

# STANDARD INSURANCE COMPANY

A Stock Life Insurance Company  
900 SW Fifth Avenue  
Portland, Oregon 97204-1282  
(503) 321-7000

## CERTIFICATE

### GROUP SHORT TERM DISABILITY INSURANCE

---

Policyholder:	State of Georgia
Policy Number:	642967-C
Effective Date:	January 1, 2014

---

The Group Policy has been issued to the Policyholder. We certify that you will be insured as provided by the terms of your Employer's coverage under the Group Policy. If the terms of this Certificate differ from the terms of your Employer's coverage under the Group Policy, the latter will govern. If your coverage is changed by an amendment to the Group Policy, we will provide the Employer with a revised Certificate or other notice to be given to you.

Possession of this Certificate does not necessarily mean you are insured. You are insured only if you meet the requirements set out in this Certificate.

"You" and "your" mean the Member. "We", "us" and "our" mean Standard Insurance Company. Other defined terms appear with the initial letters capitalized. Section headings, and references to them, appear in boldface type.



Chairman, President and CEO

## Table of Contents

COVERAGE FEATURES .....	1
GENERAL POLICY INFORMATION .....	1
ELIGIBILITY WAITING PERIOD .....	2
SCHEDULE OF INSURANCE.....	2
PREMIUM CONTRIBUTIONS.....	4
INSURING CLAUSE.....	5
BECOMING INSURED .....	5
WHEN YOUR INSURANCE BECOMES EFFECTIVE .....	6
ACTIVE WORK PROVISIONS .....	6
CONTINUITY OF COVERAGE .....	7
WHEN YOUR INSURANCE ENDS.....	7
WAIVER OF PREMIUM.....	8
REINSTATEMENT OF INSURANCE .....	8
DEFINITION OF DISABILITY .....	8
RETURN TO WORK PROVISIONS .....	9
REASONABLE ACCOMMODATION EXPENSE BENEFIT .....	10
TEMPORARY RECOVERY.....	10
WHEN STD BENEFITS END .....	10
BENEFIT SALARY (PREDISABILITY EARNINGS).....	11
DEDUCTIBLE INCOME .....	11
EXCEPTIONS TO DEDUCTIBLE INCOME .....	11
RULES FOR DEDUCTIBLE INCOME.....	12
SUBROGATION.....	13
BENEFITS AFTER INSURANCE ENDS OR IS CHANGED .....	13
EFFECT OF NEW DISABILITY .....	13
DISABILITIES EXCLUDED FROM COVERAGE.....	13
LIMITATIONS .....	14
CLAIMS .....	14
TIME LIMITS ON LEGAL ACTIONS .....	16
INCONTESTABILITY PROVISIONS .....	16
CLERICAL ERROR AND AGENCY .....	17
TERMINATION OR AMENDMENT OF THE GROUP POLICY .....	17
DEFINITIONS.....	18

## Index of Defined Terms

Allowable Period, 18  
Allowable Periods, 10  
Annual Enrollment Period, 3, 6, 18

Benefit Salary (Predisability Earnings),  
11  
Benefit Waiting Period, 2, 18

Change of Status Enrollment Period, 4,  
6  
Contributory, 18

Deductible Income, 11, 18

Eligibility Waiting Period, 2, 19  
Eligible Employee, 1, 5, 19  
Employer, 19  
Employer(s), 1  
Exceptions To Deductible Income, 11,  
18

Group Policy, 19  
Group Policy Effective Date, 1, 19  
Group Policy Number, 1, 19

Hospital, 19

Initial Enrollment Period, 3, 6, 19

Injury, 19

Maximum Benefit Period, 4, 20  
Maximum STD Benefit, 2  
Mental Disorder, 20

Noncontributory, 20

Physical Disease, 20  
Physician, 20  
Plan Year, 20  
Policyholder, 1, 20  
Pregnancy, 20  
Prior Plan, 20  
Proof Of Loss, 15

Qualifying Change of Status, 20

Reasonable Accommodation Expense  
Benefit, 10  
Rehabilitation Incentive, 4, 20

STD Benefit, 2, 20

Temporary Recovery, 10, 20

War, 13  
Work Earnings, 9, 20

## COVERAGE FEATURES

This section contains many of the features of your short term disability (STD) insurance. Other provisions, including exclusions, limitations, and Deductible Income appear in other sections. Please refer to the text of each section for full details. The Table of Contents and the Index of Defined Terms help locate sections and definitions.

---

### GENERAL POLICY INFORMATION

Group Policy Number:	642967-C
Policyholder:	State of Georgia
Employer(s):	State of Georgia, any department, agency, authority, board, commission or institution of the State, including the Executive, Legislative and Judicial Branches; and any public school district, county or regional library, or other entity that participates in the Policyholder's Flexible Benefits Program (excluding the Board of Regents of the University System of Georgia).
Group Policy Effective Date:	January 1, 2014
Policy Issued in:	Georgia

---

Eligible Employee means an employee of an Employer who is Actively At Work for the required minimum number of hours to participate in the Policyholder's Flexible Benefits Program and who meets all other requirements to participate in the program, as follows:

1. A regular full-time employee of the State of Georgia or of a State agency, who is Actively At Work at least 30 hours each week on a continuous basis, and whose employment is expected to last at least 9 months;
- 2.\* A regular public-school teacher who is working in a professional certificated capacity with the Employer and who is Actively At Work at least 17.5 hours each week;
- 3.\* A regular employee of a local school system working in a non-certificated position, who is eligible to participate in the Teachers Retirement System of Georgia or its local equivalent, and who is Actively At Work at least 20 hours each week (or at least 60% of the time necessary to carry out the duties of the position, if that is more than 20 hours);
- 4.\* A regular employee of the Employer who is eligible to participate in the Public School Employees Retirement System, and who is Actively At Work at least 15 hours each week (or at least 60% of the time necessary to carry out the duties of the position);
- 5.\* A regular county or regional library employee of the Employer who is Actively At Work at least 17.5 hours each week;
6. A regular employee of the Employer who is a member of the general assembly, a constitutional officer or an employee of a Georgia judicial branch; or
7. Any other regular employee of the Employer who is deemed eligible for coverage under the Group Policy under federal or Georgia law.

\*The Employer must participate in the Policyholder's Flexible Benefit Plan.

For purposes of the Eligible Employee definition, Actively At Work will include regularly scheduled days off, holidays, or vacation days, so long as the person is capable of Active Work on those days.

Eligible Employee does not include a temporary, seasonal or part-time employee, full-time member of the armed forces of any country, leased employee, emergency employee, independent contractor, short-term employee or sheltered workshop employee.

---

### ELIGIBILITY WAITING PERIOD

Eligibility Waiting Period: You are eligible on the later of (a) the Group Policy Effective Date, and (b) the following applicable date:

If you become an Eligible Employee on the first regular work day of the calendar month as designated by your Employer, you are eligible on the first day of the calendar month following the date you become an Eligible Employee.

If you become an Eligible Employee on any other day, you are eligible on the first day of the calendar month following one full calendar month as an Eligible Employee.

Eligibility Waiting Period means the period you must be an Eligible Employee before you become eligible for insurance.

---

### SCHEDULE OF INSURANCE

STD Benefit:

Options A and B: 60% of the first \$1,667 of your Benefit Salary (Predisability Earnings), reduced by Deductible Income.

Maximum: \$1,000 per week, before reduction by Deductible Income.

Your maximum Benefit Salary on an annual basis is \$86,684.

Benefit Waiting Period: You may choose one of the following options:

Option A – 7 Day Benefit Waiting Period:

For Eligible Employees who apply during the Initial Enrollment Period: 7 days

Late Enrollment Penalty: For Eligible Employees who apply after the Initial Enrollment Period:

No Late Enrollment Penalty for Disability caused by Injury. 7-day Benefit Waiting Period is applicable for Disability caused by Injury.

60 days for Disability that begins during the first 12 months your Option A insurance is effective and is caused by Physical Disease, Pregnancy or Mental Disorder; 7 days thereafter.

Changing Options\*: For Eligible Employees insured under Option B who change to Option A:

7 days for Disability caused by Injury

7 days for Disability caused by Physical Disease, Pregnancy or Mental Disorder:

- that does not manifest itself during the 90-day period just before your Option A insurance is effective; or
- for which you become Disabled more than 12 months after your Option A insurance is effective.

30 days for Disability that begins during the first 12 months your Option A insurance is effective and is caused by Physical Disease, Pregnancy or Mental Disorder:

- that manifests itself during the 90 day period just before your Option A insurance is effective, with signs or symptoms that would cause an ordinarily prudent person to seek diagnosis, care or treatment; or
- for which a health care provider recommends or provides medical advice or treatment, or for which you were taking prescribed drugs or medication during the 90 day period just before your Option A insurance is effective,

as evidenced by the information you provide or by the records or claims forms of the health care provider who completes the claim forms.

**\*Note: If you change options, whether from Option A to Option B or Option B to Option A, and at that time you are subject to a Late Enrollment Penalty, the 60-day Benefit Waiting Period will apply until you satisfy the Late Enrollment Penalty.**

Option B – 30 Day Benefit Waiting Period:

For Eligible Employees who apply during the Initial Enrollment Period: 30 days

Late Enrollment Penalty: For Eligible Employees who apply after the Initial Enrollment Period:

No Late Enrollment Penalty for Disability caused by Injury. 30-Day Benefit Waiting Period is applicable for Disability caused by Injury.

60 days for Disability that begins during the first 12 months your insurance is effective under the Group Policy and is caused by Physical Disease, Pregnancy or Mental Disorder; 30 days thereafter.

Enrollment Periods:

Initial Enrollment Period: The 30-day period beginning on the date you become an Eligible Employee.

Annual Enrollment Period: The annual enrollment period determined by the Policyholder for its Flexible Benefits Program.

Change of Status Enrollment Period: to enroll, increase or decrease coverage, the 30-day period beginning on the date of a Qualifying Change of Status.

See **When Your Insurance Becomes Effective**.

Maximum Benefit Period:

Option A: 173 days\*

Option B: 150 days\*

\* However, STD Benefits will end on the date long term disability benefits become payable to you under a group plan provided by your Employer, even if that occurs before the end of the Maximum Benefit Period as would occur if the Late Enrollment Penalty applied.

Rehabilitation Incentive:

While participating in a rehabilitation plan approved by us, your STD Benefit, before reduction by Deductible Income, may be increased by 10%. The increased portion will not be subject to reduction by Deductible Income. Your STD Benefit may exceed the maximum STD Benefit as a result of this increase.

If you are Disabled for less than one full week, we will pay one-seventh of the STD Benefit for each day of Disability.

---

## PREMIUM CONTRIBUTIONS

Insurance is:

Contributory or Noncontributory (premium included)\*, as determined by your agency

\* Noncontributory (premium included) means that the cost of insurance is included in the Eligible Employee's gross earnings.

If your insurance is Contributory, you pay the cost of your insurance on an after-tax basis.

## INSURING CLAUSE

If you become Disabled while insured under the Group Policy, we will pay STD Benefits according to the terms of the Group Policy after we receive Proof Of Loss satisfactory to us.

ST.IC.OT.1

## BECOMING INSURED

To become insured you must be an Eligible Employee, complete your Eligibility Waiting Period, and meet the requirements in **Active Work Provisions** and **When Your Insurance Becomes Effective**.

Eligible Employee means an employee of an Employer who is Actively At Work for the required minimum number of hours to participate in the Policyholder's Flexible Benefits Program and who meets all other requirements to participate in the program, as follows:

1. A regular full-time employee of the State of Georgia or of a State agency, who is Actively At Work at least 30 hours each week on a continuous basis, and whose employment is expected to last at least 9 months;
- 2.\* A regular public-school teacher who is working in a professional certificated capacity with the Employer and who is Actively At Work at least 17.5 hours each week;
- 3.\* A regular employee of a local school system working in a non-certificated position, who is eligible to participate in the Teachers Retirement System of Georgia or its local equivalent, and who is Actively At Work at least 20 hours each week (or at least 60% of the time necessary to carry out the duties of the position, if that is more than 20 hours);
- 4.\* A regular employee of the Employer who is eligible to participate in the Public School Employees Retirement System, and who is Actively At Work at least 15 hours each week (or at least 60% of the time necessary to carry out the duties of the position);
- 5.\* A regular county or regional library employee of the Employer who is Actively At Work at least 17.5 hours each week;
6. A regular employee of the Employer who is a member of the general assembly, a constitutional officer or an employee of a Georgia judicial branch; or
7. Any other regular employee of the Employer who is deemed eligible for coverage under the Group Policy under federal or Georgia law.

\*The Employer must participate in the Policyholder's Flexible Benefit Program.

For purposes of the Eligible Employee definition, Actively At Work will include regularly scheduled days off, holidays, or vacation days, so long as the person is capable of Active Work on those days.

Eligible Employee does not include a temporary, seasonal or part-time employee, full-time member of the armed forces of any country, leased employee, emergency employee, independent contractor, short-term employee or sheltered workshop employee.

Eligibility Waiting Period means the period you must be an Eligible Employee before you become eligible for insurance. Your Eligibility Waiting Period is shown in the **Coverage Features**.

(VAR MBR DEF) ST.BI.OT.1X

## WHEN YOUR INSURANCE BECOMES EFFECTIVE

### A. When Insurance Becomes Effective

Subject to the **Active Work Provisions**, your insurance becomes effective as follows:

#### 1. Contributory Insurance

You must apply for Contributory insurance and agree to pay premiums. You may apply for Contributory insurance only during the following periods: Initial Enrollment Period; Change of Status Enrollment Period; Annual Enrollment Period.

Contributory Insurance becomes effective on the appropriate date determined below:

##### a. Initial Enrollment Period

The first day of the calendar month following the date the first premium for your coverage is deducted, if you apply within 30 days of becoming an Eligible Employee.

##### b. Annual Enrollment Period\*

The January 1 following the date you apply, if you apply during the Annual Enrollment Period determined by the Policyholder for its Flexible Benefits Program.

##### c. Change of Status Enrollment Period\*

The first day of the calendar month following the date the first premium for your changed coverage is deducted, if you apply to enroll, to increase or to decrease coverage within 30 days of a Qualifying Change of Status.

\*Note: If you apply after your Initial Enrollment Period, then until you have been insured for 12 consecutive months, you will have a longer Benefit Waiting Period for Disabilities caused by Physical Disease, Pregnancy or Mental Disorder. However, this requirement will be waived if (1) you were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy, and (2) you submitted proof of good health for short term disability insurance under the Prior Plan and were approved.

The applicable Benefit Waiting Periods are shown in the **Coverage Features**.

#### 2. Noncontributory Insurance

Noncontributory Insurance becomes effective on the date you become eligible, as specified in the Eligibility Waiting Period.

### B. Takeover Provisions

If you were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy, your Eligibility Waiting Period is waived on the effective date of your Employer's coverage under the Group Policy.

(VAR EOI\_WITH 60 DAY PD) ST.EF.OT.3X

## ACTIVE WORK PROVISIONS

### A. Active Work Requirement

You must be able to be Actively At Work on the scheduled effective date of your insurance or your insurance will not become effective as scheduled. Actively At Work and Active Work mean you are working for your Employer for earnings that are paid regularly and that you are performing the Material Duties of your Own Occupation on a full-time basis for a full work day:

1. At the Employer's place of business;
2. At an alternate place approved by the Employer; or

3. At a place to which the Employer's business requires you to travel.

If you are incapable of Active Work because of Physical Disease, Injury, Pregnancy or Mental Disorder on the scheduled effective date of your insurance, your insurance will not become effective until the day after you complete one full day of Active Work as an Eligible Employee.

**B. Changes In Insurance**

This Active Work requirement also applies to any increase in your insurance.

**ST.AW.OT.IX**

**CONTINUITY OF COVERAGE**

**A. Waiver Of Active Work Requirement**

If you were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy, you can become insured on the effective date of your Employer's coverage without meeting the Active Work requirement or minimum number of work hours required, as stated in the definition of an Eligible Employee.

The STD Benefit payable for a period of continuous Disability beginning before you meet the Active Work requirement or minimum number of work hours required, as stated in the definition of an Eligible Employee, will be:

1. The weekly benefit that would have been payable under the terms of the Prior Plan if it had remained in force; reduced by
2. Any benefits payable under the Prior Plan.

**(NOPREEX) ST.CC.OT.IX**

**WHEN YOUR INSURANCE ENDS**

Your insurance ends automatically on the earliest of:

1. The date the last period ends for which a premium contribution was made for your insurance.
2. The date the Group Policy terminates.
3. The last day of the month in which your employment terminates.
4. The date you cease to be an Eligible Employee. However, your insurance will be continued with premium payment during the following periods when you are absent from Active Work, unless it ends under any of the above.
  - a. During a temporary or indefinite administrative or involuntary leave of absence or sick leave, provided your Employer is paying you at least the same Benefit Salary (Predisability Earnings) paid to you immediately before you ceased to be an Eligible Employee. A period when you are absent from Active Work as part of a severance or other employment termination agreement is not a leave of absence, even if you are receiving the same Benefit Salary (Predisability Earnings).
  - b. During a military leave of absence if you are called to full-time active U.S. military duty.
  - c. During a leave of absence if continuation of your insurance under the Group Policy is required by a state-mandated family or medical leave act or law.
  - d. During any other temporary leave of absence approved by your Employer in advance and in writing and scheduled to last 12 months or less while premium is paid. A period of Disability is not a leave of absence.
  - e. If you cease to be an Eligible Employee because of a school break or vacation, your insurance will be continued during that period.

- f. Through the end of your current contract with the Employer, if you are a teacher and you cease to be an Eligible Employee due to retirement.
- g. During the Benefit Waiting Period and while STD benefits are payable.

ST.EN.OT.1X

### WAIVER OF PREMIUM

We will waive STD premium for your insurance while STD Benefits are payable.

ST.WP.OT.1X

### REINSTATEMENT OF INSURANCE

If your insurance ends, you may become insured again. However, the following will apply:

1. If your insurance ends because you cease to be an Eligible Employee, and if you become an Eligible Employee again within 30 days after your insurance ends, the Eligibility Waiting Period will be waived. If you become an Eligible Employee again more than 30 days after your insurance ends, you will become eligible again as provided in the Eligibility Waiting Period.
2. If your insurance ends because you are called to full-time active U.S. military duty and, within 90 days of discharge, you become an Eligible Employee again or provide notice to the Employer of your intent to return to work, your insurance will be reinstated, subject to the same terms and conditions that applied when insurance ended.
3. If your insurance ends because you are on a federal or state-mandated family or medical leave of absence, and you become an Eligible Employee again immediately following the period allowed, your insurance will be reinstated pursuant to the federal or state-mandated family or medical leave act or law.
4. In no event will insurance be retroactive unless you are on an approved leave of absence, including leaves under 2. and 3. above, and pay premium back to the effective date of your approved leave of absence.

(24 HR) ST.RE.OT.1X

### DEFINITION OF DISABILITY

You are Disabled if you meet the following Own Occupation definition of Disability.

You are required to be Disabled only from your Own Occupation. You are Disabled from your Own Occupation if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder:

1. You are unable to perform with reasonable continuity the Material Duties of your Own Occupation; and
2. You suffer a loss of at least 20% in your Benefit Salary (Predisability Earnings) when working in your Own Occupation.

**Note: You are not Disabled merely because your right to perform your Own Occupation is restricted, including a restriction or loss of license.**

You may work in another occupation while you meet the Own Occupation definition of Disability. However, you will no longer be Disabled when your Work Earnings from another occupation exceed 80% of your Benefit Salary (Predisability Earnings).

Your Work Earnings may be Deductible Income. See **Return To Work Provisions** and **Deductible Income**.

Own Occupation means any employment, business, trade, profession, calling or vocation that involves Material Duties of the same general character as the occupation you are regularly performing for your Employer when Disability begins. In determining your Own Occupation, we are not limited to looking at the way you perform your job for your Employer, but we may also look at the way the occupation is generally performed in the local economy. If your Own Occupation involves the rendering of professional services and you are required to have a professional or occupational license in order to work, your Own Occupation is as broad as the scope of your license.

Material Duties means the essential tasks, functions and operations, and the skills, abilities, knowledge, training and experience, generally required by employers from those engaged in a particular occupation, that cannot be reasonably modified or omitted. In no event will we consider working an average of more than 40 hours per week to be a Material Duty, unless your occupation requires you to work extended shifts, as permitted by the Fair Labor Standards Act.

(WITH 40\_WITH PARTL) ST.DD.OT.1X

## **RETURN TO WORK PROVISIONS**

### **A. Return To Work Responsibility**

No STD Benefits will be paid for any period of Disability when you are able to work in your Own Occupation and able to earn at least 20% of your Benefit Salary (Predisability Earnings), but you elect not to work.

### **B. Return To Work Incentive**

No STD Benefits are payable during the Benefit Waiting Period. You may serve your Benefit Waiting Period while working if you meet the Own Occupation definition of Disability. You are disabled from your Own Occupation if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder:

1. You are unable to perform with reasonable continuity the Material Duties of your Own Occupation; and
2. You suffer a loss of at least 20% in your Benefit Salary (Predisability Earnings) when working in your Own Occupation.

See **Definition of Disability**.

You are eligible for the Return To Work Incentive on the first day you work after the Benefit Waiting Period if STD Benefits are payable on that date.

Your Work Earnings will be Deductible Income as determined in 1., 2. and 3.

1. Determine the amount of your STD Benefit as if there were no Deductible Income, and add your Work Earnings to that amount.
2. Determine 100% of your Benefit Salary (Predisability Earnings).
3. If 1. is greater than 2., the difference will be Deductible Income.

### **C. Work Earnings Definition**

Work Earnings means your gross monthly earnings from work you perform while Disabled, including earnings from your Employer, any other employer, or self-employment. Your earnings will be included in Work Earnings when you have the right to receive them. If you are paid in a lump sum or on a basis other than monthly, we will prorate your Work Earnings over the period of time to which they apply. If no period of time is stated, we will use a reasonable one. Work Earnings will not include any renewal commissions, overwriting renewal commissions, or service fees received on business sold before you become Disabled.

ST.RW.OT.1X

## **REASONABLE ACCOMMODATION EXPENSE BENEFIT**

If you return to work in any occupation for any employer, not including self-employment, as a result of a reasonable accommodation made by such employer, we will pay that employer a Reasonable Accommodation Expense Benefit in an amount agreed to by us, but not to exceed the expenses incurred.

The Reasonable Accommodation Expense Benefit is payable only if the reasonable accommodation is approved by us in writing prior to its implementation.

**ST.RA.OT.1**

## **TEMPORARY RECOVERY**

You may temporarily recover from your Disability during the Maximum Benefit Period, and then become Disabled again from the same cause or causes, without having to serve a new Benefit Waiting Period. Temporary Recovery means you cease to be Disabled for no longer than the applicable allowable period. See **Definition Of Disability**.

### **A. Allowable Period**

The allowable period of recovery during the Maximum Benefit Period is a total of 30 days of recovery.

### **B. Effect Of Temporary Recovery**

If your Temporary Recovery does not exceed the Allowable Period, the following will apply.

1. The Benefit Salary (Predisability Earnings) used to determine your STD Benefit will not change.
2. The period of Temporary Recovery will not count toward your Maximum Benefit Period.
3. No STD Benefits will be payable for the period of Temporary Recovery.
4. No STD Benefits will be payable after benefits become payable to you under any other disability group insurance plan under which you become insured during your period of recovery.
5. Except as stated above, the provisions of the Group Policy will be applied as if there had been no interruption of your Disability.

**ST.TR.OT.2X**

## **WHEN STD BENEFITS END**

Your STD Benefits end automatically on the earliest of:

1. The date you are no longer Disabled.
2. The date your Maximum Benefit Period ends.
3. The date you die.
4. The date long term disability benefits become payable to you under a group long term disability policy, even if that occurs before the end of the Maximum Benefit Period.
5. The date benefits become payable to you under any other disability insurance plan under which you become insured through employment during a period of Temporary Recovery.
6. The date you fail to provide proof of continued Disability and entitlement to STD Benefits.

**(REV LTD LIM) ST.BE.OT.3**

## **BENEFIT SALARY (PREDISABILITY EARNINGS)**

Your Benefit Salary (Predisability Earnings) will be based on your weekly rate of earnings reported on the preceding October 1, and is effective for the following Plan Year (January 1 through December 31). If you were not an Eligible Employee on both the preceding January 1 and October 1, your Benefit Salary (Predisability Earnings) will be based on your weekly rate of earnings from your Employer in effect on the date you became an Eligible Employee.

Any change in your earnings after your last full day of Active Work will not affect your Benefit Salary (Predisability Earnings).

ST.PD.OT.1X

## **DEDUCTIBLE INCOME**

Subject to **Exceptions To Deductible Income**, Deductible Income means:

1. Your Work Earnings, as described in the **Return To Work Provisions**.
2. Any amount you receive or are eligible to receive because of your disability under:
  - a. A workers' compensation law or similar law, including amounts for partial or total disability, whether permanent, temporary, or vocational. However California Workers' compensation benefits for permanent total or permanent partial disability are not Deductible Income.
  - b. A state disability income benefit law or similar law.
3. Any amount you receive or are eligible to receive because of your disability under another group insurance coverage.
4. Any disability or retirement benefits you receive under your Employer's retirement plan, including a public employee retirement system, a state teacher retirement system, and a plan arranged and maintained by a union or employee association for the benefit of its members.
5. Any amount you receive or are eligible to receive under a fault or no-fault automobile policy.
6. Any earnings or compensation included in Benefit Salary (Predisability Earnings) which you receive or are eligible to receive while STD Benefits are payable.
7. Any amount you receive or are eligible to receive under any unemployment compensation law or similar act or law.
8. Any amount you receive or are eligible to receive from or on behalf of a third party because of your disability, whether by judgement, settlement or other method. If you notify us before filing suit or settling your claim against such third party, the amount used as Deductible Income will be reduced by a pro rata share of your costs of recovery, including reasonable attorney fees.
9. Any amount you receive by compromise or other method as a result of a claim for any of the above, whether disputed or undisputed.

(PUB\_24 HR\_WITH RTW\_NO OTHR OFFST\_WITH 3RD) ST.DI.OT.1X

## **EXCEPTIONS TO DEDUCTIBLE INCOME**

Deductible Income does not include:

1. Any cost of living increase in any Deductible Income other than Work Earnings, if the increase becomes effective while you are Disabled and while you are eligible for the Deductible Income.
2. If you are a public school employee whose employment contract is for the school year, but you are scheduled to be paid over a 12-month period, the portion of your earnings or compensation included in Benefit Salary (Predisability Earnings) that you earned during the regular school year before becoming Disabled, but that you were scheduled to receive after the end of that school year.

3. Reimbursement for hospital, medical, or surgical expense.
4. Reasonable attorneys fees incurred in connection with a claim for Deductible Income.
5. Any amount you receive from the specified illness policy provided by your Employer.
6. Benefits from any individual disability insurance policy.
7. Group credit or mortgage disability insurance benefits.
8. Accelerated death benefits paid under a life insurance policy.
9. Benefits from the following:
  - a. Profit sharing plan.
  - b. Thrift or savings plan.
  - c. Deferred compensation plan.
  - d. Plan under IRC Section 401(k), 408(k), 408(p), or 457.
  - e. Individual Retirement Account (IRA).
  - f. Tax Sheltered Annuity (TSA) under IRC Section 403(b).
  - g. Stock ownership plan.
  - h. Keogh (HR-10) plan.

(PUB\_NO OTHR OFFST) ST.ED.OT.1X

## **RULES FOR DEDUCTIBLE INCOME**

### **A. Weekly Equivalents**

Each week we will determine your STD Benefit using the Deductible Income for the same weekly period, even if you actually receive the Deductible Income in another week.

If you are paid Deductible Income in a lump sum or by a method other than weekly, we will determine your STD Benefit using a prorated amount. We will use the period of time to which the Deductible Income applies. If no period of time is stated, we will use a reasonable one.

### **B. Your Duty To Pursue Deductible Income**

You must pursue Deductible Income for which you may be eligible, except that pursuit of disability or retirement benefits under your Employer's retirement plan is voluntary. We may ask for written documentation of your pursuit of Deductible Income. You must provide it within 60 days after we mail you our request. Otherwise, we may reduce your STD Benefits by the amount we estimate you would be eligible to receive upon proper pursuit of the Deductible Income.

### **C. Overpayment Of Claim**

We will notify you of the amount of any overpayment of your claim under any group disability insurance policy issued by us. You must immediately repay us. You will not receive any STD Benefits until we have been repaid in full. In the meantime, any STD Benefits paid, will be applied to reduce the amount of the overpayment.

### **D. Pending Deductible Income**

You must notify us of the amount of Deductible Income when it is approved.

ST.RU.OT.1X

## **SUBROGATION**

If STD Benefits are paid or payable to you under the Group Policy as the result of any act or omission of a third party, we will be subrogated to all rights of recovery you may have in respect to such act or omission. You must execute and deliver to us such instruments and papers as may be required and do whatever else is needed to secure such rights. You must avoid doing anything that would prejudice our rights of subrogation.

If you notify us before filing suit or settling your claim against such third party, the amount to which we are subrogated will be reduced by a pro rata share of your costs of recovery, including reasonable attorney fees. If suit or action is filed, we may record a notice of payments of STD Benefits, and such notice shall constitute a lien on any judgement recovered.

If you or your legal representative fails to bring suit or action promptly against such third party, we may institute such suit or action in our name or in your name. We are entitled to retain from any judgement recovered the amount of STD Benefits paid or to be paid to you or on your behalf, together with our costs of recovery, including attorney fees. The remainder of such recovery, if any, shall be paid to you or as the court may direct.

**ST.SG.OT.1**

## **BENEFITS AFTER INSURANCE ENDS OR IS CHANGED**

During each period of continuous Disability, we will pay STD Benefits according to the terms of the Group Policy in effect on the date you become Disabled. Your right to receive STD Benefits will not be affected by:

1. Any amendment to the Group Policy that is effective after you become Disabled; or
2. Termination of the Group Policy after you become Disabled.

**ST.BA.OT.1**

## **EFFECT OF NEW DISABILITY**

If a period of Disability is extended by a new cause while STD Benefits are payable, STD Benefits will continue while you remain Disabled. However, 1 and 2 below will apply.

1. STD Benefits will not continue beyond the end of the original Maximum Benefit Period.
2. All provisions of the Group Policy, including the **Disabilities Excluded From Coverage** and **Limitations** sections, will apply to the new cause of Disability.

**ST.ND.OT.1**

## **DISABILITIES EXCLUDED FROM COVERAGE**

### **A. War**

You are not covered for a Disability caused or contributed to by War or any act of War. War means declared or undeclared war, whether civil or international, and any substantial armed conflict between organized forces of a military nature.

### **B. Intentionally Self-Inflicted Injury**

You are not covered for a Disability caused or contributed to by an intentionally self-inflicted Injury, while sane or insane.

### **C. Violent Or Criminal Conduct**

You are not covered for a Disability caused or contributed to by your committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot. Actively

participating does not include being at the scene of a violent disorder or riot while performing your official duties.

D. Loss Of License Or Certification

You are not covered for a Disability caused or contributed to by the loss of your professional license, occupational license or certification.

.(24 HR) ST.XD.OT.1

## LIMITATIONS

A. Care Of A Physician

**You must be under the ongoing care of a Physician in the appropriate specialty as determined by us during the Benefit Waiting Period. No STD Benefits will be paid for any period of Disability when you are not under the ongoing care of a Physician in the appropriate specialty as determined by us.**

B. Sick Leave, Donated Leave, Special Injury Leave Or Any Other Salary Continuation

**No STD Benefits will be paid for Eligible Employees (excluding members of the General Assembly, Constitutional Officers and employees of an appropriate Judicial Branch) for any period when you are receiving sick leave, donated leave, special injury leave or any other salary continuation (but not vacation pay) from your Employer.**

C. Imprisonment

**No STD Benefits will be paid for any period of Disability when you are confined for any reason in a penal or correctional institution.**

D. Return To Work Responsibility

**No STD Benefits will be paid for any period of Disability when you are able to work in your Own Occupation and able to earn at least 20% of your Benefit Salary (Predisability Earnings), but you elect not to work.**

(24 HR \_RTW RSP\_MAND REHB) ST.LM.GA.1X

## CLAIMS

A. Filing A Claim

Claims should be filed on our claims forms or by following the telephonic or electronic claim submission process outlined on the Policyholder's Benefits Administration website. If you do not receive our claims forms within 10 days after you ask for them, you may submit your claim in a letter to us. The letter should include the date Disability began, and the cause and nature of the Disability.

B. Time Limits On Filing Proof Of Loss

You should give us Proof Of Loss within 90 days after the end of the Benefit Waiting Period. If you cannot do so, you must give it to us as soon as reasonably possible, but not later than one year after that 90-day period. If Proof Of Loss is filed outside these time limits, your claim will be denied. These limits will not apply while you lack legal capacity.

C. Proof Of Loss

Proof Of Loss means written proof that you are Disabled and entitled to STD Benefits. Proof Of Loss must be provided at your expense.

For claims of Disability due to conditions other than Mental Disorders, we may require proof of physical impairment that results from anatomical or physiological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques.

#### D. Documentation

Completed claims statements, a signed authorization for us to obtain information, and any other items we may reasonably require in support of a claim must be submitted at your expense. If the required documentation is not provided within 45 days after we mail our request, your claim may be denied.

#### E. Investigation Of Claim

We may investigate your claim at any time.

At our expense, we may have you examined at reasonable intervals by specialists of our choice. We may deny or suspend STD Benefits if you fail to attend an examination or cooperate with the examiner.

#### F. Time Of Payment

We will pay STD Benefits within 30 days after you satisfy Proof Of Loss.

STD Benefits will be paid to you at the end of each week you qualify for them. STD Benefits remaining unpaid at your death will be paid to your estate.

#### G. Notice Of Decision On Claim

We will evaluate your claim promptly after you file it. Within 45 days after we receive your claim we will send you: (a) a written decision on your claim; or (b) a notice that we are extending the period to decide your claim for 30 days. Before the end of this extension period we will send you: (a) a written decision on your claim; or (b) a notice that we are extending the period to decide your claim for an additional 30 days. If an extension is due to your failure to provide information necessary to decide the claim, the extended time period for deciding your claim will not begin until you provide the information or otherwise respond.

If we extend the period to decide your claim, we will notify you of the following: (a) the reasons for the extension; (b) when we expect to decide your claim; (c) an explanation of the standards on which entitlement to benefits is based; (d) the unresolved issues preventing a decision; and (e) any additional information we need to resolve those issues.

If we request additional information, you will have 45 days to provide the information. If you do not provide the requested information within 45 days, we may decide your claim based on the information we have received.

If we deny any part of your claim, you will receive a written notice of denial containing:

- a. The reasons for our decision.
- b. Reference to the parts of the Group Policy on which our decision is based.
- c. A description of any additional information needed to support your claim.
- d. Information concerning your right to a review of our decision.

#### H. Review Procedure

If all or part of a claim is denied, you may request a review. You must request a review in writing within 180 days after receiving notice of the denial.

You may send us written comments or other items to support your claim. You may review and receive copies of any non-privileged information that is relevant to your request for review. There will be no charge for such copies. You may request the names of medical or vocational experts who provided advice to us about your claim.

The person conducting the review will be someone other than the person who denied the claim and will not be subordinate to that person. The person conducting the review will not give deference to the initial denial decision. If the denial was based on a medical judgement, the person conducting the review will consult with a qualified health care professional. This health care professional will be someone other than the person who made the original medical judgement and will not be subordinate to that person. Our review will include any written comments or other items you submit to support your claim.

We will review your claim promptly after we receive your request. Within 45 days after we receive your request for review we will send you: (a) a written decision on review; or (b) a notice that we are extending the review period for 45 days. If the extension is due to your failure to provide information necessary to decide the claim on review, the extended time period for review of your claim will not begin until you provide the information or otherwise respond.

If we extend the review period, we will notify you of the following: (a) the reasons for the extension; (b) when we expect to decide your claim on review; and (c) any additional information we need to decide your claim.

If we request additional information, you will have 45 days to provide the information. If you do not provide the requested information within 45 days, we may conclude our review of your claim based on the information we have received.

If we deny any part of your claim on review, you will receive a written notice of denial containing:

- a. The reasons for our decision.
- b. Reference to the parts of the Group Policy on which our decision is based.
- c. Information concerning your right to receive, free of charge, copies of non-privileged documents and records relevant to your claim. We will provide copies of medical and vocational information that was relevant to the decision on your claim.

#### I. Assignment

The rights and benefits under the Group Policy are not assignable.

(REV PUB WRDG) ST.CL.GA.2X

### **TIME LIMITS ON LEGAL ACTIONS**

No action at law or in equity may be brought until 60 days after you have given us Proof Of Loss. No such action may be brought more than three years after the earlier of:

1. The date we receive Proof Of Loss; and
2. The time within which Proof Of Loss is required to be given.

ST.TL.OT.1

### **INCONTESTABILITY PROVISIONS**

#### A. Incontestability Of Insurance

Any statement you make to obtain or to increase insurance is a representation and not a warranty.

No misrepresentation will be used to reduce or deny a claim or contest the validity of insurance unless:

1. The insurance would not have been approved if we had known the truth; and
2. We have given you or any person claiming benefits a copy of the signed written instrument which contains your misrepresentation.

After insurance has been in effect for two years, during the lifetime of the insured, we will not use a misrepresentation to reduce or deny the claim, unless it was a fraudulent misrepresentation.

#### B. Incontestability Of The Group Policy

Any statement made by the Policyholder or Employer to obtain the Group Policy is a representation and not a warranty.

No misrepresentation by the Policyholder or your Employer will be used to deny a claim or to deny the validity of the Group Policy unless:

1. The Group Policy would not have been issued if we had known the truth; and
2. We have given the Policyholder or Employer a copy of a written instrument signed by the Policyholder or Employer which contains the misrepresentation.

The validity of the Group Policy will not be contested after it has been in force for two years, except for nonpayment of premiums or fraudulent misrepresentations.

**ST.IN.OT.1**

### **CLERICAL ERROR AND AGENCY**

#### A. Clerical Error

Clerical error by the Policyholder, your Employer, or their respective employees or representatives will not:

1. Cause a person to become insured.
2. Invalidate insurance under the Group Policy otherwise validly in force.
3. Continue insurance under the Group Policy otherwise validly terminated.

#### B. Agency

The Policyholder and your Employer act on their own behalf as your agent, and not as our agent. The Policyholder and your Employer have no authority to alter, expand or extend our liability or to waive, modify or compromise any defense or right we may have under the Group Policy.

**ST.CE.OT.1X**

### **TERMINATION OR AMENDMENT OF THE GROUP POLICY**

The Group Policy may be terminated by us or the Policyholder according to its terms. The Policyholder may terminate the Group Policy in whole, and may terminate insurance for any class or group of Eligible Employees, at any time by giving us written notice.

Benefits under the Group Policy are limited to its terms, including any valid amendment. No change or amendment will be valid unless it is approved in writing by one of our executive officers and given to the Policyholder for attachment to the Group Policy. If the terms of the certificate differ from the Group Policy, the terms stated in the Group Policy will govern. The Policyholder, your Employer, and their respective employees or representatives have no right or authority to change or amend the Group Policy or to waive any of its terms or provisions without our signed written approval.

We may change the Group Policy in whole or in part (1) when any change or clarification in law or governmental regulation affects our obligations under the Group Policy, and any such change will reflect only the change in our obligations, or (2) with the Policyholder's consent.

Any such change or amendment of the Group Policy may apply to current or future Eligible Employees or to any separate classes or groups of Eligible Employees.

**ST.TA.OT.1X**

## DEFINITIONS

**Allowable Period:** The allowable period of recovery during the Maximum Benefit Period is a total of 30 days of recovery.

**Annual Enrollment Period:** The annual enrollment period determined by the Policyholder for its Flexible Benefits Program.

**Benefit Waiting Period:** The period you must be continuously Disabled before STD Benefits become payable. No STD Benefits are payable for the Benefit Waiting Period. See **Coverage Features**.

**Contributory:** Insurance is elective and Eligible Employees pay all or part of the premium for insurance.

**Deductible Income:** Subject to **Exceptions To Deductible Income**, Deductible Income includes:

1. Your Work Earnings, as described in the **Return To Work Provisions**.
2. Any amount you receive or are eligible to receive because of your disability under:
  - a. A workers' compensation law or similar law, including amounts for partial or total disability, whether permanent, temporary, or vocational. However California Workers' compensation benefits for permanent total or permanent partial disability are not Deductible Income.
  - b. A state disability income benefit law or similar law.
3. Any amount you receive or are eligible to receive because of your disability under another group insurance coverage.
4. Any disability or retirement benefits you receive under your Employer's retirement plan, including a public employee retirement system, a state teacher retirement system, and a plan arranged and maintained by a union or employee association for the benefit of its members.
5. Any amount you receive or are eligible to receive under a fault or no-fault automobile policy.
6. Any earnings or compensation included in Benefit Salary (Predisability Earnings) which you receive or are eligible to receive while STD Benefits are payable.
7. Any amount you receive or are eligible to receive under any unemployment compensation law or similar act or law.
8. Any amount you receive or are eligible to receive from or on behalf of a third party because of your disability, whether by judgement, settlement or other method. If you notify us before filing suit or settling your claim against such third party, the amount used as Deductible Income will be reduced by a pro rata share of your costs of recovery, including reasonable attorney fees.
9. Any amount you receive by compromise or other method as a result of a claim for any of the above, whether disputed or undisputed.

**Exceptions To Deductible Income:** Deductible Income does not include:

1. Any cost of living increase in any Deductible Income other than Work Earnings, if the increase becomes effective while you are Disabled and while you are eligible for the Deductible Income.
2. If you are a public school employee whose employment contract is for the school year, but you are scheduled to be paid over a 12-month period, the portion of your earnings or compensation included in Benefit Salary (Predisability Earnings) that you earned during the regular school year before becoming Disabled, but that you were scheduled to receive after the end of that school year.
3. Reimbursement for hospital, medical, or surgical expense.
4. Reasonable attorneys fees incurred in connection with a claim for Deductible Income.
5. Any amount you receive from the specified illness policy provided by your Employer.

6. Benefits from any individual disability insurance policy.
7. Group credit or mortgage disability insurance benefits.
8. Accelerated death benefits paid under a life insurance policy.
9. Benefits from the following:
  - a. Profit sharing plan.
  - b. Thrift or savings plan.
  - c. Deferred compensation plan.
  - d. Plan under IRC Section 401(k), 408(k), 408(p), or 457.
  - e. Individual Retirement Account (IRA).
  - f. Tax Sheltered Annuity (TSA) under IRC Section 403(b).
  - g. Stock ownership plan.
  - h. Keogh (HR-10) plan.

**Eligibility Waiting Period:** The period you must be an Eligible Employee before you become eligible for insurance.

**Eligible Employee:** An employee of an Employer who is Actively At Work for the required minimum number of hours to participate in the Policyholder's Flexible Benefits Program and who meets all other requirements to participate in the program.

**Employer:** The State of Georgia, any department, agency, authority, board, commission or institution of the State, including the Executive, Legislative and Judicial Branches; and any public school district, county or regional library, or other entity that participates in the Policyholder's Flexible Benefits Program (excluding the Board of Regents of the University System of Georgia).

**Group Policy:** The group STD insurance policy issued by us to the Policyholder and identified by the Group Policy Number.

**Group Policy Effective Date:** January 1, 2014.

**Group Policy Number:** 642967-C.

**Hospital:** A legally operated hospital providing full-time medical care and treatment under the direction of a full-time staff of licensed physicians. Rest homes, nursing homes, convalescent homes, homes for the aged, and facilities primarily affording custodial, educational, or rehabilitative care are not Hospitals.

**Initial Enrollment Period:** The 30-day period beginning on the date you become an Eligible Employee.

**Injury:** An accidental injury to your body from an unexpected and unforeseen external force or occurrence that results in Disability within 180 days after the accident.

**Maximum Benefit Period:** The longest period for which STD Benefits are payable for any one period of continuous Disability, whether from one or more causes. It begins at the end of the Benefit Waiting Period. No STD Benefits are payable after the end of the Maximum Benefit Period, even if you are still Disabled. See **Coverage Features**.

**Mental Disorder:** Any mental, emotional, behavioral, psychological, personality, cognitive, mood or stress-related abnormality, disorder, disturbance, dysfunction or syndrome, regardless of cause (including any biological or biochemical disorder or imbalance of the brain) or the presence of physical symptoms. Mental Disorder includes, but is not limited to, psychotic illness, depression and depressive disorders, anxiety and anxiety disorders. The term Mental Disorder does not include mental dysfunction that is directly caused by pathological changes resulting from an identifiable and

continuing physical disease or injury. For example, Mental Disorder does not include deterioration in mental functioning that is directly caused by cerebral arteriosclerosis or Alzheimer's disease.

**Noncontributory:** (a) insurance is nonelective and the Policyholder or Employer pay the entire premium for insurance; or (b) the Policyholder or Employer require all Eligible Employees to have insurance and to pay all or part of the premium for insurance.

**Physical Disease:** A physical disease entity or process that produces structural or functional changes in your body as diagnosed by a Physician.

**Physician:** A licensed M.D. or D.O., acting within the scope of the license. Physician does not include you or your spouse, or the brother, sister, parent, or child of either you or your spouse.

**Plan Year:** Each January 1 through December 31.

**Policyholder:** State of Georgia.

**Pregnancy:** Your pregnancy, childbirth, or related medical conditions, including complications of pregnancy.

**Prior Plan:** Your Employer's group short term disability group insurance plan in effect on the day before the effective date of your Employer's coverage under the Group Policy and which is replaced by the Group Policy.

**Qualifying Change Of Status:** Any qualifying change of status approved by your agency.

**Rehabilitation Incentive:** While participating in a rehabilitation plan approved by us, your STD Benefit, before reduction by Deductible Income, may be increased by 10%. The increased portion will not be subject to reduction by Deductible Income. Your STD Benefit may exceed the maximum STD Benefit as shown in the **Coverage Features** as a result of this increase.

**STD Benefit:** The weekly benefit payable to you under the terms of the Group Policy.

**Temporary Recovery:** You cease to be Disabled for no longer than the Allowable Period.

**Work Earnings:** Your gross monthly earnings from work you perform while Disabled, including earnings from your Employer, any other employer, or self-employment. Your earnings will be included in Work Earnings when you have the right to receive them. If you are paid in a lump sum or on a basis other than monthly, we will prorate your Work Earnings over the period of time to which they apply. If no period of time is stated, we will use a reasonable one. Work Earnings will not include any renewal commissions, overwriting renewal commissions, or service fees received on business sold before you become Disabled.

**ST.DF.OT.1X**

**GA/STDC2000X**