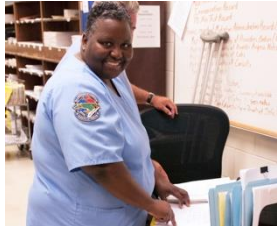




# NORTH CAROLINA Office of *State Human Resources*



## **NCFlex – Voluntary Disability Plan**

**March 2021**

# Agenda

- Brief overview of the plan
- Enrollment in the benefit vs. Claims
- Pre-Existing Condition/Treatment free period
- Basics of EOI (Evidence of Insurability)
- Filing a claim
- Contacts

# Brief Overview of NCFlex Voluntary Disability

Eligible employees can enroll in this plan during their initial New Hire enrollment period, when experiencing a qualifying life event, or during Open Enrollment (EOI would apply).

**Eligibility:** You may enroll in the NCFlex Disability plan if you are a full-time active employee\* of a state agency, select community college, or select charter school, working at least 30 hours or more per week. If you have questions about your eligibility, contact your Health Benefits Representative (HBR).

*\*Employees of The University of North Carolina System are not eligible for this benefit.*

# Brief Overview of NCFlex Voluntary Disability

These plans provide income replacement if you become unable to work due to a medical disability.

- STD benefits begin after a 10-business day waiting period (following your disability date) and go until day 60. The plan pays \$150 per business day, up to a maximum of \$750 per week. ***(Offsets do not apply).***
- LTD benefits begin to pay after you have been continuously disabled for 60 days. Your monthly benefit will be reduced by deductible income, such as Social Security or workers' compensation benefits. The plan will replace 66 2/3% of your eligible earnings, up to a maximum benefit of \$12,500 per month. If offsets apply, there is still a minimum payout per month of \$100 or 10% of the LTD benefit.

# Enrollment vs. Claims

Voluntary enrollment in the plan during your election period and filing a claim to receive disability benefits are not the same thing.

In addition to electing the plan as a new hire, annual enrollment, or other qualifying event and having coverage become effective, you must be approved for any STD or LTD benefits. This includes a review process, which requires submitting satisfactory proof of loss to The Standard, per the contract.

If your disability claim is approved, you will receive benefits. If your claim is denied, you will have an opportunity to appeal that decision. Regardless of the claim decision, as long as you remain eligible your election in the benefit stays the same and you will continue to have a withholding for that plan.\*

\* Premium will be waived if LTD benefits become payable.

# Basics of EOI (Evidence of Insurability)

## New hires and newly eligible

- Have 30 days from the date they become eligible to enroll without EOI.

## Current employees not already enrolled

- If application is during Annual Enrollment, you can still enroll in the plan, but you will be required to submit medical evidence of insurability and be approved by The Standard before your coverage will become effective.
- If application is due to a Qualifying Life Event (QLE) such as marriage, birth, adoption, divorce, and legal separation, EOI is not required.

**Note:** If previously denied, you can still apply again later.

# Basics of EOI (Evidence of Insurability)

If EOI is required, you will be prompted in Benefitfocus to complete a medical history statement.

## Providing Evidence Of Insurability means you must:

- Complete and sign a medical history statement;
- Sign a form authorizing The Standard to obtain information about your health;
- Undergo a physical examination, if required by The Standard; and
- Provide any additional information about your insurability that The Standard may reasonably require.

# Pre-Existing Condition/Treatment free period

## How the Pre-Existing Condition exclusion works:

- Applicable if filing a claim for a disability occurring within 12 months of becoming insured under the plan.
- The Standard will not pay benefits for any disability caused or contributed to by a pre-existing condition unless you (the insured) has:
  - Been on the plan for twelve continuous months at the time the disability occurred; or
  - Has served the entire 6-month Treatment Free Period without:
    - ✓ having consulted a physician;
    - ✓ received medical treatment, services or advice;
    - ✓ undergone diagnostic procedures; or
    - ✓ taken prescribed drugs or medications in connection with the Preexisting Condition



# Pre-existing Condition Exclusion Example

- Coverage effective date 1/1/20
- Cease work date - 8/31/20, 8 months after disability insurance became effective
- Date of disability – 9/1/20
- Disabling condition – Herniated Disc
- Medical Treatment
  - Claimant was seen on 9/15/19 for back pain and had x-rays. Had 12 physical therapy visits between 9/20/19 – 1/20/20 and took prescription pain medication and anti-inflammatories.
  - No treatment or medication between 1/21/20 – 7/31/20. Went back to the doctor on 8/1/20 for back pain.

## Pre-existing condition review period

- The 90-day period just before insurance became effective (10/3/19 – 12/31/19)

## Treatment Free Period

- Any continuous 6-month period during the Preexisting Condition Exclusion Period (1/1/20 – 12/31/20)

## Conclusion

- Employee was seen and/or treated during the 180-day pre-x period. However, they were not seen, treated and did not take prescription medication for a continuous 6-month treatment free period between (1/21/20 – 7/20/20). So the pre-existing condition exclusion would not apply to this disability claim.

# Pre-existing Condition FAQ

If I have a pre-existing condition, should I still enroll in the Disability plan?

Yes! You can still enroll in the Disability program even if you have a pre-existing condition. Pre-existing conditions will only be a factor in claims incurred within the first 12 months after you become insured. Another thing to keep in mind is that disabilities are often caused by accidents and not known health conditions.

If an employee has previously had a heart attack, can they become insured under the disability plan?

Yes, an employee can enroll in the Disability program if they've had a heart attack or other prior health condition. New hires or those with a Qualifying Life Event who enroll within 30 days are not required to answer any health questions. This is a limited opportunity for employees to enroll without providing Evidence of Insurability (EOI).

Is diabetes considered a pre-existing condition? Does taking medication automatically result in a denial of benefits?

Diabetes or any chronic condition where you take medication or have regular treatment is considered a pre-existing condition. However, the employee can still enroll in the plan under any opportunity that does not require EOI (e.g. new hire or QLE). A claim incurred by the employee more than 12 months after becoming insured will not be subject to a pre-existing condition investigation.

# Pre-existing Condition FAQ

If I file a claim less than 12 months after I become insured, will my pre-existing condition mean I'll be denied benefits?

It's possible. When a claim is incurred within the first 12 months, The Standard will conduct a pre-existing condition investigation to see if the condition that is causing your disability would exclude you from receiving benefits under this provision.

What if I file a claim more than 12 months after I become insured? Will my pre-existing condition mean I'll be denied benefits?

Not if you have been insured under the plan for 12 full months at the time you became disabled.

# Returning from LOA and Re-Enrolling

When you return from LOA you have 30 days to re-enroll in the NCFlex Voluntary Disability Plan (along with other NCFlex plans). Enrollment is completed in the online enrollment system.

- If you have been out on leave for less than 90 days, EOI is not required, *as long as you enroll timely, within 30 days from returning from leave*. However retro premiums will need to be collected\*.
- If you have been out on leave for more than 90 days, EOI is not required to re-enroll, *as long as you enroll timely, within 30 days from returning from leave*. In this situation you will have a gap in coverage.
- If you have applied and were/are in receipt of LTD benefits from The Standard, premiums are waived while LTD benefits are payable.

***\*The Standard does not accept direct bill payments. Please consult with your HR office for any past due payments.***

# Filing a Claim

## Reporting a Claim

You should report a claim as soon as you believe you will be absent from work beyond 10 business days. If you are uncertain about how long you will be absent or whether you should file a claim or not, you should go ahead and file a claim to give you some peace of mind and give The Standard time to begin its review and issue a timely payment if appropriate.

## How to File a Claim

Here are instructions to file a claim.

To File a Claim By	Contact
Telephone	Call The Standard's Claim Intake Service Center at <b>833-878-8858</b> .
Online	Go to <b>standard.com</b> and click on "File a Claim" to begin the claim process. Instructions will be provided through the entire claim submission process. Note: If you submit your claim online, the claim submission system will indicate a requirement for a Disability Insurance Employer's Statement to be received before a decision may be made on your claim. Although this is a requirement, you do not need to take this to your employer. Upon receipt of your Employee Statement, The Standard will reach out to your employer to obtain the necessary information needed for your claim.
Paper Claim	Your Health Benefits Representative

# Approved Claims Information

- STD Benefits are paid weekly in arrears for the prior week. Full week benefits are issued every Wednesday. Partial week benefits are issued off cycle depending on the dates payable.
- STD Benefits are paid by check and mailed to the employee's residence.
- LTD Benefits are paid monthly in arrears for the prior month after the 60-day STD period is complete.
- LTD Benefits can be paid by check or direct deposit.

# Contacts

The Standard:

- [ncflex@standard.com](mailto:ncflex@standard.com)
- 833-878-8858

NCFlex:

- [www.ncflex.org](http://www.ncflex.org)
- [ncflex@nc.gov](mailto:ncflex@nc.gov)

# Thanks for Attending