

# disability insurance

## Group Voluntary Long-Term Disability (LTD) Insurance

If you become injured or disabled, you could lose one of your most important assets—your paycheck. Group Voluntary Long-Term Disability Insurance helps you prepare for the unexpected with flexible, affordable income protection. No one likes to think a disability will ever happen. But consider this: every two seconds, someone is injured in an accident;<sup>1</sup> over your working years, you've got a one in three chance of becoming disabled.<sup>2</sup>

If it happens, you can't always rely on workers' compensation or Social Security. About 75% of disabling injuries happen outside of work, where you're not covered by your employer.<sup>3</sup> And only one third of the people who apply for Social Security disability benefits are approved.<sup>4</sup>

With this coverage, you may:

- Have enough to cover bills
- Still support your family
- Protect your hard-earned savings

<sup>1</sup> National Safety Council, *Injury Facts*, 2000 Edition

<sup>2</sup> Almost 3 in 10 20-year-olds will become disabled before retirement, according to the Social Security Administration, 2001

<sup>3</sup> National Safety Council, *Safety Agenda for the Nation*, 2000

<sup>4</sup> Social Security Administration, *SSI Annual Statistical Report*, 2000



**Allstate**

Workplace Division

# why it makes sense

Your income takes a lot of worry out of ordinary living. With it, you cover bills, pay for your home and provide for your family. But what if one day you got sick or injured and couldn't work? How long could you afford life without a paycheck?

If you are like the rest of us, you probably don't have much cushion for the unexpected. That's why you're being offered this chance to enroll in the group disability income insurance plan sponsored by your employer. It helps you make ends meet if you become disabled due to a covered accident or sickness and can't earn your regular paycheck.<sup>5</sup> So you and your family can still live life as usual until you're back at work.

## Disability Income Insurance Might Be Right For You If:

- Being out of work for a long period of time would make it hard to keep up with bills—like mortgage/rent, car payments, utilities and credit card payments
- Your savings is small or earmarked for other goals
- You can't afford the extra costs of a disability—like deductibles, medicine, in-home care or extra help around the house
- Your family and friends can't pitch in what you need—especially over an extended period of time
- You've got other coverage, but it won't cover all of your expenses

## What You Get

Long-Term Disability insurance from Allstate Workplace Division gives you a source of income when you can't work because of a covered sickness or injury. Some benefits of this plan are:

- You select a benefit amount in \$100 increments from a monthly benefit of \$400 up to \$6,000 or 60% of your earnings, whichever is less.
- You have the option, if your employment ends, to continue your same group coverage at the current group rates for up to 24 months, if you have been insured under this plan for 12 consecutive months, you are not disabled, not on a leave of absence, not retired and not covered under any other group disability plan at the time your employment terminates.
- Family survivor benefit
- A fast and easy enrollment process
- Maternity covered as any other sickness

This program provides Group Voluntary Long-Term Disability Insurance for you. It allows you to select the amount of coverage that meets your needs.

## How Benefits Are Paid

While you're totally disabled, you get your monthly benefit amount after the elimination period has been satisfied. The elimination period is the same for disabilities resulting from sickness and disabilities resulting from an accidental injury. Benefits continue while you're totally disabled up to the length of your benefit period.

After you begin receiving total disability benefits, if you are partially disabled due to the same sickness or injury and earnings are from 20-80% of pre-disability earnings, you may receive payments based on the percentage of income you are losing due to disability.

For coverage to begin, you must enroll within 31 days of your date of eligibility. You can enroll later, but you will have to provide evidence of insurability.

You are not required to pay premiums while receiving Long-Term Disability benefits. We'll waive future premiums as they become due for as long as monthly benefits are payable.

If you're disabled from the same or related cause within six months of recovery, it is considered the same disability; you will not be required to satisfy a new elimination period.

<sup>5</sup> As defined in the policy

## Exclusions & Limitations

Disabilities due to mental illness, alcoholism and drug abuse have a limited pay period of up to 24 months from the date of disability. Additional payments can be made under specific circumstances described in your certificate. We do not pay benefits for a disability caused by, or resulting from (directly or indirectly) your:

- participation in a felony; or
- intentionally self-inflicted injuries; or
- active participation in a riot; or
- commission of a crime for which you have been convicted under state or federal law; or
- pre-existing condition.

This plan will not cover disability due to war, declared or undeclared, or any act of war. Allstate Workplace Division will not pay a benefit for any period of disability in which you are incarcerated.

## Benefit Offsets

Monthly benefits are reduced by the deductible sources of income listed in your certificate, including, but not limited to: benefits you received or for which you are eligible to receive under your employer's retirement plan, any state compulsory benefit act or law, other group insurance plan, salary continuation or accumulated sick leave plan and Social Security. Any others will be listed in your certificate.

## Enrollment

You may enroll during your initial enrollment period, or during a re-enrollment period. Your initial enrollment period is that 31 day period beginning on your eligibility date. The re-enrollment period is the annual period of time of at least one month, which is set by your employer and AWD during which you may apply, in writing, for coverage under this plan (or change your coverage under this plan if you are currently enrolled). Your certificate/booklet will tell you when the re-enrollment period is for your group.

## Evidence of Insurability

The enrollment form has no health questions. However, if you do not enroll within 31 days after your eligibility date, you may later enroll only during a re-enrollment period, and you must provide evidence of insurability. You will also have to provide evidence of insurability if you want to increase your benefit during a re-enrollment period. To do this, you must complete a Proof of Good Health form, answering health questions. AWD may ask you to submit a doctor's statement, provided at your expense. No coverage will become effective until AWD approves your evidence of insurability, and AWD will have the right to deny the coverage, based on your health history.

## Definitions

### *Elimination Period*

The later of a specified number of consecutive days of total disability that must pass before benefits start or the date salary continuation or accumulated sick leave ends, if applicable. This period can't be met if you're only partially disabled.

### *Pre-existing Condition*

A pre-existing condition is any condition for which you received medical treatment, consultation, care, or services, including diagnostic measures, or for which you've taken prescribed drugs or medicines in the 12 months just prior to your effective date of coverage. We will not pay for disability that begins within 12 months of your effective date of coverage, if caused by a pre-existing condition.

### *Total Disability*

When, because of sickness or an injury, you can't perform the material and substantial duties of your regular occupation and you are not working in any occupation. After 24 months of benefits, you are considered disabled if you are not working, and due to the same sickness or injury, you are unable to perform the duties of any gainful occupation for which you are reasonably fitted by education, training or experience; or working in any occupation and continue to have a 20% or more loss in monthly earnings due to your sickness or injury. The loss of a professional or occupational license or certification does not, in itself, constitute disability.

## Plan

Name:

\_\_\_\_\_

Elimination Period:

\_\_\_\_\_ days for accident & illness

Benefit Period:

\_\_\_\_\_ months

Monthly Benefit:

\_\_\_\_\_ each month

Total Premium:

\_\_\_\_\_

## Allstate at Work®

Allstate Workplace Division offers employees insurance products that protect their financial security and well-being. After all, it's always been Allstate's business to protect families and their assets. Millions of Americans have been trusting us for more than 70 years. And it's not just because we're one of the nation's largest insurance companies. Or that we get excellent ratings from independent agencies like Standard & Poor's, Moody's and A.M. Best. It's because we take the time to understand our customers' concerns and advise them on what's best for them. To us, relationships with our customers are our biggest asset.



**Allstate**

Workplace Division

**Rev. 9/03.** Benefits are provided by Group Voluntary Disability Income policy GVD-4000 or state variations thereof. This brochure highlights some features of the policy but is not the insurance contract. Only the actual policy provisions control. The policy itself sets forth, in detail, the rights and obligations of both the insured and the insurance company.

Allstate Workplace Division is the marketing name used by American Heritage Life Insurance Company (Home Office, Jacksonville, FL), a wholly owned subsidiary of The Allstate Corporation. ©2003 American Heritage Life Insurance Company

allstate.com or ahlcorp.com