



Lets look at the State of South Carolina  
Disability Plans

Basic Disability Plan

The Supplemental Long Term Disability Plan

NOT KNOWING HOW EACH OF THE DISABILITY PLANS  
WORK COULD COST YOU MONEY AND PROTECTION.

# YOUR STATE DISABILITY PLANS

THE STATE OF SOUTH CAROLINA PAYS FOR YOUR BASIC  
DISABILITY PLAN.

CAN YOU GET BY ON \$800 A MONTH IF YOU BECOME DISABLED?

# STATE DISABILITY PLANS

Nearly 60% of injuries happen off the job, which means they are not covered by Workers' Compensation.\* If you were disabled today, how would the taxable \$800 a month from the State Basic Plan take care of your Family?

How would you maintain your standard of living?

Both the Basic and Supplemental disability plans can provide the source of income to help you pay normal living expenses, but not when other income will be subtracted from your payments.

Do you really understand your Disability Plans?

What else can you do?

\* Source: National Safety Council, Injury Facts, 2002 Edition.

# STATE DISABILITY PLANS

## Basic Long Term Disability (BLTD) plan benefits overview\*

- Benefit waiting period: 90 days.
- Monthly BLTD benefit percentage: 62.5 percent of your pre-disability earnings, reduced by deductible income.
- Maximum benefit: \$800 per month.
- Maximum benefit period: To age 65 if you become disabled before age 62. If you become disabled at age 62 or older, the maximum benefit period is based on your age at the time of disability. The maximum benefit period for age 69 and older is one year.

# STATE DISABILITY PLANS

## Basic Disability Plan Features

- \$800 a month maximum

That's \$800 a month - Maximum!

I'll ask again, can you pay your mortgage, car payment, food, utilities on \$800 a month! Plus, they withhold your medical coverage premium!

AND, it gets worse - Because the State pays for your Disability YOU'RE TAXED ON THAT \$800 A MONTH! So now, its even less to pay your bills.

And as we said previously . . . . .

# STATE DISABILITY PLANS

## Basic Disability Plan Features

Other income is subtracted from that \$800 a month in addition to it being taxed!

Don't believe it? Well, here's what it says in the Insurance Benefits Guide 2021 page 126 and it says that in the BLTD plan benefits overview page 126 :

Your BLTD benefits will be reduced by your deductible income – income you receive or are eligible to receive – from other sources. Deductible income includes:

- Sick pay or other salary continuation (including sick-leave pool);
- Primary Social Security benefits;
- Workers' compensation;
- Other group disability benefits (except Supplemental Long Term Disability benefits described on Page 128);
- Maximum plan retirement benefits; and
- Other income sources.

# STATE DISABILITY PLANS

## So, what else is in the State Basic Disability Plan?

One of the major parts of any disability plan is the classification of your occupation. In insurance lingo its called “Own-Occ”, which means Own Occupation.

In your State Basic Disability Plan your “Own Occ” lasts for 24 months, then you go back to work, because your payments are over. (page 125 of your 2021 Insurance Benefits Guide)

You are unable to perform, with reasonable continuity, the material duties of your own occupation during the benefit waiting period and the first 24 months of disability.)

You should have a “True Own Occ” which means the disability payments last until the policy expires, usually at age 65 or 67.

Oh, and there’s something else you should know . . .

# STATE DISABILITY PLANS

## Your Basic Disability Plan is not portable!

That means you can't take it with you, if you change jobs, retire, etc. Here's what it says in the Insurance Benefits Guide 2021, page 129:

Your BLTD coverage ends automatically on the earliest of:

- The date the plan ends;
- The date you no longer meet the requirements noted in the Eligibility section of this chapter;
- The date your health coverage as an active employee ends; or
- The date your employment ends.

You want your disability plan to go with you, why would you want to requalify all over again AND at a higher cost because you're more than likely older.

# STATE DISABILITY PLANS

## A few more things . . .

You have a 90 day elimination period – that means you have to wait 90 days before you receive what ever the amount is that you'll receive. But that's pretty common, among disability plans.

But here's something you may not know . . .

### Eligibility (page 126 – Insurance Benefits Guide 2021)

You are eligible for BLTD if you are covered under the State Health Plan or the TRICARE Supplement Plan and are an active, full-time employee as defined by the Plan or a full-time academic employee and you are employed by: a department, agency, board, commission or institution of the state; a public school district; a county government (including county council members); or another group participating in the state's insurance program

To receive benefits, you must be actively employed when your disability occurs.

You more than likely are enrolled in the State Health Plan, but if you're not you can't get the Basic Disability Plan.

Now, lets talk about the State Supplemental Long Term Disability Plan

# STATE DISABILITY PLANS

## Supplemental Long Term Disability Plan (SLTD)

### **Enrollment** (Insurance Benefits Guide 2021 – page 130)

You can enroll in the SLTD program within 30 days of eligibility. You may choose from one of two benefit waiting periods – 90 or 180 days. If you fail to enroll within 30 days of your hire date, you must complete a medical history statement. The Standard may require you to undergo a physical examination and blood test.

You also may be required to provide any additional information about your insurability that The Standard may reasonably require, **at your own expense**. Throughout the year, you may enroll with medical evidence of good health.

# STATE DISABILITY PLANS

When are you considered disabled? (Insurance Benefits Guide 2021 - page 130)

You are considered disabled and eligible for benefits if you cannot work due to a covered injury, physical disease, mental disorder or pregnancy. You will also need to satisfy your appropriate benefit waiting period and meet the following definitions of disability during the period to which they apply.

**Own occupation disability** (Insurance Benefits Guide 2021 - pages 130 - 131)

You are unable to perform, with reasonable continuity, the material duties of your own occupation during the benefit waiting period and the first 24 months SLTD benefits are payable\*.

“Own occupation” means any employment, business, trade, profession, calling or vocation that involves material duties\* of the same general character as your regular and ordinary employment with the employer. Your own occupation is not limited to your job with your employer, nor is it limited to when your job is available.

***This means you're paid for 24 months (after your 90 day or 180 day waiting period) and then your employer can put you back to work at any job that is available.***

# STATE DISABILITY PLANS

## Pre-existing conditions (Insurance Benefits Guide 2021 page 131)

Pre-existing condition means any injury, illness, or symptom (including secondary conditions and complications) that was medically documented as existing, or for which medical treatment, medical service, prescriptions or other medical expense was incurred, at any time during the pre-existing condition period shown in the Coverage Features of the Certificate of Coverage.

***No benefits will be paid for a disability caused or contributed to by a pre-existing condition unless on the date you become disabled:***

- You have been continuously covered under the plan for at least 12 months (this is the exclusion period); or
- Your date of disability falls within 12 months after your SLTD coverage became effective and you can demonstrate you have not consulted a physician, received medical treatment or services or taken prescribed drugs during the six-month period preceding your coverage effective date (this is the preexisting condition period).

# STATE DISABILITY PLANS

**Deductible income** (Insurance Benefits Guide 2021 - page 132 - 133)

***Your SLTD benefits will be reduced by your deductible income - income you receive or are eligible to receive - from other sources.***

## **Deductible income includes:**

- Sick pay or other salary continuation (including sick-leave pool);
- Primary and dependent Social Security benefits;
- Workers' compensation;
- BLTD benefits;
- Other group disability benefits;
- Maximum plan retirement benefit; and
- Other income sources.

In addition, TERI funds, at the time they are deferred into your TERI account, are deductible income back to the time you began receiving disability benefits.

# STATE DISABILITY PLANS

## **When SLTD coverage ends** (Insurance Benefits Guide 2021 – page 133)

Your SLTD coverage ends automatically on the earliest of:

- The last day of the month for which you paid a premium;
- The date the group policy ends; or
- The date you no longer meet the requirements of Eligibility.

## **When benefits end** (Insurance Benefits Guide 2021 – page 133)

Your benefits will end automatically on the earliest of these dates:

- The date you are no longer disabled;
- The date your maximum benefit period ends, unless SLTD benefits are continued by the lifetime security benefit;
- The date benefits become payable under any other group long term disability insurance policy for which you become insured during a period of temporary recovery; or
- The date of your death.

# STATE DISABILITY PLANS

## **Conversion** (Insurance Benefits Guide 2021 – pages 133 - 134)

When your SLTD insurance ends, you may buy SLTD conversion insurance **if you meet all of these criteria:**

Your insurance ends for a reason **other than:**

- Termination or amendment of the group policy;
- Your failure to pay a required premium; or
- Your retirement.
- You were insured under your employer's long term disability insurance plan for at least one year as of the date your insurance ended.
- You are not disabled on the date your insurance ends.
- You are a citizen or resident of the United States or Canada.
- You apply in writing and pay the first premium for SLTD conversion insurance within 30 days after your insurance ends.

# CUSTOM DISABILITY INSURANCE PLANS

All of our Disability Plans are custom made for each individual, we at NMIN Advisor will sit with each employee and after a series of questions, design their own Disability Plan.

All of our plans are portable so you can always take it with you if you change jobs, and because they are not group plans they are non-cancellable.

Please read the following slides and see the difference between our Disability Plans and the ones offered by the State.

# OUR DISABILITY PLAN FEATURES

- Individually owned - you can take it with you if you leave and it can't be canceled at any time like Group Disability coverage (like both State plans)
- You pay premiums yourself, so benefits are tax free (unlike the Basic DI Plan)
- Simplified Issued - no medical exams
- Other income NOT deducted from disability payout
- Fully customized for you, with the benefits you need
- Will pay in addition with your Basic DI Plan.
- Fixed premiums and noncancelable coverage
- Own Occupation - the coverage will pay till the policy ends at age 65 or 67 not for just 24 months.

# OUR DISABILITY PLAN FEATURES

Here's four features that you WON'T find in your State Disability Plans:

## **Student Loan Protection**

- The Student Loan Protection Rider reimburses you for student loan payments - no matter how many you have, or how many institutions they're with.
- Coverage up to \$2500 per month
- You can tailor coverage for a specific debt, \$250 - \$2500 per month
- Duration - 10 to 15 years
- No documentation is required

And . . .

# OUR DISABILITY PLAN FEATURES

## **Retirement Protection Plus (RPP)**

Retirement plans are one of the most important benefits you can use to create a healthy retirement income.

However, should you become too sick or injured to work, generally all retirement saving stops – because neither the employee nor the employer can make contributions if the employee is not actively at work.

RPP helps mitigate this risk by replacing the contribution you would have made to a defined contribution plan such as a 401k, 403b or 457 while totally disabled.

A monthly benefits insuring 100% of your retirement plan contributions, including any employer match, will be paid into a trust established for your benefit. You direct how benefits are invested and you can begin accessing them at age 65.

You can also get RPP as a stand alone benefit

# OUR DISABILITY PLAN FEATURES

## **Serious Illness Supplemental Benefit**

Many company benefits include Critical Illness or a Cancer, Stroke or Heart Attack benefit. But usually after you have used the benefit, its no longer available for that benefit.

**We have the Serious Illness Supplemental Benefit:** If you become totally disabled from cancer, a stroke, or a heart attack, we'll pay an additional 50% of your monthly benefit above and beyond your regular monthly benefit for up to 12 months over the life of your policy . . . . **AND ITS FREE!**

That means if you have a \$5,000 a month benefit, you will receive an additional \$2,500 a month for 12 months!

Call your NMIN Alliance representative today for more information!

# OUR DISABILITY PLAN FEATURES

## Exclusive Waiver of Premium

Our insurance companies policy will waive any premiums due while you're disabled and receiving benefits. And unlike most other insurance companies, we'll continue to waive them for six months after you recover and benefits end.

There are more benefit examples we can give you but the best way to insure your future is to call or email your NMIN Advisor representative.

# OUR DISABILITY PLAN FEATURES

## **Finding the Disability Plan Protection That Is Right For You.**

Now that you've had a chance to learn about your Disability Plans offered by the State of South Carolina, talk to your NMIN Alliance representative about a customized policy.

What's next?

1. Consider your protection needs and priorities
2. Ask your NMIN Alliance representative for a proposal or illustration
3. Don't forget to ask about Student Loan Protection and Retirement Protection Plus (RPP), Serious Illness Supplemental Benefit or the Exclusive Waiver of Premium.

No Obligation – No Pressure, just peace of mind.

Your local NMIN Advisor Representative: