Supplemental Individual Disability Insurance (IDI) Policy From 850 Key Features

This summary presents basic details on the features and benefits offered by Unum's Policy Form 850 Non Cancellable (NC) Supplemental Individual Disability Insurance policy. For more information or to see a sample policy with complete contractual descriptions of features and benefits, please email service@ltdcompletion.com.

Elimination Period

The Elimination Period (90 Days) is the length of time that must elapse during a disability resulting from an injury or sickness before benefits start to accrue.

Maximum Period of Payment

The maximum period of time the policy will provide monthly benefits- to age 67. (Payments may extend beyond age 67 for disabilities which begin after age 64 – see sample policy for details).

Renewability

The 850 policy is non-cancellable and guaranteed renewable to a specified date. "Non-cancellable" means the coverage and premium rates cannot be changed until the guarantee date of the policy (Age 67), as long as premiums are paid on time. The policy may be continued on a limited basis beyond the guarantee date, as long as the insured continues to work a minimum of 30 hours per week.

Income Replacement for Total Disability in Your Occupation

The base policy provides benefits if the insured is totally disabled in their regular occupation, which means due to an injury or sickness they are unable to perform the material and substantial duties of their regular occupation; not working in any occupation for which they are reasonably fitted by education, training or experience; and are under the care of a physician. In California, the definition varies, and "Regular Occupation" is known as "Usual Occupation."

Mental and Nervous Disorder Limitation

The lifetime cumulative maximum benefit period for all disabilities due to mental and nervous disorders is 24 months.

Pre-Existing Conditions

There is no pre-existing condition limitation on the policy. If eligible for coverage, upon approval, the policy provides coverage beginning on the effective date.

Presumptive Disability Benefit

An insured will automatically be considered totally disabled under the policy and will receive benefits for total and irrecoverable loss of power of speech, hearing in both ears, sight in both eyes or use of two limbs. No elimination period is required before benefits are payable.

Residual Disability Benefit

This benefit is payable when the insured is not totally disabled but, due to sickness or injury, loses time in their occupation or is unable to perform one or more of their material and substantial duties and is under a physician's care. A claimant can receive the Residual Disability Benefit first without qualifying for total disability. In California, this is known contractually as "Partial Disability Benefit."

Work Incentive Benefit (WIB) This benefit, also known as WIB, is payable after the insured satisfies the Elimination Period while they are residually disabled. The payable benefit will be the difference between prior income and current earnings, not to exceed the Total Disability Monthly Amount, up to 12 months.

Recovery Benefits will end the first month in which monthly earnings exceeds 80% of the insured's prior earnings. The Maximum Period of Payment options for the Recovery Benefit is 12 months.

Recurrent Disability Provision

Waives the Elimination Period for disability related to prior disability. After the end of a disability, if the insured becomes disabled again from the same or related causes, and such recurrence is within 6 months of the end of a disability, this will be a Recurrent Disability and considered a continuation of the insured's prior disability. The insured will not need to satisfy a new Elimination Period.

Waiver of Premium

After 90 days of disability, all future premiums will be waived while the insured is disabled under the policy.

OPTIONAL BENEFITS

Catastrophic Disability Benefit (CAT)

Optional feature that provides a monthly benefit in addition to the monthly base policy benefit and additional benefits for catastrophic types of disability. The applicant chooses a benefit based on income and occupation. The additional benefit is payable if the insured loses the ability to perform two or more activities of daily living (eating, bathing, dressing, transferring and using the toilet and continence); becomes cognitively impaired; or totally and irrecoverably loses the power of speech, hearing in both ears, sight in both eyes or use of two limbs. Requires loss to be caused by disability after the latter of the coverage effective date of the policy or the CAT effective date. In California, Presumptive Disability is the only benefit trigger for Catastrophic Disability Benefits. There is no ADL or cognitive impairment trigger.

Right to Purchase Increase (RPI)

Enables the insured to increase their total disability benefit amount every year up to age 55 as income grows, without medical documentation.

This information is not intended to be a complete description of the insurance coverage available. The policies or their provisions may vary or be unavailable in some states. The policies have exclusions and limitations which may affect any benefits payable. For complete details of coverage and availability, please refer to Annotated Specimen Policy C-850.
Underwritten by: Provident Life and Accident (Provident Life and Casualty NY), a Unum Group company, Chattanooga, TN.