

**DISABILITY INSURANCE PROGRAM  
FREQUENTLY ASKED QUESTIONS (FAQ)**

**Section 4 - General Short Term Disability (STD),  
Long Term Disability (LTD) and Return to Work Information  
(Effective July 1, 2009)**

Disclaimer—

If there is any conflict in interpretation between the FAQ's and the Short-Term Disability (STD) and Long-Term Disability (LTD) program contract provisions and existing law, the contract provisions and/or law govern.

**Q 4.0 What happens in the event The Hartford goes out of business? What procedures are in place to handle this if it happens?**

A 4.0 The State is self insured for the Short-Term Disability period and The Hartford is insuring the Long-Term Disability period. In selecting a carrier, one of the criteria used in the (Request for Proposal (RFP)) process was the financial strength of the company. Not only did The Hartford score high in that area, but they have been in business for over 150 years and in the disability business for over 50 years. If, for whatever reason, The Hartford were to go out of business there are procedures in place through the Insurance Commissioner's office to ensure that claims are paid. Every insurance company that writes business in the State of Delaware has to deposit a percentage of the premium into a special trust fund. This fund is used in the event of an insurer defaulting. The State would then select another carrier to cover the LTD portion for the employees that are active.

**Q 4.1 I would like to view a copy of STD and/or LTD benefit booklet. Where is this information displayed?**

A 4.1 Copies of the STD and LTD benefit booklets are displayed at [www.ben.omb.delaware.gov](http://www.ben.omb.delaware.gov).

**Q 4.2 Can I use the time on approved STD and/or LTD claim to meet eligibility for a service pension benefit?**

A 4.2 Yes.

**Q 4.3 Under the Disability Insurance Program, would my benefit payment be decreased if I collect payments from a long term care policy?**

A 4.3 Long term care is insurance that typically pays medical bills (i.e. nursing home, etc.) in the event of the need for long term care. It is not typically an income replacement policy. Therefore, there would not be an offset (decrease) in your STD/LTD insurance payment.

**Q 4.4 It is understood that STD and LTD benefit payments are taxable. Will the taxes be deducted from my benefit payment or am I responsible for paying the taxes?**

A 4.4 Taxes will be deducted from the benefit in accordance with your W-4 form for STD and the directive given to The Hartford by the employee for the LTD payment.

**Q 4.5 If I receive STD and LTD benefits, will this information show on my W-2 form at the end of the year?**

A 4.5 The STD benefit paid by the State of DE will appear on the W-2 form. The LTD benefit paid by The Hartford will be reflected on a 1099 form for miscellaneous income. Both are taxable income as the cost of the program is paid 100% by the State of Delaware.

**Q 4.6 After employment separation, how will Minnesota Life continue to receive premium payments?**

A 4.6 If you become totally disabled while enrolled the Minnesota Life GUL program, the State of Delaware will pay your life insurance premiums after a nine month elimination period as long as you are deemed totally disabled by Minnesota Life or until age 65, whichever occurs first. This feature is called "Premium Waiver". If you become totally disabled, please contact Minnesota Life at 1-877-215-1489 or access the Statewide Benefits website at [www.ben.omb.delaware.gov](http://www.ben.omb.delaware.gov) for more information about this valuable benefit.

**Q 4.7 Is there any change to my State sponsored health care insurance coverage while I am out on Short Term Disability (STD) or Long Term Disability (LTD)?**

A 4.7 While you are on STD, the State continues to pay state share or double state share on your health insurance. Your share of the insurance premium(s), if any will be deducted from your pay. Premium(s) include all insurance premiums (medical, dental, etc.) paid through payroll deduction. Before the end of your STD benefit period, The Hartford will send an LTD application to your home to complete and the Pension Office will send you a letter advising of your continued eligibility for enrollment in a health care plan sponsored by the State of Delaware along with the applicable enrollment form(s). You must fully complete the enrollment forms and return them to the Pension Office for processing in order to continue to be enrolled in a health care plan sponsored by the State of Delaware, with state share or double state share as applicable, upon the commencement of your LTD benefits. Please refer to the Group Health Plan Eligibility Rules posted on Statewide Benefits Office website at [www.ben.omb.delaware.gov](http://www.ben.omb.delaware.gov) for more information.

**Q 4.8 Workers' Compensation during Short-Term Disability (STD). If I am out of work on Workers' Compensation (WC) due to an injury that occurred at work why would I file for Short-Term Disability (STD)?**

**A 4.8** Delaware legislators created the Workers' Compensation statute (Title 19 Chapter 23). This statute provides benefits to workers who are injured or who contract an occupational disease while working. The benefits include medical, disability payments and compensation for injuries with permanent impairment. Disability benefits (lost wages) are paid based on 66 2/3% of the average weekly wage. The calculation to determine the average weekly wage is determined by taking the average of the 26 weeks wages prior to the date of the incident. The weekly compensation rate shall not be more than the maximum or minimum per week as announced by the Secretary of the Department of Labor. By filing for STD benefits, you will receive up to 75% of your pre-disability creditable earnings including hazardous duty pay, if applicable and you may use available annual leave, sick leave, compensatory leave or donated leave to bring the 75% STD benefit payment up to 100% of pre-disability base salary.

**Q 4.9 Who do I contact if I have questions about the Disability Insurance Program?**

**A 4.9** The Program Lead is Leslie Ramsey and the Return to Work Coordinator is Durae' Johann. Leslie and Durae' may be reached at the following address and telephone numbers:

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