

SERFF Tracking Number: HUMA-126684349 State: Arkansas
Filing Company: Kanawha Insurance Company State Tracking Number: 45996
Company Tracking Number:
TOI: H11G Group Health - Disability Income Sub-TOI: H11G.002 Short Term
Product Name: LTD/STD
Project Name/Number: /

Filing at a Glance

Company: Kanawha Insurance Company

Product Name: LTD/STD

TOI: H11G Group Health - Disability Income

Sub-TOI: H11G.002 Short Term

Filing Type: Form

SERFF Tr Num: HUMA-126684349 State: Arkansas

SERFF Status: Closed-Approved-
Closed State Tr Num: 45996

Co Tr Num:

Author: Donna Faulkenberry

Date Submitted: 06/21/2010

State Status: Approved-Closed

Reviewer(s): Rosalind Minor

Disposition Date: 06/29/2010

Disposition Status: Approved-
Closed

Implementation Date:

Implementation Date Requested:

State Filing Description:

General Information

Project Name:

Project Number:

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: Resubmission

Group Market Size: Small and Large

Group Market Type: Employer, Association

Explanation for Other Group Market Type:

State Status Changed: 06/29/2010

Created By: Donna Faulkenberry

Corresponding Filing Tracking Number:

Filing Description:

Arkansas Department of Insurance

Status of Filing in Domicile: Authorized

Date Approved in Domicile: 06/09/2010

Domicile Status Comments:

Market Type: Group

Previous Filing Number: HUMA-126507663

Overall Rate Impact:

Filing Status Changed: 06/29/2010

Deemer Date:

Submitted By: Donna Faulkenberry

RE: Kanawha Insurance Company

Group Short-Term Disability Certificate Form No. 1689 6/10 AR

Dear Commissioner:

Kanawha Insurance Company is submitting the above captioned form for file and use. This form replace previously

SERFF Tracking Number: HUMA-126684349 State: Arkansas
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approved Certificate (Form No. 1689 AR) approved by the Department on April 13, 2010 (SERFF Tracking No. HUMA-126507663). All other forms approved under the previous filing remain unchanged. There is no rate impact as a result of this filing.

The above-referenced form is being amended to make the certificate more consistent with the actuarial memorandum. All bracketed text and numbers are variable to the extent allowable by Iowa's laws. In addition, the bracketed text may or may not be included in the certificate when printed. In no event will numbers or text be changed to impact compliance with Iowa law.

If acceptable, we look forward to your response via SERFF. If you should have any questions, please contact me at 1-800-635-4252 Ext 5424. My email address is dfaulkenberry8@humana.com. Our fax number is 803-313-5253.

Sincerely,

Donna Faulkenberry
Compliance Specialist

Company and Contact

Filing Contact Information

Donna Faulkenberry, Compliance Specialist dfaulkenberry8@humana.com
210 South White Street 803-283-5445 [Phone]
Lancaster, SC 29721

Filing Company Information

Kanawha Insurance Company CoCode: 65110 State of Domicile: South Carolina
210 South White Street Group Code: 119 Company Type:
Lancaster, SC 29721 Group Name: State ID Number:
(800) 635-4252 ext. [Phone] FEIN Number: 57-0380426

Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation: \$50.00 per form.
Per Company: No

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COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Kanawha Insurance Company	\$50.00	06/21/2010	37337518

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	06/29/2010	06/29/2010

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Disposition

Disposition Date: 06/29/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Approved-Closed	No
Supporting Document	Application	Approved-Closed	No
Form	Certificate	Approved-Closed	No

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Form Schedule

Lead Form Number:

Schedule Item	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved- Closed 06/29/2010	1689 AR 6/10	Certificate	Certificate	Revised	Replaced Form #: 1689 AR Previous Filing #: HUMA-126507663		1689 STD Certificate_1- 25-10.pdf

[INSERT COMPANY LOGO]

KANAWHA INSURANCE COMPANY
[210 SOUTH WHITE STREET, POST OFFICE BOX 610]
[LANCASTER, SOUTH CAROLINA 29721-0610]

TELEPHONE [1-800-635-4252]

CERTIFICATE OF GROUP SHORT TERM DISABILITY INSURANCE

[Policyholder: ABC Policyholder]
[Policy Number: XXX-XXXXXXX]
[Policy Effective Date: DATE]
[Policy Anniversary Date: DATE]

[Participating Entity]
[Account Number: XXXXXXXX]

We have issued The Policy to the Policyholder. Our name, the Policyholder's name and The Policy Number are shown above. The provisions of The Policy, which are important to You, are summarized in this certificate consisting of this form and any additional forms which have been made a part of this certificate. This certificate replaces any other certificate We may have given to You earlier under The Policy. The Policy alone is the only contract under which payment will be made. Any difference between The Policy and this certificate will be settled according to the provisions of The Policy on file with Us at Our home office. The Policy may be inspected at the office of the Policyholder.

Signed for the Company



[Joan O. Lenahan]
[Vice President and Corporate Secretary]



[R. Dale Vaughan]
[President]

]]

]

A note on capitalization in this certificate:

Capitalization of a term, not normally capitalized according to the rules of standard punctuation, indicates a word or phrase that is a defined term in The Policy or refers to a specific provision contained herein.

[Table of Contents
Certificate Face Page
Schedule of Insurance
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General Provisions]

Schedule of Insurance

[The Policy of short term Disability insurance provides You with short term income protection if You become Disabled from a covered Injury, Sickness or pregnancy. **Please refer to Your group enrollment form to see the Option that applies to You.**

The benefits described herein are those in effect as of DATE.

[Cost of Coverage:

[Option 1 - You do not contribute toward the cost of coverage.]

[Option 2 - You must contribute toward the cost of coverage.]

[Eligible Class(es) For Coverage: All Full-time Active Employees who are citizens or legal residents of the United States, its territories and protectorates; excluding temporary, leased or seasonal employees.]

[Eligible Class(es) For Coverage: All [Full-time][Part-time] Active [Employees] who are subject to a collective bargaining agreement with [the Policyholder] who are working in the United States of America[, Puerto Rico, Guam and any other locations where We may legally provide such coverage]; excluding temporary, seasonal or leased employees.

[Full-time Employment: at least [17.5-40] hours weekly]

[Part-time Employment: at least [8-30] hours weekly but less than [17.5-40] hours weekly]]

[Eligible Class(es) For Coverage: All [Full-time][Part-time] Active [Employees] Working a Minimum of [1000-2000] Hours Annually who are citizens or legal residents of the United States, [its territories and protectorates,] excluding temporary, leased or seasonal employees.

[Full-time Employment: at least [1000-2000] hours annually]

[Part-time Employment: at least [416-999] hours annually but less than [1000-2000] hours annually]]

[Weekly Benefit: The lesser of:

- 1) [Option 1: [15-75%] of Your Pre-disability Earnings/an amount you elect in increments of [\$1-\$100];]
 - 2) [Option 2: [15-75%] of Your Pre-disability Earnings/an amount you elect in increments of [\$1-\$100]]]; or]
 - 3) [[0-\$7500].]
- [Reduced by other income benefits.]]

[Weekly Benefit: The lesser of:

- 1) [An amount You elect in increments of [\$1-\$100]];
- 2) [[15-75%] of your Pre-disability Earnings]]]; or]
- 3) [[0-\$7500]]

[reduced by Other Income Benefits.]]

[The Weekly Benefit will be rounded to the next higher \$10.00/\$1.00 if not already such a multiple.]

[Minimum Weekly Benefit: [\$0-50]]

In no event will the Minimum Weekly Benefit be less than \$12.50

[The **Maximum Duration of Benefits** for a Disability is:

- 1) [if Your Disability is the result of a Pre-existing Condition: [0-4 weeks] if caused by Injury or Sickness]]]; otherwise]
- 2) [[13-104] weeks if caused by Injury]]]; or]
- 3) [[13-104] weeks if caused by Sickness.]]

[Benefits Commence:

- 1) [for Disability caused by Injury: on the [1st -60th] consecutive day of Total Disability or Disabled and Working;
- 2) for Disability caused by Sickness: on the [1st-60th]consecutive day of Total Disability or Disabled and Working
- 3) with the exception of benefits required by state law, the expiration of any Employer sponsored salary continuation program.

For hospital confinements of 24 hours or more, benefits commence on the first day of hospital confinement.]]

[Annual Enrollment Period: From month & day through month & day]

Schedule of Insurance

[Eligibility Waiting Period for Coverage

- 1) [0-90] [[days][weeks][months] - if You are Actively at Work for the Employer on the Policy Effective Date; or
- 2) [0-90] [days][weeks][months] - if You start working for the Employer after the Policy Effective Date.

The number of days referenced above is continuous calendar days. The Eligibility Waiting Period for Coverage will be reduced by the period of time You were a [Full-time][Part-time][temporary] Active Employee with the Employer under the Prior Policy.]]

Definitions

[Actively at Work] means at work with [the Employer] on a day that is one of [the Employer's] scheduled workdays. On that day, You must be performing for wage or profit all of the regular duties of Your Occupation:

- 1) in the usual way; and
- 2) for [Your usual number of hours.]

[We will consider You Actively at Work on a day that is not a scheduled work day only if You were Actively at Work on the preceding scheduled work day.]

[Active [Employee]] means [an employee who works for the Employer on a regular basis in the usual course of the Employer's business. This must be at least the number of hours shown in the Schedule of Insurance.]]

[Any Occupation] means any occupation for which You are qualified by education, training or experience, [and that has an earnings potential greater than the lesser of:

- 1) [the product of Your Indexed Pre-disability Earnings and the Initial Benefit Period Percentage]; or
- 2) [the Maximum Weekly Benefit.]]

[Bonuses] means the [weekly average of monetary] bonuses You received from [the Employer] [over:

- 1) the [X month] period ending [immediately prior to the date] You became Disabled; or
- 2) the period of time You worked for [the Employer,] if shorter than [the above period/X months.]]]

[Commissions] means the [weekly average of monetary] commissions You received from [the Employer] [over:

- 1) the [X month] period ending [immediately prior to the date] You became Disabled; or
- 2) the period of time You worked for [the Employer], if shorter than [the above period/X months.]]]

[Current [Monthly/Weekly] Earnings] means [Monthly/Weekly] earnings You receive from:

- 1) [the Employer; and
- 2) other employment;]

while You are Disabled [and eligible for the Disabled and Working Benefit.]

[However, if the other employment is a job You held in addition to Your job with the Employer, then during any period that You are entitled to benefits for being Disabled from Your Occupation, only the portion of Your earnings that exceed Your average earnings from the other employer over the [6 month] period just before You became Disabled will count as Current [Monthly/Weekly] Earnings.]

[Current [Monthly/Weekly] Earnings also includes the pay You could have received for another job or a modified job if:

- 1) such job was offered to You by the Employer, or another employer, and You refused the offer; and
- 2) the requirements of the position were consistent with:
 - a) Your education, training and experience; and
 - b) Your capabilities as medically substantiated by Your Physician.]]

Definitions

[Disabled and Working]	means that You [or Your Spouse] are prevented by: <ol style="list-style-type: none">1) Injury;2) Sickness;3) Mental Illness;4) Substance Abuse; or5) [pregnancy] from performing some, but not all of the Essential Duties of Your [or his or her] Occupation, are working on a part-time or limited duty basis [before age 70] [and, as a result, Your [or Your Spouse's] Current [Weekly] Earnings are more than [20] %, but are less than or equal to [60-100]% of Your [or Your Spouse's] Pre-disability Earnings.]]
[Disability or Disabled]	means Total Disability [or Disabled and Working Disability].]
[Employer]	means the [Policyholder].]
[Essential Duty]	means a duty that: <ol style="list-style-type: none">1) is substantial, not incidental;2) is fundamental or inherent to the occupation; and3) cannot be reasonably omitted or changed. Your ability to work the number of hours in Your regularly scheduled workweek is an Essential Duty. [However, working more than [X] hours per week is not an Essential Duty.]]
[Injury]	means bodily injury resulting: <ol style="list-style-type: none">1) directly from accident; and2) independently of all other causes; [which occurs while You are covered under The Policy.] [However, an Injury will be considered a Sickness if Your Disability begins more than 30 days after the date of the accident.]]
[Mental Illness]	means a mental disorder as listed in the current version of the Diagnostic and Statistical Manual of Mental Disorders, published by the American Psychiatric Association. A Mental Illness may be caused by biological factors or result in physical symptoms or manifestations. For the purpose of The Policy, Mental Illness does not include the following mental disorders outlined in the Diagnostic and Statistical Manual of Mental Disorders: Mental Retardation; <ol style="list-style-type: none">1) Pervasive Developmental Disorders;2) Motor Skills Disorder;3) Substance-Related Disorders;4) Delirium, Dementia, and Amnesic and Other Cognitive Disorders; or5) Narcolepsy and Sleep Disorders related to a General Medical Condition.]

[Other Income Benefits

Definitions

means the amount of any benefit for loss of income, provided to You [or to Your family], as a result of the period of Disability for which You are claiming benefits under The Policy. This includes any such benefits for which You [or Your family] are eligible or that are paid to You, [to Your family] or to a third party on Your behalf, pursuant to any:

- 1) [temporary, permanent disability, or impairment benefits under a Workers' Compensation Law, the Jones Act, occupational disease law, similar law or substitutes or exchanges for such benefits;]
- 2) governmental law or program that provides disability or unemployment benefits as a result of Your job with the Employer;
- 3) plan or arrangement of coverage, [other than income from any accumulated sick time, salary continuation or paid time off,] whether insured or not, which is received from the Employer as a result of employment by or association with the Employer or which is the result of membership in or association with any group, association, union or other organization;
- 4) [any income You received from the Employer as a result of any accumulated sick time salary continuation or paid time off, which causes the Weekly Benefit, plus Other Income Benefits to exceed [X%] of Your Weekly Earnings. The amount in excess of [X%] of Your Weekly Earnings will be used to reduce the Weekly Benefit.]
- 5) [individual insurance policy where the premium is wholly or partially paid by the Employer;]
- 6) [mandatory "no-fault" automobile insurance plan;]
- 7) disability benefits under:
 - a) the United States Social Security Act or alternative plan offered by a state or municipal government;
 - b) the Railroad Retirement Act;
 - c) the Canada Pension Plan, the Canada Old Age Security Act, the Quebec Pension Plan or any provincial pension or disability plan; or
 - d) similar plan or act;that You, [Your spouse and/or children,] are eligible to receive because of Your Disability; or
- 8) disability benefit from the Department of Veterans Affairs, or any other foreign or domestic governmental agency:
 - a) that begins after You become Disabled; or
 - b) that You were receiving before becoming Disabled, but only as to the amount of any increase in the benefit attributed to Your Disability.

Other Income Benefits also means any payments that are made to You or to Your family, or to a third party on Your behalf, pursuant to any:

- 1) disability benefit under the Employer's Retirement plan;
- 2) [temporary, permanent disability or impairment benefits under a Workers' Compensation Law, the Jones Act, occupational disease law, similar law or substitutes or exchanges for such benefits;]
- 3) portion of a settlement or judgment, minus associated costs, of a lawsuit that represents or compensates for Your loss of earnings; or
- 4) retirement benefit from a Retirement Plan that is wholly or partially funded by employer contributions, unless:
 - a) You were receiving it prior to becoming Disabled; or
 - b) You immediately transfer the payment to another plan qualified by the United States Internal Revenue Service for the funding of a future retirement;(Other Income Benefits will not include the portion, if any, of such retirement benefit that was funded by Your [after-tax] contributions.); or
- 5) retirement benefits under:
 - a) the United States Social Security Act or alternative plan offered by a state or municipal government;
 - b) the Railroad Retirement Act;
 - c) the Canada Pension Plan, the Canada Old Age Security Act, the Quebec Pension Plan or any provincial pension or disability plan;
 - d) similar plan or act;that You, [Your spouse and children] receive because of Your retirement, unless You were receiving them prior to becoming Disabled.

Definitions

[If You are paid Other Income Benefits in a lump sum or settlement, You must provide proof satisfactory to Us of:

- 1) the amount attributed to loss of income; and
- 2) the period of time covered by the lump sum or settlement.

We will pro-rate the lump sum or settlement over this period of time. If You cannot or do not provide this information, We will assume the entire sum to be for loss of income, [and the time period to be 24 months.] We may make a retroactive allocation of any retroactive Other Income Benefit. A retroactive allocation may result in an overpayment of Your claim.

The amount of any increase in Other Income Benefits will not be included as Other Income Benefits if such increase:

- 1) takes effect after the date benefits become payable under The Policy; and
- 2) is a general increase which applies to all persons who are entitled to such benefits.]

[Participating Employer]

means [an Employer who agrees to participate in the Trust, pays the required contribution for the Active Employees and is a participant in accordance with the provisions of The Policy.]

[Physician]

means a person who is:

- 1) a doctor of medicine, osteopathy, psychology or other legally qualified practitioner of a healing art who treats patients on a regular basis, that We recognize or are required by law to recognize;
- 2) licensed to practice and prescribe and administer drugs or to perform surgery in the jurisdiction where care is being given;
- 3) practicing within the scope of that license; and
- 4) not You [or your business partner] or Related to You by blood, marriage or adoption.]

[Pre-disability Earnings]

means, [for sole proprietor, partners, members of a limited liability company taxable as a partnership under the federal income tax laws, or share holders in a S-Corporation]:

- 1) the [weekly] average of earnings reported as "net earnings from self-employment" for federal income tax purposes for:
 - a) the [X tax] year(s) just prior to the date of Disability; or
 - b) the number of months You were employed in this capacity, if less than above period; and
- 2) [not] contributions You make through a salary reduction agreement with the Employer to:
 - a) an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
 - b) an executive non-qualified deferred compensation arrangement; or
 - c) a salary reduction arrangement under an IRC Section 125 plan, for the same period as above.

Pre-disability Earnings [does not include] [bonuses, commissions, tips and tokens,] dividends, capital gains and returns of capital.]

[Pre-disability Earnings]

means, [for specific class description if applicable] Your average [weekly] rate of pay, [including Bonuses, Commissions and Tips and Tokens], from the Employer for the [X] calendar year(s) ending immediately before the date You become Disabled, or over the number of calendar months of employment, if less than this period:

- 1) [not] including contributions you make through a salary reduction agreement with the Employer to:
 - a) an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
 - b) an executive non qualified deferred compensation arrangement; or
 - c) a salary reduction arrangement under an IRC Section 125 plan; and
- 2) [not] including [bonuses, commissions, tips and tokens] overtime pay or expense

Definitions

reimbursements for the same period as above.]

[Pre-disability Earnings

means, [for specific class description if applicable] Your contracted [annual] rate of pay from Your Employer [plus income from your participation in other school related, extra-curricular activities,] divided by [52 weeks.]

Pre-disability Earnings shall:

- 1) [not] include contributions you make through a salary reduction agreement with the Employer to:
 - a) an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
 - b) an executive non qualified deferred compensation arrangement; or
 - c) a salary reduction arrangement under an IRC Section 125 plan; and shall
- 3) [not] include income received from:
 - a) bonuses;
 - b) commissions;
 - c) overtime pay;
 - d) wages for extra-curricular school activities or programs;
 - e) Your employer's contribution on Your behalf to a retirement Plan or deferred compensation arrangement.]

[If we determine your earnings vary substantially from week to week, we may determine Your rate of pay by averaging Your earnings over the most recent [13] weeks.]]

[Prior Policy

means the [long term disability insurance] carried by [the Employer] on the day before the [Policy] Effective Date.]

[Regular Care of a Physician

means that You are being treated by a Physician:

- 1) whose medical training and clinical experience are suitable to treat Your disabling condition; and
- 2) whose treatment is:
 - a) consistent with the diagnosis of the disabling condition;
 - b) according to guidelines established by medical, research, and rehabilitative organizations; and
 - c) administered as often as needed;

to achieve the maximum medical improvement.]

[Rehabilitative Employment

means employment or service which:

- 1) prepares a Disabled person to resume gainful work; and
- 2) is approved, in writing, by Us.]

[Related

means Your spouse or other adult living with You, sibling, parent, step-parent, grandparent, aunt, uncle, niece, nephew, son, daughter, or grandchild [or similar relationship in law].]

[Retirement Plan

means a defined benefit or defined contribution plan that provides benefits for Your retirement and which is not funded wholly by Your contributions. It does not include:

- 1) [a profit sharing plan;
- 2) thrift, savings or stock ownership plans;
- 3) a non-qualified deferred compensation plan; or
- 4) an individual retirement account (IRA), a tax sheltered annuity (TSA), Keogh Plan, 401(k) plan, 403(b) plan or 457 deferred compensation arrangement.]

Definitions

- [Sickness]** means a Disability [or loss] which is:
- 1) caused or contributed to by:
 - a) any condition, illness, disease or disorder of the body;
 - b) any infection, except a pus-forming infection of an accidental cut or wound [or bacterial infection resulting from an accidental ingestion of a contaminated substance];
 - c) hernia of any type unless it is the immediate result of an accidental Injury covered by The Policy; or
 - d) [pregnancy;]
- caused or contributed to by any medical [or surgical] treatment for a condition shown in item 1) above.]
- [Substance Abuse]** means the pattern of pathological use of alcohol or other psychoactive drugs and substances characterized by:
- 1) impairments in social and/or occupational functioning;
 - 2) debilitating physical condition;
 - 3) inability to abstain from or reduce consumption of the substance; or
 - 4) the need for daily substance use to maintain adequate functioning.
- [Substance includes alcohol and drugs but excludes tobacco and caffeine.]]
- [The Policy]** means the policy which We issued to [The Policyholder under the policy number] shown on the face page.]
- [Tips [and Tokens]]** means the [weekly average of monetary] tips and tokens You received from [the Employer] [over:
- 1) the [X month] period ending [immediately prior to the date] You became Disabled; or
 - 2) the period of time You worked for [the Employer], if shorter than [the above period/X months.]]]
- [Total Disability or Totally Disabled]** means that You are prevented by:
- 1) Injury;
 - 2) Sickness;
 - 3) Mental Illness;
 - 4) Substance Abuse; or
 - 5) [pregnancy;]
- from performing the Essential Duties of Your Occupation,[and as a result, You are earning 20% or less of Your Pre-Disability Earnings.]]
- [Trust]** means [the trust fund established by XXX.]]
- [We, Our, or Us]** means [the insurance company named on the face page of The Policy.]]
- [Weekly] Benefit** means a [weekly] sum payable to You while You are Disabled, subject to the terms of The Policy. [Your Benefit will be paid according to the [9] month pay schedule established by Your employment contract in effect immediately prior to the date of Your Disability.]
- [Your Occupation]** means Your Occupation as it is recognized in the general workplace. Your Occupation does not mean the specific job You are performing for a specific employer or at a specific location.
- [If You are a Physician or dentist, Your Occupation means the general or sub-specialty in which You are practicing for which there is a specialty or sub-specialty recognized by the American Board of Medical Specialties. If the sub-specialty in which You are practicing is not recognized by the American Board of Medical Specialties, You will be considered practicing in the general specialty category.]

Definitions

[If You are an attorney, Your Occupation means the legal specialty or specialties in which You have practiced in the five year period preceding Your becoming Disabled. If You have been in legal practice for less than five years, Your Occupation means the legal specialty or specialties in which You have practiced in the period preceding Your Disability.]

[You or Your means the person to whom this certificate is issued.]

Eligibility and Enrollment

[Eligible Persons: Who is Eligible for Coverage? All persons in the class or classes shown in the Schedule of Insurance will be considered Eligible Persons.]

[Eligibility for Coverage: When will I become Eligible? You will become eligible for coverage on the later of:
1) the [Policy] Effective Date ; [or
2) the date on which You complete the Eligibility Waiting Period for Coverage.
See the Schedule of Insurance for the Eligibility Waiting Period for Coverage.]

[Enrollment: How do I enroll for coverage? [For coverage under Option 1, all eligible Active Employees will be enrolled automatically by the Employer.

For coverage under Option 2, You must enroll.] To enroll [for coverage]You must:
1) complete and sign a group insurance enrollment form which is satisfactory to Us; and
2) deliver it to the Employer.

[You have the option to enroll by voice recording or electronically. Your Employer will provide instructions.]

[If You do not enroll within [31 days] after becoming eligible under The Policy, or if You were eligible to enroll under the Prior Policy and did not do so, and later choose to enroll:]

- 1) You must give Us Evidence of Insurability satisfactory to Us; and
- 2) [You may only enroll:
 - a) during an [Annual Enrollment Period] designated by the Policyholder; or
 - b) within [31 days] of the date You have a Change in Family Status.]

[The dates of the [Annual Enrollment Period] are shown in the Schedule of Insurance.]]

[Evidence of Insurability: What is Evidence of Insurability? Evidence of Insurability may include, but will not be limited to:
1) [a completed and signed application approved by Us;
2) a medical examination; and
3) any additional information and attending Physicians' statements.]

All Evidence of Insurability will be furnished at [Your] expense. We will then determine if You are insurable under The Policy.]

[Change in Family Status: What constitutes a Change in Family Status? A Change in Family Status means:
1) [You get married or You execute a domestic partner affidavit;
2) Your child is born or You adopt or become the legal guardian of a child;
3) Your spouse dies or You and Your spouse divorce;
4) Your child is emancipated or dies;
5) Your spouse is no longer employed, which results in a loss of group insurance; or
6) You have a change in classification from part-time to full-time or from full-time to part-time.]]

Period of Coverage

[Effective Date:
*When does my
coverage start?*

[If You are not required to contribute toward The Policy's cost,] Your coverage will start:
1) [for benefit amounts not requiring Evidence of Insurability,] on the date You become eligible;
or
2) [for benefit amounts requiring Evidence of Insurability, on the date We approve such
evidence.]

[If You must contribute toward The Policy's cost,] Your coverage will start on the earliest of:
1) [the date] You become eligible, [for benefit amounts not requiring Evidence of Insurability,]
if You enroll or have enrolled by then;
2) [the date] on which You enroll, [for benefit amounts not requiring Evidence of Insurability,]
if You do so within [31 days] after the date You are eligible;
3) [[the date] We approve Your Evidence of Insurability, for benefit amounts requiring Evidence
of Insurability; or]
4) [the first day of the month following the Annual Enrollment Period if You enroll, [for benefit
amounts not requiring Evidence of Insurability,] during an Annual Enrollment Period.]]

**[Deferred
Effective Date:**
*Will my coverage
start or an increase
in my coverage
take effect if I am
not Actively at
Work on the date
my coverage is to
start or increase?*

If You are absent from work due to:

- 1) accidental bodily injury;
- 2) Sickness;
- 3) Mental Illness;
- 4) Substance Abuse; or
- 5) [pregnancy;]

on the date Your insurance [or increase in coverage] would otherwise have become effective, Your
insurance, [or increase in coverage] will not become effective until You are Actively at Work one full
day.]

Period of Coverage

[Changes in Coverage: Can I change my benefit option?

[You may change Your benefit option only:

- 1) during an Annual Enrollment Period; or
- 2) within [31 days] of a Change in Family Status.

At such time] You may decrease coverage, or increase coverage to a higher option. [An increase in coverage [that is greater than the next higher option from Your current coverage] will be subject to Your submission of an application that meets Our approval.]]

[When will a requested change in benefit option take effect?

[If You enroll for a change in benefit option during an Annual Enrollment Period, the change will take effect on the later of:

- 1) [the first day of the month following the Annual Enrollment Period;] or
- 2) [the date We approve Your Evidence of Insurability if You are required to submit Evidence of Insurability.]]

[If You enroll for a change in benefit option within [31 days] following a Change in Family Status, the change will take effect on the later of:

- 1) the date You enroll for the change; or
- 2) [the date We approve Your Evidence of Insurability if You are required to submit Evidence of Insurability.]]

[Any such increase in coverage is subject to the following provisions:

- 1) Deferred Effective Date; and
- 2) Pre-existing Conditions Limitations.]]

[Do coverage amounts change if there is a change in [my class or] my rate of pay?

Your coverage may increase or decrease on the date there is a change in [Your class or] Pre-disability Earnings. However, no increase in coverage will be effective unless on that date You:

- 1) are an Active Employee; and
- 2) are not absent from work due to being Disabled. If You were so absent from work, the effective date of such increase will be deferred until You are Actively at Work for one full day.

No change in Your Pre-disability Earnings will become effective until the date We receive notice of the change.]

[What happens if the Employer changes the Policy?

Any increase or decrease in coverage because of a change in The Policy will become effective on the date of the change, [subject to the following provisions:

- 1) the Deferred Effective Date provision; and
- 2) Pre-existing Conditions Limitations.]

Period of Coverage

**[Continuity
From A Prior
Policy: Is there
continuity of
coverage from a
Prior Policy?**

[If You were:

- 1) insured under the Prior Policy; and
 - 2) not eligible to receive benefits under the Prior Policy;
- on the day before the [Policy] Effective Date, the Deferred Effective Date provision will not apply.]]

*[Is my coverage
under The Policy
subject to the
Pre-existing
Condition
Limitation?*

[If You become insured under The Policy on the [Policy] Effective Date and were covered under the Prior Policy on the day before the [Policy] Effective Date, the Pre-existing Conditions Limitation will end on the earliest of :

- 1) the [Policy] Effective Date, if Your coverage for the Disability was not limited by a pre-existing condition restriction under the Prior Policy; or
- 2) the date the restriction would have ceased to apply had the Prior Policy remained in force, if Your coverage was limited by a pre-existing condition limitation under the Prior Policy.

[The amount of the [Weekly] Benefit payable for a Pre-existing Condition in accordance with the above paragraph will be the lesser of:

- 1) the [Weekly] Benefit which was paid by the Prior Policy; or
- 2) the [Weekly] Benefit provided by The Policy.]

The Pre-existing Conditions Limitation will apply after the [Policy] Effective Date to the amount of a benefit increase which results from a change from the Prior Policy to The Policy, a change in benefit options, a change of class or a change in The Policy.]]

*[Do I have to
satisfy an
Elimination
Period under The
Policy if I was
Disabled under
the Prior Policy?*

If You received [weekly] benefits for disability under the Prior Policy, and You returned to work as a [Full-time] Active Employee [before The [Policy] Effective Date], then, if within [6 months] of Your return to work:

- 1) You have a recurrence of the same disability while covered under The Policy; and
 - 2) there are no benefits available for the recurrence under the Prior Policy;
- the Elimination Period, which would otherwise apply, will be waived if the recurrence would have been covered without any further elimination period under the Prior Policy.]

Period of Coverage

Termination:
*When will my
coverage stop?*

Your coverage will end on the earliest of the following:

- 1) [the date] The Policy terminates;
- 2) [[the date] The Policy no longer insures Your class;]
- 3) [the date] premium payment is due but not paid by the Employer;
- 4) [the last day of the period for which You make any required premium contribution;]
- 5) [the last day of the month on or next following the month in which Your Employer terminates Your employment;]
- 6) [the date] You cease to be a [Full-time] Active Employee in an eligible class for any reason, unless coverage is extended under the Continuation Provisions; or
- 7) [the date Your Employer ceases to be a Participating Employer].

Period of Coverage

[Continuation Provisions: Can my insurance be continued?]

Your coverage can be continued by Your Employer beyond a date shown in the Termination provision, if Your Employer provides a plan of continuation which applies to all employees the same way.

Continued coverage:

- 1) is subject to any reductions in the Policy;
- 2) is subject to payment of premium [by the Employer;] and
- 3) terminates when the Policy terminates, [coverage for Your class terminates or Your Employer ceases to be a Participating Employer.]

In any event, Your benefit level, or the amount of earnings upon which Your benefits may be based, will be that in effect on the day before Your coverage was continued. Coverage may be continued in accordance with the above restrictions and as described below:

[Leave of Absence: If You are on a documented [medical] leave of absence, other than Family or Medical Leave, Your coverage may be continued [until the last day of the month in which] the leave of absence commenced. If the leave terminates prior to the agreed upon date, this continuation will cease immediately.]

[Lay-off: If You are temporarily laid off by the Employer due to lack of work, Your coverage may be continued [until the last day of the month in which] the lay-off commenced. If the lay-off becomes permanent, this continuation will cease immediately.]

[Family Medical Leave: If You are granted a leave of absence, in writing, according to the Family and Medical Leave Act of 1993, or other applicable state or local law, Your coverage may be continued for up to [12 weeks, or longer if required by other applicable law,] following the date Your leave commenced. If the leave terminates prior to the agreed upon date, this continuation will cease immediately.]

[General Work Stoppage (including a strike or lockout): If Your employment terminates due to a cessation of active work as the result of a general work stoppage (including a strike or lockout), Your coverage shall be continued during the work stoppage [until the last day of the month in which] the coverage terminated. If the work stoppage ends, this continuation will cease immediately.]

[Sabbatical: If You are on a documented [paid] sabbatical, Your coverage may be continued [until the last day of the month in which] the sabbatical commenced. If the sabbatical terminates prior to the agreed upon date, this continuation will cease immediately.]

[Military Leave of Absence: If You enter active military service and are granted a military leave of absence in writing, Your coverage may be continued for up to [8 weeks]. [If the leave ends prior to the agreed upon date, this continuation will cease immediately.]]

[Coverage while Disabled: Does my insurance continue while I am Disabled and no longer an Active Employee?]

[If You are Disabled and You cease to be an Active Employee, Your insurance will be continued:

- 1) while You remain Disabled; and
- 2) until the end of the period for which You are entitled to receive [short term] Disability Benefits provided premiums for Your coverage continue to be paid.

After [short term] Disability benefit payments have ceased, Your insurance will be reinstated, provided:

- 1) You return to work for one full day as a [Full-time] Active Employee in an eligible class;
- 2) The Policy remains in force; and
- 3) the premiums for You were paid during Your Disability, and continue to be paid.]]

Period of Coverage

[Extension of Benefits for Disability: Do my benefits continue if the Policy terminates?

If You are entitled to benefits while Disabled and The Policy terminates, benefits:

- 1) will continue as long as You remain Disabled by the same Disability; but
- 2) will not be provided beyond the date We would have ceased to pay benefits had the insurance remained in force.

Termination of The Policy for any reason will have no effect on Our liability under this provision.]

Benefits

[Disability Benefit: *When do I qualify for Disability Benefits?*

If, while covered under this Benefit, You:

- 1) become Totally Disabled;
- 2) remain Totally Disabled; and
- 3) submit Proof of Loss to Us;

We will pay the Weekly Benefit.

[The amount of any Weekly Benefit payable will be reduced by:

- 1) the total amount of all Other Income Benefits, including any amount for which You could collect but did not apply; and
- 2) any income received from [the Employer] for the period You are Totally Disabled.]]

[Minimum Weekly Benefit: *Is there a Minimum Weekly Benefit?*

Your Weekly Benefit will not be less than the Minimum Weekly Benefit shown in the Schedule of Insurance.]

[Partial Week Payment: *How is a benefit calculated for a period of less than a week?*

If a Weekly Benefit is payable for less than a week, We will pay [1/7] of the Weekly Benefit for each day You were Disabled.]

Benefits

[Recurrent Disability: *What happens to my benefits if I return to work as an Active Employee and then become Disabled again?*

When Your return to work as an Active Employee is followed by a Disability, and such Disability is:

- 1) due to the same cause; or
- 2) due to a related cause; and
- 3) within [14] consecutive [calendar] days of the return to work;

the Period of Disability prior to Your return to work and the recurrent Disability will be considered one Period of Disability, provided The Policy remains in force.

If You return to work as an Active Employee for [14] consecutive days or more, any recurrence of a Disability will be treated as a new Disability.

Period of Disability means a continuous length of time during which You are Disabled under The Policy.]

[Multiple Causes: *How long will benefits be paid if a period of Disability is extended by another cause?*

If a period of Disability is extended by a new cause while Weekly Benefits are payable, Weekly Benefits will continue while You remain Disabled, subject to the following:

- 1) Weekly Benefits will not continue beyond the end of the original Maximum Duration of Benefits; and
- 2) any Exclusions [and Pre-existing Conditions Limitations] will apply to the new cause of Disability.]

Benefits

[Termination of Benefit

Payment: *When will my benefit payments end?*

Benefit payments will stop on the earliest of:

- 1) the date You are no longer Disabled;
- 2) the date You fail to furnish Proof of Loss;
- 3) [the date You are no longer under the Regular Care of a Physician, [unless qualified medical professionals have determined that further medical care and treatment would be of no benefit to You;]]
- 4) [the date You refuse Our request that You submit to an examination by a Physician or other qualified medical professional;]
- 5) the date of Your death;
- 6) [the date You refuse to receive recommended treatment that is generally acknowledged by Physicians to cure, correct or limit the disabling condition;]
- 7) [the last day benefits are payable according to the Maximum Duration of Benefits;
- 8) [the date Your Current Monthly/Weekly Earnings are equal to or greater than [80 %] of Your [Indexed] Pre-disability Earnings if You are receiving benefits for being Disabled from Your Occupation;] or
- 9) the date no further benefits are payable under any provision in The Policy that limits benefit duration;] or
- 10) [the date You refuse to participate in a Rehabilitation program, [or refuse to cooperate with or try:
 - a) modifications made to the work site or job process to accommodate Your identified medical limitations to enable You to perform the Essential Duties of Your Occupation [or a Reasonable Alternative;]
 - b) adaptive equipment or devices designed to accommodate Your identified medical limitations to enable You to perform the Essential Duties of Your Occupation [or a Reasonable Alternative;]]] or
- 11) [the date You receive retirement benefits from any employer's Retirement plan, unless:
 - a) You were receiving them prior to becoming Disabled; or
 - b) You immediately transfer the payment to another plan qualified by the United States Internal Revenue Service for the funding of a future retirement.]

Benefits

[Disabled and Working Benefits: How

are benefits paid when I am Disabled and Working?

If, while covered under this benefit, You are Disabled and Working, as defined, [We will use the following calculation to determine Your [or Your Spouse's] [Weekly/Monthly] Benefit:

$$[\text{Weekly/Monthly}] \text{ Benefit} = (A - B) \times C$$

A

Where

A = Your Pre-disability [Weekly/Monthly] Earnings.

B = Your Current [Weekly/Monthly] Earnings.

C = The [Weekly/Monthly Benefit] payable if You were Totally Disabled.]

If You are participating in a program of Rehabilitative Employment approved by Us, We will determine Your [Weekly/Monthly Benefit] by the Rehabilitative Employment Benefit.

[Days which You are Disabled and Working may be used to satisfy the Benefits Commence Period.]]

[Disabled and Working Benefits: How

are benefits paid when I am Disabled and Working?

If, while covered under this benefit, You are Disabled and Working, as defined, [the Weekly/Monthly Benefit] otherwise payable for Total Disability will be reduced by [%] of Your Current [Weekly/Monthly] Earnings. Your [Weekly/Monthly Benefit], however, will not be less [than the Minimum Weekly/Monthly Benefit.]

If You are participating in a program of Rehabilitative Employment approved by Us, We will determine Your [Weekly/Monthly Benefit] by the Rehabilitative Employment Benefit.

[Days which You are Disabled and Working may be used to satisfy the Benefits Commence Period.]]

[Disabled and Working Benefits: How

are benefits paid when I am Disabled and Working?

If, while covered under this benefit, You are Disabled and Working, as defined, [and payments under the Total Disability benefit under The Policy have begun, the following calculation will be used to determine Your [Weekly/Monthly Benefit]:

- 1) multiply Your Pre-Disability Earnings by the Benefit Percentage; and
- 2) compare the result with the Maximum Benefit; and
- 3) from the lesser amount deduct Other Income Benefits.

Current Weekly/Monthly Earnings will not be used to reduce Your [Weekly/Monthly] Benefit.

However, if the sum of Your Weekly/Monthly Benefit and Your Current [Weekly/Monthly] Earnings exceeds [60-100% of] Your Pre-Disability Earnings, We will reduce Your [Weekly/Monthly] Benefit by the amount of the excess.]

If You are participating in a program of Rehabilitative Employment approved by us, We will determine Your [Weekly/Monthly Benefit] by the Rehabilitative Employment Benefit.

[Days which You are Disabled and Working may be used to satisfy the Benefits Commence/Elimination Period.]]

Benefits

**[Rehabilitative
Employment
Benefit: What
happens to my
benefits if I
accept
Rehabilitative
Employment?**

If, while You are Totally Disabled [or Disabled and Working], You accept Rehabilitative Employment, We will continue to pay a [Weekly/Monthly] Benefit.

The [Weekly/Monthly] Benefit We will pay will be equal to Your Total Disability [Weekly/Monthly] Benefit, less 50% of any income received from the Rehabilitative Employment.

The sum of the [Weekly/Monthly] Benefit and total income received from Rehabilitative Employment may not exceed [50-70%] of Your Pre-disability Earnings. If this sum exceeds the Pre-disability Earnings, the [Weekly/Monthly] Benefit paid by Us will be reduced by the excess amount.

We reserve the right to review any Rehabilitative Employment You participate in while benefits are being paid under The Policy.

If You remain Totally Disabled [or Disabled and Working] after a period of Rehabilitative Employment, You may continue to receive benefits under the Total Disability Benefit [or Disabled and Working], subject to the Maximum Payment Period for such benefit.]

Benefits

OPTIONAL

[Cost-Of-Living Adjustment:

How do my benefits keep pace with inflation?

We [will] adjust Your Weekly Benefit for increases in the cost-of-living if:

- 1) You have been Disabled for [12 consecutive months]; and
- 2) [You are receiving benefits;] [and
- 3) Your Current Weekly Earnings are less than or equal to 20% of Your Pre-disability Earnings;]

when the Cost-of-Living Adjustment is made. We make the Cost-of-Living Adjustment [each year on January 1st.]

What is the Cost-of-Living Adjustment formula?

We apply the Cost-of-Living Adjustment formula by:

- 1) determining the lesser of:
 - a) [%]; or
 - b) [1/2] the percentage change in the Consumer Price Index;
- 2) multiplying the resulting percentage (%) times the Weekly Benefit for Disability being received; and
- 3) adding the resulting amount to Your Weekly Benefit.

When will the Cost-of-Living Adjustments end?

You will not receive a Cost-of-Living Adjustment after:

- 1) You cease to be Disabled; [or
- 2) You have received [5] adjustments;] or
- 3) The Policy terminates.

Consumer Price Index (CPI-W) means the index for Urban Wage Earners and Clerical Workers published by the United States Department of Labor. It measures on a periodic (usually monthly) basis the change in the cost of typical urban wage earners' and clerical workers' purchase of certain goods and services. If the index is discontinued or changed, We may use another nationally published index that is [comparable to the CPI-W / approved by the Insurance Commissioner of the state in which the Policy is delivered].

For the purposes of this benefit, the percentage change in the CPI-W means the difference between the current year's CPI-W as of July 31, and the prior year's CPI-W as of July 31, divided by the prior year's CPI-W.]

Benefits

**[Cafeteria Plan
Election
Restriction**

The Policy is a part of a Cafeteria Plan sponsored by Your employer and governed by the requirements of Section 125 of the Internal Revenue Code. The rules of the Cafeteria Plan will supersede any provisions of the Policy which are in conflict with them.

Cafeteria Plans are subject to the following restriction:

The benefits You elect during the enrollment period will remain in effect until the next enrollment period.

Section 125 allows exception to this rule only in specified situations, including Change in Family Status and commencement or termination of employment.]

Exclusions and Limitations

[Exclusions:
*What Disabilities
are not covered?*

[The Policy does not cover, and We will not pay a benefit for any Disability:

- 1) unless You are under the Regular Care of a Physician;
- 2) that is caused [or contributed to by] war or act of war (declared or not);
- 3) caused by Your commission of or attempt to commit a felony;
- 4) caused or contributed to by Your being engaged in an illegal occupation;
- 5) caused [or contributed to by] an intentionally self-inflicted [Injury];
- 6) unless it is the result of a work-related [Injury or Sickness] sustained in the course of performing tasks for the Employer;
- 7) for which Workers' Compensation benefits are paid, or may be paid, if duly claimed; or
- 8) sustained as a result of doing any work for pay or profit for [any/another] employer, including self-employment.

If You are receiving or are eligible for benefits for a Disability under a prior disability plan that:

- 1) was sponsored by the Employer; and
- 2) was terminated before the Effective Date of The Policy,

no benefits will be payable for the Disability under The Policy.]]

**[Pre-Existing
Condition
Limitation:** *Are
benefits limited
for Pre-existing
Conditions?*

[We will not pay any benefit, or any increase in benefits, under The Policy for any Disability that results from, or is caused or contributed to by, a Pre-existing Condition,] [unless, at the time You become Disabled:

- 1) You have not received Medical Care for the condition for [6] consecutive month(s) while insured under The Policy; or
- 2) [You have been continuously insured under The Policy for [365] consecutive day(s)].

Pre-existing Condition means:

- 1) any [accidental bodily injury, sickness,] Mental Illness, pregnancy, or episode of Substance Abuse; or
- 2) any manifestations, symptoms, findings, or aggravations related to or resulting from such [accidental bodily injury, sickness,] Mental Illness, pregnancy, or Substance Abuse;

for which You received Medical Care during the [6] month period that ends the day before:

- 1) Your effective date of coverage; or
- 2) the effective date of a Change in Coverage.

Medical Care is received when a physician or other health care provider:

- 1) is consulted or gives medical advice; or
- 2) recommends, prescribes, or provides Treatment.

Treatment includes but is not limited to:

- 1) medical examinations, tests, attendance or observation; and
- 2) use of drugs, medicines, medical services, supplies or equipment.]

Notice of Claim: *When should I notify the Company of a claim?*

You must give Us, [or Our representative,] [written] notice of a claim within [30 days] after Disability [or loss] occurs. If You cannot give notice within that time, You must give it to Us as soon as reasonably possible. Such notice must include Your name, Your address and the Policy Number.

[If You are Disabled and become eligible for the Activities of Daily Living Benefit, You must file a separate Notice of Claim within [30 days] of becoming eligible.]

Claim Forms: *Are special forms required to file a claim?*

We [or Our representative] will send forms to You to provide Proof of Loss, within [15 days] of receiving a Notice of Claim. If We do not send the forms within [15 days], You may submit any other [written] proof which fully describes the nature and extent of Your claim.

[Proof of loss is typically provided by telephone; however, if forms are required, they will be sent to You for providing Proof of Loss within 15 days after We receive a notice of claim.]

Proof of Loss: *What is Proof of Loss?*

[Proof of Loss may include but is not limited to the following:

- 1) documentation of:
 - a) the date Your Disability began;
 - b) the cause of Your Disability;
 - c) the prognosis of Your Disability;
 - d) Your Pre-disability Earnings, Current [Monthly/Weekly] Earnings or any income, including but not limited to copies of Your filed and signed federal and state tax returns; and
 - e) evidence that You are under the Regular Care of a Physician;
- 2) any and all medical information, including x-ray films and photocopies of medical records, including histories, physical, mental or diagnostic examinations and treatment notes;
- 3) the names and addresses of all:
 - a) Physicians or other qualified medical professionals You have consulted;
 - b) hospitals or other medical facilities in which You have been treated; and
 - c) pharmacies which have filled Your prescriptions within the past three years;
- 4) Your signed authorization for Us to obtain and release:
 - a) medical, employment and financial information; and
 - b) any other information We may reasonably require;
- 5) Your signed statement identifying all Other Income Benefits; and
- 6) proof that You and Your dependents have applied for all Other Income Benefits which are available.

You will not be required to claim any retirement benefits which You may only get on a reduced basis.] All proof submitted must be satisfactory to Us.

[Additional Proof of Loss: *What additional proof of loss is the Company entitled to?*

To assist Us in determining if You are Disabled, or to determine if You meet any other term or condition of The Policy, We have the right to require You to:

- 1) meet and interview with our representative; and
- 2) be examined by a Physician, vocational expert, functional expert, or other medical or vocational professional of Our choice.

Any such interview, meeting or examination will be:

- 1) at Our expense; and
- 2) as reasonably required by us.

Your Additional Proof of Loss must be satisfactory to Us. Unless We determine You have a valid reason for refusal, We may deny, suspend or terminate Your benefits if You refuse to be examined or meet to be interviewed by Our representative.]

Sending Proof of Loss: *When must proof of Loss be given?*

Written Proof of Loss must be sent to Us within [90 days] after the start of the period for which We are liable for payment. If proof is not given by the time it is due, it will not affect the claim if:

- 1) it was not possible to give proof within the required time; and
- 2) proof is given as soon as possible; but
- 3) not later than [1 year] after it is due, unless You are not legally competent.

We may request Proof of Loss throughout Your Disability. In such cases, We must receive the proof within [30 days] of the request.

Claim
Payment: *When are benefit payments issued?*

When We determine that You;
1) are Disabled; and
2) eligible to receive benefits;
We will pay accrued benefits at the end of each month that You are Disabled. We may, at Our option, make an advance benefit payment based on Our estimated duration of Your Disability. If any payment is due after a claim is terminated, it will be paid [as soon as] Proof of Loss satisfactory to Us is received.

Benefits are not payable for any period during which You are confined to a penal or correctional institution if the period of confinement exceeds 30 days.

Claims to be Paid: *To whom will benefits for my claim be paid?*

All payments are payable to You. Any payments owed at Your death may be paid to Your estate. If any payment is owed to:
1) Your estate;
2) a person who is a minor; or
3) a person who is not legally competent;
then We may pay up to [\$1,000] to a person who is Related to You and who, at Our sole discretion, is entitled to it. Any such payment shall fulfill Our responsibility for the amount paid.

Claim Denial: *What notification will I receive if my claim is denied?*

If a claim for benefits is wholly or partly denied, You will be furnished with written notification of the decision. This written notification will:
1) give the specific reason(s) for the denial;
2) make specific reference to the Policy provisions on which the denial is based;
3) provide a description of any additional information necessary to perfect a claim and an explanation of why it is necessary; and
4) provide an explanation of the review procedure.

Claim Appeal: *What recourse do I have if my claim is denied?*

On any claim, You or Your representative may appeal to Us for a full and fair review. To do so:
1) You must request a review upon written application within:
a) [180 days] of receipt of claim denial if the claim requires Us to make a determination of disability; or
b) [60 days] of receipt of claim denial if the claim does not require Us to make a determination of disability; and
2) You may request copies of all documents, records, and other information relevant to Your claim; and
3) You may submit written comments, documents, records and other information relating to Your claim.

We will respond to You in writing with Our final decision on the claim.

[Social Security: When must I apply for Social Security Benefits?

You must apply for Social Security disability benefits when the length of Your Disability meets the minimum duration required to apply for such benefits. You must apply within [45 days] from the date of Our request. If the Social Security Administration denies Your eligibility for benefits, You will be required:

- 1) to follow the process established by the Social Security Administration to reconsider the denial; and
- 2) if denied again, to request a hearing before an Administrative Law Judge of the Office of Hearing and Appeals.]

[Benefit Estimates: How does the Company estimate Disability benefits under the United States Social Security Act?

We reserve the right to reduce Your [Monthly/Weekly] Benefit by estimating the Social Security disability benefits You [or Your spouse and children] may be eligible to receive.

When We determine that You [or Your Dependent] may be eligible for benefits, We may estimate the amount of these benefits. We may reduce Your [Monthly/Weekly] Benefit by the estimated amount. Your [Monthly/Weekly] Benefit will not be reduced by estimated Social Security disability benefits if:

- 1) You apply for Social Security disability benefits and pursue all required appeals in accordance with the Social Security provision; and
- 2) You have signed a form authorizing the Social Security Administration to release information about awards directly to Us; and
- 3) You have signed and returned Our reimbursement agreement, which confirms that You agree to repay all overpayments.

If We have reduced Your [Monthly/Weekly] Benefit by an estimated amount and:

- 1) You [or Your Dependent] are later awarded Social Security disability benefits, We will adjust Your [Monthly/Weekly] Benefit when We receive proof of the amount awarded, and determine if it was higher or lower than Our estimate; or
- 2) Your application for Social Security disability benefits has been denied, We will adjust Your [Monthly/Weekly] Benefit when You provide Us proof of final denial from which You cannot appeal from an Administrative Law Judge of the Office of Hearing and Appeals.

If Your Social Security benefits were lower than we estimated, and We owe You a refund, We will make such refund in a lump sum. If Your Social Security Benefits were higher than we estimated, and If Your [Monthly/Weekly] Benefit has been overpaid, You must make a lump sum refund to Us equal to all overpayments, in accordance with the Overpayment Recovery provision.]

Overpayment: When does an overpayment occur?

An overpayment occurs:

- 1) when We determine that the total amount We have paid in benefits is more than the amount that was due to You under the Policy; or
- 2) when payment is made by Us that should have been made under another group policy.

This includes, but is not limited to, overpayments resulting from:

- 1) retroactive awards received from sources listed in the Other Income Benefits definition;
- 2) failure to report, or late notification to Us of any Other Income Benefit(s) or earned income;
- 3) misstatement;
- 4) fraud; or
- 5) any error We may make.]

Overpayment Recovery: *How does the Company exercise the right to recover overpayments?*

We have the right to recover from You any amount that We determine to be an overpayment. You have the obligation to refund to Us any such amount. Our rights and Your obligations in this regard may also be set forth in the reimbursement agreement You will be required to sign when You become eligible for benefits under this Policy.

If benefits are overpaid on any claim, You must reimburse Us within [30 days.]

If reimbursement is not made in a timely manner, We have the right to:

- 1) recover such overpayments from:
 - a) [You;
 - b) any other organization;
 - c) any other insurance company;
 - d) any other person to or for whom payment was made; and
 - e) Your estate.]
- 2) reduce or offset against any future benefits payable to You or Your survivors, [including the Minimum [Monthly/Weekly] Benefit,] until full reimbursement is made. Payments may continue when the overpayment has been recovered;
- 3) refer Your unpaid balance to a collection agency; and pursue and enforce all legal and equitable rights in court.

Subrogation: *What are the Company's subrogation rights?*

If You:

- 1) suffer a Disability because of the act or omission of a Third Party;
- 2) become entitled to and are paid benefits under The Policy in compensation for lost wages; and
- 3) do not initiate legal action for the recovery of such benefits from the Third Party in a reasonable period of time;

then We will be subrogated to any rights You may have against the Third Party and may, at Our option, bring legal action against the Third Party to recover any payments made by Us in connection with the Disability.

Third Party as used in this provision, means any person or legal entity whose act or omission, in full or in part, causes You to suffer a Disability for which benefits are paid or payable under the Policy.

Reimbursement: *What are the Company's Reimbursement Rights?*

We have the right to request to be reimbursed for any benefit payments made or required to be made under the Policy for a Disability for which You recover payment from a Third Party.

If You recover payment from a Third Party as:

- a) a legal judgment;
- b) an arbitration award; or
- c) a settlement or otherwise;

You must reimburse Us for the lesser of:

- a) the amount of payment made or required to be made by Us; or the amount recovered from the Third Party less any reasonable legal fees associated with the recovery.

Legal Actions: *When can legal action be taken against Us?*

Legal action cannot be taken against Us:

- 1) sooner than [60 days] after the date proof of loss is given; or
- 2) [3] years after the date [Written] Proof of Loss is required to be given according to the terms of The Policy.

Insurance Fraud: *How does the Company deal with fraud?*

Insurance Fraud occurs when You [and/or Your Employer] provide Us with false information or files a claim for benefits that contains any false, incomplete or misleading information with the intent to injure, defraud or deceive Us. It is a crime if You [and/or Your Employer] commit Insurance Fraud. We will use all means available to Us to detect, investigate, deter and prosecute those who commit Insurance Fraud. We will pursue all available legal remedies if You [and/or Your Employer] perpetrate Insurance Fraud.

Misstatements: *What happens if facts are*
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If material facts about You were not stated accurately:

- 1) Your premium may be adjusted; and
- 2) the true facts will be used to determine if, and for what amount, coverage should have been

misstated?

in force.

[No statement made by You relating to Your insurability will be used to contest the insurance for which the statement was made after the insurance has been in force for two years during Your lifetime. In order to be used, the statement must be in writing and signed by You.]

Policy

Interpretation:

*Who interprets
the terms and
conditions of The
Policy?*

We have full discretion and authority to determine eligibility for benefits and to construe and interpret all terms and provisions of The Policy. This provision applies where the interpretation of The Policy is governed by the Employee Retirement Income Security Act of 1974, as amended (ERISA).

SERFF Tracking Number: HUMA-126684349 State: Arkansas
Filing Company: Kanawha Insurance Company State Tracking Number: 45996
Company Tracking Number:
TOI: H11G Group Health - Disability Income Sub-TOI: H11G.002 Short Term
Product Name: LTD/STD
Project Name/Number: /

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification Comments: Attachment: Readability Certification.pdf	Approved-Closed	06/29/2010

	Item Status:	Status Date:
Bypassed - Item: Application Bypass Reason: Application has previously been approved. Comments:	Approved-Closed	06/29/2010

STATE OF ARKANSAS
READABILITY CERTIFICATION

COMPANY NAME:

This is to certify that the form(s) referenced below has achieved a Flesch Reading Ease Score as indicated below and complies with the requirements of Ark. Stat. Ann. Section 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.

Form Number	Score
1689 AR 6/10	44

Signed: Donna Faulkenberry
Name: Donna Faulkenberry
Title: Specialist

Date: 6/21/2010