even if you are denied SDI benefits, send a copy of the letter to Liberty Mutual immediately. Liberty Mutual will automatically withhold part or all of your benefit until they are provided with the SDI notification.

Continuing Your Insurance Plans:

Medical Insurance

The University will continue to make its contribution towards your medical insurance premium while you are receiving Short-Term Disability benefits, provided you do **NOT** separate from the University. If the UC medical plan you selected requires you to pay a portion of the premium, you must make arrangements with the Benefits Office at (530) 752-1774 to continue paying that portion. See "Family and Medical Leave" below.

FAMILY AND MEDICAL LEAVE ACT (FMLA) OF 1993

Please note that if your department approves your leave of absence under federal FMLA guidelines, the University's contribution towards your insurance plans will include contributions for both DENTAL AND VISION as well as medical. However, your department must process your leave as an approved FMLA leave before any premiums can be paid on your behalf. This additional contribution will continue for up to 12 weeks from your disability date. If you are on leave of absence for disability and it is **NOT** covered under FMLA, the University will make its contribution towards medical insurance **ONLY** (not dental and vision) while you are receiving Short-Term Disability benefits from Liberty Mutual. Your department will provide you with the Family and Medical Leave forms.

Dental, Vision, Legal, Life, Dependent Life, and AD&D insurance.

If you wish to keep these insurance benefits during your unpaid leave, you must pay premiums directly to the Benefits Office. You will receive a letter from the Benefits Office regarding payment for continuation of benefits. Dental and vision may be covered for the first 12 weeks if you are approved for FMLA leave (see above). Call the phone number on the letter for further information regarding these benefits.

If you choose not to pay the premiums during your leave, then your coverage will end and you will have the 31 day period after the date you return to work to enroll again in these insurance benefits. To do so, please obtain a UPAY 850 from your department or from www.atyourservice.ucop.edu. Complete Section 1, check the box for "Return from leave/furlough" in Section 2, and then complete the rest of the form to re-enroll in any benefits you let lapse during your leave. Call Employee Benefits if you have any questions.

If you return to work on a medically-necessary reduced work schedule and Liberty approves your Return to Work status, you are not required to pay your Supplemental Disability premiums during this period. Call (530) 752-1774 for information on how to cancel your premium. You must re-enroll in Supplemental Disability within 31 days of returning to your normal work schedule.

Please Note: If you are enrolled in Accidental Death and Dismemberment insurance, this plan pays benefits for permanent and total disabilities resulting from a covered accident. Please contact the Benefits Office to file a claim.

Other Paycheck Deductions

If part of your leave will be paid (using sick leave and/or vacation), you should be aware that all of your normal deductions, e.g., parking fees, will be taken from each paycheck issued during your leave. Contact Parking Services at (530) 752-3729 if you wish to cancel parking while you are on leave. Also, if you have payroll deductions for a loan from the Tax-Deferred 403(b) Plan, insurance premium payments from A+ Auto & Home Insurance, or payments to a credit union, you will need to make arrangements for payments if you will miss any pay periods during your leave. You may contact the 403(b) Loan Office at (800) 239-4002 ext. 70747. A+'s toll-free number is (877) 411-1426.

Allowable Time Off:

Submitting a disability claim form does ***NOT*** request or grant a leave of absence for you. Contact your supervisor to arrange your leave of absence. You may also want to inquire about your rights under the ***Family and Medical Leave Act of 1993 (FMLA)*** while discussing your leave with your supervisor.

Return to Work

If you were on leave without pay for 120 days or more, you may enroll in Supplemental Disability and select any of the waiting periods when you return to work by completing a UPAY 850 form. You must do this within 31 days of returning to work. You may need to contact other offices, e.g., Parking Services, to begin deductions that were cancelled prior to your leave.

You stop accumulating UCRP retirement service credit while on approved leave without pay. When you return to pay status, you may be eligible to buyback this service credit. Contact the Benefits Office for more information.

Please contact the Benefits Office at (530) 752-1774 if you have any questions regarding your benefits.