



University of Kentucky

Voluntary Long Term Disability Insurance

This summary provides a brief outline of the UniCare Voluntary Long Term Disability (LTD) benefits available to all full-time active employees already eligible for the University provided LTD benefits. LTD insurance replaces some of the income the insured employee may lose during a total disability. Benefits start at the end of the 180 day Benefit Waiting Period. The Benefit Waiting Period begins on the date of a total disability. There is a monthly benefit available to employees with a total disability which will continue up to a maximum benefit period for each period of total disability.

Monthly Benefit

The Voluntary Benefit in addition to the University's LTD plan is an amount equal to 10.0% of your monthly earnings. There is a maximum of monthly benefit of \$9,120. The Voluntary Benefit is not reduced by other income benefits.

The UniCare Definition of Earnings is the insured employee's basic rate of compensation. Compensation for purposes of the Definition of Earnings does not include commissions, overtime, bonuses or other forms of extra compensation.

Benefit Duration

If the insured employee's disability begins in accordance with the age stated below, the insured employee will continue to receive income benefits up to the maximum benefit period stated below:

Age Disability Begins	Maximum Benefit Period
Less than age 60.....	To age 65
60.....	60 Months
61.....	48 Months
62.....	42 Months
63.....	36 Months
64.....	30 Months
65.....	24 Months
66.....	21 Months
67.....	18 Months
68.....	15 Months
69 and over.....	12 Months

Pre-existing Condition

UniCare considers a Pre-existing as an illness or injury for which the employee received treatment within 3 months prior to the employee's effective date with UniCare. UniCare has a Pre-Existing Condition Exclusion on the LTD insurance. This Exclusion will not cover any total disability caused by a pre-existing condition within the first 12 months after the insured employee's effective date, unless no treatment is received for this condition for 6 consecutive months after the effective date.

Medical Underwriting

UniCare must approve coverage before the employee can become insured under this plan. In this instance, to help UniCare decide whether to insure the employee, the employee must provide UniCare with a written application, a health statement from the employee and a written authorization form to verify the information provided.

Summary of Benefits

This is only a Summary of Benefits and does not constitute coverage. Actual Benefits and coverage will be based and paid on Policy and Certificates issued when Case is enrolled. Once enrolled, insured employees will receive a Certificate of Insurance, which explains the exclusions and limitations, as well as the full range of covered services of the plan, in detail.

UK Voluntary Long-Term Disability Buy-Up Worksheet

Please note that only employees at UK and at KCTCS that are already eligible for the University provided long-term disability benefit are eligible to apply for this additional coverage.

**Example:
John Smith
38 Years Old**

1.	Employee Annual Base Salary <i>Do not include extra compensation.</i>	_____	\$ 25,000.00
2.	Employee Monthly Base Salary (#1 ÷ 12)	_____	\$ 2,083.33
3.	Buy-Up <u>Monthly</u> Benefit Amount (#2 × 10%) <i>This is a tax-free benefit and can not exceed \$9,120.</i>	_____	\$ 208.33
4.	Divide #3 by 100 (carry out to 3 decimals)	_____	2.083
5.	Insert rate from table below based on age band.	_____	.909
6.	Monthly Premium for UK Employee (#4 × #5)	_____	\$ 1.89
7.	Bi-weekly Premium for UK Employee & Semi-monthly Premium for KCTCS employee (#6 × .5)	_____	\$.95

AGE BAND	MONTHLY RATE PER \$100 OF BENEFIT
To Age 24	.389
25-29	.389
30-34	.649
35-39	.909
40-44	1.298
45-49	1.817
50-54	2.466
55-59	2.985
60+	2.985