

Langston University Policy and Procedures

LONG-TERM DISABILITY

PURPOSE

1.01 Langston University is committed to assisting employees when they suffer from a debilitating illness or injury by providing an opportunity for long-term disability (LTD) insurance coverage and related benefits.

1.02 This policy sets forth provisions for LTD and other benefits in coordination with Langston University Policies and Procedures and insurance contracts. In case of conflict or need for further clarification, the actual contract shall prevail.

SCOPE

2.01 This policy applies to all Langston University campuses and any other locations where business of the University is conducted.

2.02 To be eligible for LTD and related benefits, an employee must be in a continuous regular position of at least 0.75 full time equivalent (FTE) with an assignment of six months or more and must be enrolled in the group LTD insurance program. Provisions of this policy do not cover temporary or student employees.

2.03 This policy applies to non-occupational illness and injuries. Work-related disabilities are handled through Workers' Compensation, and applicable Oklahoma law.

POLICY AND PROCEDURES

3.01 LTD Insurance—Each faculty or staff who is appointed to a continuous regular appointment of at least 0.75 full time equivalent (FTE) for at least a six-month assignment will have the opportunity to enroll in the group LTD insurance program.

3.02 Elimination Period—The LTD insurance program requires six months from the onset of disability before LTD insurance benefits monthly payment commence. This first six months is called the "Elimination Period." No benefits are received from the LTD insurance program during this time. Langston University considers the last day worked as the beginning of the elimination period.

3.03 LTD Status—Once approved by the insurance vendor for LTD insurance benefits, the employee may be placed on LTD Status for a maximum of two years after which time the employee will separate employment or retire, if eligible.

3.04 LTD Insurance Claims—Employees are encouraged to file for LTD insurance benefits as soon as they become aware that absence from work because of a personal disabling condition may exceed six months. Failure to file promptly may cause a delay or loss of benefits.

3.05 Other Benefit Claims—Employees are also required to file for other income-related benefits to which they may be entitled, such as Social Security, Oklahoma Teachers' Retirement, etc. These benefits, if received, are used as an offset in the determination of LTD benefits to be paid to the employee. Income received from all such sources must be reported to the LTD insurance vendor.

3.06 Failure to File or Respond Promptly—Neither pay nor health insurance and/or life insurance premiums are to be paid retrospectively. No back pay will be afforded an employee who fails to file for LTD insurance benefits prior to the exhaustion of leave. However, upon filing the claim, an employee may receive supplemental pay from the filing date to the end of the six month elimination period.

A. If an employee fails to file for LTD insurance benefits in sufficient time for reasonable approval by the insurance vendor prior to the end of the elimination period and delays result in premiums billed for health insurance and/or life insurance, these charges will be the responsibility of the employee.

B. However, if the claim is subsequently approved and the employee is eligible for health insurance coverage, such payments may be made by the University in the future if the employee maintained coverage eligibility. The employee would not be responsible for any unnecessary delays on the part of the insurance vendor.

3.07 Leave of Absence with Pay—Employees who enroll in the LTD insurance program and file for LTD insurance benefits and meet the continuing disability requirements may be placed on a six month Leave of Absence with Pay to cover the elimination period beginning the day following the last day of work. If, for any reason, the LTD insurance benefits begin prior to the end of the six-month Leave of Absence with Pay, Langston University pay will end with the beginning of LTD insurance benefits.

3.08 Pay During Leave of Absence with Pay— Employees will use accrued sick leave, compensatory leave, and/or annual leave during the elimination period in accordance with applicable leave policies. The regular base pay rate of the employee on the last day of work prior to the leave of absence with pay will determine the pay rate for the entire leave of absence. The regular base rate for faculty with less than a twelve month appointment will continue to be the monthly rate in effect on the last day of work prior to the leave. This amount is considered as the base pay for any pay calculations during the six-month leave regardless of the regular appointment schedule.

3.09 Disability Supplement Pay--After all accrued sick, compensatory and/or annual leave has been exhausted, an employee may be awarded disability supplement pay for the remainder of the elimination period.

A. Physician's Statement—To be eligible to apply for LTD and to qualify for disability supplement pay, the employee must file for LTD insurance benefits, and an appropriate physician's statement must indicate that the employee will be unable to work for more than six consecutive months.

B. Disability Supplement Pay Amount—The amount of the disability supplement pay is

determined by the level of LTD insurance coverage elected by the employee (i.e. 50%, 60%, 70%).

- C. Holidays—If a University holiday falls during a period when the employee is receiving a disability supplement pay, the supplement is paid according to the applicable percent of LTD insurance coverage elected by the employee.
- D. Leave Accrual—During the disability pay supplement, an employee does not accrue leave. The department will adjust HRS records at the end of the six-month leave period to correct any inappropriate accruals.

3.10 Recovery During Elimination Period—An employee who is in the elimination period and who is released to return to work by the physician of record at any time prior to the completion of the elimination period must immediately notify his/her department of the release. The employee will return to work or make request for a personal leave of absence without pay. Any disability supplement pay received after the physician's release has been issued will be considered an overpayment and must be returned to Langston University. Failure to return to work without an approved leave of absence without pay will be considered abandonment of duties and will result in separation of employment.

3.11 Family Medical Leave—Family Medical Leave, when applicable will run concurrently during the elimination period.

3.12 Cessation of LTD Insurance Benefits—Individuals receiving LTD insurance benefits must inform University Human Resources if LTD insurance benefits cease so that an appropriate action can be taken—separation, termination of benefits, retirement, etc.

3.13 Successive LTD Leave—If a recovered employee suffers a recurrence of absence from assigned duty as a result of the same, or a new, illness or injury within three consecutive months after returning to work from disability leave, it will be considered a continuation of the same disability, and the unused balance, if any, of the original six-month leave of absence shall be granted.

3.14 New LTD Leave—If a recovered employee suffers a recurrence of absence from assigned duty as a result of the same or a new illness or injury three or more consecutive months after returning to work from disability leave, it will be considered a new disability, and an additional six-month leave with pay shall be awarded if needed to fulfill a new elimination period.

3.15 Excess Leave—If an employee has accumulated more than enough leave to cover the elimination period, the excess leave shall be handled as follows:

- A. Excess annual leave shall be paid to the employee in accordance with applicable University policies at the time the employee is placed on LTD Status.
- B. Excess sick leave shall be held for the employee and may be used for verification of retirement, if applicable.

3.16 Approval of LTD Insurance Claim—Upon notification from the insurance vendor that the long-term disability insurance claim has been approved; Langston University will place the individual on LTD Status.

3.17 Pending Determination for LTD Insurance Claim at End of Elimination Period—If notification has not been received from the LTD insurance vendor by the end of the elimination period, the employee may request leave without pay until notice is received for a period not to exceed six months. If the employee has sick, compensatory or annual leave remaining, the employee may request use of such leave. However, if subsequently approved by the LTD insurance vendor retroactively, Langston University pay shall be used as an offset by the LTD insurance vendor on the initial benefit payment.

3.18 Termination of Employment—Once an employee applies for LTD insurance benefits, s/he will not be separated from Langston University employment solely because of inability to perform assigned duties. If, however, termination of employment occurs before the employee files for LTD insurance benefits, the termination shall stand, but in accordance with the LTD insurance contract, the termination may not preclude the employee from applying for LTD insurance benefits. Langston University paid health insurance and/or life insurance benefits that end with termination of employment will not be reinstated even if the employee subsequently is approved for LTD insurance benefits.

3.19 Workers' Compensation—Disability arising from work-related injuries and illness will be handled in accordance with Oklahoma laws regarding workers' compensation. Therefore, these disabilities are excluded by the LTD insurance vendor.

3.20 Insurance Benefits—Employees whose health insurance and life insurance premiums are being paid by Langston University at the onset of the elimination period will continue to have them paid by Langston University during the elimination period provided the employee remains eligible for such coverage.

A. If approved for LTD insurance benefits, the health insurance premium will continue to be paid by Langston University at a level not to exceed that paid for active employee-only coverage for a period not to exceed the first two years of total disability and provided the individual remains eligible. If employee portions of health, dental, or vision premiums are not paid by the individual, the individual's health insurance may be cancelled along with other insurance coverages that require individual contributions.

B. Langston University will not continue to pay life insurance premiums after the elimination period because the life insurance contract has a "waiver of premium" clause for which the individual may qualify.

3.21 Health Insurance Premium Limitation—Individuals on LTD status will receive an amount of health insurance premium contribution up to that paid for continuous regular employees with employee-only coverage for the first two years of disability. After the first two years of disability, the employee will be removed from University-paid benefits due to Medicare eligibility unless the employee was eligible for Langston University retirement at the end of the elimination period. If the employee was retirement eligible, the employee may choose to continue benefits as a Langston University retiree through Langston University.

3.22 Return to Work Provisions—An employee who applies for LTD insurance benefits and who is able to return to work at any time prior to the completion of the six months elimination period will be returned to his or her former position or one of equal status, subject to the availability of funds. This Return to Work Provision does not apply if the employee was hired with the understanding that employment would end because of a grant, contract, or if there was some other normal reason for ending employment such as layoff.

3.23 Separation or Retirement Status at End of Two-Year LTD status – Employees placed in LTD status will continue as inactive employees with a provision to continue Langston University health, dental and vision insurance coverage for a period of two years. At the end of this period, the employee will be separated from the University. This action will not impact continuation of benefits through the LTD insurance vendor. If the employee was retirement eligible at the onset of disability, the employee’s status will change from LTD status to Langston University Retiree with applicable benefits.

4.01 Funding of Leave for Employees Paid Through Grants, Contracts, or Programs with Outside Sponsors or Granting Agencies

- A. Staff whose positions are funded in part or in total through grants, contracts, or programs with outside sponsors or granting agencies are eligible under the terms of this policy.
- B. Should staff be required to use any accrued leave and the grant or contract forbid to reimburse the University for such paid leave, the primary department, college, or division of the employee will be responsible for payment of the leave.
- C. Once the department has determined that a grant or contract will not reimburse the University for paid leave, the department must make budget adjustments or other changes to remain in compliance with the terms of the grant or contract.

5.01 Langston University reserves the right to change this Policy and Procedure Letter or any portion thereof at any time and without prior notice.

