



## Benefit Plans Office

Dear Worker,

Please find enclosed an enrollment form and summary of benefits for Optional Long Term Disability (LTD) coverage through WELS VEBA and Sun Life Assurance Company of Canada. **Please complete the below information as well as the enclosed Sun Life enrollment form and return both forms to the WELS Benefit Plans Office at:**

WELS Benefit Plans Office  
2949 N. Mayfair Rd. Second Floor  
Milwaukee, WI 53222

These forms must be completed and returned to the Benefit Plans Office within the 60 day open enrollment period or you may need to provide evidence of medical insurability for your application to be approved. If these forms are properly completed and returned within this 60 day open enrollment period, your optional LTD coverage will become effective on your employment start date.

You may keep the LTD summary of benefits for your information and records. Additional information is available on the Benefit Plans Office website at [www.welsbpo.net](http://www.welsbpo.net). Questions may be directed to the Benefit Plans Office by e-mail to [bpo@sab.wels.net](mailto:bpo@sab.wels.net) or phone at 414-256-3860.

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*(Please complete the section below and return with your form)*

Name: \_\_\_\_\_

Home Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Phone Number: \_\_\_\_\_ Marital Status:  Married  Single

Name of Employer/Sponsoring Organization: \_\_\_\_\_

Occupation: \_\_\_\_\_

Service Type:  Pastor  Teacher  Layworker Hours Worked Per Week: \_\_\_\_\_

Who should be billed for this coverage?

Employer (Name if different than above): \_\_\_\_\_

Worker

# HIGHLIGHTS OF LONG TERM DISABILITY BENEFITS



FOR EMPLOYEES OF **WELS VEBA Group Health Care Plan Policy 07528**

Welcome to Sun Life Assurance Company of Canada. We are pleased to provide you with Long Term Disability benefits. Below is an outline of the benefits now available to you through your employer.

## Your LTD Benefits

Eligible Employees of Sponsoring Organizations.

- Covers accidents and sicknesses.
- Benefits are 66.67% of monthly earnings up to a maximum of \$5,000 per month.
- Benefits may begin after 90 days of absences due to a covered accident or sickness.
- Coverage \$100 or 15% Contributory.

## Cost to You

Long Term Disability coverage is contributory, meaning that you are responsible for paying for all or a portion of the cost through payroll deduction. Your cost is determined by multiplying your monthly earnings by your monthly rate.

Example Monthly Earnings	Divided by 100	Multiplied by rate	Total cost	Example cost*
\$ 3,500	/ 100 = 35	x \$0.385	= \$13.48	\$ 13.48

<b>Your Monthly Earnings</b>	<b>Divided by 100</b>	<b>Multiplied by rate</b>	<b>Total cost</b>	<b>Your cost*</b>
\$	/ 100 =	x \$0.36	= \$	\$

**\*Contact your employer to confirm the portion of the cost for which you will be responsible.**

## How to Enroll

Fill out the Long Term Disability enrollment form below. Be sure to sign, date, and return the form to your employer.

Name (First, middle initial, last)	<input type="checkbox"/> Female <input type="checkbox"/> Male	Social Security No.	Date of Birth	Date of Hire
<b>You must elect or refuse insurance coverage within 60 days of your date of eligibility.</b>				Monthly Earnings
Long Term Disability (LTD) coverage. Check One: <input type="checkbox"/> I elect <input type="checkbox"/> I decline				\$
<b>Important. You must read and sign.</b> I understand that: <ul style="list-style-type: none"> <li>• I am requesting LTD coverage under a Group Insurance policy offered by my employer. This coverage will end when my employment terminates.</li> <li>• My employer will deduct all or part of the premiums from my pay.</li> <li>• If I decline coverage now and want it at a later date, I will have to provide evidence of insurability (proof of good health) acceptable to Sun Life Assurance Company of Canada.</li> <li>• Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects a person to criminal and civil penalties.</li> </ul>				
<b>Employee Signature</b>				<b>Today's Date</b>

This summary flyer is intended to provide an overview of the benefits available from your employer and is not a complete description of plan provisions. Receipt of this flyer does not certify eligibility for benefits under the plan. When you become eligible for benefits under the plan, your employer will provide you with the Sun Life Assurance Company of Canada Group LTD booklet containing complete plan details.

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# **WELS VEBA Long Term Disability Income Plan**

## **Summary of Benefits\***

### **Amount of Benefit**

A disabled worker will receive a benefit amount equal to 66.67% of the worker's total compensation. Compensation is the sum of a worker's base salary, housing allowance (if any), and utilities allowance (if any).

### **Maximum Benefit**

\$5,000/month

### **Minimum Benefit**

15% of the monthly benefit or \$100, whichever is greater.

### **Elimination Period**

90 continuous days. The elimination period is a waiting period during which no benefit is paid. On the 91<sup>st</sup> day of the disability, a worker may be eligible to receive benefits.

### **Premium Cost**

For workers who are enrolled in the WELS VEBA Group Health Care Plan, the WELS VEBA Long Term Disability (LTD) Income Coverage is automatic and the cost for the LTD coverage is included in the cost for the WELS VEBA Group Health Care Plan.

The annual cost for the optional LTD coverage is calculated by multiplying the premium rate times the worker's annual compensation. The current premium rate is 0.36%. As such, the annual cost to cover a worker whose annual compensation is \$25,000 would be \$90.00 (.0036 x \$25,000 = \$90.00). Premium statements for the optional LTD coverage are sent on a quarterly basis to the payor (i.e., to either the individual worker or the respective Sponsoring Organization).

### **Enrollment Period**

Workers who are enrolled in the WELS VEBA Group Health Care Plan need not enroll in the WELS VEBA Long Term Disability Income plan since the LTD coverage is automatic for such individuals.

Workers who are not enrolled in the WELS VEBA Group Health Care Plan can enroll in the LTD plan without providing any evidence of medical insurability within 60 days from the date they become eligible for this coverage. After 60 days from the eligibility date, the worker will need to provide evidence of medical insurability when applying for the LTD coverage. Workers who are not enrolled in the WELS VEBA Group Health Care Plan may not obtain or keep the LTD coverage unless their calling/hiring body provides WELS VEBA Group Health Care Plan coverage for other workers.

### **Definition of Disability**

A Total Disability means the Employee, because of Injury or Sickness, is unable to perform the Material and Substantial Duties of his or her Own Occupation. A Partial Disability means the Employee, because of Injury or Sickness, is unable to perform the Material and Substantial Duties of his or her Own Occupation and the Employee has Disability Earnings of less than 80% of his or her Indexed Total Monthly Earnings.

### **Reductions in Benefit**

A disabled worker's benefit will be reduced by any Social Security benefits which are received by the worker, any retirement benefits received from the Employer sponsored retirement program, any benefits received from Worker's Compensation, and benefits received under occupational disease law, or any other similar benefit, and any other group LTD plan which is maintained by the respective Sponsoring Organization.

### **For Workers Who Have Opted Out of Social Security**

There will be NO Social Security reduction of benefits for workers who have opted out of Social Security.

### **For Workers Who Maintain an Additional Individual LTD Plan**

There will be no reduction in benefits for benefit amounts which are received from an additional individual LTD plan. A worker may collect a benefit from both an individual LTD plan and the WELS VEBA Long Term Disability Income plan.

\* If there is ever a discrepancy between this Summary of Benefits and the provisions of the coverage as stated in the certificate booklet, the certificate booklet shall take precedence.



## Are you covered?

**H**ow would you pay your bills and support your family if you become disabled from an illness or injury? If you're like most people, you have insurance to protect your car, your home, and your health, but have you protected your ability to earn a living? Many people do not consider how their standard of living would change if they were unable to work. What if it happened to you?

### Ask yourself how you would handle these issues.

#### Family resources?

Savings, investment income or another family member's income may cover some household bills.

#### Workers' compensation?

Since this covers only job-related disabilities, you may not want to count on this. You are more likely to become disabled from an injury or illness unrelated to your job.

#### Health insurance?

While health insurance covers your medical bills, it doesn't replace your lost income.

#### Social Security?

Social Security pays disability benefits only when your illness or injury is expected to last at least one year. To qualify, you must be unable to perform *any* substantial, gainful work. Benefits begin only after a waiting period of five continuous months.

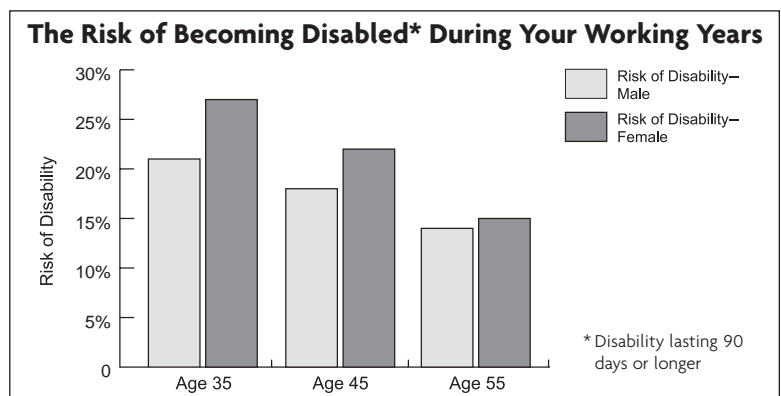
#### Should you rely on these sources to protect you?

Consider that your odds of becoming disabled during your working years are far greater than dying. And the financial impact of a disability can be devastating. Almost half (48%) of all home foreclosures are due to a serious medical condition.<sup>1</sup>

If you are like most Americans, you cannot afford to be out sick or injured for an extended period of time.

That's why your employer is offering Sun Life Assurance Company of Canada LTD coverage that replaces a portion of your income while you're disabled. Enroll today for peace of mind.

For more information, please contact your employer.



Source: "Disability Insurance: A Missing Piece in the Financial Security Puzzle," America's Health Insurance Plans and Society of Actuaries, 2004

<sup>1</sup> The JHA Disability Fact Book, 2003/2004 Edition

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