

PROCEDURE FOR IMPLEMENTATION OF THE STATE OF DELAWARE SHORT-TERM AND LONG-TERM DISABILITY INSURANCE PLAN

- A. PURPOSE: To provide a written procedure for administering the State of Delaware's Short-Term and Long-Term Disability Plan pursuant to Title 29, Section 5253 of the Delaware Code.
- B. DEFINITION: The Short-Term Disability Plan allows eligible employees to take up to 6 months of short-term income protection if the employee cannot perform one or more of the essential duties of their occupation due to injury, sickness, pregnancy or other medical condition covered by the Plan. This procedure (1) provides employees with information concerning short-term disability benefits and (2) provides employees with information concerning the process for leave taken under the Short-Term Disability Plan (hereafter referred to as "STD") and Long-Term Disability Plan (hereafter referred to as "LTD").
- C. PROCEDURE:
1. Eligibility:
 - a. School District employees enrolled in the State of Delaware's Short-Term and Long-Term Disability Insurance Plan.
 2. Guidelines:
 - a. Participating employees shall be eligible to utilize earned sick and/or annual leave for absences due to accident, illness, or injury during the 60-calendar day elimination period before disability benefits commence on the 61stcalendar day under this plan, such that the participating employee receives 100% percent of creditable compensation for such periods, not to exceed the employee's sick leave balance.
 - b. All leaves for which the employee is eligible will run concurrently with STD, including but not limited to: Worker's Compensation Leave, Family and Medical Leave (FMLA) and Donated Leave.
 3. Short-Term Disability Benefit:
 - a. An employee who is determined by the Plan Administrator, in its sole discretion, to be mentally or physically unable to perform the essential functions of the employee's position with reasonable accommodation as required by federal law, shall be entitled to receive STD benefits pursuant to this procedure.

- b. STD benefits for participating employees shall commence upon the expiration of a 60-calendar day elimination period. Such elimination period shall begin on the first day following the onset of physical or mental incapacity as determined by the Plan Administrator. The 60-calendar day elimination period must commence and conclude within normal working periods (which excludes the summer break for 10 and 11 month employees).
- c. An employee may utilize accrued sick, annual or donated leave during the 60-calendar day elimination period to equal 100% of their pre-disability creditable compensation.
- d. Except as otherwise noted, STD benefits pursuant to this procedure shall be payable at the rate of 75% of the participating employee's base pay prior to the onset of the disability during the period that an employee is disabled, as determined by the Plan Administrator.
- e. An employee may utilize 25% of their earned sick or annual leave each day, to supplement STD benefits to equal 100% of pre-disability creditable compensation for the maximum period of 182-calendar days.
- f. Creditable compensation during periods an employee receives STD benefits shall include general salary increases awarded during the period of STD coverage.
- g. Once an employee exhausts their 60-calendar day elimination period, the employee will be deemed to have applied for benefits under this procedure and shall not be eligible to utilize paid sick or annual leave in lieu of applying for short-term disability.
- h. Failure of the employee to apply for short-term disability benefits in a timely manner (within 15 calendar days prior to the 60th calendar day of absence from work) will result in the employee automatically being placed on an administratively assigned unpaid medical leave of absence.
- i. If an employee returns to work for 1 day or less during the 60-calendar day elimination period, but cannot continue to work thereafter, the period worked shall not be considered to have interrupted the 60-calendar day elimination period. The elimination period must commence and conclude within normal working periods (which excludes the summer break for 10 and 11 month employees).
- j. An employee who receives STD benefits pursuant to this procedure may be required, in the sole discretion of the Plan Administrator, to participate in rehabilitation or retraining services, or a combination thereof, under a program established by the State of Delaware and the Plan Administrator.
- k. If a participating employee returns to the employee's position on a full-time basis for 15 consecutive calendar days or longer, any succeeding period of disability for which the employee shall become eligible shall constitute a new period of short-term disability with a corresponding 60-calendar day elimination period.
- l. Employees enrolled in and receiving STD compensation shall receive a maximum of 100% of their base pay. If the employee is otherwise

eligible for holiday pay, the employee will be granted a maximum 100% of their base pay on the day in question.

- m. When an employee is on an approved STD leave per this procedure and does not supplement the 75% STD payment with 25% leave for a period of greater than 30-calendar days, the employee will accrue leave on a pro-rata basis.
- n. Employees who return to work before the expiration of the 182-calendar day STD period, shall be placed into a vacant position within the District for which the employee qualifies.

4. Short Term Disability Pay for 10 and 11 month employees

- a. For 10 and 11 month employees – beginning with the 2008- 2009 school year, pursuant to Section 5253(b) (6) of the Delaware Code, when an employee completes their 20 day elimination period, a “Days Worked” calculation will be completed to pay the employee for the days worked in the current school year through and including the 60-calendar day elimination period. All 10 and 11-month employees who would normally have received pay throughout the summer, will be paid off all monies owed and will be paid their per diem beginning the 61st calendar day.
- b. As of the 61st calendar day, the employee’s daily STD benefit will be calculated by dividing the employee’s annual salary by the number of days to be worked in the school year. The employee’s daily rate will then be multiplied by 75% to determine the employee’s daily STD benefit.
- c. Employees may elect to use ¼ days to supplement their daily rate to 100% of their pay. For 10 and 11 month employees, only actual calendar workdays may be charged and compensated by using ¼ leave days.
- d. Each pay period, the employee’s daily STD benefit will be multiplied by the actual number of workdays in that period for the employee’s classification according to the district calendar. Employees will not be paid for any days outside of their contract period. This includes, but is not limited to, winter break, spring break, summer and/or any other holiday or non-work day.
- e. 12 month employees will continue to be paid using the standard state formula.

5. Long-Term Disability Benefit:

- a. Pursuant to Title 29, Section 5253c (5) of the Delaware Code, upon the exhaustion of the maximum STD benefit period, the employee shall no longer be an employee of the State of Delaware or any of its political subdivisions.
- b. Upon approval by the Plan Administrator, LTD benefit payments will be 60% of pre-disability base earnings, paid on a monthly basis.

- c. The maximum monthly payment will be \$8,000.
 - d. Within forty-five (45) days of the Plan Administrator's request, the employee is required to apply for Social Security Income (SSI) disability benefit. If denied SSI, the employee is required to follow and exhaust the Social Security appeals process.
 - e. Once approved for LTD, the employee may choose to participate in the State of Delaware's health care and dental coverage. If elected, the monthly health care and dental premium amounts will be automatically deducted from the employee's monthly LTD benefit payment.
 - f. While on LTD, the employee will continue to receive the benefit of payment for the State share of health insurance.
 - g. While on LTD, the employee will continue to receive creditable service towards the employee's pension.
- D. INSURANCE FRAUD: Insurance fraud occurs when any employee with the intent to injure, defraud or deceive the School District and/or the State of Delaware and their Plan Administrator, provides false information or files a claim for benefits that contains any false, incomplete or misleading information. It is a crime for an employee to commit Insurance Fraud. Insurance Fraud is grounds for immediate termination and the District, State of Delaware and/or their Plan Administrator will also pursue all available legal remedies if an employee perpetrates Insurance Fraud.
- E. REVIEW: The School District reserves the right to change, modify or amend this procedure as needed or as amended by Delaware Law.

For more information on the State of Delaware's Disability Insurance Program, employee's may reference Title 29, Section 5253 of the Delaware Code, or visit www.ben.omb.delaware.gov Section "Disability Insurance Program".

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