



# Short Term Disability

Disability insurance provides income replacement for workers who are unable to work, due to a disabling illness or injury. Short Term Disability insurance pays a percentage of salary replacement for a period of time until employees are able to return to work.

## Why Short Term Disability?

The need for the product is widespread: Baby boomers have a one-in-three chance of becoming disabled for 3+ months during their working years, but few are aware or prepared<sup>1</sup>.

Not only can disabling illnesses and injuries impact health and lifestyle, they can also affect financial wellbeing. A LIFE Foundation study<sup>2</sup> found that 49% of working Americans would have difficulty supporting themselves financially within a month after a disability.

Interest in disability insurance continues to grow among employers and employees. According to SHRM<sup>3</sup>, 70% of companies sponsor Short Term Disability insurance plans for their workers. More than 50% of employees say disability income is important, and they are prepared to pay the full cost of disability insurance if necessary<sup>4</sup>.

<sup>1</sup> Harris Interactive/AHIP, Baby Boomers' Awareness of Disability Risks, February 2008; <sup>2</sup> LIFE Foundation Study, 2009; <sup>3</sup> Employee Benefit Survey, Society for Human Resource Management, 2009; <sup>4</sup> Met Life Study of Employee Benefit Trends, 2011.

## Why Beazley Short Term Disability?

Our Short Term Disability insurance is a gap protection product, which provides employees with income replacement to ease their financial burden for a period of time following a disabling illness or injury.

The benefit may be offered employer-funded, or employee-paid (voluntary), or a combination of the two. Coverage is offered on a guarantee issue basis, or with medical questions (based on responses to up to four questions, answered on an accept/reject basis).

Our Short Term Disability product includes a range of benefit options:

- Flexible benefit amounts on a weekly or monthly basis:
  - Weekly: \$50 - \$3,000 per week
  - Monthly: \$300 - \$10,000 per month
- Flexible benefit periods on a weekly or monthly basis:
  - Weekly: 13 or 26 weeks
  - Monthly: 6, 12, or 24 months
- Salary replacement, ranging from 40-70%
- Mental illness and partial disability period
- Survivor benefit options
- Portability for up to two years

Salary replacement is based on earned income, as defined in the policy.

Standard limitations and exclusions for portability apply.

## Our Product at a Glance

- Offered guarantee issue or with medical questions.
- Available for small-to-mid-size groups (participation requirements).
- Flexible benefit amounts, benefit periods, and salary replacement percentages.
- Flexible funding options (employer-funded, employee-paid, or combination).
- Portable (for up to two years).
- May be a more affordable alternative than long term disability (especially when employer funds guarantee issue amount).

DISABILITY PLAN DESIGN		
PLAN DESIGN	RANGE OF OPTIONS	
<b>Funding Options</b>	<ul style="list-style-type: none"> <li>May offer employer-paid, or employee-paid (voluntary), or a combination of the two</li> </ul>	
<b>Underwriting</b>	<ul style="list-style-type: none"> <li>May offer guarantee issue, or with medical questions</li> </ul>	
<b>Benefit Options</b>	<b>Weekly Benefit</b>	<b>Monthly Benefit</b>
<b>Benefit Amounts</b>	\$50 - \$3,000 per week	\$300 - \$10,000 per month
<b>Benefit Period</b>	13 or 26 weeks	6, 12, or 24 months
<b>Mental Illness Period</b>	13 or 26 weeks	6, 12, or 24 months
<b>Partial Disability Period</b>	1-26 weeks	3, 6, 12, or 24 months
<b>Salary Replacement</b>	40-70%	
<b>Additional Options</b>		
<b>Survivor Benefit</b>	3, 4, 5, 6, 9, or 12 weeks	1, 2, or 3 months
<b>Portability</b>	12-24 months	
<b>Coverage Basis</b>	Non-occupational only	
<b>Accident/Sickness Elimination Period</b>	1/4, 4/4, 1/8, 4/8, 8/8, 8/15, or 15/15 days	1, 2 or 3 months
<b>Pre-Existing Conditions Period</b>	None, 3, 6, or 12 months, prior to the effective date	
<b>Participation Requirements</b>	<b>Weekly Benefit</b>	<b>Monthly Benefit</b>
	<ul style="list-style-type: none"> <li>Groups with 10-19 eligible employees</li> <li>Groups with 20-49 eligible employees</li> <li>Groups with 50-99 eligible employees</li> <li>Groups with 100-499 eligible employees</li> <li>Groups with 500+ eligible employees</li> </ul>	<ul style="list-style-type: none"> <li>Minimum of 8 covered employees</li> <li>Minimum of 11 covered employees and 30% participation</li> <li>Minimum of 30% participation</li> <li>Minimum of 25% participation</li> <li>Minimum of 20% participation</li> </ul>

## Contact us

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Benefits and range of options may vary by state. Premium will vary based on plan chosen. A waiting period for late entrants may apply. Salary replacement is based on earned income, as defined in the policy. Standard limitations and exclusions for portability apply.

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Beazley, which is rated A by A.M. Best, includes the issuing company of Beazley Insurance Company, Inc., 30 Batterson Park Road, Farmington, Connecticut, 06032.

For the most current listing of our product offerings and availability, visit <http://www.beazley.com/accident&health>. Beazley Insurance Company, Inc. is licensed to provide accident and health insurance in all states and the District of Columbia. Administrative services on all accident and health products are provided by HealthPlan Services (HPS).