

# Short-term disability

## Quick facts

Short-term disability (STD) plans from Lincoln Financial Group provide a wide variety of options to help fit your clients' many needs. Check out our flexible plan design options and valuable features.

### The basics

<b>Types of plans</b>	<ul style="list-style-type: none"> <li>▪ <b>Fully insured</b> <ul style="list-style-type: none"> <li>– Employer-paid</li> <li>– Employee-paid</li> </ul> </li> <li>▪ <b>Self-insured</b> <ul style="list-style-type: none"> <li>– Administrative Services Only (ASO)</li> <li>– Advice to Pay (ATP)</li> </ul> </li> </ul>
<b>Elimination period</b>	<ul style="list-style-type: none"> <li>▪ May be different number of days for injury and sickness.</li> <li>▪ Can be satisfied with days of total or partial disability or combination of both.</li> <li>▪ Trial work days allow employees to return to full-time work for up to seven consecutive days without starting the elimination period over.</li> <li>▪ First-day hospitalization (optional feature).</li> </ul>
<b>Maximum benefit duration options</b>	<ul style="list-style-type: none"> <li>▪ Variable, 13–52 weeks</li> <li>▪ Most common, 13 or 26 weeks</li> </ul>
<b>Definition of disability</b>	<ul style="list-style-type: none"> <li>▪ <b>Total disability:</b> Due to injury or sickness, the employee is unable to perform one or more of the main duties of his or her own occupation.</li> <li>▪ <b>Partial disability:</b> Due to an injury or sickness, the employee is unable to perform one or more of the main duties of his or her own occupation or is unable to perform such duties full time.</li> </ul>
<b>Additional integrated services</b>	<ul style="list-style-type: none"> <li>▪ Integrated absence management available</li> <li>▪ Integrated claim process</li> <li>▪ Automatic transition to long-term disability (when appropriate or when sold together)</li> </ul>
<b>Elective procedures and maternity benefits</b>	<ul style="list-style-type: none"> <li>▪ Covered same as any other condition</li> </ul>
<b>Benefit amount</b>	<ul style="list-style-type: none"> <li>▪ Variable options: 40%, 50%, 60%, 66.67%, 70% of pre-disability earnings</li> <li>▪ Flat dollar benefit amounts available</li> </ul>
<b>Exclusions<sup>1</sup></b>	<p><b>Short-term disability benefits will not be payable for any period of disability:</b></p> <ul style="list-style-type: none"> <li>▪ That result from a self-inflicted injury.</li> <li>▪ That is the result of war (declared or undeclared) or any act of war.</li> <li>▪ During which the insured person is not under the regular care of a physician.</li> <li>▪ Due to actively participating in a riot.</li> <li>▪ Resulting from the commission of a felony or any type of assault or battery.</li> <li>▪ Due to incarcerated due to a felony.</li> <li>▪ That is the result of a preexisting condition.</li> </ul>

## Financial support for the employee

(Many of these features are dependent on the policy design due to the flexibility offered at Lincoln.)

<b>Maximum and minimum weekly benefit</b>	<ul style="list-style-type: none"> <li>Maximum can be determined from a wide benefit range based on the employer needs and can be offered as a flat dollar amount.</li> <li>Minimum can also be determined from a wide benefit range and can be offered as a flat dollar amount or percentage of the weekly benefit.</li> </ul>
<b>Options during sick pay/salary continuance</b>	<ul style="list-style-type: none"> <li>Day benefits begin can be delayed until salary continuance/sick pay ends</li> <li>Benefit integration up to 100% of pre-disability earnings</li> <li>Direct offset</li> <li>Exclusion during period of paid sick leave/salary continuance plan</li> </ul>
<b>STD offsets, with other sources of income<sup>2</sup></b>	<ul style="list-style-type: none"> <li>Sick leave/salary continuance plan (both may also be an exclusion)</li> <li>Workers' Compensation (may also be an exclusion)</li> <li>No-fault auto benefits</li> <li>State disability</li> </ul>
<b>Survivor benefit</b>	<ul style="list-style-type: none"> <li>If the employee dies after being disabled for a set period and was eligible to receive a benefit, Lincoln will review additional benefits payable to the eligible survivor, or to the estate if no survivor.</li> <li>Three weeks of last weekly benefit standard</li> </ul>
<b>Dependent Care Assistance Benefit (not standard)</b>	<ul style="list-style-type: none"> <li>When an employee who is receiving total or partial disability benefits has an eligible dependent (defined by the policy) and is paying qualified care costs for that dependent, they may be eligible for an additional benefit.</li> <li>The benefit is a flat amount and paid for limited duration.</li> </ul>
<b>Additional features for employee paid</b>	<ul style="list-style-type: none"> <li>Portability</li> <li>Waiver of premium</li> </ul>

## Return-to-work support

<b>Partial Disability Benefit</b>	By combining their earnings from the employer and the partial disability benefit from Lincoln, this benefit encourages employees to attempt to return to work by allowing them to receive up to 100% of their pre-disability income.
<b>Recurrent Disability</b>	Once a claim is closed and an employee returns to work full time, this provision allows for a new period of disability for the same or related condition to be treated as part of the prior disability claim. This applies for a specified period of time after returning to work. After that time period, the disability would be treated as a new claim.
<b>Clinical and vocational staff</b>	Dedicated clinical and vocational staff provide support and expertise.
<b>Vocational Rehabilitation Assistance</b>	The employee may be eligible to participate in a vocational rehabilitation program while on approved STD benefits.
<b>Rehabilitation Incentive Benefit</b>	The employee may be eligible to receive an additional benefit, typically 5% of their basic weekly earnings, while on an approved STD claim and actively participating in an approved (Lincoln) vocational rehabilitation program.

## Return-to-work support

<b>Reasonable Accommodation Benefit</b>	This benefit enhances return-to-work possibilities for the totally disabled or stay-at-work possibilities for the partially disabled by providing funding to help the employer in providing modifications that allow the employee to return to work or stay at work. Upon approval, a one-time reimbursement may be provided to the employer, up to 50% of the cost of the modification, to a maximum of \$2500.
<b>Self-service access</b>	<b>Enhanced self-services capabilities provide:</b> <ul style="list-style-type: none"><li>▪ Employers with access to enrollment and billing functionality</li><li>▪ Employees with access to policy information and the ability to make service requests and access claims forms</li></ul>

## Hassle-free support

<b>Enrollment</b>	<ul style="list-style-type: none"><li>▪ A self-service employee enrollment portal, including an enrollment wizard allowing employer administrators to look up social security numbers or employee IDs and check for system duplicates.</li><li>▪ Enrollment options are supported by a variety of communication tools to improve participation.</li></ul>
<b>Flexible billing options</b>	<ul style="list-style-type: none"><li>▪ An employer-selected billing date</li><li>▪ "Skip month" billing</li><li>▪ Other billing frequency options (such as quarterly)</li></ul>
<b>Optional services</b>	<ul style="list-style-type: none"><li>▪ <b>FICA Match Service</b><ul style="list-style-type: none"><li>– Lincoln pays the employer's portion of FICA (Social Security and Medicare) tax for an additional cost.</li><li>– Lincoln completes the W-2 for STD payments and mails the document directly to the employee's home address.</li></ul></li><li>▪ <b>W-2 Print Service</b><ul style="list-style-type: none"><li>– Lincoln prints STD W-2 information at year-end and mails it to the employer; the employer is responsible for providing Lincoln W-2 or their own W-2 to the employee for tax purposes.</li></ul></li><li>▪ Lincoln does not pay the employer portion of FICA taxes.</li></ul>

<sup>1</sup> Other exclusions may apply.

<sup>2</sup> This list is not exhaustive of all offsets.

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