

Group Voluntary Disability Insurance

Summary of Benefits for AEA

Can you afford to be without disability insurance?

There are many misconceptions about disability insurance, such as “it won’t happen to me”, but the reality is, disability is more common than you think.

Many are overlooking insuring their most valuable asset – their ability to earn an income. The value of a group disability insurance policy greatly outweighs its cost and can be more valuable than any other type of group insurance.

Eligible Alabama Education Association (AEA) members can apply for group voluntary disability insurance. The insurance coverage is offered by American United Life Insurance Company® (AUL), a OneAmerica® company, and the application and billing processes are administered by Collateral Educator Services.¹

AEA chooses strength

In today’s economic climate, it is important to work with a stable and reputable insurance company. AUL has delivered on promises for more than 130 years.

AUL delivers

- Responsive customer service
- Strong portfolio of products
- Industry leader in group voluntary insurance products

Recognition of AUL’s strength²

AM Best⁴

A (Excellent) — 3rd out of 15 possible ratings — 6/22/09

Standard & Poor’s³

AA- (Very Strong) — 4th out of 21 possible ratings — 12/29/08

1. Collateral Educator Services is a compensated third party administrator for AUL.

2. These ratings reflect rating agencies’ assessments of the financial strength and claims-paying ability of AUL. Because the dates are only updated when there is a change in the rating, the dates above reflect the most recent ratings AUL has received. Please know that these ratings can change at any time.

3. These ratings reflect rating agency assessments of financial strength and claims-paying ability of AUL. They are not intended to reflect the investment experience or financial strength of any specific product offered. Because the dates are only updated when there’s a change in the rating, the dates above reflect the most recent ratings we have received. Please know that these ratings can change at any time.



For information on how to apply, contact Collateral Educator Services, an AUL representative, at 1-866-322-2244.

By educating yourself about disability insurance and becoming aware of the need and value of having a policy in place, you can insure your ability to earn income.

Products and financial services provided by

AMERICAN UNITED LIFE INSURANCE COMPANY® | a ONEAMERICA® company

One American Square, P.O. Box 368 | Indianapolis, IN 46206-0368 | (317) 285-1877 | www.oneamerica.com

Group Voluntary Disability Insurance value-added features

- Convenient payroll deduction
- Lower premium rates than individual insurance
- Benefits in the event of total disability due to injury or sickness
- Coverage options built specifically for Alabama educators
- No other income offsets to Short-term Disability Insurance benefit
- Insurance available during the summer vacation⁴
- Benefits can be payable while receiving sick pay
- Long-term disability insurance benefits complement Teachers Retirement System of Alabama (TRS) benefits
- Available to eligible applicants without first undergoing medical underwriting⁵
- Coverage available to eligible insureds thru Social Security Normal Retirement Age (SSNRA) under Group Voluntary Long-term Disability Insurance

Group Voluntary Disability Insurance premium rate and coverage options⁶

Employee group voluntary disability insurance coverage options and rates (Rates available until 4/1/10)

Rates Per \$100 of Covered Monthly Earnings

	Age Band	<30	30-34	35-39	40-44	45-49	50-54	55-59	60+	Elimination Period	Maximum Benefit Duration
Short-term Disability Options	Option 1	1.45	1.40	1.27	1.20	1.14	1.29	1.36	1.64	15 days	50 weeks
	Option 2	1.20	1.18	1.05	1.00	1.10	2.43	2.89	3.88	30 days	48 weeks
	Option 3	0.27	0.39	0.48	0.72	0.88	2.25	2.76	3.70	60 days	44 weeks
Long-term Disability Option	Option 4	0.28	0.41	0.57	0.73	0.97	1.37	1.70	2.10	360 days	SSNRA

Benefits and features for Group Voluntary Disability Insurance options

- 60% of covered monthly earnings⁷
- Maximum monthly benefit of \$6,000
- Pre-existing condition period of 6/12/24
- Minimum monthly benefit: the greater of 10% of monthly benefit or \$100
- Partial disability benefit
- Incremental five-year age bracketed premium rates
- Unisex and tobacco neutral premium rates
- Waiver of premium benefit
- Portability privilege
- Continuation of insurance under Family Medical Leave Act (FMLA)
- Supplemental disability benefit for Long-term Disability Insurance

Group Voluntary Short-term Disability Insurance coverage options

- 15, 30 or 60-day accident elimination period
- 15, 30 or 60-day sickness elimination period
- Maximum benefit durations of 44, 48 or 50 weeks

Group Voluntary Long-term Disability Insurance coverage options

- 360-day elimination period
- Maximum benefit duration up to SSNRA

4. Only available to eligible insureds who remain actively at work and pay the required premium.

5. If a present or new employee applied for coverage during the initial enrollment, is not a late enrollee, and for amounts less than the guaranteed issue amount.

6. If a choice of the amount of benefits is offered, the amount of benefits provided depends upon the coverage selected and premium can vary with the amount of benefits selected. If a range of benefit levels is present, the insured is only entitled to the benefit level shown in the contract.

7. Potential monthly benefits are reduced by other income benefits and earnings including but not limited to SSA benefits.

Introduction to Disability Insurance Terms and Benefits

Total disability

Total disability means that because of injury or sickness the insured cannot perform the material and substantial duties of his or her regular occupation.

Pre-existing conditions

If an insured receives medical treatment or service or incurs expenses as a result of an injury or sickness within a time frame prior to the insured's effective date, then the contract will not cover any disability that is caused by, contributed to by, or results from that injury or sickness and begins during a time frame after the insured's effective date.

Monthly benefit calculation

To estimate the amount of the payable total disability benefit, the insured's covered monthly earnings are multiplied by 60 percent and the reduced by any other income benefits and earnings including SSA benefits.

If the insured becomes totally disabled, is entitled to benefits under AUL's contract, and receives benefits under Teachers Retirement System of Alabama (TRS), the benefit payable under AUL's contract is also reduced by 50 percent of the benefits received from the TRS.

Waiver of premium

If eligible under the insurance contract and approved for this benefit, AUL will waive payments for the insured's coverage while the insured remains disabled.

Portability privilege

The insured may be eligible to apply for continuation of coverage should the insured's coverage terminate. Approval for this benefit will extend the insured's coverage for an additional period of time. If approved for this benefit, the insured will then be billed by AUL at the insured's residence.

Partial disability benefit

A benefit can be payable if an insured because of injury or sickness, is unable to perform every material and substantial duty of his or her regular occupation on a full-time basis, but is performing at least one of the material and substantial duties of his or her regular occupation, or another occupation, on a full- or part-time basis, and is earning less than 80 percent of the insured's indexed pre-disability earnings due to the same injury or sickness.

Continuation of insurance under Family Medical Leave Act (FMLA)

If eligible under the insurance contract and approved for the FMLA benefit, the insured's coverage may be continued for a period of time as outlined in the contract while on an employer approved leave of absence under FMLA and premiums continue to be paid to AUL timely.

Supplemental disability benefit

Eligible insureds for long-term disability insurance may receive an additional supplemental disability benefit equal to 25 percent of the insured's covered monthly earnings, not to exceed \$6,000 per month if the insured: 1) is totally disabled due to sickness or injury; and 2) is continuously unable to perform two or more activities of daily living without stand-by help; 3) has a cognitive impairment; or 4) has a terminal illness.

Note: This invitation to inquire allows interested employees an opportunity to inquire further about group insurance coverage and is limited in its description of the losses for which benefits may be payable. The contract has exclusions, limitations, reduction of benefits, and terms under which the contract may be continued in force or discontinued. The contract may contain a waiting or elimination period between the effective date of the contract and the effective date of coverage, and between the date a loss occurs and the date benefits begin to be payable for the loss.

Any payable benefit based on a percentage of an employee's covered earnings is subject to AUL's approval, contract maximums, contract reductions, and according to contract terms and conditions.