

University of Virginia GME Trainees Individual Disability Insurance (IDI) Benefit

Summary Plan Description

March 1, 2020

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Introduction

The University of Virginia GME Trainees Individual Disability Insurance Benefit (“IDI Plan”) is a benefit plan that offers protection from a loss of earnings if you are unable to work due to an illness or injury.

The IDI Plan is designed to supplement the coverage offered through the University of Virginia GME Trainees Group Long Term Disability (LTD) Plan.

The employer paid IDI Plan is offered on a mandatory basis. There is also a voluntary IDI benefit available, which is paid by the employee. After graduation, both policies are able to be increased with little underwriting.

This booklet, called a Summary Plan Description or SPD, contains a description of the IDI Plan.

Please read this booklet carefully and keep it in a safe place. You should also let your spouse or beneficiary(ies) know where you keep this document.

This document applies to eligible GME Trainees of University of Virginia (also referred to in this SPD as the “Employer”) who are in the Mandatory IDI participate in the Voluntary IDI Plan.

This SPD is intended to describe, in general terms, the benefits you may be provided under the IDI Plan. The SPD does not determine rights under the IDI Plan, but is intended only to summarize the important provisions of the plan. If there is any inconsistency between this Summary Plan Description, the Plan documents, and the individual disability insurance policy issued to participants, the terms of the individual disability insurance policy will govern.

University of Virginia reserves the right to change the IDI Plan or to amend or terminate the IDI Plan in whole or in part at any time and for any reason.

Joining the Plan

Eligibility

To be eligible for the mandatory and voluntary IDI Plans, you must:

- Be a Full Time First Year Graduate Medical Education Trainee working 30 hours or more.
- not have missed one or more days of work or been homebound or admitted to a medical facility due to injury or sickness.
- not had any restrictions or limitation on your ability to work on a full time basis (30 hours or more per week) due to injury or sickness.

Enrollment

Enrollments will be conducted for newly eligible GME Trainees at a time determined by the University of Virginia. During the enrollments for newly eligible GME Trainees, you may enroll in the IDI Plan if you meet the eligibility requirements and the following criteria.

In order to enroll in the IDI Plan, for a period of time commencing one day prior to and including the date of application, you must:

If you do not apply during the designated enrollment period and choose to enroll at a later date, you will be required to provide evidence of good health satisfactory to the insurance company at your own expense.

When Your IDI Coverage Begins

The insurance applied for will take effect immediately upon the date the application is fully completed and signed provided you qualify for the coverage under the terms and conditions of the offer.

How the IDI Plan Works

IDI Plan Highlights

The mandatory IDI Plan benefit is a flat \$500.

The voluntary IDI Plan is benefit is a flat \$500.

Total Compensation Definition

The IDI Plan defines total compensation as your base salary.

If your total compensation decreases, your IDI benefit amount will not decrease as long as premiums continue to be paid.

Definition of Disability

Total Disability

Total Disability, or Totally Disabled, means that because of injury or sickness, you are: (a) not able to perform the material and substantial duties of your occupation; (b) not engaged in any occupation; and (c) receiving physician's care.

Residual Disability Benefit

Residual disability or Residually Disabled means that you are not totally disabled, but due to injury or sickness, you are: (a) not able to perform one or more of the material and substantial duties of your occupation; or you are not able to perform them for as long as normally required to perform them; (b) incur a loss of earnings of at least 20%; and (c) receiving physician's care.

If you are Residually Disabled, benefits start to accrue on the day of Residual Disability following the Elimination Period or after your Total Disability ends, if later. The Residual Disability Benefit amount cannot exceed the Total Disability monthly amount and will be paid for as long as Residual Disability continues, but not beyond the Maximum Benefit Period for Residual Disability. Monthly benefits will be determined as follows: During the Work Incentive Period, the following formula will be used: Prior Earnings minus (-) Monthly Earnings = Residual Disability Monthly Amount

After the work incentive period, the following formula will be used: Loss of Earnings/Prior Earning x Total Disability Monthly Amount = Residual Disability Monthly Amount

If the Loss of Earnings equals 75% or greater of Prior Earnings, we will deem the loss to be 100% of Prior Earnings. Residual Disability benefit will not be paid for any days for which total disability benefits are paid.

When Your IDI Coverage Ends

Your coverage under the IDI Plan will end if any of the following occur:

- The premiums remain unpaid at the end of the 31 day grace period;
- The policy expiration date, if you are not actively employed full time;
- The date of your written request to terminate the Policy; or
- You die.

IDI Coverage Portability

The individual policy coverage insuring the IDI Plan is fully portable and can be maintained by paying premiums directly to the insurance company. At such time as your employment with the Employer ends, a letter explaining how you can maintain your individual policy coverage will be sent to your home address.

When Benefit Payments Begin

The elimination period is the number of days that must elapse during a disability before benefits start to accrue.

Benefits are payable after 90 days of disability. Subject to the terms of the Recurrent Disability provision, these days need not be consecutive; they can be accumulated during a disability to satisfy an elimination period. Benefits are not payable, nor do they accrue, during an elimination period.

Recurrent Disabilities

If after the end of a disability you become disabled again from the same or related causes, and if such recurrence is within six months of the end of the prior period, it will be deemed a continuation of the prior disability. If the period of disability is separated by six months or more, you will need to

How the IDI Plan Works (continued)

satisfy a new elimination period, and a new maximum benefit period will apply.

Concurrent Disabilities

Concurrent disabilities are disabilities arising from more than one cause at the same time. They will be treated as a single disability. In no event will the insurance carrier pay longer than the maximum benefit period for any one continuous disability.

Waiver of Premium

After 90 days of disability resulting from injuries or sickness not excluded from coverage, the insurance company will:

- Refund any premiums for the policy that were due and paid while you were disabled; and
- Waive the payment of premiums that thereafter become due for as long as the disability continues.

Taxation of Benefits

Generally, disability benefit payments are taxed as income only if the premiums are paid by your employer. Since you are paying the premiums for your IDI Plan coverage with after-tax earnings, any disability benefit payments that you receive under the IDI Plan will be tax-free.

For more specific information on the taxation of disability benefits, you can refer to IRS Publication 525—Taxable and Nontaxable Income, available at www.irs.gov.

How IDI Benefits Coordinate With Other Sources of Disability Income

The IDI benefits do not offset or reduce at time of claim for any other source of disability income benefits.

When Payment of IDI Benefits Ends

Benefits will be payable to you until the earlier of the following:

- The date you no longer meet the definition of disability;
- The date you die;
- The end of the maximum benefit period (as shown in the following table).

Your IDI Plan benefits will continue according to the schedule below for as long as you meet the definition of disability.

If Disability Begins:	The Benefit Period is:
Before Age 64	To Age 67
At Age 64, but before Age 65	36 months
At or after Age 65, but before Age 75	24 months
At or after Age 75	12 months

How the IDI Plan Works (continued)

Special Benefits

Work Incentive Benefit

When you return to work, you will receive a short-term incentive for up to one year equal to the difference between your prior income and your current income, for up to 100% income replacement (subject to the maximum benefit amount).

Recovery Benefit

This provides a benefit for up to one year if you fully recover, return to full-time work in your occupation but you continue to earn less than 80% of your pre-disability total compensation due to your prior disability. This provision pays a benefit while you re-establish your earnings base. The amount you receive is based on the percentage of earnings you lose.

Rehabilitation Benefit

This benefit can help you regain your self-sufficiency as soon as possible. While you are disabled and receiving benefits, rehabilitation expenses not covered by other benefits may be paid.

Catastrophic Benefit

For those with the voluntary IDI plan, this benefit can help you replace a greater portion of prior earnings for any one of three very serious types of disabilities that are likely to increase living expenses:

- ADL disability (the loss of two or more Activities of Daily Living (ADL)— bathing, dressing, toileting, transferring, continence, and eating);
- Cognitive impairment; or
- Presumptive disability (the total and irrevocable loss of speech, hearing, sight in both eyes, or use of both arms, both legs, or one arm and one leg).

When Benefits Are Not Paid (Exclusions)

The insurance carrier will not provide benefits for a disability contributed to or caused by:

- War or act of war, whether declared or undeclared; or
- The suspension, revocation or surrender of your professional license to practice in your occupation; or
- Your commission or attempt to commit a crime, or your being engaged in an illegal occupation; or
- Intentionally self-inflicted injuries; or
- Any loss excluded by name or specific description.

Benefits will not be paid for any period in which you are incarcerated during a disability.

Benefits will not be paid for more than 12 months while you reside outside the United States or Canada during a disability. You will be considered to reside outside these countries when you have been outside the United States or Canada for a total period of six months or more during any 12 consecutive months during a disability.

No Limit Mental Nervous Limitation

For mandatory and voluntary Plans, Benefits of Disability caused or contributed to by Mental Disorders will be covered for the full benefit period.

After the maximum monthly payments have been made and subject to the provisions of this Policy we will only pay benefits due to a Disability from Mental Disorders while you are continuously confined as an in-patient in a Hospital under the care of a Physician, but not to exceed the Maximum benefit Periods for Total Disability.

Plan Information

Plan Name

The technical name of the plan is the University of Virginia GME Trainees Individual Disability Insurance (IDI) Benefit.

Plan Sponsor

The plan sponsor of the Plan is:
University of Virginia GME Trainees
P.O Box 800793
Health Sciences Center
School of Medicine
Charlottesville, VA 22908-0395

Insurance Company

The insurer of the University of Virginia GME Trainees Individual Disability Insurance (IDI) Benefit is Unum Group. Coverage is underwritten by the following subsidiaries of Unum:

Provident Life and Accident Insurance Company
1 Fountain Square
Chattanooga, TN 37402

Unum Life Insurance Company of America
2211 Congress Street
Portland, ME 04122

Provident Life and Casualty Insurance Company
1 Fountain Square
Chattanooga, TN 37402

Employer Identification Number

The Internal Revenue Service has assigned the Employer Identification Number (EIN 54-6001796) to University of Virginia.

Plan Number

The plan number for the University of Virginia GME Trainees Individual Disability Insurance Benefit is 5579046, and plan number for the GME Trainees Group LTD Insurance Benefit is **353431**.

Source of Contribution

The IDI Plan is offered on a mandatory and voluntary basis and paid by the employee. The amount of such contributions is determined by the amount charged by the insurer under the applicable insurance policy.

Payment of Benefits

Benefits are insured with the subsidiary of Unum described in the Plan Insurer section above. Unum will make all benefit payments under the University of Virginia GME Trainees Individual Disability Insurance (IDI) Benefit.

Governing Laws

The provisions of the Plan shall be construed, administered and enforced according to applicable federal laws as interpreted and applied by the federal courts located in the State of Virginia and the laws of the State of Virginia, without regard to any conflict of law rules.

Plan Information

Severability

The Provisions of the Plan are severable. If any provision of the Plan is deemed illegally or factually invalid or unenforceable to any extent or in any application, then the remainder of the provision and the Plan, except to such extent or in such application, shall not be affected, and each and every other provision of the Plan shall be valid and enforceable to the fullest extent and in the broadest application permitted by law.

Plan Documents

The benefits described in the individual Summary Plan Description for the Plan are subject to the terms and conditions of the individual plan document or insurance policies. If there is a discrepancy between this SPD and the insurance policies, the terms of the insurance policies will govern.

Plan Limitations

Being a participant in a University of Virginia GME Trainees Individual Disability Insurance Benefit does not give an employee the right to continued employment with University of Virginia or any of its subsidiaries or affiliates. An employee cannot sell, transfer, pledge or assign either voluntarily or involuntarily the value of his or her benefit.

Agent for Service of Legal Process

Any service of legal process involving the Plan should be made by delivery to the Plan Administrator at the address set forth below. If the legal process concerns a claim under an insurance policy, you may serve the legal process by delivery to the applicable insurance company.

Plan Year

The plan year for the University of Virginia GME Trainees Individual Disability Insurance Benefit is 2020.

Plan Administrator

The Plan Administrator (or its authorized delegate) has the sole discretion and authority to apply, construe, and interpret all provisions of the University of Virginia GME Trainees Individual Disability Insurance Benefit, to grant or deny all claims for benefits and to determine all benefit eligibility issues (including eligibility for the University of Virginia Individual Disability Insurance Benefit). The Plan Administrator (or its authorized delegate) will exercise such powers in a uniform and non-discriminatory manner. All decisions on determinations made on appeal by the Plan Administrator (or its authorized delegate) or the Benefits Administration Committee are final and binding on all parties.

The Plan Administrator for the Plan is:

Office of Employee Benefits
University of Virginia Human Resources
PO Box 400127
2420 Old Ivy Road, 3rd FL
Charlottesville, VA 22904-0127

For general questions regarding the University of Virginia GME Trainees Individual Disability Insurance (IDI) Benefit, please contact the Benefits Department at [434-243-3344](tel:434-243-3344).