

University of Illinois College of Medicine  
Effective Date: 9/1/2016

**Long-Term Disability (LTD) Insurance**

This is a summary of your long-term disability insurance from Principal Life Insurance Company.

<b>Your Benefits at a Glance</b>	
<b>Qualifying as Disabled</b>	<p>You may qualify as disabled during the elimination period and own occupation period if because of sickness, injury or pregnancy, one of the following applies:</p> <ul style="list-style-type: none"> <li>• You cannot perform the majority of the substantial and material duties of your own occupation as a matriculating student.</li> <li>• You are performing the duties of any occupation and are unable to earn more than 80% of your primary monthly benefit.</li> </ul> <p>After completing the own occupation period, you may qualify as disabled if because of sickness, injury or pregnancy, one of the following applies:</p> <ul style="list-style-type: none"> <li>• You cannot perform the majority of the substantial and material duties of any occupation for which you are or may become qualified based on your education, training or experience.</li> <li>• You are performing the duties of any occupation and are unable to earn more than 80% of your primary monthly benefit.</li> </ul>
<b>When Benefits Begin</b>	<p>LTD benefits begin after you have been disabled for 90 days. This is called the elimination period. It can be satisfied with days of total or partial disability.</p> <p>If you recover and return to medical school during the elimination period and become disabled again, you may not have to satisfy a new elimination period. If you become disabled again, your elimination period will pick up at the point where it was left off when you recovered. You have a period twice as long as the elimination period to satisfy the required number of days of disability.</p>
<b>Benefits if Not Working</b>	<p>When you are unable to work in any capacity during the benefit payment period, Your Benefit Payable for each full month of a Benefit Payment Period will be your Primary Monthly Benefit less Other Income Sources.</p> <p>Your monthly benefit will not be less than the minimum monthly benefit of \$200.</p>
<b>Benefits if Working</b>	<p>If you are able to work while disabled, you may still be eligible to receive a disability benefit.</p> <p>If you are working during the benefit payment period, your monthly benefit equals your primary monthly benefit, less income from other sources, less 100% of current earnings.</p> <p>Your monthly benefit will not be less than the minimum monthly benefit of \$200.</p>
<b>Your Benefit Duration</b>	<p>Your age at the time of disability affects the length of time you are eligible to receive disability benefits.</p> <p>If you become disabled before reaching age 62, your disability benefits are payable until the later of:</p> <ul style="list-style-type: none"> <li>• The date you reach age 65; or</li> <li>• 42 months after your benefit payment period begins.</li> </ul> <p>If you become disabled at or after age 62, your disability benefits are payable until the date the benefit payment period reaches the number of months shown below.</p>

<u>Age disability occurs</u>	<u>Duration of benefits</u>
Age 62	42 months
Age 63	36 months
Age 64	30 months
Age 65	24 months
Age 66	21 months
Age 67	18 months
Age 68	15 months
Age 69 and over	12 months

However, your disability benefits will end when you:

- Recover
- Cease to be under the regular and appropriate care of a physician
- Fail to provide any required proof of disability
- Fail to submit to a required medical examination or evaluation
- Fail to report income from other sources, or any other required earnings information
- Fail to pursue Social Security disability benefits or Workers' Compensation benefits
- Die

If you recover and return to work for six months or less during the benefit duration and then again become disabled from the same or related cause while the policy is in force, you are not required to complete a new elimination period.

<b>Rehabilitation Services and Benefits</b>	
<b>Rehabilitation Services</b>	<p>While disabled, you may qualify to participate in a rehabilitation plan. Our rehabilitation staff works with you, your physician(s) and your employer to create an individual rehabilitation plan to assist you in returning to work.</p> <p>If you are not disabled, but have a condition that could prevent you from performing the substantial and material duties of your own occupation, preventive rehabilitation services may be offered.</p>
<b>Rehabilitation Incentive Benefit</b>	<p>If you become totally disabled, your benefit percentage can be increased by 5% when you participate in and satisfy the requirements of an individual rehabilitation plan. You may be eligible for 12 months of rehabilitation incentive benefits.</p>

<b>Additional Benefits</b>	
<b>Survivor Benefit</b>	<p>A survivor benefit is a lump sum payment issued to your survivors, should you die while receiving disability benefits. The benefit payment is equal to three times your primary monthly benefit.</p> <p>If you are diagnosed with a terminal illness and your life expectancy is 12 months or less, you may elect to receive the survivor benefit in the months preceding death. You may receive the full amount of the survivor benefit before death. Survivor benefits paid prior to death may affect eligibility for public assistance and may be taxable. You should consult your tax advisor with any questions.</p>
<b>Conversion Privilege</b>	<p>The conversion privilege allows you to retain LTD coverage even if you are no longer employed by the company providing group coverage. You may be eligible for the conversion privilege if you are no longer employed due to:</p>



	<ul style="list-style-type: none"> <li>• Resignation</li> <li>• Leave of absence</li> </ul> <p>Principal Life may have the conversion coverage issued by another insurance company.</p>
<b>Infectious and Contagious Disease Benefit</b>	<p>The infectious and contagious disease benefit protects a student due to testing positive for an infectious or contagious disease. To be eligible for this benefit a student must satisfy all of the qualification requirements of this provision:</p> <ul style="list-style-type: none"> <li>• you have been insured under this benefit on or after the effective date of this Group Policy; and</li> <li>• you complete an Elimination Period of 90 days; and</li> <li>• the claim requirements listed in the policy are satisfied.</li> </ul> <p>and provide verification of the following:</p> <ul style="list-style-type: none"> <li>• you carry an infectious and contagious disease; and</li> <li>• you first tested positive for the infectious and contagious disease after the effective date of this Infectious and Contagious Disease Benefit; and</li> <li>• you are not Disabled; and</li> <li>• you have never refused to be immunized against the infectious and contagious disease for which he or she is claiming benefits.</li> </ul> <p>Benefits are paid the same as any other disability. The maximum benefit period is to age 65.</p>

### Limitations and Exclusions of Benefits

<b>Limitations</b>	<p>No benefits will be paid for disabilities resulting from:</p> <ul style="list-style-type: none"> <li>• Willful self injury, while sane or insane</li> <li>• War or an act of war</li> <li>• Participation in an assault or felony</li> <li>• A new or continuing disability that begins after your benefit payment period has ended, but you have not returned to active work</li> </ul>
<b>Treatment of Mental Health Conditions and Drug and Alcohol Abuse Conditions</b>	<p>A disability is considered due to alcohol, drug or chemical abuse, dependency or addiction or a mental health condition if the disability is caused by one of these condition(s) and not by other disabling conditions.</p> <p>Maximum benefit payment periods for:  Mental health conditions – 24 months  Alcohol, drug or chemical abuse conditions – 24 months</p> <p>The benefit payment period listed above is a lifetime maximum for all periods of disability. All disabilities from conditions with the same maximum benefit payment period contribute towards one lifetime maximum.</p> <p>However, if at the end of the benefit duration, you are confined in a hospital or any other type of facility providing treatment for any of these conditions, the benefit payment period may be extended to include the time period you are confined for treatment.</p>
<b>Preexisting Conditions</b>	<p>A preexisting condition is a sickness or injury, including all related conditions and complications, or pregnancy for which you:</p> <ul style="list-style-type: none"> <li>• Received medical treatment, consultation, care or service; or</li> <li>• Were prescribed or took prescription medications</li> </ul> <p>in the three months prior to your effective date under this policy.</p> <p>Benefits will not be paid for disabilities resulting from preexisting conditions unless,</p>

	<p>when you become disabled, you have been actively at work for one full day after completing the earlier of:</p> <ul style="list-style-type: none"> <li>• Three consecutive months of coverage under the policy in which you received no treatment, including prescription medication, for the disabling condition; or</li> <li>• 12 consecutive months of coverage under the policy.</li> </ul> <p>Preexisting condition exclusions also apply to benefit increases due to:</p> <ul style="list-style-type: none"> <li>• Policy amendments</li> </ul>
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## Terms to Know

**Income from Other Sources** – Income you receive from other sources can be deducted from your primary monthly benefit amount. Other sources include:

- All disability benefits that you and your dependents receive or could have received, from Social Security or other government agencies
- Income from state disability plans
- Income from other group disability insurance policies
- Benefits from individual disability insurance policies
- Income received from no-fault auto laws

Other income sources do not include:

- Profit sharing plans
- Thrift savings plans
- Nonqualified deferred compensation plans
- 401(k) plans
- Individual retirement accounts (IRA)
- Stock ownership plans
- Keogh (HR-10) plans
- Any cost of living increases paid in connection with other sources of income
- Social Security or pension plan payments that were being received prior to the current disability

**Member** – All full-time matriculating medical students.

**Monthly Payment Limit** – The benefits paid to you are reduced if your total income exceeds 100% of your primary monthly benefit. Total income includes:

- Your normal benefit payable
- Additional benefits payable under your policy except for a Rehabilitation Incentive Benefit
- Return to work earnings
- Other Income Sources defined in the policy
- Payments attributable to individual disability insurance policies (if not already considered an Other Income Source)

**Own Occupation Period** – The period of time you must be unable to perform the duties of your occupation as a matriculating medical student. Your own occupation period is the first 2 years of the benefit payment period.

**Primary Monthly Benefit** - \$2,000.

**Substantial and Material Duties** – The essential tasks, which cannot be modified or omitted, that you are required to perform in any given occupation.

If you have any questions concerning this program, please contact David J Lumsden, Lumsden and Associates, Inc., 323 West Cook, Springfield, IL, 62702, 1-800-789-6315.



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**Principal Life Insurance Company**  
Des Moines, Iowa 50392-0002

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