

**State of Michigan**  
**Employee Benefits Division – Civil Service Commission**  
**Long-Term Disability Insurance Income Protection Plan**

<b>ENROLLMENT</b>	Employees may enroll in the Long-Term Disability (LTD) Insurance Plan within the first 31 days as a new hire OR enroll in the Plan during the annual Benefits Open Enrollment period. Placement in LTD Plan I or Plan II is based on sick leave balance at the time the enrollment takes effect.
<b>PLAN I BENEFIT PERIOD</b>	Employees who have 183 or fewer hours of accumulated sick leave may be eligible for LTD payments up to 24 months.
<b>PLAN II BENEFIT PERIOD</b>	Employees who have 184 hours or more of accumulated sick leave may be eligible for LTD payments to age 65 (age 70 for UAW represented employees enrolled in the LTD plan). Plan II employees will not be reclassified to Plan I if their sick leave balance falls below 184 hours as long as they remain continuously enrolled in the LTD Plan.
<b>PREMIUM RATE CHANGE</b>	Premium rates are provided annually for Plan I and Plan II classes. Plan and premium class rate changes take place at the beginning of the pay period following the pay period in which 184 or 528 sick leave hours are accumulated, or sick leave balance falls below 184 hours.
<b>WHEN TO FILE A CLAIM</b>	LTD claims should be filed as soon as possible by contacting Sedgwick, the LTD Plan Third Party Administrator (TPA) for claim filing information. Submitting a medical statement does not constitute the filing of an LTD claim. The LTD Plan TPA will send employees an initial claim packet containing the forms that must be completed and returned. The LTD Plan TPA will determine whether the medical documentation submitted supports a total disability.
<b>WAITING PERIOD</b>	Employees must wait 14 calendar days (30 days for MSPTA represented employees) from the date of disability or the date their sick leave is exhausted, whichever comes later, before LTD payments begin.
<b>PRE-EXISTING CONDITION RULE</b>	The LTD Plan does not cover pre-existing conditions in the first year of coverage. A pre-existing condition is an illness, injury or pregnancy for which the employee was seen by a physician, received medical treatment or services from a physician, or was prescribed medication by a physician during the 6 months immediately before the date the employee enrolled in the LTD Plan. After continuous enrollment in the Plan for more than 1 year, this rule does not apply.
<b>TOTAL DISABILITY</b>	A “period of total disability” starts when the employee becomes totally disabled, but not earlier than 31 days before the date they were personally treated by a “licensed physician”.  During the first 24 months, Plan I and Plan II employees must be totally disabled from their “usual occupation”. After the first 24 months, Plan II employees must be totally disabled from working at any “reasonable occupation”.
<b>MENTAL HEALTH DIAGNOSIS</b>	Only a psychiatrist or a mental health care provider, as determined by the LTD plan TPA, can evaluate, provide treatment, and submit documentation of a mental health condition. If a claim is based on a claim of total disability due to a mental health condition, LTD payments will terminate at the end of 24 months of disability benefits. This limitation is not applicable UAW represented employees.

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<b>LTD PAYMENTS</b>	During the first 6 months of disability, employees will receive LTD payments twice each month. During the 7th and subsequent months of disability, the LTD payment is received near the last day of the month.
<b>LTD PAYMENT AMOUNT</b>	<p>For full-time employees, the gross monthly payment before deductions and offsets is 66.67% of their monthly rate of basic earnings (capped at \$5,000 per month; \$3,000 per month for MSPTA represented employees). Bonuses, overtime pay and other extra compensation are not included. For seasonal and less than full-time employees, the gross monthly payment is based on the number of basic hours paid in the prior fiscal year.</p> <p>The monthly LTD payment is subject to a monthly maximum and is reduced by any other income payable for the same month as provided in the LTD Plan. The most common sources of “other income” are Social Security Disability Insurance (SSDI) benefits, State of Michigan Retirement income and an employee’s post injury work earnings.</p>
<b>HEALTH INSURANCE AND LTD RIDER</b>	<p>If an LTD claim is approved and the employee is enrolled in a health plan through the State, the State will pay both the employee’s and employer’s share of the health insurance premium for the period of disability for up to 6 months. This provision is called the LTD Rider. An application to enroll with the LTD Rider must be received by Employee Benefits Division (EBD) in order for this to occur.</p> <p>Dental and vision premiums are not paid by the LTD Rider. Contact EBD for information about continuing dental, vision or life insurances while on LTD and continuing health insurance after the LTD Rider expires.</p>
<b>RETURNING TO WORK</b>	Employees released to return to work must submit written authorization or a release to return to work without restrictions to DMO, DMU or their HR Office respectively, and the LTD Plan TPA. Any request to return to work with restrictions must be submitted to the appropriate State office (DMO, DMU or HR Office).
<b>RETURNING TO WORK ON REDUCED HOURS</b>	Partial LTD payments are calculated by subtracting 80% of the gross pay for hours worked from the employee’s gross LTD payment.
<b>UNABLE TO RETURN TO WORK</b>	The LTD Plan TPA will assist employees who are permanently unable to return to work at their “usual” or a “reasonable occupation” with applying for SSDI benefits. Employees must contact the Office of Retirement Services to inquire if they are eligible for any type of State retirement benefit.
<b>TERMINATION OF BENEFITS</b>	Your benefits will terminate at the end of the calendar month in which you attain age 65 (age 70 for UAW represented employees) or the expiration of 12 months of total disability following the waiting period, whichever occurs later. If you have attained the age listed above prior to the expiration of the waiting period, your benefits will terminate at the expiration of 12 months of total disability following the waiting period.

Note: Nothing contained in this information shall be construed to modify the [Long-Term Disability Income Protection Plan](#).