

The University of Texas System Voluntary Long-Term Disability (LTD) Benefit Highlights

Eligibility: All benefits eligible active employees may enroll for coverage. Please see your [UT Benefits Handbook for Active Employees](#) or contact your institution Benefits Office for questions on eligibility.

Monthly Benefit: 60% of your monthly earnings up to a maximum benefit of \$12,025 per month. We will reduce the amount of your LTD payment by other income benefit payments you may receive or are eligible to receive.

Monthly Earnings: will equal 1/12th of your last reported gross annual income from your employer in effect on the day immediately prior to your date of disability.

It includes:

1. hazardous duty pay;
2. longevity pay;
3. employee contributions made through a salary reduction agreement with your employer to an IRC Section 401(k), 403(b), 501(c)(3), 457 deferred compensation plan, or any other qualified or non-qualified employee Retirement Plan or deferred compensation arrangement; and
4. amounts contributed to your fringe benefits according to a salary reduction arrangement under an IRC Section 125 plan.

It does not include:

5. commissions;
6. bonuses;
7. overtime pay;
8. your employer's contribution on your behalf to a Retirement Plan or deferred compensation arrangement; or
9. any other extra compensation.

Premium: You pay 100% of the LTD premium on a post-tax basis; therefore, your LTD benefit will not be subject to federal income taxes.



This summary is for illustrative purposes only and does not constitute a contract. The full terms and conditions of the coverage are contained in the policies provided to The University of Texas System. If there is any discrepancy between this benefit description and the policy, the terms of the policy will control.

Products underwritten and services provided by Fort Dearborn Life Insurance Company[®] (Downers Grove, IL) in all states (excluding New York), the District of Columbia, the United States Virgin Islands, the British Virgin Islands and Guam are marketed under the Dearborn National[®] brand and the star logo.

Definition of Disability:

Total Disability means that during the first 24 consecutive months of benefit payments due to Sickness or Injury: 1) you are continuously unable to perform the material and substantial duties of your regular occupation; and 2) your disability earnings, if any, are less than 20% of your pre-disability indexed monthly earnings. After the LTD monthly benefit has been paid for 24 consecutive months, *total disability* means that due to injury or sickness: 1) you are continuously unable to engage in any gainful occupation; and 2) your disability earnings, if any, are less than 20% of your pre-disability indexed monthly earnings.

Partial Disability means that during the elimination period and maximum benefit period, due to injury or sickness, you are working in any gainful occupation and you are able to earn disability earnings of at least 20% of your pre-disability indexed monthly earnings but are unable to earn more than 80% of your pre-disability indexed monthly earnings.

Elimination Period: Benefits will begin once you have satisfied the elimination period of 90 days from the onset of disability, provided you are continuously disabled. NOTE: You must exhaust all of your sick leave before benefits are payable.

Mental Illness and Substance Abuse: You can receive benefit payments for disabilities resulting from mental illness or substance abuse for a total of 24 months for all disability periods during your lifetime. Any period of time that you are confined to a hospital or other facility licensed to provide medical care for these conditions does not count toward the 24 month limit.

Limitations: Benefits are not payable for disabilities occurring as a result of:

- resulting from a pre-existing condition;
- commission of, or participation in, or an attempt to commit an assault or felony;
- intentionally self-inflicted injuries;
- attempted suicide, regardless of mental capacity;
- active participation in a riot; or
- participation in a war, declared or undeclared, or any act of war.

Pre-existing Condition: A condition which:

1. was caused by, or results from, a sickness or injury for which you received medical treatment; or advice was rendered, prescribed or recommended whether or not the sickness was diagnosed at all, or was misdiagnosed, within 3 months prior to your effective date; and
2. results in a disability which begins in the first 12 months after your effective date.

Voluntary Long-Term Disability includes the following benefits:

- Survivor Income
- Accidental Dismemberment
- Catastrophic Disability
- Caregiver Respite
- Caregiver Training
- Emergency Alert System
- Worksite Modification
- Conversion Privilege

Guarantee Issue: Evidence of Insurability is required for:

1. previously eligible employees who did not enroll within 31 days of initial eligibility; and
2. previously eligible employees who did not enroll within 31 days of a qualified change in status event.

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