


**VOLUNTARY
SHORT TERM
DISABILITY**
(VSTD11)



**Employer's
Guide**

How Long Could Your Employees Make It Without Their Paychecks?

If your employees become Totally Disabled¹ and unable to work, how long could they survive financially without an income? Do they have substantial savings, investments or home equity? Maybe. But for those who don't, short term disability income insurance can help them survive financially during the initial weeks of a disability.

Short term disability income insurance protects your employees' income. An employee who becomes sick or hurt and Totally Disabled will receive payments (based on the particular policy) from Illinois Mutual, which can help pay living expenses such as rent, mortgage, car payment, food, insurance, utilities, medical expenses and more.

Why Offer Employee Disability Income Insurance?

Voluntary Short Term Disability (VSTD11) from Illinois Mutual can give your employees the peace of mind that a paycheck brings. And, as a voluntary benefit, the employee pays 100% of the premium. When the employee pays the premium on a disability plan, benefits are generally not taxable.

Coverage

This policy pays benefits (not to exceed 66²/₃% of the employee's Basic Weekly Earnings²) for either 13 or 26 weeks, depending upon the plan selected, if the employee is Totally Disabled from a non-occupational injury or sickness. Total Disability resulting from pregnancy, alcoholism or drug addiction and mental or nervous conditions are covered the same as any other illness.

Ineligible Firms (not applicable in MI) Firms engaged in the following activities are not eligible:

Ammunition	Liquor Stores
Amusement Enterprises	Logging & Sawmills
Asbestos Products	Mining, Quarrying, Drilling
Bail Bondsmen	Movie Theatres
Bars, Taverns, Night Clubs	Passenger Transportation Companies
Boarding Houses/Camps	Private Households
Dance Halls & Studios	Race Tracks
Employee Leasing Firms	Sports Teams
Entertainment Groups	Taxi Companies
Explosives Manufacturing & Distribution	Used Merchandise Stores
Fire & Police Departments	

ERISA

While voluntary benefits offered in the workplace may be exempt from ERISA, the benefit is subject to ERISA IF:

- the employer contributes any of the premium, or
- the premium is paid through a 125 plan, also called a "POP" (premium only plan), or
- the employer sponsors the plan.

There are other situations in which the benefits may be exempt from or subject to ERISA. Employers should consult with their attorneys or tax consultants for ERISA information.

¹ Total Disability for any one period of disability, starting while the Employee's coverage is in force, means, as a result of sickness or injury, the Employee's inability to engage in any occupation for which he is qualified or for which he becomes qualified by education, training, or experience. To be Totally Disabled, the Employee must be under the regular care of a physician. Definition of Total Disability differs in LA and MD. See State Variation page for details.

² Basic Weekly Earnings means the Employee's rate of earnings from the Employer in effect immediately prior to the date the Employee's Total Disability begins. It does not include bonuses, overtime pay and other extra compensation other than commissions. Commissions will be averaged over the 12-month period prior to the date the Employee's Total Disability begins.

Please note: This policy is not portable and may not be continued after employment terminates. Coverage also terminates if the Employee falls below 30 hours per week.



Employer Eligibility

An Employer is eligible for coverage if:

- the group has been in business more than 6 months, and the group is not heavily financed by federal, state or local government entities, or heavily dependent on the procurement of government contracts, or
- it is not a union, health and welfare fund, or similar entity, or
- 50% or more of the group is not in commissioned sales*, or
- 50% or more of the group is not related by blood or marriage, or
- the group is not subject to seasonal fluctuations*.

Employee Eligibility

An Employee is eligible for coverage if:

- he or she has at least 90 days of continuous full-time work with the employer, and
- is Actively at Work on the effective date of coverage, and
- the employee pays 100% of the premium.

Actively at Work means the employee must be performing all the duties of the position with the Employer at least 30 hours per week. In NH, the employee must be performing all the duties of the position with the Employer at least 15 hours per week.

**Not applicable in MI.*

Total Disability Weekly Benefits will be reduced by the amount of any other income benefits which the Employee receives or is eligible to receive. Other income benefits are: 1) retirement pension benefits to the extent paid for by the Employee under: a. any plan of a federal, state, county or municipal retirement system, if such pension benefits include any credit for employment with the Employer; or b. any plan which the Employer sponsors, or makes or has made contributions; and 2) disability benefits under any plan of a federal, state, county or municipal retirement system, if such benefits include any credit for employment with the Employer; and 3) disability benefits under the United States Social Security Act, the Railroad Retirement Act or under any similar United States or Canadian plan or act.

This provision varies in CT, MD and ID. Please refer to your policy.

VSTD11 Plan Choices

The employer may select one of the following 6 plans to offer the employees.

Benefits Begin			
Plan	Accident	Sickness	Duration
Plan A	1st Day	8th Day	13 Weeks
Plan B	8th Day	8th Day	13 Weeks
Plan C	15th Day	15th Day	13 Weeks
Plan D	1st Day	8th Day	26 Weeks
Plan E	8th Day	8th Day	26 Weeks
Plan F	15th Day	15th Day	26 Weeks

VSTD11 Benefit Amounts

Bonuses, overtime pay and other extra compensation are not included in income. Commissions are included in Basic Weekly Earnings² and will be averaged over the 12-month period prior to the date the employee's Total Disability begins. A maximum issue and participation limit of 66 ²/₃ % of Basic Weekly Earnings, up to a maximum weekly benefit of \$600 a week is available. Benefits are offered in \$50-a-week increments.

Employee Selection	Weekly Benefits	Annual Salary Must be At Least
Benefit Level 1	\$150 per Week	\$11,700
Benefit Level 2	\$200 per Week	\$15,600
Benefit Level 3	\$250 per Week	\$19,500
Benefit Level 4	\$300 per Week	\$23,400
Benefit Level 5	\$350 per Week	\$27,300
Benefit Level 6	\$400 per Week	\$31,200
Benefit Level 7	\$450 per Week	\$35,100
Benefit Level 8	\$500 per Week	\$39,000
Benefit Level 9	\$550 per Week	\$42,900
Benefit Level 10	\$600 per Week	\$46,800

Weekly Benefit Amount & Premiums

Choose to show employees monthly, semi-monthly, bi-weekly or weekly rates per \$100 weekly benefit and corresponding premiums.

Monthly Rates per \$100 Weekly Benefit						
Attained Age	Plan A 1-8-13	Plan B 8-8-13	Plan C 15-15-13	Plan D 1-8-26	Plan E 8-8-26	Plan F 15-15-26
<30	\$8.14	\$7.75	\$6.89	\$9.56	\$9.25	\$8.32
30 - 34	8.38	8.00	7.02	9.91	9.75	8.71
35 - 39	8.38	8.00	7.02	9.91	9.75	8.71
40 - 44	8.38	8.00	7.02	9.91	9.75	8.71
45 - 49	8.85	8.38	7.41	11.45	11.13	10.01
50 - 54	10.62	10.13	8.84	13.69	13.25	11.96
55 - 59	12.39	11.88	10.40	16.17	15.63	14.17
60 - 64	14.51	13.88	12.22	18.88	18.38	16.51
65	19.12	18.25	15.99	24.90	24.25	21.84

Maximum issue age is 65

Increase of Coverage

An increase in your existing Short Term Disability Benefit can only be done 31 days prior to the Group's Anniversary date. Evidence of insurability is required. If approved and issued, the increase in benefit is subject to a 12-month pre-existing condition limitation.

Evidence of Insurability

No evidence of insurability is required if the employee enrolls during the initial eligibility period and is Actively at Work on the effective date of coverage. The initial eligibility period is the first 31 days immediately following the date the employee has completed 90 days of continuous service. New employees have a 31-day window to enroll without evidence of insurability beginning on the first day they are eligible for coverage. Evidence of insurability is required of employees enrolling after their initial eligibility period.

Pre-existing Conditions

(See State Variations page for any state specific Pre-existing Conditions limitations).

During the first 12 months after the Employee's Coverage Date, we will not pay benefits: (a) for any condition diagnosed or treated by a physician within 12 months prior to the Employee's Coverage Date (6 months in ID); or (b) for any condition which caused symptoms within 12 months prior to the Employee's Coverage Date that would have caused an ordinarily prudent person to seek medical diagnosis, care or treatment (6 months in ID).

If an employee increases his or her coverage, the pre-existing condition limitation applies to the amount of the increase.

Exceptions and Limitations

(See State Variations page for any state specific exceptions and limitations).

Total Disability

The employee's coverage does not insure against or pay benefits for any disability which is caused by or is the result of: a) intentionally self-inflicted injuries or attempted suicide, while sane or insane; b) commission of a felony; c) war or act of war, whether declared or undeclared; or d) injury or sickness arising out of or in the course of any employment for wage or profit.

Accidental Death and Dismemberment Benefit

The Accidental Death and Dismemberment Benefit will provide no Benefit for any loss caused by or resulting from:

- 1) Declared or undeclared war or any act of war;
- 2) Service in the armed forces of any country or international authority;
- 3) Suicide or intentionally self-inflicted injury whether the Employee was sane or insane at the time of the suicide or injury;
- 4) Flying in an aircraft owned, operated, leased or chartered by the Policyowner;
- 5) Participation in, or in consequence of having participated in, the commission of any felony;
- 6) Sickness or disease, or infection, except infections which result from an accidental injury or infections which result from accidental, involuntary or an unintentional ingestion of a contaminated substance;
- 7) Intentionally taking a narcotic, drug, barbiturate, hallucinogenic drug or any combination of these when not part of a professional medical treatment plan; or
- 8) Intoxication by the intentional use of alcohol. Intoxication means that which is defined and determined by the laws of the state where the loss or cause of the loss was incurred.

All Plans Include

- \$10,000 Accidental Death and Dismemberment (AD&D) benefit³ for each insured employee
- **Waiver of Premium** if the insured is entitled to Total Disability benefits and Total Disability has existed for at least 90 consecutive days

³ Benefits are paid only if the loss results from injury, independent of disease and Sickness; is caused by an accident occurring while the benefit is in force; and occurs within 90 days (180 days in UT and OR) of that accident.



State Variations

Total Disability

LA: For any one period of disability, starting while the employee's coverage is in force, means, as a result of Injury or Sickness, the employee's inability to engage in any occupation for which he is or for which he becomes qualified by education, training, or experience and which provides at least 80% of the employee's earning capacity prior to the start of Employee's Total Disability. To be Totally Disabled, the employee must be under the Regular Care of a Physician. Only one Total Disability benefit will be payable at any one time even if the employee is Totally Disabled because of multiple causes.

MD: For any one period of disability, starting while the employee's coverage is in force, means, as a result of Injury or Sickness, the employee's inability to perform each and every duty pertaining to his occupation. To be Totally Disabled, the employee must be under the Regular Care of a Physician. Only one Total Disability benefit will be payable at any one time even if the employee is Totally Disabled because of multiple causes.

Pre-Existing Condition

MD: During the first 12 months after the Employee's Coverage Date, we will not pay benefits for any condition diagnosed or treated by a physician within 12 months prior to the Employee's Coverage Date. Any condition disclosed on the Employee's application will not be a pre-existing condition unless the Employee signs a waiver excluding the condition from coverage.

MS: During the first 12 months after the Employee's Coverage Date, we will not pay benefits: (a) for any condition diagnosed or treated by a physician within 6 months prior to the Employee's Coverage Date; or (b) for any condition which caused symptoms within 6 months prior to the Employee's Coverage Date that would have caused an ordinarily prudent person to seek medical diagnosis, care or treatment.

NC: During the first 12 months after the Effective Date of the Employee's coverage, we will not pay benefits for any condition for which medical advice, diagnosis, care, or treatment was received or recommended within the 12-months period immediately preceding the effective date of coverage of the Employee.

ND: During the first 12 months after the Employee's Coverage Date, we will not pay benefits for any condition for which medical advice was received from a physician, or for a condition treated by a physician, within 12 months prior to the Effective Date.

SC: During the first 12 months after the effective date of the Employee's coverage, We will not pay benefits for those conditions for which medical advice or treatment was received or recommended no more than twelve months before the effective date of an Employee's coverage.

WY: During the first 12 months after the Employee's Coverage Date we will not pay benefits for any condition for which medical advice, diagnosis, care or treatment was recommended by a Physician or received by the Employee within 6 months prior to Employee's Coverage Date.

Exceptions and Limitations for Short Term Disability

CT: The employee's coverage does not insure against or pay benefits for any disability which is caused by or is the result of: a) intentionally self-inflicted injuries or attempted suicide, while sane or insane; b) commission of a felony; c) war, declared or undeclared; or d) Injury or Sickness arising out of or in the course of any employment for wage or profit. This exclusion does not apply to an Insured Employee who is: (i) a sole proprietor or business partner who is not covered by the provisions of chapter 568, Connecticut General Statutes, or who accepts the provisions of said chapter 568 pursuant to subdivision (6) of section 31-275; or (ii) an employee of a corporation and who is a corporate officer, regardless of any election by such individual to be excluded from coverage under said chapter 568 pursuant to subparagraph (E) of subdivision (5) of section 31-275.

GA: The employee's coverage does not insure against or pay benefits for any disability which is caused by or is the result of: a) intentionally self-inflicted injuries or attempted suicide, while sane or insane; b) commission of or attempt to commit a felony or being engaged in an illegal occupation; c) war or act of war, whether declared or undeclared; or d) injury or sickness arising out of or in the course of any employment for wage or profit.

KY: The employee's coverage does not insure against or pay benefits for any disability which is caused by or is the result of: a) intentionally self-inflicted injuries or attempted suicide, while sane or insane b) his commission of a felony; c) war, declared or undeclared; or d) injury or sickness arising out of or in the course of any employment for wage or profit.

NC: The employee's coverage does not insure against or pay benefits for any disability which is caused by or is the result of: a) intentionally self-inflicted injuries or attempted suicide, while sane or insane; b) commission of a felony; c) war, declared or undeclared; or d) Injury arising out of or in the course of any employment for wage or profit in which benefits are paid for such Injury under the North Carolina Workers' Compensation Act only to the extent that such benefits are the liability of the employee, employer or workers' compensation insurance carrier according to a final adjudication under the North Carolina Workers' Compensation Act or an order of the North Carolina Industrial Commission approving a settlement agreement under the North Carolina Workers' Compensation Act.

NE: The employee's coverage does not insure against or pay benefits for any disability which is caused by or is the result of: a) intentionally self-inflicted injuries or attempted suicide, while sane or insane; b) commission or attempt to commit a felony or being engaged in an illegal occupation; c) declared or undeclared war or any act of war; d) injury or sickness arising out of or in the course of any employment for wage or profit; or e) being incarcerated in a penal institution.

SD: The employee's coverage does not insure against or pay benefits for any disability which is caused by or is the result of: a) intentionally self-inflicted injuries or attempted suicide, while sane or insane; b) commission of a felony; c) war, declared or undeclared; or d) injury or sickness arising out of or in the course of any employment for wage or profit and which is compensated in any manner by Worker's Compensation.

Exceptions and Limitations for Accidental Death and Dismemberment Benefit

CT: The Accidental Death and Dismemberment Benefit will provide no Benefit for any loss caused by or resulting from: 1) Declared or undeclared war or any act of war; 2) Service in the armed forces of any country or international authority; 3) Suicide or intentionally self-inflicted injury whether the Employee was sane or insane at the time of the suicide or injury; 4) Flying in an aircraft owned, operated, leased or chartered by the Policyholder; 5) Participation in, or in consequence of having participated in, the commission of any felony; 6) Sickness or disease, or infection, except infections which result from an accidental injury or infections which result from accidental, involuntary or an unintentional ingestion of a contaminated substance; 7) Voluntary use of any controlled substance as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed by a licensed physician; or 8) Intoxication by the intentional use of alcohol. Intoxication means that which is defined and determined by the laws of the state where the loss or cause of the loss was incurred.

GA: The Accidental Death and Dismemberment Benefit will provide no Benefit for any loss caused by or resulting from: 1) Declared or undeclared war or any act of war; 2) Service in the armed forces of any country or international authority; 3) Suicide or intentionally self-inflicted injury whether the Employee was sane or insane at the time of the suicide or injury; 4) Flying in an aircraft owned, operated, leased or chartered by the Policyholder; 5) Commission of or attempt to commit a felony or being engaged in an illegal occupation; 6) Sickness or disease, or infection, except infections which result from an accidental injury or infections which result from accidental, involuntary or an unintentional ingestion of a contaminated substance ; 7) Intentionally taking a narcotic, drug, barbiturate, hallucinogenic drug or any combination of these when not part of a professional medical treatment plan; or 8) Intoxication by the intentional use of alcohol. Intoxication means that which is defined and determined by the laws of the state where the loss or cause of the loss was incurred.

ID, LA, ME, MD, SC: The Accidental Death and Dismemberment Benefit will provide no Benefit for any loss caused by or resulting from: 1) Declared or undeclared war or any act of war; 2) Service in the armed forces of any country or international authority; 3) Suicide or intentionally self-inflicted injury whether the Employee was sane or insane at the time of the suicide or injury; 4) Flying in an aircraft owned, operated, leased or chartered by the Policyholder; 5) Participation in, or in consequence of having participated in, the commission of any felony; 6) Sickness or disease, or infection, except infections which result from an accidental injury or infections which result from accidental, involuntary or an unintentional ingestion of a contaminated substance; or 7) Intoxication or under the influence of any narcotic unless administered on the advice of a physician.

NE: The Accidental Death and Dismemberment Benefit will provide no Benefit for any loss caused by or resulting from: 1) Declared or undeclared war or any act of war; 2) Service in the armed forces of any country or international authority; 3) Suicide or intentionally self-inflicted injury whether the Employee was sane or insane at the time of the suicide or injury; 4) Flying in an aircraft owned, operated, leased or chartered by the Policyholder; 5) Committing or attempt to commit a felony or being engaged in an illegal occupation; 6) Being incarcerated in a penal institution; 7) Sickness or disease, or infection, except infections which result from an accidental injury or infections which result from accidental, involuntary or an unintentional ingestion of a contaminated substance; 8) Being under the influence of an illegal drug or narcotic unless administered on the advice of a physician; or 9) Intoxication by the intentional use of alcohol. Intoxication means that which is defined and determined by the laws of the state where the loss or cause of the loss was incurred.

NV: The Accidental Death and Dismemberment Benefit will provide no Benefit for any loss caused by or resulting from: 1) Declared or undeclared war or any act of war; 2) Service in the armed forces of any country or international authority; 3) Suicide or intentionally self-inflicted injury whether the Employee was sane or insane at the time of the suicide or injury; 4) Flying in an aircraft owned, operated, leased or chartered by the Policyholder; 5) Participation in, or in consequence of having participated in, the commission of any felony; or 6) Sickness or disease, or infection, except infections which result from an accidental injury or infections which result from accidental, involuntary or an unintentional ingestion of a contaminated substance.

OK: The Accidental Death and Dismemberment Benefit will provide no Benefit for any loss caused by or resulting from: 1) An act of war, declared or undeclared, when serving in the military or an auxiliary unit thereto; 2) Suicide or intentionally self-inflicted injury whether the Employee was sane or insane at the time of the suicide or injury; 3) Flying in an aircraft owned, operated, leased or chartered by the Policyholder; 4) Participation in, or in consequence of having participated in, the commission of any felony; 5) Sickness or disease, or infection, except infections which result from an accidental injury or infections which result from accidental, involuntary or an unintentional ingestion of a contaminated substance; 6) Intentionally taking a narcotic, drug, barbiturate, hallucinogenic drug or any combination of these when not part of a professional medical treatment plan; or 7) Intoxication by the intentional use of alcohol. Intoxication means that which is defined and determined by the laws of the state where the loss or cause of the loss was incurred.

SD: The Accidental Death and Dismemberment Benefit will provide no Benefit for any loss caused by or resulting from: 1) Declared or undeclared war or any act of war; 2) Service in the armed forces of any country or international authority; 3) Suicide or intentionally self-inflicted injury, if the Employee was sane at the time of the suicide or injury; 4) Flying in an aircraft owned, operated, leased or chartered by the Policyholder; 5) Participation in, or in consequence of having participated in, the commission of any felony; 6) Sickness or disease, or infection, except infections which result from an accidental injury or infections which result from accidental, voluntary or involuntary, intentional or unintentional ingestion of a contaminated substance; 7) Intentionally taking a narcotic, drug, barbiturate, hallucinogenic drug or any combination of these when not part of a professional medical treatment plan and in the commission of a felony; or 8) Intoxication by the intentional use of alcohol while committing a felony. Intoxication means that which is defined and determined by the laws of the state where the loss or cause of the loss was incurred.



300 S.W. Adams Street Peoria, IL 61634
800.437.7355
www.IllinoisMutual.com

Policy Form VSTD11, Group Non-occupational Short Term Disability Income Insurance

Not available in AK, CA, DC, HI or NY. Coverage and availability may vary in other states.

For costs and details of coverage, limitations, exclusions and terms, contact your agent or Illinois Mutual.

This brochure contains only a brief description. This is not a contract.

Rates and provisions are subject to change.

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