

## Liberty Mutual Voluntary Supplemental Group Disability Insurance Plan

The following table illustrates how the Liberty Mutual Voluntary Supplemental Group Disability Insurance Plan supplements the Disability Income Plan of North Carolina if you become disabled.

TSERS* MEMBERSHIP CREDIT	DISABILITY PERIOD	DISABILITY INCOME PLAN OF NC	LIBERTY MUTUAL SUPPLEMENTAL PLAN
Less than 1 year	Duration of disability	No benefit	66 2/3% of monthly salary up to \$10,000, following a 60-day elimination period
1 to 5 years	1 <sup>st</sup> year of disability	50% of monthly salary up to \$3,000, following a 60-day elimination period.	Additional benefit providing 66 2/3% of monthly salary up to \$10,000 less the TSERS, ORP, FERS or CSRS Benefit, following a 60-day elimination period
1 to 5 years	Beginning 2 <sup>nd</sup> year of disability and continuing for duration of disability	No benefit	66 2/3% of monthly salary up to \$10,000, following a 60-day elimination period
5 years or more	1 <sup>st</sup> year of disability	50% of monthly salary up to \$3,000, following a 60-day elimination period	Additional benefit providing 66 2/3% of monthly salary up to \$10,000 less the TSERS, ORP, FERS or CSRS Benefit, following a 60-day elimination period
5 years or more	Beginning 2 <sup>nd</sup> year of disability and continuing for duration of disability	65% of monthly salary up to \$3,900	Additional benefit providing 66 2/3% of monthly salary up to \$10,000 less the TSERS, ORP, FERS or CSRS Benefit

\*North Carolina Teachers' and State Employees' Retirement System

### CALCULATING THE PREMIUM

Your monthly premium is based on your age and length of service in the TSERS, ORP, FERS or CSRS Retirement Systems and your monthly base salary. Adjustments are made to reflect any changes in your salary.

**Enter Monthly Base Salary:** \_\_\_\_\_

**I. Employees with less than five years participation in TSERS, ORP, FERS or CSRS:**

Monthly Salary            x            Rate Factor            = Monthly Premium Cost  
 \$            \_\_\_\_\_            x            from Rate Table 1 = \$ \_\_\_\_\_

**Example:**

Monthly Base Salary:    \$2,000    Age: 44  
 \$2,000 x                    .00386 =            \$7.72 per month

**II. Employee with five or more years participation in TSERS, ORP, FERS or CSRS:**

Monthly Salary            x            Rate Factor            = Monthly Premium Cost  
 \$            \_\_\_\_\_            x            from Rate Table 2 = \$ \_\_\_\_\_

**Example:**

Monthly Base Salary:    \$2,000    Age 44  
 \$2,000 x                    .00096 =            \$1.92 per month

**Rate Table 1**

**Age Rate**

18-29 \$.0013  
 30-34 \$.00170  
 35-39 \$.00244  
 40-44 \$.00386  
 45-49 \$.00559  
 50-54 \$.01078  
 55-59 \$.01350  
 60-64 \$.01290  
 65+ \$.01394

**Rate Table 2**

**Age Rate**

18-29 \$.00028  
 30-34 \$.00040  
 35-39 \$.00054  
 40-44 \$.00096  
 45-49 \$.00143  
 50-54 \$.00238  
 55-59 \$.00338  
 60-64 \$.00323  
 65+ \$.00293

## Liberty Mutual Voluntary Supplemental Group Disability Insurance Plan

### SUMMARY OF BENEFITS

<b>ELIGIBILITY:</b>	All full-time active employees working 30 hours or more a week who are participating in TSERS, ORP, FERS or CSRS.
<b>MONTHLY BENEFIT:</b>	<ul style="list-style-type: none"> <li>• <i>Employees with less than 5 years of TSERS, ORP, FERS or CSRS membership: 66 2/3% of Basic Monthly Earnings less other Income Benefits if you have less than 1 year of service; for 1 to 5 years, 66 2/3% of Basic Monthly Earnings to \$10,000 less the State Benefit.</i></li> <li>• <i>Employees with 5 years or more of TSERS, ORP, FERS or CSRS membership: 66 2/3% of Basic Monthly Earnings up to \$10,000 less the State Benefit.</i></li> </ul>
<b>MAXIMUM MONTHLY BENEFIT:</b>	\$10,000
<b>MINIMUM MONTHLY BENEFIT:</b>	The greater of \$250 or 10% of monthly benefit NOTE: This benefit along with income received from other eligible income sources (Benefit Offsets) cannot exceed 100% of your pre-disability earnings.
<b>ELIMINATION PERIOD</b> (the number of days of disability before qualifying for a benefit):	60 days
<b>DURATION OF BENEFITS:</b>	Age 65 or Social Security Normal Retirement Age (SSNRA) – See Questions & Answers document for additional details.
<b>BENEFIT OFFSETS:</b>	Primary Social Security; Workers' Compensation; retirement benefits or disability benefits received from TSERS, ORP, FERS or CSRS; disability benefits received from the State of North Carolina Disability Income Plan.
<b>DEFINITION OF DISABILITY:</b>	For the first 36 months of benefits, the inability to perform the material duties of your "Own Occupation". Following that, "Any Gainful Occupation" based on your training, education and experience.
<b>PARTIAL DISABILITY BENEFITS:</b>	Payable if you are totally or partially disabled at least 60 days and suffer a 20% or greater loss of earnings.
<b>PRE-EXISTING CONDITION</b> (conditions for which you have received advice, consultation or medication in the 3 months prior to becoming insured):	Benefits are not payable if you become disabled from that condition in the first 12 months after becoming insured, unless no treatment was received for that condition for 3 consecutive months prior to the effective date.
<b>COST:</b>	<ul style="list-style-type: none"> <li>• <i>Employees with less than 5 years of TSERS, ORP, FERS or CSRS membership: Based upon Age – See Applicable Rate Table</i></li> <li>• <i>Employees with 5 years or more of TSERS, ORP, FERS or CSRS membership: Based upon Age – See Applicable Rate Table</i></li> </ul>

**NOTE:** The above are only highlights of the plan. For more detailed information, please refer to the "Voluntary Supplemental Group Disability Insurance Plan" booklet which is available at your Benefits Office.