

# Short Term Disability

## Salt Lake City Corporation

Plan B Full-Time Employees covered under  
Plan B Personal Leave Plan

**Disability Income Coverage: Short Term Benefits**

**Effective July 1, 2015**

### **YOUR PROGRAM DESCRIPTION**

#### **INTRODUCTION**

This Program Description describes the benefits available to you under the self-funded Disability Income Coverage: Short Term Benefits Plan ("Plan") of Salt Lake City Corporation. Please read this booklet carefully to become familiar with your benefits. This plan is effective as of July 1, 2015.

This is a self-funded Disability Income Coverage: Short Term Benefits Plan provided by the Employer. Disability Insurance Specialists does not insure the benefits described in this booklet.

Claims are administered on behalf of This Plan by DIS as the Claim Administrator pursuant to the terms of an administrative service agreement.

Please note that the terms "You" and "Your" throughout this booklet refer to the employee, except where otherwise indicated. Many of the terms that are important in understanding your benefits are explained in the DEFINITIONS section.

This section provides You with a brief outline of Your benefits. Certain limitations and exclusions may apply to any benefit or benefit amount. It is important that You refer to the provisions contained in this Program Description for details about Your benefits. **You must file your claim within 90 days from the date of disability, otherwise your claim will be denied.**

## BENEFITS AT A GLANCE

### Disability Income Coverage for You: Short Term Benefits

#### For Full-Time Employees

Weekly Benefit.....up to 100% of Your Predisability Earnings for the Benefit Period shown in the chart below

| <u>Your Length of employment</u> | <u>Benefit Period</u> |
|----------------------------------|-----------------------|
| Less than 6 months.....          | 2 weeks               |
| 6 months to 2 years.....         | 2 weeks               |
| 2 years to 4 years.....          | 4 weeks               |
| 4 years to 6 years.....          | 6 weeks               |
| 6 years to 8 years.....          | 10 weeks              |
| 8 years to 10 years.....         | 11 weeks              |
| 10 years or more.....            | 12 weeks              |

Once You have reached the Benefit Period shown above, Your Weekly Benefit may reduce and may continue for the Benefit Period as shown below:

Weekly Benefit..... 66 2/3% of Your Predisability Earnings for the Benefit Period shown in the chart below

| <u>Your Length of employment</u> | <u>Benefit Period</u> |
|----------------------------------|-----------------------|
| Less than 6 months.....          | NONE                  |
| 6 months to 2 years.....         | 4 weeks               |
| 2 years to 4 years.....          | 4 weeks               |
| 4 years to 6 years.....          | 6 weeks               |
| 6 years to 8 years.....          | 2 weeks               |
| 8 years to 10 years.....         | 1 week                |
| 10 years or more.....            | NONE                  |

Maximum Benefit Period..... Based on length of employment shown above, not to exceed 12 weeks (including elimination period, if applicable)

**Maternity/Pregnancy**.....from the date of delivery, you are eligible for a 6 to 8 week benefit period depending on the type of delivery, not to exceed the Maximum Benefit Period

#### Elimination Period

##### Regular Shift

For 8 hour shift employees:

For 10 hour shift employees:

For 12 hour shift employees:

For Combat Fire Fighter employees:

##### For Injury or Sickness

After 5 consecutive shifts of excused absence of Disability.

After 4 consecutive shifts of excused absence of Disability.

After 3 consecutive shifts of excused absence of Disability

After 2 consecutive shifts of excused absence of Disability

There will be no Elimination Period if admitted in an outpatient facility or inpatient hospital confinement or outpatient chemotherapy. Emergency Room is not considered admitted, therefore elimination period applies.

As used in this Program Description, the terms listed below will have the meanings set forth below. When defined terms are used in this Program Description, they will appear with initial capitalization. The plural use of a term defined in the singular will share the same meaning.

**Actively at Work or Active Work** means that You are performing all of the usual and customary duties of Your job on a Full-Time. This must be done at:

- the Employer's place of business;

- an alternate place approved by the Employer; or
- a place to which the Employer's business requires You to travel.

You will be deemed to be Actively at Work during Employer approved leave with pay or business closures if You were Actively at Work on the last scheduled work day preceding such time off.

**Appropriate Care and Treatment** means medical care and treatment that is:

- given by a Physician whose medical training and clinical specialty are appropriate for treating Your Disability;
- consistent in type, frequency and duration of treatment with relevant guidelines of national medical research, health care coverage organizations and governmental agencies;
- consistent with a Physician's diagnosis of Your Disability; and
- intended to maximize Your medical and functional improvement.

**Claim Administrator** means Disability Insurance Specialists ("DIS"), The Claim Administrator does not insure the benefits described in this Program Description.

**Concurrent Total Disabilities** means if Your Total Disability independently results from more than one cause occurring at the same time (Concurrent), it will be considered the same Total Disability. We will only pay weekly benefits for one of two or more causes of Concurrent Total Disabilities

**Disabled or Disability** is the inability to perform the regular occupation You performed at the start of disability due to illness or a physical or psychological condition. You are not totally disabled if You are capable of performing modified duties for the same Employer, provided the Employer has modified duties.

**Elimination Period** means the period of Your Disability during which This Plan does not pay benefits. The Elimination Period begins on the day You become Disabled and continues for the period shown in the BENEFITS AT A GLANCE.

**Employer** means Salt Lake City Corporation.

**Full-Time** means Active Work of at least 40 hours per week on the Employer's regular work schedule

**Out-patient Facility** means any facility that is a standalone surgical center or an out-patient facility located in a hospital or clinic such as a surgical center, which is part of a clinic, or hospital. This does not include surgical procedures performed in a physician's office.

**Own Occupation** means the essential functions You regularly perform that provide Your primary source of earned income.

**Partial Disability or Partially Disabled** means with your medical provider's permission, you are able to return to employment with the City but you are unable to perform on a full time basis, the duties of your regular occupation or modified duties. You are not partially disabled if you are capable of performing modified duties for the same employer on a full time basis.

**Physician means:**

- a person licensed to practice medicine in the jurisdiction where such services are performed; or
- any other person whose services, according to applicable law, must be treated as Physician's services for purposes of the group benefits. Each such person must be licensed in the jurisdiction where he performs the service and must act within the scope of that license. He must also be certified and/or registered if required by such jurisdiction.

**Predisability Earnings** means gross base salary or wages You were earning from the Employer as of Your last day of Active Work before Your Disability began.

The term Predisability Earnings **does include**:

- contributions You were making through a salary reduction agreement with the Employer to any of the following:
  - an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
  - an executive non-qualified deferred compensation arrangement; and
  - Your fringe benefits under an IRC Section 125 plan.

The term Predisability Earnings **does not** include:

- commissions;
- awards and bonuses;
- overtime pay;
- the grant, award, sale, conversion and/or exercise of shares of stock or stock options;
- the Employer's contributions on Your behalf to any deferred compensation arrangement or pension plan; or
- any other compensation from the Employer.

**Proof** means Written evidence satisfactory to the Claim Administrator that a person has satisfied the conditions and requirements for any benefit described in this Program Description. When a claim is made for any benefit described in this Program Description, Proof must establish:

- the nature and extent of the loss or condition;
- This Plan's obligation to pay the claim; and
- the claimant's right to receive payment.

Proof must be provided at the claimant's expense.

**Sickness** means illness, disease or pregnancy, including complications of pregnancy.

**Signed** means any symbol or method executed or adopted by a person with the present intention to authenticate a record, which is on or transmitted by paper or electronic media which is acceptable to the Claim Administrator, and consistent with applicable law.

**This Plan** means the self-funded Disability Income Coverage: Short Term Benefits plan of the Employer.

**Written** or **Writing** means a record which is on or transmitted by paper or electronic media which is acceptable to the Claim Administrator and consistent with applicable law.

**You** and **Your** mean an employee who is eligible for the benefits described in this Program Description.

## **ELIGIBILITY PROVISIONS: COVERAGE FOR YOU**

### **ELIGIBLE CLASS(ES)**

All Full-Time employees of the Employer, but not temporary, seasonal employees.

### **DATE YOU ARE ELIGIBLE FOR COVERAGE**

You may only become eligible for the coverage available for Your eligible class as shown page 4

If You are in an eligible class on July 1, 2015, You will be eligible for the coverage described in this Program Description on that date.

If You enter an eligible class after July 1, 2015, You will be eligible for coverage on the date You enter that class.

## **ENROLLMENT PROCESS**

There is no enrollment process. Employees are automatically covered on the date of hire

## **DATE YOUR COVERAGE TAKES EFFECT**

Your coverage will be effective on your hire date provided You are Actively at Work on that date.

If You are not Actively at Work on the date the coverage would otherwise take effect, coverage will take effect on the day You resume Active Work.

## **DATE YOUR COVERAGE ENDS**

Your coverage will end on the earliest of:

1. the date This Plan ends; or
2. the date coverage ends for Your class; or
3. the date You cease to be in an eligible class. You will cease to be in an eligible class on the date You cease Active Work in an eligible class, if You are not disabled on that date; or
4. the date Your employment ends regardless of the disability approved to date; or
5. the date You retire in accordance with the date Your employment ends.

## **Reinstatement of Disability Income Coverage**

If Your coverage ends, You may become covered again as follows:

If Your coverage ends because:

You cease to be in an eligible class; or

Your employment ends; and

Coverage begins when you become a member of an eligible class again.

## **FOR FAMILY AND MEDICAL LEAVE**

Certain leaves of absence may qualify for continuation of coverage under the Family and Medical Leave Act of 1993 (FMLA), or other legally mandated leave of absence or similar laws. Please contact the Employer for information regarding such legally mandated leave of absence laws.

## **DISABILITY INCOME COVERAGE**

If You become Disabled while covered, Proof of Disability must be sent to the Claim Administrator. When the Claim Administrator receives such Proof, the Claim Administrator will review the claim. If the Claim Administrator approves the claim, This Plan will pay the Weekly Benefit up to the Maximum Benefit Period shown in the section entitled BENEFITS AT A GLANCE, subject to the Date Benefit Payments End section.

To verify that You continue to be Disabled without interruption after the Claim Administrator's initial approval of the Disability claim, the Claim Administrator may periodically request that You send the Claim Administrator Proof that You continue to be Disabled. Such Proof may include physical exams, exams by independent medical examiners, in-home interviews, or functional capacity exams, as needed.

## **BENEFIT PAYMENT**

If the Claim Administrator approves Your claim, benefits will begin to accrue on the day after the day You complete Your Elimination Period. This Plan will pay the Weekly Benefit each bi-weekly pay period. This Plan will make subsequent payments bi-weekly thereafter so long as You remain Disabled. Payment will be based on the number of days You are Disabled during each week. For any partial week of Disability, payment will be made based on days worked.

## **RECOVERY FROM A DISABILITY**

For purposes of this subsection, the term Active Work only includes those days You actually work.

The provisions of this subsection will not apply if Your coverage has ended and You are eligible for coverage under another group short term disability plan. What does this mean?

If You Return to Active Work Before Completing Your Elimination Period.

If You return to Active Work before completing Your Elimination Period and then become Disabled, You will have to complete a new Elimination Period.

If You Return to Active Work After Completing Your Elimination Period.

If You return to Active Work after You begin to receive Weekly Benefits, the Claim Administrator will consider You to have recovered from Your Disability.

If You are fully released and return to Active Work and work for a period of 2 work weeks or less and then become Disabled again due to the same or related Sickness or accidental injury, the Claim Administrator will not require You to complete a new Elimination Period. For the purpose of determining Your benefits, the Claim Administrator will consider such Disability to be a part of the original Disability and will use the same Predisability Earnings and apply the same terms, provisions and conditions that were used for the original Disability.

If You are fully released and return to Active Work and work for 2 weeks or longer and then become Disabled again, the Claim Administrator will consider this a new disability (if eligible and approved) and will require you to meet a new Elimination Period.

If Your Total Disability independently results from more than one cause occurring at the same time (Concurrent), it will be considered the same Total Disability. We will only pay Weekly Benefits for one of two or more causes of Concurrent Total Disabilities.

## **DISABILITY INCOME COVERAGE: DATE BENEFIT PAYMENTS END**

Your Disability benefit payments will end on the earliest of:

- the end of the Maximum Benefit Period;
- The date your employment ends regardless of approved through date;
- the date You are no longer Disabled;
- the date You die;
- the date You fail to have a Physical exam requested by the Claim Administrator
- the date You fail to provide required Proof of continuing Disability;

While You are Disabled, the benefits described in this Program Description will not be affected if:

- Your coverage ends; or
- This Plan is amended to change the plan of benefits for Your class.

## **DISABILITY INCOME COVERAGE: EXCLUSIONS**

This Plan will not pay for any Disability caused or contributed to by:

1. war, whether declared or undeclared, or act of war, insurrection, rebellion or terrorist act;
2. Injury covered during the Temporary Total Disability period under the Employer's Workers' Compensation Plan
3. Your active participation in a riot;
4. intentionally self-inflicted injury;
5. attempted suicide; or
6. commission of or attempt to commit a felony.

This Plan will not pay Short Term Benefits for any Disability caused or contributed to by cosmetic treatment or procedures, such as:

1. cosmetic surgery or treatment primarily to change appearance;
2. reversal of sterilization;
3. liposuction; and
4. in vitro fertilization; embryo transfer procedure; or artificial insemination, however, pregnancies and complications from any of these procedures will be treated as a Sickness

## **GENERAL PROVISIONS**

### **Misstatement of Age**

If Your age is misstated, the correct age will be used to determine if coverage is in effect and, as appropriate, This Plan will adjust the benefits and/or contributions.

## **SPECIAL SERVICES (continued)**

### **Conformity with Law**

If the terms and provisions of this Program Description do not conform to any applicable law, this Program Description shall be interpreted to so conform.

### **Physical Exams**

If a claim is submitted for coverage benefits, the Claim Administrator has the right to ask the covered person to be examined by a Physician(s) of the Claim Administrator's choice as often as is reasonably necessary to process the claim. This Plan will pay the cost of such exam.

### **Overpayments for Disability Income Coverage**

#### **Recovery of Overpayments**

This Plan has the right to recover any amount that the Claim Administrator determines to be an overpayment.

An overpayment occurs if the Claim Administrator determines that:

- the total amount paid by This Plan has on Your claim is more than the total of the benefits due to You under this Program Description; or
- payment This Plan made should have been made by another group plan.

If such overpayment occurs, You have an obligation to reimburse This Plan. This Plan's rights and Your obligations in this regard are described in the reimbursement agreement that You are required to sign when You submit a claim for benefits under this Program Description. This agreement:

- confirms that You will reimburse This Plan for all overpayments; and
- authorizes the Claim Administrator to obtain any information relating to sources of Other Income.

#### **How This Plan Recovers Overpayments**

This Plan may recover the overpayment from You by:

- stopping or reducing any future Disability benefits payable to You or any other payee under the Disability sections of this Program Description;
- demanding an immediate refund of the overpayment from You; and
- taking legal action.

If the overpayment results from This Plan having made a payment to You that should have been made under another group plan, This Plan may recover such overpayment from one or more of the following:

- any other insurance company;
- any other organization; or
- any person to or for whom payment was made.



## **SPECIAL SERVICES (continued)**

### **Lien and Repayment**

If You become Disabled and You receive Disability benefits under this Program Description and You receive payment from a third party for loss of income with respect to the same loss of income for which You received benefits under this Program Description (for example, a judgment, settlement, payment from Federal Social Security or payment pursuant to Workers' Compensation laws), You shall reimburse This Plan from the proceeds of such payment up to an amount equal to the benefits paid to You under this Program Description for such Disability. Program Description's right to receive reimbursement from any such proceeds shall be a claim or lien against such proceeds and This Plan's right shall provide This Plan with a first priority claim or lien over any such proceeds up to the full amount of the benefits paid to You under this Program Description for such Disability. You agree to take all action necessary to enable This Plan to exercise This Plan rights under this provision, including, without limitation:

- notifying The Claim Administrator as soon as possible of any payment You receive or are entitled to receive from a third party for loss of income with respect to the same loss of income for which You received benefits under this Program Description;
- furnishing of documents and other information as requested by the Claim Administrator or any person working on the Claim Administrator's behalf; and
- holding in escrow, or causing Your legal representative to hold in escrow, any proceeds paid to You or any party by a third party for loss of income with respect to the same loss of income for which You received benefits under this Program Description, up to an amount equal to the benefits paid to You under this Program Description for such Disability, to be paid immediately to This Plan upon Your receipt of said proceeds.

You shall cooperate and You shall cause Your legal representative to cooperate with This Plan in any recovery efforts and This Plan shall not interfere with Our rights under this provision. This Plan's rights under this provision apply whether or not You have been or will be fully compensated by a third party for any Disability for which You received or are entitled to receive benefits under this Program Description.