



2011 Benefits Guide | **RETIREMENT/INSURANCE**  
Arizona State University

## Classified Staff

You must participate in the Arizona State Retirement System if you work at least 20 weeks in a fiscal year and 20 or more hours per week (Arizona Revised Statutes, Section 38-711.22 (b)). Exceptions may include: Postdoctoral scholars, full-time students and graduate student workers, certain F1 and J1 Visa holders, police officers and ASRS retirees.

### Arizona State Retirement System (ASRS)

ASRS is a defined benefit plan qualified under Internal Revenue Code 401(a). Participation begins on the first day of the pay period following 182 days of eligible employment. Participation begins immediately for a person who has an ASRS account with monies on deposit. You MUST complete the ASRS enrollment process to ensure your contributions are properly credited to your retirement account; see [cfo.asu.edu/hr-asrsenrollment](http://cfo.asu.edu/hr-asrsenrollment) for instructions.

- Once you meet ASRS membership eligibility criteria in a fiscal year, you remain a member and contributions continue until the end of the fiscal year.
- Participants contribute a percentage of eligible compensation for the pension/health insurance benefit (a pre-tax payroll deduction) and an additional percentage of eligible compensation for long-term disability insurance (a post-tax payroll deduction).

July 2011-June 2012	Retirement	Long-Term Disability	Total
Employee	11.13%	.26%	11.39%
ASU	9.87%	.23%	10.10%

- ASRS retirement benefits may include: pension benefit and retiree health insurance subsidy.
- The pension benefit is calculated based on total years of ASRS credited service, average monthly compensation and a graded multiplier, a percentage set by Arizona state statute.
- Long-term disability insurance benefits are provided through ASRS who has contracted with Sedgwick Claim Management Services, Inc. for administration of this Plan. Coverage is effective the same day as ASRS participation.

### Retirement

Participants are immediately and fully vested in their own contributions but must meet the following criteria to receive a pension benefit.

#### If hired before July 1, 2011:

- Normal retirement is 80 points (your age + years of service with ASRS), age 62 with 10 years of service or age 65.
- Early retirement is at least age 50 with a minimum of 5 years of ASRS service.

#### If hired on or after July 1, 2011:

- Normal retirement is age 60 + 25 years of service or age 55 with 30 years of service.
- Early retirement is at least age 50 with a minimum of 5 years of ASRS service.

### Working after Retirement for ASRS Retirees

Any ASRS retiree who is considering returning to work for ASU or another ASRS employer should seek ASRS counsel before making any re-employment decisions. For more information, see [Working After Retirement](#).

**For More Information:** Visit [ASRS online](#) | Call 602.240.2000 | Email [AskMac@azasras.gov](mailto:AskMac@azasras.gov)

## Faculty, Service/Academic Professionals and Administrators

You must participate in a retirement program if you work at least 20 weeks in a fiscal year and 20 or more hours per week (Arizona Revised Statutes, Section 38-711.22 (b)). Exceptions may include: Postdoctoral scholars, full-time students and graduate student workers, certain F1 and J1 Visa holders, police officers and ASRS retirees.

Faculty, Service and Academic Professionals and Administrators may elect to participate in the Arizona State Retirement System (ASRS) plan or Optional Retirement Plan (ORP), provided enrollment is made within 30 days of their hire/eligibility date. Participation begins on the first day of the pay period following completion of the enrollment process.

### Important Notes:

- Your initial election is **Irrevocable**.
- Failure to elect a retirement plan during the 30-day enrollment period will forfeit your option to participate in the ORP Plan and result in enrollment in the ASRS.

### Arizona State Retirement System (ASRS)

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- Once you meet ASRS membership eligibility criteria in a fiscal year, you remain a member and contributions continue until the end of the fiscal year.
- Participants contribute a percentage of eligible compensation for the pension/health insurance benefit (a pre-tax payroll deduction) and an additional percentage of eligible compensation for long-term disability insurance (a post-tax payroll deduction).

July 2011-June 2012	Retirement	Long-Term Disability	Total
Employee	11.13%	.26%	11.39%
ASU	9.87%	.23%	10.10%

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- The pension benefit is calculated based on total years of ASRS credited service, average monthly compensation and a graded multiplier, a percentage set by Arizona state statute.
- Long-term disability insurance benefits are provided through ASRS who has contracted with Sedgwick Claim Management Services, Inc. for administration of this Plan.

### Retirement

Participants are immediately and fully vested in their own contributions but must meet the following criteria to receive a pension benefit.

#### If hired before July 1, 2011:

- Normal retirement is 80 points (your age + years of service with ASRS), age 62 with 10 years of service or age 65.
- Early retirement is at least age 50 with a minimum of 5 years of ASRS service.

#### If hired on or after July 1, 2011:

- Normal retirement is age 60 + 25 years of service or age 55 with 30 years of service.
- Early retirement is at least age 50 with a minimum of 5 years of ASRS service.

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Any Arizona State Retirement System (ASRS) retiree who is considering returning to work for ASU or another ASRS employer should seek ASRS counsel before making any re-employment decisions. For more information, see Working After Retirement.

**For More Information:** Visit [ASRS online](#) | Call 602.240.2000 | Email [AskMac@azasras.gov](mailto:AskMac@azasras.gov)

## Faculty, Service/Academic Professionals and Administrators

### Optional Retirement Plan (ORP)

ORP is a defined contribution plan qualified under Internal Revenue Code 401(a) that offers a choice of multiple investment companies; see the [ORP Guide](#). Participation begins on the first day of the pay period following enrollment, provided you elect coverage within 30 days of your eligibility.

- Participants contribute 7% of gross salary through payroll deduction and the university matches this contribution. You select the investment company and determine the investment allocations.
- The university pays for long-term disability; coverage begins on the first day of the pay period following 90 days of benefits eligibility.
- Your retirement benefit is based on performance of investments you select. Ultimate account balance is a result of the amount of contributions deposited to the ORP account and the performance of your chosen investments.

**Optional Retirement Plan Enrollment Instructions:** [cfo.asu.edu/hr-orpenrollment](http://cfo.asu.edu/hr-orpenrollment)

### Retirement

Participants are immediately and fully vested in their own contributions and fully vested in ASU contributions after five years of ORP participation, or immediately when the owner of a qualified retirement plan at time of eligibility (refer to the [Guide](#) for additional information).

- Normal retirement is at age 65.
- Early retirement is between ages 50-64.
- Phased Retirement may begin at age 62. Visit the [ORP Phased Retirement Program](#) for more information.

## Police Officers and Staff

All police officers and police officer recruits, who are under age 65, employed to work at least 40 hours per week for more than six months and regularly assigned hazardous duty are required to contribute to the Public Safety Personnel Retirement System (PSPRS), according to A.R.S. §38-842 (23 and 31). The PSPRS provides a uniform, consistent and equitable statewide retirement program to public safety personnel who are regularly assigned to hazardous duty of the type expected of peace officers or firefighters. The System is designed to meet the special needs of personnel engaged in hazardous duty situations.

## Public Safety Personnel Retirement System (PSPRS)

PSPRS is a governmental retirement plan qualified under 401 (a) of the Internal Revenue Code. It is a defined benefit plan, which means your pension is determined by a formula, not the amount of money in your account. Participation begins on your first day of eligible employment. Your contribution rate is fixed by statute at 7.65% of salary through 6.30.11 and 8.65% of salary effective 7.1.11 on a pre-tax basis. ASU's contribution rate is subject to change every fiscal year, based upon an actuarial valuation.

### Local Board

The university has its own local board consisting of five members—three persons appointed by the employer and two persons who are members of the System and who are elected as local board members by the employees. The local boards have the authority to determine membership eligibility and payment of benefits, including eligibility for receipt of disability payments in accordance with the provisions of the retirement statutes.

### Pension Amount

Normal retirement is based on a formula using years of credited service:

#### Step 1:

Total amount of compensation for highest three consecutive years within the last twenty completed years of credited service  
Divided by 36 months  
Equals average monthly compensation

#### For retirement with 20 years of credited service but less than 25 years of credited service:

Step 2: Average monthly compensation times 50%  
Step 3: Add 2% of average monthly compensation for each year of credited service over 20 years  
Step 4: Equals total monthly benefit

#### For retirement with 25 or more years of credited service:

Step 2: Average monthly compensation times 50%  
Step 3: Add 2.5% of average monthly compensation for each year of credited service over 20 years to a maximum of 12 years  
Step 4: Equals total monthly benefit

#### For retirement with 20 years of service but less than 20 years of credited service:

Step 2: Average monthly compensation times 50%  
Step 3: Less 4% of 50% of average monthly compensation  
Step 4: Equals total monthly benefit"

Maximum amount of pension cannot exceed 80% of your three-year average salary.

### Normal Retirement

The first day of the calendar month following a member's completion of 20 years of service or if the member is still working, the member's 62nd birthday if the member has at least 15 years of service. Pension payments begin on the last business day of the retirement month.

### Other Benefits

**Active:** long-term disability insurance, cancer insurance

**Retired:** health insurance and premium subsidy, Retiree Accumulated Sick Leave (RASL) program, cancer insurance and ASU retiree benefits (completion of five years of continuous full-time employment and at least age 41)

**Faculty, staff and student workers (including non-FICA paying employees) of the university (full-time, part-time, hourly and temporary) are eligible to participate in the 403(b) and/or 457(b) plan. Faculty and staff can make contributions to the 403(b) and/or 457(b) plans, putting up to the maximum dollar amount into each account.**

## **Voluntary 403(b) Plan**

The Arizona University System Voluntary 403(b) Plan is a tax-deferred retirement savings plan available to eligible employees of educational institutions and certain non-profit organizations as determined by section 501(c)(3) of the Internal Revenue Code. Participation is voluntary with no employer match.

A 403(b) plan can provide you with an excellent opportunity to increase your retirement income benefits by supplementing your pension with pre-tax savings. You pay no current federal or state income taxes on the amount you contribute or on the interest or dividends earned. Income taxes are paid only when funds are withdrawn.

Your funds may be invested with Fidelity Investments, TIAA-CREF and Valic. All investments have management expenses associated with the operation of the fund. Basis points are used to calculate the costs for a financial instrument. A basis point is a unit equal to 1/100th of 1 percent. For example, .01% cost = 1 basis point. In addition, mutual funds may have front-end or back-end loads or 12b-1 fees to pay sales commissions and promotional costs. Annuities may have withdrawal or surrender fees. Providers may also charge a fee for hardship withdrawals or loans.

**Important: Be sure to ask your provider for all costs associated with each investment.**

## **Self-Service Retirement Manager**

The online self-service Retirement Manager tool is a single, convenient and secure access point for managing Voluntary 403(b) account(s) and provides ready access to:

- Enrollment, changes and termination of elections;
- A comprehensive source for financial planning information;
- A set of easy-to-use, powerful financial calculators;
- A secure way to manage your 403(b) contributions;
- A way to determine if you are on track and contributing as much as the law allows.

After electing a dollar contribution using the Retirement Manager system, you may allocate a percentage (totaling 100 percent) to one, two or three authorized investment provider(s). Your combined contributions cannot exceed the annual maximum limits set by the Internal Revenue Service. See [403\(b\) FAQs](#) for enrollment instructions and IRS contribution limits.

## **Deferred Compensation: 457(b) Plan**

This voluntary tax-favored program allows employees to defer a portion of salary, before federal and state taxes are taken, into a supplemental retirement account with **Nationwide Retirement Solutions**. Internal Revenue Code Section 457 provides this tax-deferred program exclusively for public employees. The annual contribution limits are 100% of your compensation to the IRS maximums.

Contact Nationwide at 1.800.796.9753 to:

- Establish a new account and designate amount you wish to contribute each pay period;
- Increase or decrease contributions;
- Stop contributions; or
- Resume contributions.

## Basic Life

The university provides one times your annual salary (rounded to the next \$1,000), up to a maximum of \$400,000, group term life insurance policy for benefits-eligible faculty and staff.

Within 30 days of your eligibility/hire date or a qualified life event or during the annual Open Enrollment period, you can purchase additional term insurance for you and your family through payroll deduction. Please take a few minutes to [watch a presentation](#) to learn more about the ASU-sponsored Aetna Life Insurance Program.

## Employee Supplemental Life and Accidental Death and Dismemberment

You can choose to participate in one or both pre-tax plans to supplement your Basic Life Insurance:

### Aetna

You may purchase this group term insurance in increments of 1, 2 or 3 times your annual salary not to exceed \$1,000,000. Coverage over \$500,000 requires evidence of good health. This coverage includes both accidental death and dismemberment and retiree life benefits.

After your initial 30-day enrollment period, due to a qualified life event or during Open Enrollment:

- If enrolled, you may increase your coverage one level (if less than \$500,000) without evidence of good health; you may increase your coverage a second level with evidence of good health.
- If electing for the first time, you may choose 1, 2 or 3 times your annual salary with evidence of good health.

### The Hartford

You may purchase this group term insurance in increments of \$5000, not to exceed three times your annual salary or \$300,000, whichever is less. This coverage includes an accidental death and dismemberment benefit.

After your initial 30-day enrollment period, you may elect or increase your coverage up to \$20,000 maximum as a result of a qualified life event or during Open Enrollment.

Employee Supplemental Life Insurance premiums are deducted on a pre-tax basis. Because of this, the value (not the amount) of life coverage you have over \$50,000 is taxable. This value amount is determined by the IRS. Imputed income is the term the IRS applies to the value of any benefit or service that should be considered income for the purposes of calculating federal tax. Even though imputed income adds to your taxable wage base, the increase is normally offset by the benefit of having pre-tax deductions.

## Dependent Life

You may purchase group term insurance for your covered dependents. (Same-sex and opposite-sex domestic partners and their children can be covered under the university-sponsored [Aetna] plan; coverage under the state-sponsored [The Hartford] plan is restricted to same-sex domestic partners and their children). You can choose to participate in one or both after-tax plans. Spouse/dependent coverage may not be more than the combined basic plus supplemental coverage carried by the employee.

See the plans comparison on the following pages for coverage options and Arizona State statute limitations.

### Aetna

After your initial 30-day enrollment period, due to a qualified life event or during Open Enrollment:

- If enrolled, you may increase your coverage one level (\$25,000/12,500 maximum) without evidence of good health; you may increase additional levels with evidence of good health.
- If electing for the first time, all coverage levels require evidence of good health.

### The Hartford

After your initial 30-day enrollment period, as a result of a qualified life event or during Open Enrollment, you may elect any level of coverage.

## Basic Life (Group Term Life)

<b>BOTH PAID BY ASU</b>	<b>Aetna An ASU Plan</b>	<b>The Hartford A State of Arizona Plan</b>
Coverage Amount	One times your annual base earnings (rounded up to the next \$1,000) less the \$15,000 State-sponsored plan (Hartford); Minimum coverage \$5,000; Maximum coverage \$385,000 <b>Age Reductions:</b> Coverage reduces by 60% of the original amount at age 70 and by 75% of the original amount at 75	\$15,000
Accidental Death & Dismemberment	Included with Employee Supplemental coverage	\$15,000

## Supplemental Life (Group Term Life)

<b>Aetna</b>	<b>The Hartford</b>
<p><b>Coverage Options:</b> One, two or three times your annual base earnings (multiplied by coverage level, then rounded up to the next \$1,000).</p> <p><b>Coverage Limits:</b> \$10,000 minimum; \$1 million maximum Guaranteed Issue Amount: \$500,000 without evidence of good health</p> <p><b>Age Reductions:</b> Coverage reduces by 60% of the original amount at age 70 and by 75% of the original amount at 75</p>	<p><b>Coverage Options:</b> Available in \$5,000 increments</p> <p><b>Coverage Limits:</b> Three times your annual salary or \$300,000, whichever is less</p> <p><b>Guaranteed Issue Amount:</b> Same as Coverage Limits Above</p>

## Supplemental Life Cost Per \$1000 of coverage

<b>Aetna</b>		<b>The Hartford</b>	
<b>Age</b>	<b>Rate (Per Pay Period/Per Month)</b>	<b>Age</b>	<b>Rate (Per Pay Period/Per month)</b>
< 25	\$0.026 / .056	<30	\$0.046 / 0.100
25-29	\$0.029 / .062	30-34	\$0.056 / 0.120
30-34	\$0.031 / .067	35-39	\$0.064 / 0.140
35-39	\$0.036 / .077	40-44	\$0.110 / 0.240
40-44	\$0.045 / .098	45-49	\$0.148 / 0.320
45-49	\$0.062 / .135	50-54	\$0.240 / 0.520
50-54	\$0.091 / .198	55-59	\$0.342 / 0.740
55-59	\$0.142 / .307	60-64	\$0.618 / 1.340
60-64	\$0.171 / .370	65-69	\$0.618 / 1.340
65+	\$0.318 / .689	70+	\$0.978 / 2.120

**Supplemental Life Premium Calculation Example**

<b>Aetna</b> <b>An ASU Plan</b>	<b>The Hartford</b>
<p><b>Determine Coverage Amount:</b>                      Round base annual earnings up to the next \$1,000.                      Multiply by 1x, 2x or 3x.                      Divide by \$1000.                      Multiply by age-based rate.</p> <p><i>Example:</i>                      Age = 53                      Base annual earnings = \$99,800                      Rounded up to the next \$1,000 = \$100,000                      Multiply by 2x = \$200,000                      Divide by \$1000 = \$200                      Multiply by premium rate \$.198 = \$39.60 per month                      Multiply by 12 months = \$475.20 per year                      Divide by 26 pay periods = \$18.28 per pay period</p>	<p><b>Determine Coverage Amount:</b>                      Determine coverage option (increments of \$5,000)                      Divide by \$1,000                      Multiply by age-based rate</p> <p><i>Example:</i>                      Age = 53                      Coverage option: \$100,000                      Divide by \$1,000 = \$100                      Multiply by premium rate \$.520 = \$52.00 per month                      Multiply by 12 months = \$624.00 per year                      Divide by 26 pay periods = \$24.00 per pay period</p>

**Accidental Death and Dismemberment**

	<b>Aetna</b>	<b>The Hartford</b>
Availability	With Employee Supplemental Coverage	With Basic, Employee Supplemental and Dependent coverages
Coverage Amount	Equal to Employee Supplemental coverage amount	Equal to Employee Basic, Employee Supplemental or Dependent coverage amount
Child Education Benefit	✓	✓
Spouse Education Benefit	✓	✓
Passenger Restraint and Airbag Benefit	✓	✓
Child Care Benefit	✓	✓
Coma Benefit	✓	✓
Repatriation of Remains Benefit	✓	✓

**Supplemental Retiree Life Insurance Coverage**

<b>Aetna</b>	<b>The Hartford</b>
<p>If employed at least 10 years but less than 15 years, the retiree can purchase a \$5,000 retiree/\$2,000 spouse/\$1,000 child policy at group rates.                      If employed at least 15 years, the retiree will receive a \$5,000 retiree/\$2,000 spouse/\$1,000 child policy paid by the university.</p>	<p>Not Applicable.</p>

**Dependent Life (Group Term Life)**

<b>Aetna An ASU Plan</b>		<b>The Hartford A State of Arizona Plan</b>	
<b>Coverage Amount</b> Spouse and Each Child	<b>Rate</b> (Per Pay Period/Per Month)	<b>Coverage Amount</b> Spouse and Each Child	<b>Rate</b> (Per Pay Period/Per Month)
		\$2000	\$0.434/0.940
		\$4000	\$0.868/1.880
Spouse \$5,000 Child(ren) \$2,500	\$1.05 / \$2.28	\$6000	\$1.302/2.820
Spouse \$15,000 Child(ren) \$7,500	\$3.16 / \$6.84	\$12,000	\$2.603/5.640
Spouse \$25,000 Child(ren) \$12,500	\$5.26 / \$11.39	\$15,000	\$3.254/7.050
Spouse \$50,000 Child(ren) \$25,000 (Requires evidence of good health)	\$10.52 / \$22.79	\$50,000 Requires The Hartford \$35,000 Supplemental Life Minimum	\$11.192/24.250

**Arizona State Statute Requirement**

**AETNA**

Coverage for a spouse may not be more than 100% of the combined Aetna basic and supplemental coverage on the life of the faculty or staff member.

**THE HARTFORD  
\$50,000**

Dependent coverage may not be more than 100% of the combined Harford basic and supplemental coverage on the life of the faculty or staff member.

A group short-term disability (STD) insurance plan provides income replacement up to six months if you are out of work for a non-occupational accident or illness. Within 30 days of your eligibility/hire date or a qualified life event or during the annual Open Enrollment period, you have two options to choose from:

- **Unum** – This university-sponsored plan pays 70% of base pay and covers salaries up to \$148,571;
- **The Hartford** – This state-sponsored plan pays 66.66% of base pay and covers salaries up to \$60,000.

	<b>Unum An ASU Plan</b>	<b>The Hartford A State of Arizona Plan</b>
	<b>An ASU Plan</b>	<b>A State of Arizona Plan</b>
<b>Maximum Covered Salary</b>	\$148,571	\$60,000
<b>Weekly Tax-free Benefit</b>	Pays 70% of base pay, up to the maximums (3 options): <ul style="list-style-type: none"> <li>▪ Option A – up to \$750</li> <li>▪ Option B – up to \$1500</li> <li>▪ Option C – up to \$2000</li> </ul>	Pays 66.66% of base pay, up to \$769.27 maximum
<b>Maximum Payment</b>	26 weeks	26 weeks
<b>Accidental Death and Dismemberment</b>	\$30,000; (See Booklet for schedule of benefits.)	None
<b>Benefits Begin</b>	First day if hospitalized for 24 hours or more  31st day if not hospitalized	First day if disability is due to an injury 31st day if due to illness/childbirth  (If elected at Open Enrollment or qualified life event, benefits begin on 61st day for illness or childbirth, unless you have been covered by an ASU STD Plan for 12 months prior to the first day of disability.)
<b>Pregnancy Benefits</b>	Pays 6 weeks for normal birth; 8 weeks for C-section	Pays from 31st day through 42nd day after birth
<b>Pre-existing Condition Exclusion</b>	First 6 months after initial election or after Option level increase	None
<b>Recurring Disability Benefits</b>	Periods of disability due to the same cause count as one period, unless separated by 6 months or more of full-time active work	Periods of disability due to the same cause count as one period unless separated by 30 days or more
<b>Return to Work Benefits</b>	Benefits will stop if working in any capacity	Partial benefits if working 80% or less than full-time
<b>Cost</b>	\$.84 per \$100 of base pay	\$.70 per \$100 of base pay
<b>Premium Calculation Example</b>	Divide Salary by 100 Multiply by \$.84 Divide by 12 or 26 <i>Example:</i> \$49,000/100 = \$490 \$490 x .84 = \$411.60 \$411.26/26 = \$15.83 per pay period	Divide Salary by 100 Multiply by \$.70 Divide by 12 or 26 <i>Example:</i> \$49,000/100 = \$490 \$490 x .70 = \$343.00 \$343.00/26 = \$13.19 per pay period



Short term disability insurance  
Employee purchase

# If you can't work, would your bank account be disabled?

Help keep your finances stable with Unum's short term disability insurance.

## Planning for the future

Marcia and David enjoy the lifestyle two incomes can offer. And like many young couples, they also want to have children. When that time comes, Marcia plans on working until the week of delivery. They want to be sure their finances are protected before they take such a big step in their lives.



### Who's at risk?

- o Today, many of the causes of short term disability claims are common to most Americans:<sup>1</sup>
  - Normal pregnancy
  - Back and other injuries
  - Digestive & intestinal diseases (for example gall bladder or appendicitis)
  - Reproductive & urinary system diseases
  - Pregnancy with complications

### Your disability benefits help cover what matters most.

Unum's short term disability insurance pays you a percentage of your gross weekly salary if you cannot work due to a covered injury or illness. These benefits can help you cover your expenses and protect your finances at a time when you're paying extra medical bills. With our fast claims review process and weekly benefit payments, you can focus on getting well — not your wallet.

### How to apply

To learn more, watch for information from your employer.



### MY WORKSHEET

*(For illustrative purposes only. This worksheet may help you decide how much coverage you need.)*

#### Monthly expenses you should consider

Mortgage/rent	\$ _____
Transportation (gas, car payments, repairs)	\$ _____
Utilities (electric, water, cable, internet)	\$ _____
Insurance (health, life, car, home)	\$ _____
Food & clothing (groceries, restaurants)	\$ _____
Education (tuition, books, supplies)	\$ _____
Loans/credit card debt	\$ _____
Child care/elder care	\$ _____
Savings contributions (retirement)	\$ _____
Medical costs (doctor copays, medications)	\$ _____
<b>Total monthly expenses</b>	<b>\$ _____</b>
<b>Current monthly income (after taxes)</b>	<b>\$ _____</b>
<b>Total monthly income if disabled</b>	<b>\$ _____</b>
<b>Less total monthly expenses (from above)</b>	<b>-\$ _____</b>
<b>Monthly surplus or shortfall</b>	<b>\$ _____</b>

### Get the coverage you need.

Your employer is offering you the opportunity to purchase Unum's short term disability insurance.

#### Reasons to buy this coverage at work — now.

- No medical questions to answer. You are guaranteed coverage if you sign up during your initial enrollment at work.<sup>2</sup>
- No checks to write. Your cost is conveniently deducted from your paycheck.

**A group long-term disability (LTD) insurance plan provides income replacement if you are out of work for a non-occupational or occupational accident or illness for over six months. Your LTD coverage is included with your mandatory retirement plan: ASRS, ORP or PSPRS.**

	<b>For ASRS Participants</b>	<b>For ORP and PSPRS Participants</b>
	<b>Sedgwick CMS</b>	<b>The Hartford</b>
<b>Maximum Benefit Period</b>	Age 65 if disability occurs prior to age 65.  Age 70 if disability occurs at age 65 but before age 69	Age 65
<b>Monthly Benefit</b>	Pays 66.66% of base pay as of date of disability, reduced by Deductible Income*.  Minimum monthly benefit of \$50.	Pays 66.66% of base pay as of date of disability, reduced by Deductible Income*  Minimum monthly benefits \$100 or 10% of your LTD Benefit before reduction by Deductible Income, whichever is greater.  Maximum \$10,000 before reduction by Deductible Income.
<b>Benefits Begin</b>	Begins on 181st day of a continuous disability  Benefit is paid monthly  50% of the claim payment is taxable	Begins on 181st day of a continuous disability  Benefit is paid monthly  Claim payments are fully taxable
<b>Pre-existing Condition Exclusion</b>	12-month pre-existing condition limitation	12-month pre-existing condition limitation
<b>Recurring Disability Benefits</b>	Periods of disability due to the same cause count as one period, unless separated by 6 months or more of full-time active work	Periods of disability due to the same cause count as one period unless separated by 30 days or more
<b>Return to Work Benefits</b>	Partial benefits if working 80% or less	Partial benefits if working 80% or less
<b>Rates</b>	.26% of your gross salary	No cost to you
<b>Contact Information</b>	Sedgwick CMS 1.800.495.9301	The Hartford 1.800.523.2233

**\*Deductible Income:** Social Security Disability benefits paid to employee or to eligible family members; Social Security Retirement benefits paid to employee or spouse; Retirement benefits from a current public service retirement plan; workers' compensation benefits; ASU sick leave; and any other benefits listed in either the ORP/PSPRS Plan Document or ASRS Plan Document located on the [\*\*Short- and Long-term Disability Insurance Plans\*\*](#) web page.

