Lincoln Financial Group®

You're In Charge®

City of Milwaukee long-term disability insurance with basic buy-up options

Friends send flowers

Long-term disability insurance sends cash

Employee Guide

GROUP BENEFITS

The Lincoln National Life Insurance Company
Lincoln Life & Annuity Company of New York

LTD-MIL-BRC001

Money, security, recovery

When a covered disability keeps you out of work, long-term disability insurance helps keep your finances protected.

The plan pays a portion of your income while you recover. And your benefits continue for the policy's benefit period or until you are no longer disabled, whichever comes first—helping provide you and your loved ones security when you need it most.

Conditions that could lead to a long-term disability claim include:

- Surgery
- Injury
- Illness
- Accident

How does long-term disability coverage work?

Mike signed up for long-term disability insurance when he became a full-time employee several years ago. Two months ago, he was injured in a traffic accident that resulted in a covered disability. His policy has an elimination period of 90 days. If he is disabled after that time, he is eligible to begin collecting benefits. The policy provides a maximum benefit of 60% of pay, up to $5,000 a month, and a maximum benefit duration of five years.

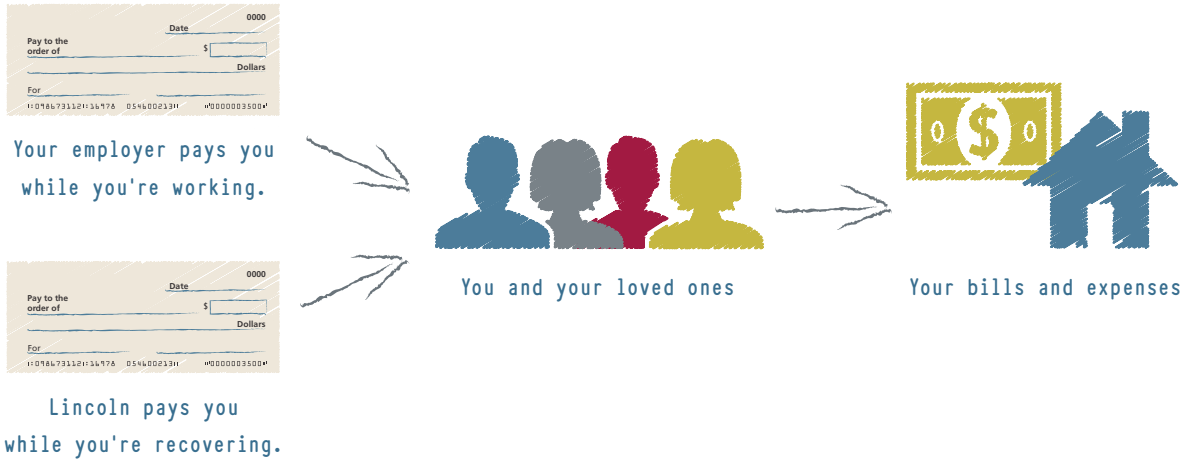
Mike paid for his LTD Buy-up insurance with after-tax dollars, so his benefits during the buy-up period are tax-free.*

If Mike's disability prevents him from working for 10 months, here are the benefits he could collect, if his sick leave benefits are exhausted during the buy-up period:

Sample LTD benefit payment	
Mike's monthly pay	$3,500
Mike's maximum monthly benefit	× 60%
Mike's monthly benefit	= $2,100
Mike's approved benefit duration	× 7
Mike's total long-term disability benefit	= $14,700

Mike's policy includes a 90-day elimination period, so his benefit duration is seven months.

*If the cost of Mike's coverage is paid pretax, he will pay tax on the benefits he receives during his disability.



You decide how to use your benefits

You can spend your benefits on anything you want or need: food, car payments, utilities or even a night out at the movies.

More benefits of your insurance

Survivor Income Benefit. A lump sum is paid to your beneficiaries if you die while on disability.

Waiver of Premium. You don't have to pay premiums during periods of approved disability under our policy.

How much coverage do you need?

Long-term disability insurance pays benefits for up to a specific period of time or until you are no longer disabled—because your expenses don't stop while you aren't working:

- Food
- Car payments and maintenance
- Utilities
- Mortgage or rent

Long-term disability income insurance can help protect your hard-earned savings so you can focus on your recovery.

Protect your paycheck

There are some important advantages to buying insurance that's offered to employees as a group.

Cost	This coverage is offered at group rates, which are often less expensive than rates for individual policies.
Convenience	Payroll deduction is simple and easy.
Confidence	You can choose the right coverage at work.

We help you get back to work

***EmployeeConnect*℠ services.** You have access to counselors and other assistance for personal, legal, financial and other issues.

Progressive Partial Disability Benefit. If you're only able to do part of your job or work part time, you can receive partial benefits. With part-time earnings and a partial disability benefit, you could receive up to 100% of your predisability earnings for the first year.

Get cash when you need it most with LTD insurance from Lincoln Financial.

Group long-term disability insurance with basic buy-up options

Summary of benefits

Eligibility	All employees who are actively at work and benefit eligible as defined by the employer.
Maximum monthly benefit	60% of salary up to $5,000 per month
Maximum benefit duration	To age 65/reduced benefit duration
Elimination period	The number of days you must be disabled prior to collecting disability benefits.
Own Occupation period	24 months
Accumulation of elimination days	You can satisfy the days of your elimination period with either total (off work entirely) or partial (working some hours at your current job) disability. If you are working on a partial basis, you will have two times the elimination period days to satisfy the total of 180 days.
Plans	The Basic plan is paid for by your employer and there is no cost to you. If you elect the buy-up option, the cost will be deducted from your salary.
	Elimination period
Basic LTD	**180 days**
Buy-up Option A	**120 days**
Buy-up Option B	**90 days**
Buy-up Option C	**60 days**
Preexisting condition	You may not be eligible for benefits if you have received treatment for a condition within the past three months until you have been covered under this plan for 12 months.
Enrollment (Buy-up)	You are able to take advantage of this coverage now without a health examination.
Waiver of Premium	You will not be required to pay premium during any time of approved total or partial disability.
Survivor Income Benefit	A survivor benefit may be paid to your beneficiary if you should die while receiving qualifying disability payments.
***EmployeeConnect*℠**	Access to an employee assistance program for the employee or an immediate household family member who may be experiencing personal or workplace issues.
Benefit limitations	Mental illness: 24 months Substance abuse: 24 months Specified illness: No limit
Progressive Income Benefit	If you are disabled and have a loss of two or more Activities of Daily Living, you will receive an additional benefit of 10% to a maximum of $5,000.
Cost of Living increase	Your benefit will increase by 2% after you have been receiving a benefit for 12 months.
Family Care Expense Benefit	If you have a qualified disability and incur family care expenses, you will be reimbursed for expenses up to $250 for a maximum of 12 months.
Sick Leave Balance	Employees must exhaust their sick leave balance before they receive any Long-term Disability benefits.

How to calculate your estimated monthly premium

Biweekly buy-up premium calculation, Buy-up		Example: Sample Employee
List your monthly earnings (Maximum covered payroll is $8,333 monthly)	$	$2,500
Multiply by your premium factor		0.000369
Your estimated biweekly premium*	$	$0.92

*This is an estimate of premium cost. Actual deductions may vary slightly due to rounding and payroll frequency.

Biweekly buy-up premium calculation, Buy-up Option B		Example: Sample Employee
List your monthly earnings (Maximum covered payroll is $8,333 monthly)	$	$2,500
Multiply by your premium factor		0.000692
Your estimated biweekly premium*	$	$1.73

*This is an estimate of premium cost. Actual deductions may vary slightly due to rounding and payroll frequency.

Biweekly buy-up premium calculation, Buy-up Option C		Example: Sample Employee
List your monthly earnings (Maximum covered payroll is $8,333 monthly)	$	$2,500
Multiply by your premium factor		0.003969
Your estimated biweekly premium*	$	$9.92

*This is an estimate of premium cost. Actual deductions may vary slightly due to rounding and payroll frequency.

Understanding Your Benefits	
Own Occupation	The occupation, trade or profession you were employed in prior to your disability as defined by the U.S. DOL Dictionary of Occupational Titles.
Total Disability	You are considered totally disabled if, due to an injury or illness, you are unable to perform each of the main duties of your own occupation. Your "own" occupation is covered for a specific period of time. Following this, the definition of total disability becomes the inability to perform any occupation for which you are reasonably suited based on your experience, education or training.
Partial Disability	You are considered partially disabled if you are unable, due to an injury or illness, to perform the main duties of your regular occupation on a full-time basis. Partial Disability benefits may be payable if you are earning at least 20% of the income you earned prior to becoming disabled, but not more than 99%. Partial disability benefits allow you to work and earn income from your employer as well as continue to receive benefits, which may enable you to receive 100% of your income during your time of disability.
Continuation of Disability	If you return to work full-time but become disabled from the same disability within six months of returning to work, you will begin receiving benefits again immediately.
Benefit Duration Reduction	Your benefit duration may be reduced if you become disabled after age 65.
Preexisting Condition	Any sickness or injury for which you have received medical treatment, consultation, care or services (including diagnostic measures or the taking of prescribed medications) during the three months prior to the coverage effective date. A disability arising from any such sickness or injury will be covered only if it begins after you have performed your regular occupation on a full-time basis for the specified months following the coverage effective date.
Benefit Exclusions	You will not receive benefits in the following circumstances: • Your disability is the result of a self-inflicted injury. • You are not under the regular care of a doctor when requesting disability benefits. • You were involved in a felony commission, act of war, or participation in a riot. • You were residing outside of the United States or Canada for more than 12 consecutive months for purposes other than employment with your employer.
Benefit Reductions	Your benefits may be reduced if you are receiving benefits from any of the following sources: • Any compulsory benefit act or law (such as state disability plans); • Any governmental retirement system earned as a result of working for the current policyholder; • Any disability or retirement benefit received under a retirement plan; • Any Social Security, or similar plan or act, benefits; • Earnings the insured earns or receives from any form of employment; • Workers compensation; • Salary continuance or employer contributions to an employer-sponsored retirement plan.
Benefit Termination	This coverage will terminate when you terminate employment with this policyholder, or at your retirement.

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