UNDERSTANDING

Short & Long Term Disability Insurance

TO BE ELIGIBLE FOR SHORT AND LONG TERM PROTECTION:

- Must currently be working/employed (benefits are based on your salary)
- Must be a medically treated issue

Dis·a·bil·i·ty
noun

Lack of being able to perform one or more of the essential duties of your occupation due to injury, sickness, pregnancy or other medical conditions

How Does it Work?

DISABILITY INSURANCE IS BASED ON 3 THINGS:

1 Doctors Orders – LENGTH OF INABILITY TO WORK

- Short–Term **pays 60% of salary** up to 3 months to 2 years. Could start at day 1 for accident, or day 8 for illness. Pays on top of Sick Days/Bank for **Illness, Pregnancy, Surgery, or Accident**
- Long–term **pays 66.67 of salary when Sick Leave/Bank runs out.** Payout could last up to age 67

2 Your Salary & Age – 60–66% OF TOTAL GROSS PAY

- Covers members working ages 18 – 75
- Long-Term rates may change annually based on age and salary; Short-Term rates remain stable
- Long-Term could pay up to **$4,000** a month; Short-Term could pay up to **$6,000** a month
- You are **not taxed** on this income

3 Waiting Period – PRICE GOES DOWN AS WAIT GOES UP

- **Short-Term can start day 1**; payout could last up to 2 years
- No wait for **Accident** (on or off the job), 7 day wait for **Illness, Pregnancy, Surgery**
- There are many other variations of waiting periods that would reduce costs as wait goes up

**Coverage options offer other benefits in addition to those shown here.*
See brochure for exact payouts, limitations, exclusions, and policy descriptions.

eacc

Suzanne Herrmann
Benefit Advisor

Cell: (703) 795-0406
Office: (301) 985-2020

smh@employee-plans.com

Revised: 06/04/2026

Short-Term Disability (STD) is union-sponsored, pays a percentage of an employee's salary, based on doctor's orders, if they become ill or injured and are unable to work. This coverage provides financial support to replace lost income, so the ill or injured person can have time to recover. STD insurance typically pay 60% of your salary.

Long-Term Disability (LTD) is an insurance policy that protects an employee from loss of income in the event that he or she is unable to work due to illness, injury, or accident, for a long period of time. LTD begins to assist the employee when STD benefits or sick bank ends. LTD insurance typically pay 66.67% of your salary.

Top 4 Differences

SHORT-TERM INSURANCE

1. **Pays on top of all other benefits**
   Sick Leave, Sick Bank, FMLA, Holiday and Summer
2. **Protects for a short time — 3-6 months+**
   After an Accident, Illness, Pregnancy, or Surgery
3. **Rates never change!**
   Unless you want to increase coverage
4. **Starts after a short wait — 1-8 days+**
   No wait for Accident; even for Weekends & Summer!
   7+ Day wait for Illness, Pregnancy, and Surgery

LONG-TERM INSURANCE

1. **Does't pay unless Sick Leave/Bank runs out**
   Also doesn't Pay if you have Worker's Compensation
2. **Protects for a long time — Pays up to age 67**
   Terms of Payment will vary
3. **Rates change with your salary**
   Increases every year in January
4. **Starts after a long wait**
   Policy begins after this Wait Period

**Each STD & LTD policy has different conditions for payout, diseases, or pre-existing conditions that may be excluded, and various other conditions that make the policy more or less useful to an employee.*

Suzanne Herrmann
Benefit Advisor

Cell: (703) 795-0406
Office: (301) 985-2020

smh@employee-plans.com

Revised: 06/04/2026