HEWT SHORT-TERM DISABILITY (STD) PROGRAM
ANNUAL ENROLLMENT INFORMATION

What is Short-Term Disability?

If you become totally disabled and unable to perform your job duties due to a non-work related injury or illness (including pregnancy), you may receive Short-Term Disability benefits equal to 60% of your weekly base pay rate up to a maximum weekly benefit of $4,000. And, 50% of any benefits you receive will be tax-free because you will be paying half of the monthly premium with after-tax dollars. To be eligible to receive Short-Term Disability Benefits you must be enrolled in the Short-Term Disability program.

Short-Term Disability benefits begin on the 8th calendar day after your first day of total disability, or on the 1st day you are hospitalized as a registered patient being charged a full day's room and board. Benefits can continue up to a maximum of 180 days. To apply for benefits, you and your physician will complete a claim form. You must then submit your completed claim form along with your signed Disclosure Authorization form to HEWT Benefits Administration, within 31 days of the onset of the disability.

To receive STD benefits, your claim must meet current plan provisions. Please refer to the *Hanford Employee Welfare Trust Short and Long Term Disability Plan and Disability Equalizer Benefits Plan Summary Plan Description* for more information. This document and the necessary claim forms are at www.hanford.gov/hr, or can be requested by calling the HEWT Benefits Administration Helpline at (509) 376-6962.

How do I enroll in the Short-Term Disability?

Eligible employees may enroll at their time of hire and during the Annual Enrollment period.

What happens if I waive coverage for Short-Term Disability?

By waiving coverage, you will not be able to enroll in the Short-Term Disability program until the next Annual Enrollment period (October/November 2016) for coverage effective January 1, 2017.

Additionally, if you do not elect coverage in the Short-Term Disability program and you have to miss work due to a non-work related illness or injury, you may use your Personal Time Bank (PTB) and/or apply for a leave of absence such as Family Medical Leave Act (FMLA), if eligible. Once you have exhausted your PTB and/or your leave rights, you will be required to return to work. In the event you are unable to return to work, your employment may be subject to termination.

Is there a Pre-Existing Condition clause?

If you waive coverage in the Short-Term Disability program during *any* Annual Enrollment period and decide to enroll in a subsequent year, you will be subject to a pre-existing condition clause. This means that for your first six months in the program, any pre-existing condition you may have is not covered. If you maintain continuous enrollment in the Short-Term Disability program, you will not be subject to a pre-existing condition clause.

What is a Pre-Existing Condition?

A condition is pre-existing if you received medical treatment, consultation, care or services including diagnostic measures, or took prescribed drugs or medicines in the three months preceding the coverage effective date.

What will enrollment in the Short-Term Disability Program cost me?

The employer will pay 50% of your Short-Term Disability monthly premium. Using after-tax dollars, you will pay the other 50%. For 2016 the monthly premium is $0.588 per $100 of your base salary. Therefore, your 50% share of the premium would be $0.294 per $100 of your base salary.

Employee cost examples:

Non-Bargaining employee with a salary of <u>$50,000</u>

Employee Annual Base Salary	**$50,000**
Divide by $100	$50,000 / $100 = $500.00
Multiply by Rate ($0.294) to calculate the annual rate	$500.00 x $0.294 = $147.00
Divide by 26 bi-weekly payrolls in a year	$147.00 / 26 = $5.65
Employee's bi-weekly payroll deduction	***$5.65***

Non-Bargaining employee with a salary of <u>$75,000</u>

Employee Annual Base Salary	**$75,000**
Divide by $100	$75,000 / $100 = $750.00
Multiply by Rate ($0.294) to calculate the annual rate	$750.00 x $0.294 = $220.50
Divide by 26 bi-weekly payrolls in a year	$220.50 / 26 = $8.48
Employee's bi-weekly payroll deduction	***$8.48***

Bargaining Unit employee with a salary of <u>$50,000</u>

Employee Annual Base Salary	**$50,000**
Divide by $100	$50,000 / $100 = $500.00
Multiply by Rate ($0.294) to calculate the annual rate	$500.00 x $0.294 = $147.00
Divide by 52 weekly payrolls in a year	$147.00 / 52 = $2.83
Employee's weekly payroll deduction	***$2.83***

Bargaining Unit employee with a salary of <u>$75,000</u>

Employee Annual Base Salary	**$75,000**
Divide by $100	$75,000 / $100 = $750.00
Multiply by Rate ($0.294) to calculate the annual rate	$750.00 x $0.294 = $220.50
Divide by 52 weekly payrolls in a year	$220.50 / 52 = $4.24
Employee's weekly payroll deduction	***$4.24***

What about Long-Term Disability (LTD)?

Employees are automatically enrolled in the Long-Term Disability Program, at no cost to them. Your Short-Term Disability program enrollment status will not affect your eligibility for Long-Term Disability benefits. Long-Term Disability benefits begin on the 181st day of total disability with a monthly benefit being 50% of your monthly base pay up to a maximum of $4,000 per month, reduced by applicable reductions.