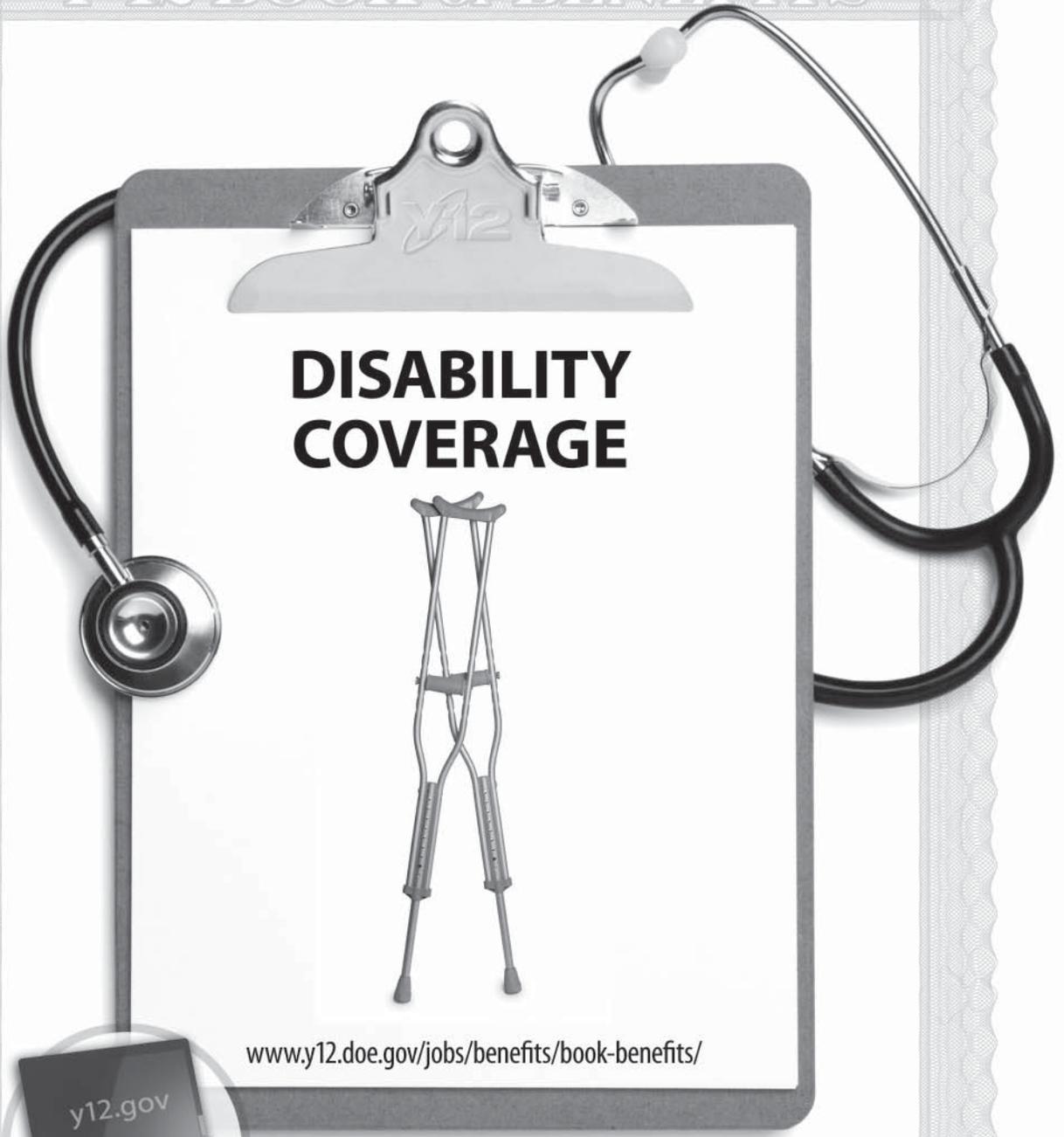


Y-12 BOOK OF BENEFITS



**DISABILITY
COVERAGE**



www.y12.doe.gov/jobs/benefits/book-benefits/



YOUR BOOK OF BENEFITS—ACTIVE EMPLOYEES

Y-12 BOOK OF BENEFITS

Your Disability benefits are designed to provide continuing income if you experience an illness or injury or become pregnant, and are unable to work.

Your Disability Benefits:

- Are automatically provided by the Company

The Company automatically provides some coverage under the short-term and long-term disability plans. The benefit amount for hourly versus salaried employees varies and is explained under the section "Benefit Amount." Part-time employees are not eligible for either short-term or long-term disability benefits. ARRA (American Recovery and Reinstatement Act) employees are not eligible for long-term disability benefits.

- Replace part of your pay for disabilities that continue past six months

The long-term disability plan continues part of your Pay after you have been determined disabled for six months (or 130 cumulative days) with benefits payable until you reach age 65 or until your disability ends, if earlier. If you become disabled on or after reaching age 60, benefits may continue for five years, or until you reach age 70, whichever comes first. If you become disabled on or after reaching age 70, benefits may continue for 12 months.

- Are coordinated with other disability income

Your short-term disability and long-term disability benefits may be reduced by other income benefits, such as workers' compensation and Social Security that you receive while disabled.

What happens to your benefits when?

For more information about what happens to your disability benefits when certain changes or events occur, see "How Changes Affect Your Benefits" in the "About Your Benefits" section.

Short-Term Disability Plan

It is your obligation to establish that you are disabled, or that you have a continuation of disability. If you are unable to work due to an illness or injury, or become pregnant, the short-term disability plan may continue 100% of Pay for up to six months of your medically determined disability. Claims covered by Workers' Compensation are not covered. There are different short-term disability benefits for salaried and hourly employees. It is your obligation to establish that you are disabled.

Benefit Amount

If you are unable to work due to an illness or injury, or become pregnant, the short-term disability plan continues up to 100% of your Pay for up to six months of your disability.

"Pay" is defined in the Glossary

The benefit amount and period of benefits you receive depends on your length of service.

Salaried Employees

- If you have six months of Company Service or more, you will receive 100% of Pay for six months.
- If you have between one and six months of Company Service, you will receive 100% of Pay for each completed month of service.

Hourly Employees

- Payment will be at 100% of straight time earnings, following a two (2) consecutive work day waiting period for disability pay in accordance with the eligibility schedule contained in the current contract for bargaining unit employees.
- Eligibility schedule for employees offered and hired after June 22, 2004, will be in accordance with the following schedule:

Company Service	Maximum payment weeks
> 3 months but < 6 months	1
> 6 months but < 1 year	2
> 1 year but < 2 years	4
> 2 years but < 3 years	6
> 3 years but < 4 years	8
> 4 years but < 5 years	10
> 5 years but < 6 years	12
> 6 years but < 7 years	14
> 7 years but < 8 years	16
> 8 years but < 9 years	18
> 9 years but < 10 years	20
Over 10 years	26

No payments will be made for the first two (2) consecutive work days of the absence for any disability, unless such period of disability extends beyond twelve (12) consecutively scheduled work days.

Certification by a licensed practicing physician is required. If an employee is admitted to the hospital as an in-patient or receives treatment as a day surgery patient during the first two (2) waiting days of a certified disability absence, the remaining day(s) of the two (2) day waiting period will be waived.

Plan benefits will be reduced by income benefits you are eligible to receive from other sources because of your disability, such as workers' compensation, the Occupational Disease Act, or the disability laws of any state.

If your absence extends beyond six months, benefits may become payable from the Company's long-term disability plan.

Successive Disabilities

Periods of disability are treated as separate periods if they are:

- due to unrelated causes and are separated by your return to active work for at least eight consecutive Hours of Work
- due to related causes and are separated by a return to active work of at least 520 Hours of Work or three calendar months, whichever is longer.

"Hour of Work" is defined in the Glossary.

Claiming Short-Term Disability Benefits

If you are unable to come to work because of a qualifying absence, in order to receive benefits, you must furnish periodic medical evidence of your illness or injury if requested by the Company.

The Company reserves the right to confirm your disability with a physician and/or require a written statement from your attending physician at any time during your absence. Upon return to work, the Company may require a physician's statement indicating your fitness to resume normal work duties.

In addition, during your disability, you may be required to undergo periodic evaluations by your Company's Occupational Health Services Department in order for the Company to determine if you are able to return to light duty. If the Company's Occupational Health Services Department and your physician determine that you are able to return to light duty, and you do not return to work for light duty, benefits for short-term disability will end.

When Short-Term Disability Benefits End

Benefits for any absence will end on the first of the following days:

- when you return to work
- when you do not provide requested satisfactory evidence of your continuing illness or injury

- when you do not return to work for light duty if you are able
- when you have received the maximum number of benefit payments
- when the Company terminates your employment for cause.

Long-Term Disability Plan

It is your obligation to establish that you are disabled, or that you have a continuation of disability. Your long-term disability benefits are designed to provide continuing income if you have an illness or injury and are unable to work. Claims covered by Workers' Compensation are not covered. You become eligible to apply for benefits after you have been Totally Disabled (as defined in the Glossary) for six months or 130 cumulative days. Long-term disability benefits pick up where short-term disability benefits leave off, provided you have at least six months prior service with the Company to the beginning date of your Total Disability. It is your obligation to establish that you are Totally Disabled.

Benefit Amount

If you are an **hourly employee**, your monthly long-term disability plan benefit equals 60% of your monthly Pay, up to a maximum monthly benefit of \$5,000, reduced by income benefits you are eligible to receive from other sources, as described under "Reduction of Benefits."

If you are a **salaried employee**, you automatically receive a base benefit of 30% of your monthly Pay, up to \$5,000 per month. You may elect to purchase an additional 30% benefit as long as you complete and return the enrollment form to Benefit Plans within 30 days of becoming eligible. The maximum monthly benefit amount, at the 30% or 60% benefit level, is 60% of monthly Pay up to a maximum of \$5,000 per month, reduced by income benefits you are eligible to receive from other sources, as described under "Reduction of Benefits."

The company which administers the long-term disability benefits plan will instruct you on how to apply for Social Security benefits.

"Pay" is defined in the Glossary.

Duration of Benefits

Benefits under the long-term disability plan are payable to you once you have been Totally Disabled (as defined in the Glossary) for six months or 130 cumulative days.

During the first 24 months of long-term disability payments, you may be required to undergo periodic evaluations at your Company's Occupational Health Services Department in order for the Company to determine whether you are able to return to work. The results of any evaluation will be discussed with you and your physician.

Should you recover from your illness/injury during the first 24 months of long-term disability leave, you may contact the Benefit Plans Office to request a return to work medical evaluation.

The Company does not hold your employment or a job position open for you when you are on long-term disability. The decision on whether you return to work will be based on the results of this medical

evaluation and the availability of an open position for which you qualify. If a position is available, the Benefit Plans Office will coordinate a return to work medical evaluation by your Company's Occupational Health Services Department.

During the time receiving long-term disability benefits for 24 months, you must furnish periodic medical evidence of your illness or injury if requested by the Company in order to continue receiving benefits.

You may be eligible for severance pay after receiving long-term disability benefits for 24 months. Severance pay benefits are calculated based on your last day worked. See the "Severance Plan" section for details.

Normally, if you qualify for benefits under the provisions of the plan as stated above, long-term disability benefits are payable until you recover or until you reach age 65, if earlier. However, special provisions apply if you are age 60 or older when you become Totally Disabled. If you become Totally Disabled:

- between ages 60 and 69, benefits are payable for up to five years or until age 70, whichever comes first
- at or after age 69, benefits are payable for up to 12 months.

Reduction of Benefits

Your long-term disability benefits are reduced by other sources of income that are payable to you because of your Total Disability. Income that will reduce your long-term disability benefits includes:

- Workers' Compensation benefits or benefits provided under a similar law, state disability benefits and other statutory benefits for disability, retirement, or unemployment
- benefits provided through Company benefit plans, including the pension and business travel accident insurance plans
- any Social Security benefits for which you are eligible (refer to the Social Security and "Long-Term Disability Benefits" chart that follows).

If any of these benefits are payable as a lump sum, your long-term disability benefit will be calculated as if these benefits are paid monthly. The insurance company has the right to recover advanced Social Security benefits by direct payment or by offset against future long-term disability payments.

Your long-term disability benefits will not be reduced by any private disability coverage that you have purchased.

Determining Your Long-Term Disability Benefit

To calculate the amount you are eligible to receive under the long-term disability plan, follow these steps:

1. Multiply your monthly Pay by 60% (or 30% if salaried and not electing the additional 30% benefit) to determine your maximum monthly benefit from the plan up to \$5,000.

2. Subtract other income you are eligible to receive to find your adjusted monthly benefit from the plan. Continue on to Step 3 only if you are eligible to receive family Social Security.
3. If the resulting total of all income benefits you are eligible to receive is more than 75% of your monthly Pay, or 45% if salaried and not electing the additional 30% benefit, your monthly long-term disability benefit will be reduced to bring your total disability income to 75% of your monthly Pay (or 45% if salaried and not electing the additional 30% benefit).

Disability Example

Assume you earn \$3,000 a month and your benefit level is 60%.	
<i>Monthly Pay</i>	\$3,000
<i>Long-term disability benefit percentage</i>	x 60%
Maximum monthly long-term disability benefit	\$1,800

Assume you are eligible for primary Social Security of \$800 a month.	
<i>Maximum monthly long-term disability benefit</i>	\$1,800
<i>Primary Social Security</i>	-\$800
Adjusted monthly long-term disability benefit	\$1,000

or

Assume you are eligible for family Social Security of \$500 a month.	
<i>Assume earnings of \$3,000 per month</i>	\$3,000
<i>75% disability benefit</i>	x 75%
	\$2,250
<i>Primary Social Security</i>	-\$800
<i>Family Social Security</i>	-\$500
Total family disability income	\$950

Social Security and Long-Term Disability Benefits

You are required to apply for Social Security disability benefits within the first twelve months of disability.

If you have not received a benefit determination from Social Security after you have been receiving long-term disability benefits for 12 months, or if your original claim is denied and you do not file a timely appeal, then your long-term disability benefits will be reduced by your estimated Social Security benefits.

If...	Then...
You later complete the Social Security appeals process and are denied benefits	Your long-term benefits will be retroactively reinstated, and you will receive a "catch-up" payment.
You receive a cost of living increase to your Social Security disability income after your long-term disability benefit has been calculated	Your long-term benefits will not change.
Your disability makes you eligible to receive family Social Security benefits	Your total disability income from all sources may not exceed 75% of your monthly Pay, or 45% if salaried and not electing the additional 30% benefit.

Medicare, Social Security, and Long-Term Disability

Generally, you will automatically get Medicare Part A and Part B after you get SSDI benefits. If you disenroll in Part B, you could be left paying for healthcare that would otherwise be paid by Part B. This is because of Medicare Coordination of Benefit rules and specific enrollment period for Medicare Open Enrollment.

You are responsible for communicating with the Social Security office and understanding how Medicare eligibility and enrollment fit your, or your dependent's, personal situation. It is your and/or your dependent's obligation to timely enroll in Medicare so that your out-of-pocket expenses are minimized. The Company's medical plan will coordinate claims payments as though Medicare is in effect, even if not enrolled.

See the "Contacts Information" section on how to contact Social Security or Medicare to get SSDI, or Medicare questions answered.

Taking a Job While Disabled

If you return to work at the Company on a reduced-hour basis, you may be eligible to continue receiving up to 50% of your long-term disability benefit level (60% of the total benefit level for hourly or the 30% or 60% benefit level for salaried).

If you participate in a rehabilitative employment program outside the Company that is approved by both the Company and the third-party administrator, you may continue to receive part of your long-term disability income for up to 12 months. Your monthly long-term disability benefits will be reduced by 70% of any money received from your rehabilitative earnings. If you want to participate in a rehabilitative employment program, it is your responsibility to apply for any such approved program.

"Approved Rehabilitative Employment Program," is defined in the Glossary.

Successive Disabilities

If you receive long-term disability benefits, return to work for less than 520 Hours of Work or three calendar months (whichever is longer) and again become disabled due to the same illness or injury, long-term disability income will resume without a six-month waiting period, provided proper physician documentation is received and approved by the claims administrator. However, if you have been working for at least 520 Hours of Work, or more than 3 months (if longer), you will need to satisfy the waiting period before benefits begin.

"Hour of Work" is defined in the Glossary.

Disabilities due to unrelated causes will be treated as separate disabilities requiring satisfaction of separate waiting periods if the disabilities are separated by your return to work for eight (8) consecutive hours.

Exclusions

Long-term disability benefits are not payable for disabilities:

- occurring during the first 12 months that your plan coverage is in effect if caused by any condition for which you received treatment during the 3 month period before your plan coverage became effective
- covered by Workers' Compensation
- if you are not under the care of a licensed practicing physician
- due to an intentional self-inflicted injury
- resulting from your commission of a felony

or

- due to war, declared or undeclared.

Claiming Long-Term Disability Benefits

Within 90 days after your disability begins, the Benefit Plans Office will mail applicable forms to your home address to be completed by you and your physician.

If forms are not received within 100 days, contact the Benefit Plans Office.

You are required to apply for Social Security and any other income you may be eligible to receive as a result of your disability. If your initial application for Social Security is denied, you are required to pursue the entire Social Security benefits appeals process through the Social Security Office.

If you fail to complete the appeals process, your long-term disability benefit will be reduced by the estimated Social Security benefit that might have been available.