

SHORT TERM DISABILITY INSURANCE



A DESCRIPTION OF BENEFITS FOR EMPLOYER MEMBERS OF THE MICHIGAN MANUFACTURERS ASSOCIATION

WHAT'S AVAILABLE

Insurance Schedules	<ul style="list-style-type: none"> • Percent of "Basic Weekly Salary"
Minimum Group Size	<ul style="list-style-type: none"> • 5 employees when other coverages are selected • 10 employees when only one coverage is selected
Benefit Percentage	<ul style="list-style-type: none"> • 60 % or 66 ⅔ %
Maximum Weekly Benefit	<ul style="list-style-type: none"> • Up to \$1,000
Minimum Weekly Benefit	<ul style="list-style-type: none"> • \$75
Waiting Period	<ul style="list-style-type: none"> • 0 days for injury/7 days for sickness
Extent of Coverage	<ul style="list-style-type: none"> • Non-occupational injury and sickness only
Benefit Duration	<ul style="list-style-type: none"> • 13 weeks, or • 26 weeks
Successive Periods of Disability	<ul style="list-style-type: none"> • Less than 1 week return to work allowed
Underwriting Requirements	<ul style="list-style-type: none"> • Under 10 employees medically underwritten

DEFINITIONS

EMPLOYER MEMBER

Employer Member means an employer who is a member of the Michigan Manufacturers Association.

FULL DISABILITY

Full disability means that, due to injury or sickness, the employee is under the regular care and attendance of a doctor and is unable to perform any of the material duties of his/her job.

PARTIAL DISABILITY

Partial disability means that, due to an injury or sickness, the employee is: (a) under the regular care and attendance of a doctor and is unable to perform each of the material duties of his/her regular job on a full-time basis; (b) performing at least one of the material duties of his/her regular job or any other gainful work or service on a part-time or full-time basis; and (c) earning at least 20% less per week than his/her basic weekly earnings due to that same injury or sickness.

BASIC ANNUAL SALARY

Basic annual salary means an employee's gross annual rate of pay from the employer member, excluding overtime and other extra pay.

BASIC WEEKLY SALARY

Basic weekly salary means 1/52 of basic annual salary.

If the employee is a salesperson, commissions and/or bonuses (averaged for the most recent 12 month period) are included in the employee's basic annual salary.

WEEKLY BENEFIT

The amount of weekly benefit is determined by multiplying the benefit percentage by the basic weekly salary amount (not to exceed the maximum weekly benefit amount). For each day of any portion of a period of disability which is less than a whole week, the amount of weekly benefits is the amount obtained by dividing the weekly benefits by seven.

SICKNESS

Sickness means illness, disease or pregnancy.

FEATURES

SUCCESSIVE DISABILITY

Successive periods of full disability will be considered as one continuous period of disability if the periods of disability are due to the same or a related cause and not separated by at least one week of active work at the employee's job. If the periods of disability are due to different causes and are not separated by one day of active work at the employee's job, they will be considered as one continuous period of disability.

PREGNANCY BENEFIT

Pregnancy benefits are determined on the same basis as sickness.

LIST BILLING SERVICES ARE PROVIDED.

RATES

INITIAL RATE GUARANTEE

Initial rates, provided on the quote date, are guaranteed for the period stated on the cost and benefit summary, provided that:

- The plan of benefits and eligibility remain unchanged;
- There are no additions or deletions of subsidiaries or affiliates; and
- The census, volume or geographic distribution does not change by 25% or more.

Final rates will be based on actual enrollment, contribution levels and plan design purchased.

ELIGIBILITY

ACTIVELY AT WORK REQUIREMENT

An employee must be actively at work with the employer member in order for benefits to become effective. If the employee is not actively at work with the employer member on the date benefits would otherwise become effective, the employee's benefits will become effective on the first day of the month after the date the employee returns to active work with the employer member.

Only active, full-time employees who work at least 20 hours per week are eligible for coverage.

Retirees are not eligible for coverage.

Part-time and seasonal employees are not eligible for coverage.

MINIMUM PARTICIPATION REQUIREMENTS

CONTRIBUTORY PLANS

For contributory plans, the employer member's contribution must equal at least 25% of the cost of the insurance and at least 75% of all eligible employees must enroll.

NON-CONTRIBUTORY PLANS

For non-contributory coverage, 100% participation is required.

CLAIMS SERVICES

MANAGED DISABILITY

- Utilization of Duration Guidelines
- Focus on Abilities
- Clinical Approach to Adjudication

FICA TAX REPORTING & WITHHOLDING

LIMITATIONS

REDUCTION OF BENEFITS

Weekly benefits payable under the plan will be reduced by those benefits for the same period of disability which apply to the employee, including:

1. The amount payable to the employee for time lost from work under any insurance or other arrangement which is established to conform to a disability or cash sickness benefits law;
2. The amount of benefits payable to the employee for loss of earnings or their equivalent under any insurance or other plan pursuant to a No Fault Law. Weekly benefits will not be reduced by benefits under a No Fault Law if the No Fault Law requires weekly benefits be paid first.
3. The amount payable to the employee as primary disability benefits for the employee's disability or as unreduced primary old age benefits under the Federal Social Security Act.

EXCLUSIONS

NO WEEKLY BENEFITS WILL BE PAID IF DISABILITY IS CAUSED BY:

An injury which occurs as a result of:

1. An occupational injury;
2. An occupational sickness;
3. The commission of a felony.

CANCELLATION/ TERMINATION

Coverage is provided through employer member participation in the Michigan Manufacturers Association (MMA) Master Group Policy (Form G.2130-S) situated in the State of Michigan, with certificates of insurance (Form G.23000) issued to each insured employee. In any state validly exercising extraterritorial jurisdiction, the plan will be modified to meet applicable laws.

COVERAGE TERMINATES:

- On the last day of the month in which the employee's employment ceases;
- When the employee's contributions cease (if such contributions are required);
- When the maximum benefit period for a full disability has been reached;
- When the employer member's contributions cease;
- Upon termination of the participating employer member agreement by the employer member, with prior written notice to MetLife;
- If the group insurance plan is discontinued by MetLife for non-payment of premium or if participation requirements or minimum lives covered requirements are not met;
- When the employer stops being an employer member of the Michigan Manufacturers Association;
- When the MMA terminates group disability coverage, with prior written notice to MetLife; or
- If the plan ends in whole or in part the employee's benefits which are affected will end.

Note:

Your MetLife, MMA-dedicated representative can answer any questions about costs and details of coverage. A full description of the benefits will be provided in the certificate.

Coverage provided by Metropolitan Life Insurance Company. Like most group insurance policies, MetLife group policies contain certain exclusions, limitations, reductions of benefits and terms for keeping them in force. To the extent permitted under applicable law, MetLife reserves the right to refuse coverage to any group which we believe will cause an underwriting risk not supported by our standard rates or for any other reason.



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