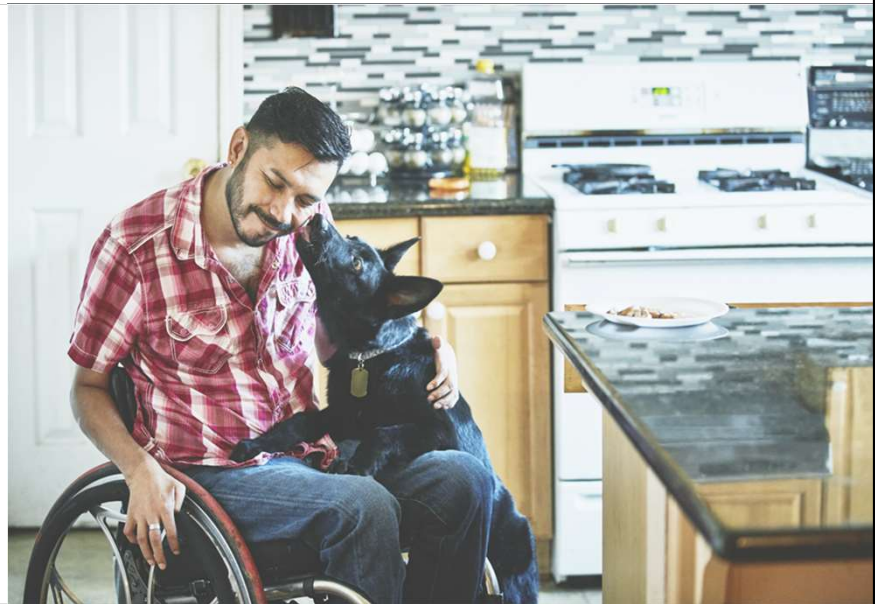


# Hybrid Disability

## Spring Advanced Training

March 29, 2022

March 31, 2022



## Meet the team!



**Stephanie Heintzleman**  
Member Services Director



**Mike D'Achille**  
Director of Specialty Sales

**Tiffany Sensabaugh**  
Specialty Account Manager

**Kim Leavell**  
Administrative Assistant



**Nancy Grasso**  
Regional Vice President

**Ritter Jonas**  
Business Development Executive

# Agenda

- Claim Stats
- Supplemental Health
- Billing
- Resources & Contacts
- Hybrid Plan Review
- Long Term Disability
- Partial Disability
- Vocational Rehabilitation
- Leave Policies
- Participation Drawing

3

# Claim Stats

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## Claims Overview

**1,423**

new, approved **STD** claims  
7/1/2020-6/30/2021  
(27% increase over prior year)

**Top 3**

clinical drivers of STD claims include  
**pregnancy, musculoskeletal, and  
digestive system**

**39**

open, approved **LTD** claims (as of  
6/30/2021) being driven by  
**musculoskeletal and neoplasms**

**67**

STD claimants engaged in a **Care  
Management Program**

**71%**

of claims accessed medical

**89%**

of claims submitted via preferred method  
48% online  
41% by phone

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## Supplemental Health

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# Providing peace of mind against the unexpected

Supplementing core medical coverage with benefits to protect members' financial well-being



### Accident

Covers medical services, like emergency room visits, surgeries, or follow-up care needed due to an accident



### Critical Illness

Covers 18 specific illnesses, including invasive cancer, heart attack, stroke, and neurological disorders



### Hospital Indemnity

Provides fixed, per-day benefits for inpatient hospitalization caused or contributed to by an accident or illness

- Auto-notification for groups with Anthem medical
- No coordination of benefits or tie back to networks
- No medical questions required to enroll

- Perpetual guaranteed issue limits
- No preexisting condition limitations
- All plans are HSA-compatible

Hybrid and Plan1/Plan2 employees are eligible!

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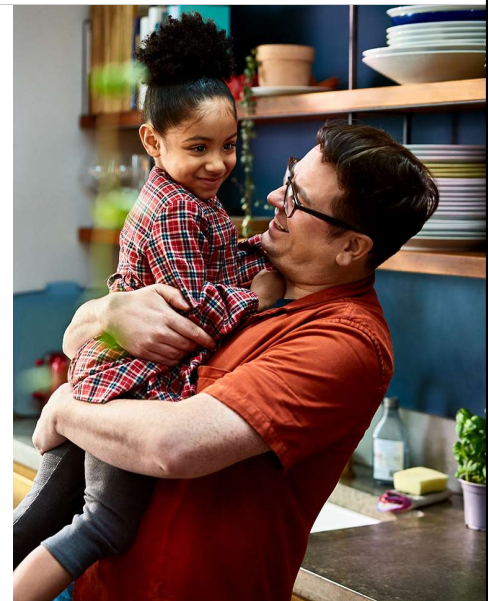
# Helping employees feel covered, protected, and confident

Our supplemental health plans are designed to help solve some of the toughest financial challenges and prepare employees for the unexpected.

**Injury is the #4 clinical driver of VACORP STD claims.** The annual cost for single coverage on the low Accident plan is only **\$55.44!** The health screening benefit pays a **\$50** cash benefit each year for an eligible screening test.

**Cancer is the #2 clinical driver of VACORP LTD claims and the #5 clinical driver of STD claims.** The Critical Illness plan pays up to **\$20,000** for a cancer diagnosis.

**Pregnancy is the #1 clinical driver of VACORP STD claims.** Hospital Indemnity pays a minimum cash benefit of **\$1,100<sup>1</sup>**. The annual cost for single coverage on the low plan is less than **\$150!**



<sup>1</sup>Low Hospital Indemnity plan with 2 day hospital confinement

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## Accident

Reducing financial risk with added protection against the unexpected



### Coverage levels: low and medium

- Both levels cover occupational and non-occupational accidents



### Fixed lump-sum benefits for:

- Hospital and emergency services
- Follow-up care; physical therapy benefit pays for up to 10 visits per covered accident
- Dislocation and fracture; benefits for covered dependents 100% of the employee benefit
- Certain injuries and surgeries
- Accidental death and dismemberment (AD&D)
- \$50 health screening benefit payable for 27 specific health screening tests plus any other generally medically accepted cancer screening test



### Knee dislocation benefit

Low plan: \$900  
Medium plan: \$1,800

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## Accident

		Custom 24 hour Low Plan	Custom 24 hour Medium Plan
Benefits Overview	Emergency Services Benefits	\$100-\$1,000	\$150-\$2,000
	Accident Follow Up Care Benefits	\$25-\$200	\$25-\$300
	Specified Injury & Services Benefits	\$50-\$750	\$100-\$1,000
	Dislocations Schedule	\$160-\$1,900	\$320-\$3,800
	Fractures Schedule	\$160-\$2,000	\$320-\$4,000
	Catastrophic Injury Benefits	Up to \$5,000	Up to \$10,000
	Hospital Confinement Benefits	Admission: \$1,000; Daily: \$100	Admission: \$2,000; Daily: \$200
	ICU Confinement Benefit	\$200	\$400
	AD&D Benefits	Up to \$50,000; \$150,000 Common Carrier	Up to \$50,000; \$150,000 Common Carrier
	Health Screening Benefit	\$50	\$50
		Monthly Rates	Monthly Rates
Rates	Employee	\$4.62	\$7.42
	Employee + Spouse	\$7.37	\$11.83
	Employee + Child(ren)	\$7.58	\$12.27
	Employee + Family	\$12.01	\$19.41

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## Critical Illness

An added layer of security when members need it most



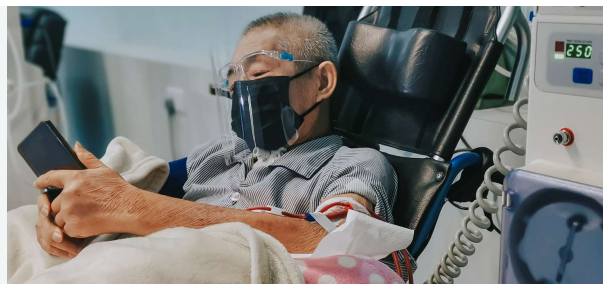
Lump-sum benefit upon diagnosis of 18 illnesses, including:

- Invasive and noninvasive cancer
- Heart attack, stroke, and heart transplant
- Major organ transplant
- End-stage renal failure
- Advanced Alzheimer's and Parkinson's disease



### Highlights

- No exclusions for preexisting conditions
- No evidence of insurability required to enroll
- Coverage for diagnosis of multiple conditions
- Coverage for recurrence of certain conditions



**\$10K or \$20K**  
benefit based on coverage

**\$50**  
health screening  
benefit

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## Critical Illness

	Custom \$10,000 Plan				Custom \$20,000 Plan			
Employee Coverage Amount	\$10,000				\$20,000			
Spouse Coverage Amount	\$5,000				\$10,000			
Child Coverage Amount	\$5,000				\$10,000			
	Custom \$10,000 Plan				Custom \$20,000 Plan			
	Monthly Rates				Monthly Rates			
	EE Only	EE + SP	EE + CH	EE + FAM	EE Only	EE + SP	EE + CH	EE + FAM
18-24	\$2.82	\$4.62	\$4.41	\$6.48	\$4.76	\$7.54	\$7.17	\$10.34
25-29	\$3.45	\$5.58	\$5.05	\$7.44	\$5.98	\$9.34	\$8.38	\$12.14
30-34	\$3.89	\$6.25	\$5.48	\$8.11	\$6.82	\$10.62	\$9.22	\$13.42
35-39	\$4.91	\$7.79	\$6.50	\$9.64	\$8.84	\$13.66	\$11.25	\$16.46
40-44	\$6.58	\$10.35	\$8.17	\$12.20	\$12.12	\$18.63	\$14.52	\$21.43
45-49	\$9.64	\$15.08	\$11.24	\$16.93	\$18.19	\$27.96	\$20.59	\$30.76
50-54	\$13.28	\$20.69	\$14.87	\$22.55	\$25.45	\$39.18	\$27.85	\$41.98
55-59	\$18.32	\$28.53	\$19.91	\$30.38	\$35.52	\$54.83	\$37.92	\$57.63
60-64	\$25.78	\$40.05	\$27.37	\$41.90	\$50.44	\$77.87	\$52.84	\$80.67
65-69	\$34.68	\$53.60	\$36.27	\$55.45	\$68.24	\$104.97	\$70.64	\$107.77
70-74	\$46.82	\$72.17	\$48.41	\$74.03	\$92.52	\$142.11	\$94.93	\$144.91
75-79	\$63.67	\$97.66	\$65.27	\$99.51	\$126.23	\$193.08	\$128.63	\$195.88
80-84	\$75.65	\$115.75	\$77.24	\$117.61	\$150.19	\$229.28	\$152.59	\$232.08

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## Hospital Indemnity

Protecting members' financial well-being every step of the way



### Coverage levels: low and high

- Both levels include ICU benefit



### Competitive coverage features:

- Day-one coverage for hospital confinement with no elimination or benefit waiting periods
- No medical evidence required to enroll for all open enrollment periods
- No pre-existing condition exclusion puts members first and avoids gaps in coverage
- Confinement due to normal pregnancy is covered from day one with no waiting period



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## Hospital Indemnity

		Custom Low Plan with ICU	Custom High Plan with ICU
Benefits	Hospital Confinement - First Day Benefit	\$1,000	\$1,500
	First Day Hospital Confinement - Annual Max	1 day	1 day
	Hospital Confinement - Daily Benefit	\$100	\$200
	Daily Hospital Confinement - Annual Max	31 days	31 days
	Intensive Care Unit Confinement - Daily Benefit	\$200	\$400
	Daily Intensive Care Unit Confinement - Annual Max	31 days	31 days
		Monthly Rates	Monthly Rates
Rates	Employee	\$12.35	\$20.35
	Employee + Spouse	\$25.71	\$42.31
	Employee + Child(ren)	\$19.00	\$31.40
	Employee + Family	\$33.27	\$54.89

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## Advantages for all VACORP entities



- **Save 5%** on your VACORP Hybrid disability rate when you offer at least one supplemental health plan.
- Employees can file supplemental health claims online in a similar fashion as the current disability claim site.
- All supplemental health plans are Guarantee Issue at initial enrollment and at anniversary.
- No pre-existing conditions on any supplemental health product.
- Supplemental health plan rates guaranteed through June 2025.

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## Additional advantages for entities with Anthem medical coverage



### Auto notification feature

When a member has an eligible claim on their Anthem medical plan, we will notify them that they may have an Accident, Hospital Indemnity, and/or Critical Illness claim. Notification includes claim filing instructions.

### Whole Health Savings\*

Save on your Anthem medical premium by offering Anthem supplemental health.

- Clients with fully-insured Anthem medical: Receive a **rate reduction of 0.30%** per supplemental health product. Offer all three products and get extra savings for a total of 1%.
- Clients with ASO medical: Receive a **reduction to ASO administration fee of \$0.15** per employee per month for each product offered. Offer all three products and get extra savings for a total of \$0.50 per employee per month.

### Combined billing for fully-insured medical plans\*

You'll get one bill for your Anthem medical plan and supplemental health plans.

### Combined EDI file feed\*

Clients with fully-insured or ASO Anthem medical plans can add supplemental health plans to the existing medical EDI file feed.

**\*TLC groups are not eligible for Whole Health Savings, combined billing, or combined EDI file feed.**

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## Voluntary Solutions Team

Delivering a seamless enrollment experience with personalized guidance every step of the way

- 1 Custom enrollment strategies** ✓  
We'll work with you to tailor a plan based on your unique needs.
- 2 Personalized enrollment kits and materials** ✓  
Our communications go beyond the basics to help your employees make the best decisions for themselves and their families.
- 3 End-to-end guidance** ✓  
We'll support you by managing all enrollment logistics and enrollment meetings.



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## Billing

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## Best Practices – Monthly Payment

- Together in one envelope, send one completed invoice, snapshot(s), and payment.
  - Include all entities and departments covered under your VRS Organization Code (DSS, PSA, etc.).
  - If payment made by another department or through a bill pay service, email these documents to
    - [billing-hybriddisability@riskprograms.com](mailto:billing-hybriddisability@riskprograms.com) and we will match when payment arrives.
- Ensure the amount paid matches the total amount on the invoice.
  - Amounts off by a few cents due to rounding are acceptable.
  - If the amounts differ by more than a couple of dollars or persistent invoice adjustments are required, then something is wrong and needs to be corrected.
- Do not send documents with individual employees' salary or personally identifiable information (PII).
  - We cannot accept payroll spreadsheets, internal worksheets, or other documents showing individual payrolls, names, SSN, etc.
- Do not include Hybrid Disability premium on the same check paying for other lines of coverage with VACORP.
  - Each programs' funds must be kept in separate bank accounts.

Monthly Invoice for the Hybrid Disability Program

Employer Member #:	
Employer Name:	
Reporting Period:	February 2022

Short term disability and long term disability for Hybrid Retirement Employees

Payment due to VACORP by 3/15/2022

0	Number of Lives	
\$0.00	Monthly Creditable Compensation	0.518 % *Adjustment \$
		*Adjustment Description
		TOTAL AMOUNT DUE: \$

Please send this invoice with your check payable to:

Vacorp  
1819 Electric Rd, Suite C  
Roanoke, VA 24018

Payment is due by March 15, 2022. Late fees of 1.5% will be assessed if received more than 30 days after the due date.

Please direct billing inquiries to:  
[billing-hybriddisability@riskprograms.com](mailto:billing-hybriddisability@riskprograms.com)  
or call VAcorp Member Services at (844) 966-2705

\*Please indicate what the Adjustment represents: If paying for a prior month, please submit a separate invoice for that month.

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## Best Practices – Helpful Tips

- The invoice is a formatted spreadsheet that will automatically calculate the cost, based on the figures entered. Please do not complete the invoice by hand.
  - If you must complete by hand, please ensure the calculations are correct.
- ACH payments are accepted. Contact [Accounting@riskprograms.com](mailto:Accounting@riskprograms.com) for information.
  - When paying by ACH, provide notice of payment by email to [Accounting@riskprograms.com](mailto:Accounting@riskprograms.com), include date and amount to assure account is properly credited.
  - Invoice and snapshot must be emailed to [billing-hybriddisability@riskprograms.com](mailto:billing-hybriddisability@riskprograms.com) and we will match when payment arrives.
- Please do not average annual salaries for 10 and 11 month employees. This will cause inaccuracies throughout the entire year.
- Mistakes affecting the amount paid can be corrected!
  - If a deduction was not collected/paid for an employee(s), correct this by paying the extra amount and reporting as an adjustment the following month. Enter a brief explanation in the invoice adjustment description field.
  - Refrain from following a pattern of overpaying one month, then using the "credit balance" in subsequent months.
- We are flexible and happy to help! Please feel free to reach out for assistance.

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## Best Practices – Why the Snapshot?

- Snapshot corroborates the number of lives and total creditable compensation information provided to VRS.
  - Remit payment monthly; be sure to include invoice and snapshot. Payment cannot be processed without this documentation.
  - If the screenshot does not show these two figures, scroll down and/or decrease font size (ctrl and - keys).
- VRS snapshot is found on the Navigator website.
  - Contribution Summary page, under Other Details, select the DC Plan Contributions tab
    - This shows the Plan (...Hybrid), Org Code, Active Members, and Creditable Compensation among other info.
  - Schools - please send two snapshots:
    - non-professionals (Non-Administrative School Staff) and
    - professionals (Teachers and Administrative Staff) even none are enrolled in that period.
  - Send snapshot for the same month as the reporting period.
- Examples follow...

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## Snapshot – Public Entity Hybrid Staff

tion Confirmation File Payments Workflow Report

Request Snapshot File

Contribution Summary

Org Name: [REDACTED] Confirmation Status: Confirmed  
 Contribution Month: September Contribution Year: [REDACTED]  
 Plan: VRS Org Code: [REDACTED]  
 Snapshot Generation Date: 9/22/2020 12:22:50 PM Confirmed Date: 9/28/2020 10:11:58 AM

Defined Benefit (DB) Plan Contribution Summary

Plan	Current Month Contribution	Adjustment Amount	Total
VRS	\$57,134.72	\$0.00	\$57,134.72

Plan	Current Month Service Purchase Contribution	Adjustment Service Purchase Amount	Total
VRS	\$0.00	\$0.00	\$0.00

Benefit	Current Month Contribution	Adjustment Amount	Total
Basic Group Life Insurance Program	\$4,990.28	\$0.00	\$4,990.28
<b>Total</b>			<b>\$62,125.00</b>

Defined Contribution (DC) Plan Contribution Summary

Plan	Current Month Contribution	Adjustment Amount	Total
VRS	\$1,785.60	\$0.00	\$1,785.60

Other Details

Employment Summary DB Plan Contributions DC Plan Contributions Benefit Contributions DB Plan Adjustments DC Plan Adjustments Benefit Adjustments Service Purchase

Non-Billable Adjustments

Plan	Org Code	Active Members	Creditable Compensation	Employer Contribution - Mandatory Hybrid 401(a)	Employee Contribution - Mandatory Hybrid 401(a)
Virginia Retirement System - Hybrid	[REDACTED]	17	\$46,477.09	\$464.76	\$464.76

Validation Information

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## Snapshot – School Non-Admin Staff

**Contribution Summary**

Org Name: [REDACTED] Confirmation Status: Confirmed  
 Contribution Month: September Contribution Year: 2020  
 Plan: VRS-N Org Code: [REDACTED]  
 Snapshot Generation Date: 9/30/2020 2:28:29 PM Confirmed Date: 9/30/2020 2:30:16 PM

**Defined Benefit (DB) Plan Contribution Summary**

Plan	Current Month Contribution	Adjustment Amount	Total
VRS-N	\$7,324.53	\$0.00	\$7,324.53

Plan	Current Month Service Purchase Contribution	Adjustment Service Purchase Amount	Total
VRS-N	\$0.00	\$0.00	\$0.00

Benefit	Current Month Contribution	Adjustment Amount	Total
Basic Group Life Insurance Program	\$1,585.20	\$0.00	\$1,585.20
Health Insurance Credit	\$804.35	\$0.00	\$804.35
<b>Total</b>			<b>\$9,714.08</b>

**Defined Contribution (DC) Plan Contribution Summary**

Plan	Current Month Contribution	Adjustment Amount	Total
VRS-N	\$1,792.28	\$0.00	\$1,792.28

**Other Details**

Employment Summary DB Plan Contributions DC Plan Contributions Benefit Contributions DB Plan Adjustments DC Plan Adjustments Benefit Adj

Plan	Org Code	Active Members	Creditable Compensation	Employer Contribution – Mandatory Hybrid
Virginia Retirement System – For Non-Administrative School Staff – Hybrid	[REDACTED]	33	\$53,463.72	

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## Snapshot – Teachers and Admin Staff

**Contribution Summary**

Org Name: [REDACTED] Confirmation Status: Confirmed  
 Contribution Month: September Contribution Year: 2020  
 Plan: VRS-T Org Code: [REDACTED]  
 Snapshot Generation Date: 9/30/2020 11:56:14 AM Confirmed Date: 9/30/2020 2:34:19 PM

**Defined Benefit (DB) Plan Contribution Summary**

Plan	Current Month Contribution	Adjustment Amount	Total
VRS-T	\$477,783.84	\$0.00	\$477,783.84

Plan	Current Month Service Purchase Contribution	Adjustment Service Purchase Amount	Total
VRS-T	\$0.00	\$0.00	\$0.00

Benefit	Current Month Contribution	Adjustment Amount	Total
Basic Group Life Insurance Program	\$30,402.86	\$0.00	\$30,402.86
Health Insurance Credit	\$27,533.22	\$0.00	\$27,533.22
<b>Total</b>			<b>\$535,719.92</b>

**Defined Contribution (DC) Plan Contribution Summary**

Plan	Current Month Contribution	Adjustment Amount	Total
VRS-T	\$21,632.63	\$0.00	\$21,632.63

**Other Details**

Employment Summary DB Plan Contributions DC Plan Contributions Benefit Contributions DB Plan Adjustments DC Plan Adjustments Benefit Adjustments

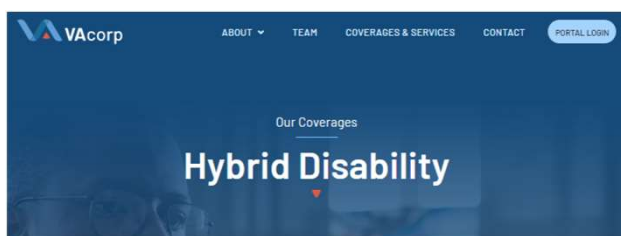
Plan	Org Code	Active Members	Creditable Compensation	Employer Contribution – Mandatory Hybrid 401(a) E
Virginia Retirement System – For Teachers And Administrative Staff – Hybrid	[REDACTED]	129	\$450,720.58	\$4,507.10

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# Resources and Contacts

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<https://www.vacorp.org/coverage/hybrid-disability/>



[← Back to Coverages](#)



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## Program contacts

- Hybrid Disability plan contacts

## Billing

- Payment requirements
- Question of the month

## Claims

- VAcorp Hybrid Disability plan employee handbook revised Feb 2020
- How to report disability claims by telephone
- Employer Manual - online claims reporting
- Employee Manual - online claims reporting
- Hybrid Disability Program FAQs
- Online claims reporting user agreement universal
- Hybrid Disability eligibility template - Anthem
- Short Term Disability Claim Forms - Anthem

## Employee information

- VAcorp LTD certificate with lifetime security benefits
- VAcorp LTD certificate without lifetime security benefits
- Long Term Disability benefits at a glance 7-1-2019
- Short Term Disability benefits at a glance 7-1-2019
- Short Term Disability summary plan description
- Anthem resource advisor
- Perks at Anthem

## Employer information and training

- Hybrid Disability fall 2021 training slides
- STD to LTD claim transition process summer 2020 training slides
- Hybrid Disability spring 2020 training slides

### Question of the Month

- Each month, a popular question or important information is included with the monthly billing statement from VACORP. A repository of these questions is housed on the VACORP website and is updated quarterly. <https://www.vacorp.org/wp-content/uploads/2021/11/QOM-Nov-2021.pdf>

### Hybrid Disability Training - Spring and Fall Annually

- Basic Training: Perfect for new hires involved with Hybrid Plan administration, for entities with little exposure to Hybrid claims, and for those who need a refresher on plan administration.
- Advanced Training: Take a deeper dive into benefit details, plan features and complex claim scenarios.

### Personalized Training

- The Anthem Account Manager is available for personalized training. This is a great alternative for an entity with a large HR staff, unable to attend a training session, or with turnover in key HR positions. Training sessions may be customized to focus on the specific training needs of an employer.

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## Anthem Contact Information

### Disability Service Center (844) 404-2111

Live representative M-F  
8am to 8pm

Interactive Voice Response  
24/7

### File an STD Claim

Phone:  
(844) 404-2111

Online:  
<https://myspecialtyappsantthem.com/claims/alice>

### Dedicated Case Managers

#### STD

Jasmine Reid  
Nicole Timmons  
Chastel Thornton

#### LTD

Tricia Steele



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## Anthem Contact Information Resources for Employers

### Email Us About a Claim

Email an attachment or information for an existing claim:

[disability@anthem.com](mailto:disability@anthem.com) or  
[ldclaimsteam@anthem.com](mailto:ldclaimsteam@anthem.com)

Inquire about a specific claim:

[vacorpclaims@anthem.com](mailto:vacorpclaims@anthem.com)

### Disability Claim Portal

- Check claim status
- Download "Advice to Pay" reports

<https://myspecialtyappsanthem.com/BenAdmin/Account/logon/ALIC>

### Dedicated Account Manager

**Tiffany Sensabaugh**

(540) 236-8338

[vacorpsevice@anthem.com](mailto:vacorpsevice@anthem.com)

- Benefit questions
- Assistance with claim portal
- Training needs
- Update contact information



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## VACORP & OneDigital Contact Information



### Hybrid Disability Billing

(844) 986-2705

[billing-hybriddisability@riskprograms.com](mailto:billing-hybriddisability@riskprograms.com)



### Leave Policies & Employee Benefits

Ritter Jonas

(804) 523-7168

[rjonas@onedigital.com](mailto:rjonas@onedigital.com)

Nancy Grasso

(804) 762-7076

[ngrasso@onedigital.com](mailto:ngrasso@onedigital.com)

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# Hybrid History

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## Hybrid History



- The Plan is mandated by the Commonwealth of Virginia, established in the Code of Virginia.
- Began January 1, 2014.
- The Plan must be comparable and comply with the regulations as presented in the legislation.
- The VACORP Plan is a comparable plan and has some enhancements to the mandated benefits.
- Pricing advantage – rates guaranteed to July 1, 2024.
- Notices from VRS concerning the State's VLDP program, including rate information, do not affect this program.

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# Short Term Disability

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## Short Term Disability

- Codified
- Self-insured (claims paid by employer)
- ASO, claims are not fully medically managed
- 7 calendar day elimination period
- 60% - 100% of weekly income based on tenure
- 125 work day benefit
- Must continue medical insurance coverage
- VRS member contributions continue (workers' comp caveat)
- FMLA runs concurrent with disability

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## Short Term Disability

### Non-Work-Related

Non-work-related disabilities are covered on the day following the completion of 12 months of continuous service.

Months of Continuous Participation	Work days of 100% Replacement of Creditable Compensation	Work days of 80% Replacement of Creditable Compensation	Work days of 60% Replacement of Creditable Compensation
Fewer than 12	0	0	0
13 - 59	0	0	125
60 - 119	25	25	75
120 - 179	25	50	50
180 or more	25	75	25

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## Short Term Disability

### Work-Related

- Work-related disabilities (compensable under workers' comp) are covered during the first 12 months service and beyond.
- Disability benefits will be offset by workers' compensation benefits.
- Employee will not receive STD benefits if workers' comp benefit is greater than STD benefit.
- Several questions need to be asked in order to determine if a short term disability claim should be filed along with the workers' compensation claim. Contact Tiffany Sensabaugh for guidance.

Months of Continuous Participation	Work days of 100% Replacement of Creditable Compensation	Work days of 80% Replacement of Creditable Compensation	Work days of 60% Replacement of Creditable Compensation
Fewer than 60	0	0	125
60 - 119	85	25	15
120 or more	85	40	0

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# Long Term Disability

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## Long Term Disability

- Codified
- Fully-insured (claims paid by Anthem on a monthly basis)
- Full service, claims are medically managed
- 125 work day elimination period
- Maximum Benefit Duration:
  - If disabled prior to age 60: to SSNRA
  - If disabled between ages 60-64: 5 year duration
  - If disabled between ages 65-68: to age 70
  - If disabled at age 69 or older: 1 year duration
- 60% of pre-disability earnings
- Offsets: workers' compensation, SSDI, etc.
- \$100 minimum benefit
- Can terminate medical and offer COBRA
- VRS member contributions stop, employee remains in VRS Navigator in LWOP status
- 1% pension rider if approved for SSDI
- Assistance provided for Social Security Disability Insurance application

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## Long Term Disability

### 1% Pension Contribution

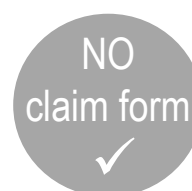
- 1% pension benefit is payable if the LTD claimant is approved for Social Security Disability.
- Anthem issues a monthly check payable to the employer, c/o the LTD claimant in the amount of the 1% benefit (first check includes any retroactive benefit).
- Anthem sends a letter about the pension benefit rider to the LTD claimant
  - Notifies the LTD claimant of the 1% pension benefit made payable to the employer on their behalf to be applied to their VRS Pension account
  - Specifies the amount and the anticipated duration of the monthly pension benefit
  - Explains the amount of any retroactive payment, if applicable
  - Directs the claimant to contact the entity for details on how/when the payment is applied to their VRS account
  - A letter is also mailed to the employer (arrives separately from the first reimbursement check)

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## Long Term Disability

### Claim Process

- If a disability doesn't resolve by the 125<sup>th</sup> work day, the claim will be reviewed for LTD.
- The goal is to provide a seamless transition from STD to LTD by initiating the LTD claim review while the claim is still active under STD.
- No action is required on the part of the employee or HR team to start the LTD review. Anthem will initiate the review process.
- In some cases the LTD review could come as early as the halfway mark of the STD claim, but in other cases it may be towards the end of the STD claim.
- As soon as information is available that indicates the claim will be medically supported past 125 work days, the STD Case Manager will transfer the claim to the LTD Case Manager for review.
- STD team will confirm the 125<sup>th</sup> work day.



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## Long Term Disability

### Packet Mailed to Claimant

**AnthemLife**   
 Disability Service Center  
 P.O. Box 105426  
 Atlanta, GA 30348-5426  
 Toll Free Number: 1-800-232-0113  
 Toll Free Fax: 1-800-850-0017

XXXXXXXX

RE: Long Term Disability  
 Group #: AL00006723 – Vacorp – XXXXX  
 Claim #: LT00XXXXXX

Dear XXXXX:

This letter is to advise you that your claim has been referred for transition to and consideration of Long-Term Disability benefits.

We are requesting the following:

In order to determine your eligibility for benefits, the following information is needed:

**We have enclosed forms that will help us with our review**

- **Attending physician statement with medical records from your treating physicians from May 2021 through the present**
- **Employee Statement**
- **Third Party Authorization (optional)**
- **Direct Deposit**
- **Activities of Daily Living Form**
- **Forms that were not completed and returned under the STD claim:**
  - **Reimbursement Agreement**
  - **Consent Form**
  - **Authorization form- We are unable to request medical since we do not have a completed authorization to release medical form on file from you.**

Please make sure that we receive the requested information as soon as possible, but no later than 30 days from the date of this letter, XXXXXXXX.

**LTD is medically managed (unlike STD) so medical records are required.**

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## Long Term Disability

### Outreach to Employer and Physician

#### Employer

- Salary or hourly rate
- Copies of 2 payrolls prior to the last date worked
- Any required information that was not submitted with the STD eligibility questionnaire

#### Physician

- Attending Physician Statement
- Supporting medical records dated back to date of disability
- Authorization form needed to send request to physician

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## Long Term Disability FAQs

Q: How will I know if an employee has been approved for LTD?

A: Once a claim determination has been made, the LTD Case Manager will notify the employer as well as the employee. You can also view claim status on the disability claim portal.

Q: Can I stop paying the STD benefit once I receive notice that the LTD claim has been approved?

A: You must pay the STD benefit through the end of the STD approval period.

Q: How long do I keep the employee on medical insurance?

A: You must keep the employee on medical until the end of the STD period. Once the claim reaches the end of the STD approval period, you may cancel medical coverage and offer COBRA.

Q: Will the employee continue to pay the 4% VRS member contribution?

A: Once LTD is effective, VRS member contributions stop, however, the employee should remain in VRS Navigator while on LTD. Follow VRS's reporting guide to update the employee's status in Navigator.

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## Long Term Disability VRS Guide

<https://covlc.virginia.gov/CServer/Document/6A2080E0DDB242C59C1EBB30CF0714E3/Reporting%20Hybrid%20Members%20on%20Long-Term%20Disability%20-Comparable%20Plan%20process%20guide.pdf>



### Reporting Hybrid Members on Long-Term Disability - Comparable Plan

#### Introduction:

This guide for opt-out employers outlines the necessary myVRS Navigator reporting processes when a member transitions to long-term disability. An employee on short-term disability is an active member.

When an employee begins short-term disability, the employer does not make any changes in myVRS Navigator but must independently note the date on which short-term disability began. Because myVRS Navigator does not record short-term disability, the employer must also independently track the date short-term disability is set to end in order to later complete the transition from short-term to long-term disability.

An employee on long-term disability still has an employment relationship and should not be separated.

To complete the transition process in myVRS Navigator, an employer must change the contract length, change the employment status and change the group life insurance end date. Employers must also send VRS a secure message with the employee's long-term disability information.

On the contract anniversary, the contract must be manually renewed in myVRS Navigator. Once a member is no longer on long-term disability, the member's status must be updated. **The process must be done in the correct order or the employer will receive an error message.**

VRS Customer  
Contact Center  
888-827-3847

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# Long Term Disability

## VRS Guide

**Steps :**

Change the Contract Length .....	Page 4
Change the Employment Status to Leave Without Pay .....	Page 9
Change the Group Life Insurance End Date .....	Page 11

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Send a Secure Message to VRS .....	Page 14
Renew the Contract Each Year .....	Page 17
Change the Employment Status if the Member Returns to Work .....	Page 19
Separate the Member if Long-Term Disability Ends .....	Page 23
Notify VRS when an Employee Goes on SSDI .....	Page 25
Notify VRS when an Employee Goes off SSDI .....	Page 27
Make a Correction if myVRS Navigator Separates a Member .....	Page 28

# Partial Disability

## Partial Disability

- A partial disability means the employee has a condition that allows him/her to perform some duties and work.
- An employee can continue to receive a disability benefits when working in a reduced capacity as long as he/she continues to meet the Definition of Disability.
  - STD plan: "You are unable to do the Material and Substantial Duties of Your Own Occupation; or Your Disability Work Earnings, if any, are less than or equal to 80% of Your Weekly Earnings.
- Please be sure to notify Anthem directly if an employee returns to work in a reduced capacity. We will need to be notified of the employee's work hours and earnings to determine if the employee continues to be disabled under the STD plan and eligible for continued STD payment.
- Note that the 7 day elimination period must be satisfied. The employee must be out disabled for 7 out of 10 days. If the employee works more than 3 days in a 10 day period, the elimination period is not satisfied.
- STD is counted in whole days, even if only a partial benefit is paid. Partial days are counted as a whole days during the LTD elimination period.

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## Partial Disability Benefit Calculation

- Part-time work earnings plus the STD benefit cannot exceed 100% of Pre-Disability Earnings (PDE).
- Any amount of income that exceeds 100% of pre-disability earnings is considered deductible income and will reduce the STD benefit.
- Example

- Pre-disability earnings: \$2,500 per week
- STD benefit (60%): \$1,500
- Part-time work earnings: \$1,200

Gross STD benefit:	\$1,500
PT work earnings:	+ <u>\$1,200</u>
Total:	\$2,700
Excess above PDE:	\$200

Gross STD benefit:	\$1,500
Excess above PDE:	- <u>\$200</u>
Net STD benefit:	<b>\$1,300</b>

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## STD Recurrent Provision

- If a claimant returns to work for **45 days or less** and then goes back out on claim, the disability will be treated as a continuation of the existing claim
  - The employee will not need to re-satisfy the 7 day elimination period.
  - We will resume counting STD where we left off.
  - Do not initiate a new claim.
- If the claimant returns to work for **more than 45 days** and then goes back out on claim (or goes out for an unrelated disability), it will be treated as a new claim.
  - The employee will need to satisfy a new 7 day elimination period.
  - The 125 day STD benefit period will restart.
  - Follow steps to initiate a new claim.

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## Intermittent Leave of Absence

### December “Question of the Month”

*Question:* Are intermittent disabilities covered under the Hybrid STD plan?

*Answer:* Typically, intermittent absences are not approved under STD but it depends on the employee's circumstances. Benefits are not payable for any week the employee makes over 80% of pay. If a claimant is able to return to work in a reduced capacity and is not earning 80% of pay, the benefit may be payable under the “partial disability benefit”. The case manager will need to formally review all details before making a determination.

Intermittent leave is not the same as partial disability. To qualify for disability, the employee must be totally or partially disabled, must have a loss of earnings, and must satisfy the 7 day elimination period. The claim team will need to review all claim details to make a determination.

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# Vocational Rehabilitation

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## Vocational Rehabilitation Services

- Anthem has a staff of certified Vocational Rehabilitation Counselors (VRCs) who are available to assist in situations where potential workplace modifications or accommodations may allow an employee to **stay at work during a disability** or **return to work more quickly** after a claim has been filed.
- VRCs provide employers and employees with Anthem's vocational expertise to determine if assistive or adaptive technology can assist with work retention or improve the probability of return to work once on claim.
- Additionally, if a return to the employee's former position is not possible, a VRC can work with the employee and the employer on potential retraining opportunities within the employee's functional capability, education, training, or experience with an end goal of gainful work in another more suitable position with the current employer or another employer.

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## Vocational Rehabilitation Services

- STD provisions:
  - Additional Benefit for Vocational Rehabilitation Program
  - Additional Benefit for Work Retention Assistance
  - Employer or employee must initiate review
- LTD includes the same provisions as STD in addition to:
  - Additional Benefit for Workplace Modification
  - Additional Benefit for Work Incentive
  - Additional Benefit for Rehabilitation Incentive
  - Case Manager will make a referral when claimant is an ideal candidate



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## Vocational Rehabilitation Services

Most accommodations are relatively inexpensive (less than \$700)

- Ergonomic adjustable chair
- Sit/stand desk or monitor riser
- Large print keyboard or one handed keyboard
- Production line stool
- Orthopedic standing mats

Some accommodations have no direct cost

- Modified work hours
- Space for service dog
- Unpaid leave time
- Work from home (if viable)
- Providing quiet/calm rooms for breaks



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# Leave Policies

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## Why offer a disability plan to all employees?

- Leave policy considerations – Hybrid vs. Legacy (Plan 1 & 2)
  - Have you made modifications since 2014?
  - Do you have a sick bank?
- How to address discrepancy in in benefits between Hybrid and Plan 1 & 2 employees?
- Current Legacy/Plan 1 & 2 policy holders
- Legacy pool potential



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## Spin the wheel!!!



Fitbit Inspire 2  
Activity Tracker



10-Piece BBQ Set