

## YOUR CALTECH DISABILITY BENEFITS

Disability insurance coverage is designed to protect you against the loss of income that can accompany a Disability.

### Short Term Disability **(for Employees in the State of California only)**

Employees are covered for a short-term disability through the California State Disability Insurance (SDI) program. Cost for this coverage is paid by employees through a special state tax. There is a seven-calendar-day waiting period before benefits are paid. SDI benefits are integrated with accrued sick leave and/or vacation pay. Payments under SDI are capped at 52 weeks.

For more information, contact State Disability Insurance at 1-800-480-3287 for English or at 1-866-658-8846 for Spanish.

### Paid Family Leave<sup>1</sup> **(for Employees in the State of California only)**

Disability compensation may be provided to individuals who take time off work to care for a seriously ill child, spouse, parent, domestic partner, or to bond with a new child. This program is known as Paid Family Leave (PFL) and is being administered by the California State Disability Insurance (SDI).

The cost for PFL coverage is paid by employees through their State Disability Insurance (SDI) deductions. There is a waiting period of seven calendar days before benefits are paid. PFL benefits are paid at the same rate as SDI benefits, and are also integrated with accrued sick leave and/or vacation pay. Payments under PFL are capped at 6 weeks over a 12-month period.

For more information, contact the Paid Family Leave program at 1-877-BE-THERE for English or at 1-877-379-3819 for Spanish. Their website is [http://www.edd.ca.gov/disability/paid\\_family\\_leave.htm](http://www.edd.ca.gov/disability/paid_family_leave.htm).

### Long Term Disability (LTD)

The following section summarizes the Basic and Supplemental LTD Plan. For more information, contact the Campus Disability & Leave Administration Unit or JPL Benefits Office.

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<sup>1</sup> New FMLA provisions

## YOUR BASIC LONG TERM DISABILITY AND SUPPLEMENTAL LONG TERM DISABILITY PLAN BENEFITS

You become eligible for the Basic Long Term Disability (LTD) and Supplemental LTD Plan coverage on the first of the month coincident with or next following the date of your hire or change to Benefit-Based Employee status. Caltech pays for your Basic LTD plan. For Faculty, including Research Faculty, Visiting Faculty and Postdoctoral Scholars coverage begins immediately on date of hire. You have the option to purchase additional coverage by enrolling in the Supplemental LTD plan. If you enroll in the Supplemental LTD plan after the first 31 days of your eligibility, you will be subject to Evidence of Insurability.

LTD coverage is designed to protect you against the loss of income that can accompany a long-term disability. The LTD plan provides you with a portion of your pay after 180 consecutive days of a Total Disability due to illness or injury, or when you have depleted all your sick leave, whichever is later.

Once you become eligible, you will be automatically enrolled in the Basic LTD plan. The Basic Plan provides you with 40% of your Basic Monthly Earnings minus other income benefits in effect on the day before your Disability to a maximum monthly benefit of \$10,000 minus other income benefits. If you enroll and have been approved for participation in the Supplemental Plan, your combined Basic plus Supplemental Plan Benefits provide you with 60% of your Basic Monthly Earnings minus other income benefits in effect on the day before your Disability to a maximum monthly benefit of \$15,000 minus other income benefits. Maximum basic monthly earnings are covered up to \$25,000 for both plans.

## QUALIFYING FOR BENEFITS

Pre-Existing Conditions Limitation - Newly Eligible Employees and Late Applicants

A Pre-Existing Condition is an injury, sickness or pregnancy for which you in the 30 days before your Date of Coverage:

1. received medical treatment;
2. took prescription medications or had medications prescribed; or
3. had symptoms or conditions which would cause a reasonable prudent person to seek diagnosis, care, or treatment.

No benefits are payable under this Plan in connection with that Pre-Existing Condition until you have been covered under this Plan as an active employee for five consecutive work days.

## Mental Illness, Alcoholism or Drug Abuse Limitations

When you are totally disabled due to Mental Illness, Alcoholism or Drug Abuse, and confined to a hospital or institution, the Monthly Benefit will be payable up to the Maximum Benefit Duration shown in the table on page 4.5.

While you are totally disabled due to Mental Illness, Alcoholism or Drug Abuse and not confined in a hospital or institution, the Monthly Benefit will be payable the lesser of:

1. 24 months; or
2. the Maximum Benefit Duration shown in the table on page 4.5.

But in no event will the Monthly Benefit be payable for longer than the Maximum Benefit Duration during a period of continuous Total

Disability due to Mental Illness, Alcoholism or Drug Abuse, whether or not you are confined in a hospital or institution.

policy, this Recurrent Disability provision will not apply.

### Evidence of Disability

You must obtain a medical evidence of Disability from a doctor in order to receive benefits, and you must remain under a doctor's care to continue to receive benefits.

You will not receive any LTD benefits until the insurance carrier has received and approved evidence of your Disability. The insurance carrier may request proof of your Disability at any time.

### Recurrent Disabilities

1. If, after a period of Disability for which a Monthly Benefit has been paid under This Plan, you:
  - a. resume your regular job on a full-time basis; and
  - b. perform all the material duties for less than six consecutive months;

any Recurrent Disability will be a part of the same period of Disability. The liability for the entire period will be subject to the terms of This Plan for the prior Disability.

2. If, after a period of Disability for which a Monthly Benefit has been paid under This Plan, you:
  - a. resume your regular job on a full-time basis; and
  - b. perform all the material duties for six consecutive months or more;

any Recurrent Disability will be treated as a new period of Disability. You must complete a new Elimination Period before Monthly Benefits are payable.

3. If you become eligible for coverage under any other group long term disability

### Benefit Reductions

Your LTD benefits will be reduced by any amounts paid or payable from other sources, such as State Disability Insurance (SDI), Workers' Compensation, Social Security Disability, the amount of disability income benefits you receive or for which you are eligible for under any act or law or Retirement Income (including Dependent benefits), or Caltech retirement benefits which you elect to receive as of your normal retirement date up to the end of the month your LTD benefits end. Also offset are veterans' benefits and any general government or employer provided benefits related to your Disability.

Your LTD benefits will also be reduced by any amounts you have elected to receive from such plans under any early retirement provisions.

### Minimum Monthly Benefit

10% of the monthly benefit before reduction for other income benefits or \$100, whichever is greater.

### Maximum Monthly Benefit

Basic Plan- \$10,000  
 Supplemental Plan - \$15,000

### Additional LTD Benefit

During the period you receive LTD benefit payments, the insurance carrier will pay employee contributions, if any, for coverage under the following Caltech plans:

- Group Life Insurance
- Medical
- Retirement Plan (Note that Institute contributions will continue at the rate in effect immediately prior to your Disability unless your age or years of service changes the level of Institute contributions.)

This includes any increases in the employee premium rates for group life and medical coverage during the period you are disabled. It

also includes any retirement plan employee contributions as applicable. If you retire during the period you receive LTD benefit payments, the insurance carrier will continue to pay for your employee contributions, if any, for medical coverage.

While on LTD, you will not have the option of electing to enroll or switch your medical or dental plans. You may disenroll Dependents as of the first day of any month. If you have a HIPAA special enrollment as described on page 2.9, you may enroll yourself or newly acquired Dependents or Dependents who have lost other coverage. If you are enrolled in an HMO plan, contact your plan prior to any change in residence. Refer to page 2.9 if you move outside of the HMO service area while on a disability leave of absence.

## COST OF COVERAGE

The Institute provides Basic LTD coverage for all Benefit-Based Employees. The Institute pays premiums for coverage under The Basic Plan. Participation in the Supplemental LTD plan is voluntary. You pay premiums for coverage under the Supplemental LTD Plan. Your premium is \$0.24 per each \$100 of your basic monthly earnings.

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**Example:** If your basic monthly earnings are \$2,000, your monthly premium is:

$$(\$2,000 \times .24) / \$100 = \$4.80$$

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Employee Monthly Premium = \$4.80

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Monthly LTD premiums are waived while receiving benefits under the plan.

### Changes In Coverage

Your LTD benefit is based on a percentage of your basic monthly earnings. If your basic monthly earnings change, your level of coverage will change on the date which your new basic monthly earnings are effective. Your premium will change during the payroll period in which your new basic monthly earnings are effective.

Increases in coverage will go into effect on that date only if you are Actively At Work; if you are not, they will go into effect on the date you return to active work. These changes will apply only to disabilities commencing thereafter.

### Taxation of LTD Benefits

If benefits are received under a plan to which the employee has contributed, the portion of the disability income attributable to the employee's after-tax contributions is tax-free. Treas. Reg. Sec. 1.105-1(c).

### FILING CLAIMS

Claim forms are available from the Human Resources Office. You must submit evidence of Disability to the insurance carrier within 120 days after the Disability begins. As part of your evidence of Disability, the insurance carrier may require you to give proof that you have applied for any of the income benefits described on page 4.4 to which you may be entitled.

Payment of benefits will begin only after your claim is received and approved. Benefits are

paid to you at the end of each month that you are disabled.

### WHEN BENEFITS BEGIN

LTD benefits begin when you have been disabled with the same condition for a total of 180 consecutive days or when you have depleted all of your sick leave, whichever is later.

### WHEN BENEFITS END

LTD benefits will end on the earliest of the following dates:

- The date you are no longer disabled.
- The date you fail to furnish proof that you are continuously disabled.
- The date you refuse to submit to a medical examination, if requested by the insurance carrier.
- The date of your death.
- The completion of the maximum duration as shown in the table below.

AGE WHEN DISABLED	DURATION OF LTD BENEFITS	
	Faculty	Staff
Younger than 61	To end of month in which you turn age 68 (Minimum 24 months)	To end of month in which you turn age 65
61-62	To end of month in which you turn age 68 (Minimum 24 months)	42 months
63	To end of month in which you turn age 68 (Minimum 24 months)	36 months
64	To end of month in which you turn age 68 (Minimum 24 months)	30 months
65	To end of month in which you turn age 68 (Minimum 24 months)	24 months
66	21 months	21 months
67	18 months	18 months
68	15 months	15 months
69 or older	12 months	12 months

## SURVIVOR BENEFIT

If you die after satisfying the 180-consecutive-day waiting period and while a Monthly Benefit is payable, we will pay to your Eligible Survivor a lump sum amount equal to three times your last Gross Monthly Benefit.

If payment becomes due to your children, payment will be divided equally among the children. Such payment will be made directly to the children or to a person named by us to receive payments on behalf of the children. This designation will be valid and effective against all claims by others who represent or claim to represent the children.

If no Eligible Survivor exists, no benefits will be paid.

## PHYSICAL LOSSES

1. If Injury:
  - a. occurs while you are insured under This Plan; and
  - b. results in any of the losses shown below within 100 days of the Injury.
2. Then the Monthly Benefit will be paid:
  - a. to you if living, or to your estate;
  - b. for the number of months shown below;
  - c. whether or not you are disabled.
3. If you are Disabled, the Monthly Benefit may be payable in excess of the number of months shown below.

FOR LOSS* OF . . .	DURATION OF LTD BENEFITS
Both hands or feet	46 months
Sight in both eyes	46 months
One hand and one foot	46 months
One hand or one foot and sight in one eye	46 months
One hand or one foot	23 months
Sight of one eye	15 months
Thumb and index finger of either hand	12 months

*\* Loss of hands and feet means the loss by actual severance at or above the wrist or ankle joint. Loss of sight means total and irrecoverable loss of sight. Loss of thumb and index finger means actual severance at or above the metacarpophalangeal joints. The number of monthly benefit payments for all losses suffered by you in any one injury shall be limited to that one loss for which the greatest number of monthly benefit payments is provided in the above table.*

## REHABILITATION BENEFIT

If, while you are disabled, you are able to return to work on a limited basis, you may continue to receive LTD benefits. Your monthly LTD benefit will be reduced by 50% of the monthly income you receive as basic monthly earnings during rehabilitation. This benefit is designed to train you for an occupation you can perform with your Disability or provide you with a trial return to work period.

While Disabled, if you participate in a rehabilitation program approved by the insurance carrier, your monthly benefit percentage is increased by 5%.

This benefit is payable for a one-month rehabilitation period, which may be extended for additional one-month periods with the approval of the insurance carrier. The total rehabilitation period cannot exceed 24 months for any one Disability.

## CHILD CARE EXPENSE BENEFIT

While Disabled, when you participate in rehabilitative employment approved by MetLife, you will be reimbursed for Child Care Expenses up to \$250.00 incurred per month for each eligible child during the first 24 months of Monthly Benefit payments.

An eligible child is your Dependent child under the age of 13 who lives with you and is:

- Your child or your spouse's child;
- Your Adopted child; or
- A child for whom you are legal guardian.

Child Care Expense is the amount charged by a licensed childcare provider who is not a member of your immediate family or living in your residence.

## EXCLUSIONS

No benefits will be paid for a Disability or physical loss if:

- You are not under continuing medical supervision and treatment by a physician to the satisfaction of the insurance carrier.
- The Disability is caused by an intentionally self-inflicted injury, illness or attempted suicide.
- The Disability is caused by a bodily injury resulting directly or indirectly from:
  - insurrection, rebellion, war (e.g., acts of war, whether declared or undeclared), service in the armed forces of any country unless while on a paid leave of absence where premiums for coverage have been paid; or
  - participation in a riot.
- The Disability is as a result of the commission of a felony.

## YOUR OTHER BENEFITS DURING DISABILITY

There are special rules regarding continuation of your group life insurance and other coverage while you are on a disability leave of absence. These rules are described in the *General Information* Section 2.

## TERMS YOU SHOULD KNOW

### ***Basic Monthly Earnings***

Your monthly rate of pay excluding overtime and other extra pay you receive. The amount of Basic Monthly Earnings in effect on the date of your Disability will be used to compute your Monthly Benefit.

### ***Eligible Survivor***

Your lawful Spouse, Same-Sex Domestic Partner or Registered Domestic Partner, if living, otherwise your children who are under age 25. The term “children” also includes stepchildren and legally Adopted children.

### ***Disability or Disabled***

“Disability” or “Disabled” means that, due to an injury or sickness, you require the regular care and attendance of a doctor and:

1. you are unable to perform each of the material duties of your regular job; and
2. after the first 24 months of benefit payments, you are also unable to perform each of the material duties of any gainful work or service for which you are reasonably qualified taking into consideration your training, education, experience and past earnings; or
3. you, while unable to perform all of the material duties of your regular job on a full-time basis, are:
  - a. performing at least one of the material duties of your regular job or any other gainful work or service on a part-time or full-time basis; and
  - b. earning currently at least 20% less per month than your Indexed Basic Monthly Earnings due to that same injury or sickness.

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