

WORKERS' COMPENSATION AND DISABILITY ADMINISTRATION

SHORT-TERM DISABILITY
INSURANCE (VDI)

AND

PAID FAMILY LEAVE (PFL)



January 1, 2013

To: Faculty and Staff of The Claremont Colleges

From: Workers' Compensation & Disability Administration- Claremont University Consortium

Re: Voluntary Disability Insurance and Paid Family Leave Benefits

California law permits an employer to implement a self-insured short-term disability program as long as the rights and benefits provided by the program equal or exceed the benefits provided by the state plan. In addition, the self-insured short-term program must provide at least one right or benefit that is greater than what is provided by the state plan.

The Claremont Colleges' short-term disability plan, known as the Voluntary Disability Insurance (VDI) plan is equal to the state plan in all areas and is greater than the state plan in the following:

- 1) The VDI plan has a 5-day waiting period to start receiving benefits whereas the state plan has a 7-day waiting period,
- 2) VDI benefit payments coincide with the regular payroll schedules, which means payments are received sooner,
- 3) VDI benefits can be paid via direct deposit, and
- 4) You have the option to redirect your health benefit premiums from your VDI benefit payments.

The Claremont Colleges implemented the VDI plan on January 1, 1972. Effective July 1, 2004, the VDI plan incorporated Paid Family Leave (PFL) into The Claremont Colleges' plan (the "Plan").

The VDI benefit is designed to provide partial compensation for wages lost if you are unable to work because of a non-work-related illness or injury. VDI benefits are able to be supplemented with an employee's accrued leave hours according to each institution's supplementing policy.

The PFL benefit provides partial compensation for wages lost if you should require time off work to care for a qualifying family member who becomes ill or if you wish to bond with a qualifying child. PFL benefits are able to be

supplemented with an employee's accrued leave hours according to each institution's supplementing policy.

The Plan provides a basic weekly disability benefit (55%) determined by your regular earned income. The minimum weekly VDI benefit amount is \$50 and the maximum weekly VDI benefit amount is \$1,067.

The provisions of the VDI and PFL benefits described in this Plan document are offered by Pomona College, Claremont University Consortium, Scripps College, Claremont McKenna College, Harvey Mudd College, Pitzer College and Keck Graduate Institute. We ask that you read the Plan carefully and become familiar with its provisions.

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(tear along dotted line)

**VOLUNTARY DISABILITY INSURANCE PLAN & PAID FAMILY LEAVE
(SHORT TERM DISABILITY INSURANCE)**

This is to acknowledge that I, _____
(Your name - please print)

received a copy of the Voluntary Disability Insurance & Paid Family Leave Plan for Claremont McKenna College, Claremont University Consortium, Harvey Mudd College, Kerk Graduate Institute, Pitzer College, Pomona College and Scripps College.

Date: _____

College/Institution: _____

Department: _____

Signature: _____

Please return to: Benefits Administration, Pendleton Office Building

VOLUNTARY DISABILITY INSURANCE
(Short-Term Disability Insurance)
And
PAID FAMILY LEAVE

For Employees
Of

Pomona College, Claremont University Consortium, Scripps College,
Claremont McKenna College, Harvey Mudd College, Pitzer College, Keck
Graduate Institute

Effective January 1, 2013

I. ELIGIBILITY

All California employees are eligible for coverage under this Plan except short-term employees (employees hired for a period not expected to exceed two weeks or those who are hired through a temporary employment agency). Active employees on the effective date of this Plan shall be immediately eligible for coverage under the Plan provided they have paid wages into either State Disability Insurance (SDI) or VDI. New employees shall become eligible on their date of hire.

A. Applying for Benefits

In order to receive the claim packet for VDI and PFL, please contact Disability Administration at Claremont University Consortium, 101 S. Mills Ave., Claremont, CA 91711 or by phone at 909-607-7946. All forms must be completed and submitted in order to determine eligibility for benefits.

B. Effective Date of Coverage -- Automatic Coverage

Because at least eighty-five (85) percent of the eligible employees consent to the coverage in writing, this Plan shall be made applicable to all except those who specifically reject the coverage under this Plan in writing. Individuals employed after the effective date of the Plan are covered on their date of hire unless coverage is rejected in writing. For any employee who has rejected or withdrawn from coverage and subsequently elects, in writing, to be covered by the Plan, coverage will commence on the first day of the calendar quarter immediately following notification that the employee has elected coverage. Any employee who specifically rejects the

coverage under this Plan in writing will, instead, be enrolled in the state's short-term disability insurance plan.

II. VOLUNTARY DISABILITY INSURANCE (VDI)

A. Waiting Period

Any employee covered under this Plan, who becomes disabled by any physical or mental illness or injury which prevents the performance of regular or customary work, will be paid benefits as follows:

- on the sixth (6) day of disability; or
- on the 1st day of maternity leave; or
- on the first full day of hospitalization; or
- on the first day of treatment in a hospital surgical unit; or
- on the first day of an approved surgical clinic or a post-surgical recovery center requiring a stay of less than 24 hours provided that the employee is disabled at least six (6) days during the disability period as a result of such treatment

If the disability period lasts for more than 14 days, any waiting period previously applied will be waived.

All disability benefits will be paid in accordance with the schedule in Section C, subject to limitations and provisions stated hereafter.

B. Base Period

The amount of the basic weekly benefit depends upon the total wages paid to the employee during a 12-month base period. As shown below, the month in which the employee's claim begins determines which 12-month period is used.

If the claim begins:	The base period is the preceding:
• January, February, or March	• October 1 – September 30
• April, May, or June	• January 1 – December 31
• July, August, or September	• April 1 – March 31
• October, November, or December	• July 1 – June 30

A claim will not be valid if the employee's total base period wages are less than \$300.00. If an invalid state plan award is received due to insufficient qualifying wages during the base period, an employee may be entitled to further benefit consideration under the benefit-rights of the long-term unemployed.

C. Basic Weekly Benefit Schedule

The weekly benefit amount will be based on the employee's highest quarterly earnings in the base period. Benefits are computed in accordance with the following table for all seven institutions: **Refer to the next page.**

C. Basic Weekly Benefit Schedule

Amount of Wages in Highest Quarter	Weekly Benefit Amount
\$ 75.00 - 1,374.99	\$ 50 – 59
1,375.00 - 1,624.99	60 – 69
1,625.00 - 1,867.27	70 – 79
1,867.28 - 2,103.63	80 – 89
2,103.64 - 2,340.00	90 – 99
2,340.01 - 2,576.36	100 – 109
2,576.37 - 2,812.72	110 – 119
2,812.73 - 3,049.09	120 – 129
3,049.10 - 3,285.45	130 – 139
3,285.46 - 3,521.82	140 – 149
3,521.83 - 3,758.18	150 – 159
3,758.19 - 3,994.54	160 – 169
3,994.55 - 4,230.91	170 – 179
4,230.92 - 4,467.27	180 – 189
4,467.28 - 4,703.63	190 – 199
4,703.64 - 4,940.00	200 – 209
4,940.01 - 5,176.36	210 – 219
5,176.37 - 5,412.72	220 – 229
5,412.73 - 5,649.09	230 – 239
5,649.10 - 5,885.45	240 – 249
5,885.46 - 6,121.82	250 – 259
6,121.83 - 6,358.18	260 – 269
6,358.19 - 6,594.54	270 – 279
6,594.55 - 6,830.91	280 – 289
6,830.92 - 7,067.27	290 – 299
7,067.28 - 7,303.63	300 – 309
7,303.64 - 7,540.00	310 – 319
7,540.01 - 7,776.36	320 – 329
7,776.37 - 8,012.72	330 – 339
8,012.73 - 8,249.09	340 – 349
8,249.10 - 8,485.45	350 – 359
8,485.46 - 8,721.82	360 – 369
8,721.83 - 8,958.18	370 – 379
8,958.19 - 9,194.54	380 – 389
9,194.55 - 9,430.91	390 – 399
9,430.92 - 9,667.27	400 – 409
9,667.28 - 9,903.63	410 – 419
9,903.64 - 10,140.00	420 – 429
10,140.01 - 10,376.36	430 – 439
10,376.37 - 10,612.72	440 – 449
10,612.73 - 10,849.09	450 – 459
10,849.10 - 11,085.45	460 – 469
11,085.46 - 11,321.82	470 – 479
11,321.83 - 11,558.18	480 – 489
11,558.19 - 11,794.54	490 – 499
11,794.55 - 12,030.91	500 – 509

Amount of Wages in Highest Quarter	Weekly Benefit Amount
\$ 12,030.92 - 12,267.27	\$ 510 – 519
12,267.28 - 12,503.63	520 – 529
12,503.64 - 12,740.00	530 – 539
12,740.01 - 12,976.36	540 – 549
12,976.37 - 13,212.72	550 – 559
13,212.73 - 13,449.09	560 – 569
13,449.10 - 13,685.45	570 – 579
13,685.46 - 13,921.82	580 – 589
13,921.83 - 14,158.18	590 – 599
14,158.19 - 14,394.54	600 – 609
14,394.55 - 14,630.91	610 – 619
14,630.92 - 14,867.27	620 – 629
14,867.28 - 15,103.63	630 – 639
15,103.64 - 15,340.00	640 – 649
15,340.01 - 15,576.36	650 – 659
15,576.37 - 15,812.72	660 – 669
15,812.73 - 16,049.09	670 – 679
16,049.10 - 16,285.45	680 – 689
16,285.46 - 16,521.82	690 – 699
16,521.83 - 16,758.18	700 – 709
16,758.19 - 16,994.54	710 – 719
16,994.55 - 17,230.91	720 – 729
17,230.92 - 17,467.27	730 – 739
17,467.28 - 17,703.63	740 – 749
17,703.64 - 17,940.00	750 – 759
17,940.01 - 18,176.36	760 – 769
18,176.37 - 18,412.72	770 – 779
18,412.73 - 18,649.09	780 – 789
18,649.10 - 18,885.45	790 – 799
18,885.46 - 19,121.82	800 – 809
19,121.83 - 19,358.18	810 – 819
19,358.19 - 19,594.54	820 – 829
19,594.55 - 19,830.91	830 – 839
19,830.92 - 20,067.27	840 – 849
20,067.28 - 20,303.63	850 – 859
20,303.64 - 20,540.00	860 – 869
20,540.01 - 20,776.36	870 – 879
20,776.37 - 21,012.72	880 – 889
21,012.73 - 21,249.09	890 – 899
21,249.10 - 21,485.45	900 – 909
21,485.46 - 21,721.82	910 – 919
21,721.83 - 21,958.18	920 – 929
21,958.19 - 22,194.54	930 – 939
22,194.55 - 22,430.91	940 – 949
22,430.92 - 22,667.27	950 – 959
22,667.28 - 22,903.63	960 – 969

C. Basic Weekly Benefit Schedule cont'd

Amount of Wages in Highest Quarter	Weekly Benefit Amount
22,903.64 – 23,140.00	\$ 970 - 979
23,140.01 – 23,376.36	980 - 989
23,376.37 – 23,612.72	990 - 999
23,612.73 – 23,849.09	1000 - 1009
23,849.10 – 24,085.45	1010-1019
24,085.46 – 24,321.82	1020-1029
24,321.83 – 24,558.18	1030-1039
24,558.19 – -24,794.54	1040-1049
24,794.55 – 25,030.91	1050-1059
25,030.92 – 25,196.36	1060-1066
25,196.37 and above	1067

When the highest quarter in the base period exceeds \$25,196.37, the weekly benefit will be 55% of the highest quarter divided by 13 to a maximum of \$1,067.00 per week.

For any day of any period of disability for which benefits are payable, and which is less than a full week, one-fifth of the weekly amount shall be paid for each workday of disability.

D. Recurring Spells

Disabilities due to the same or related illness or injury and separated by a period of not more than fourteen (14) days shall be considered as one disability benefit period. Claims submitted after 14 days will be considered a new claim.

E. Maximum Benefits

The maximum amount of benefits payable to any one employee during any one disability benefit period shall be 52 times the weekly benefit amount, (i.e., 52 weeks of benefit payments) or 100% of the disability period, whichever is less. The maximum benefit amount for any one disability benefit period is \$54,484.

F. Redirection of Benefits

An employee eligible to receive benefits under this Plan may choose to redirect a portion of his/her weekly benefit to cover all or part of the cost of employee paid benefits. In order to allow the employer to redirect a portion of the Plan benefit, the employee must designate the amount to be redirected for payment of the employee paid benefit, in

writing, on the Redirection of Benefits Form available from Disability Administration.

This redirection may be initiated by the employee at the time he/she applies for Plan benefits or at any time while receiving Plan benefits. With written authorization from the employee, this redirection may be initiated by the employer at the time the employee's leave accruals have exhausted while receiving Plan benefits. The employee may terminate or change the terms of the Plan redirection of benefits at any time while receiving benefits under this Plan.

G. Independent Medical Examination (IME)

If Disability Administration decides that there is a conflict with a diagnosis, duration of disability, or medical extension; an employee may be asked to submit to an IME with a neutral medical doctor in the appropriate field of expertise. Refusal to attend an IME will result in termination of benefits. The results of the IME will determine if disability benefits will cease or continue.

III. CONTRIBUTIONS

Each employee covered under the Plan for Pomona College shall contribute at the rate of 0.9%. Each employee covered under the Plan for Claremont University Consortium, Scripps College, Claremont McKenna College, Harvey Mudd College, Pitzer College, and Keck Graduate Institute shall contribute at the rate of 1.0% for the first \$100,880 of gross taxable wages earned per year. The maximum employee contribution rate is \$1,008.80 (\$907.92 for Pomona College employees) for the first \$100,880 of gross taxable wages earned per year.

IV. LIMITATIONS

A. Determination of Benefits Payable

(1) Benefits are not payable for any disability incurred after or that continues beyond the period of earned sick leave, and is not supported by a certification from a physician, surgeon, optometrist, dentist, osteopath, chiropractor, podiatrist, specified licensed psychologist, licensed midwife or nurse practitioner that states the medical facts within his or her knowledge, his or her conclusion with respect to the disability of the employee and his or her opinion with respect to the probable duration of the illness. The exception is a certificate showing the employee has been

referred or recommended by a licensed medical authority to participate as a resident in either an approved recovery home in an alcoholism recovery program or in an approved residential facility in a drug-free recovery program; such certificates need not show actual disability. All medical licenses will be verified before benefits are payable.

As to any employee who is hospitalized in or under the care of any medical facility of the United States Government, a certificate as to the employee's disability, signed by any duly authorized medical officer of such facility, will be acceptable.

With respect to an individual who is hospitalized in a county hospital in this state or hospitalized in a county hospital in another state, a certificate stating the date that the physician ordered the confinement, signed by the registrar of the hospital, shall satisfy the requirement of this part.

Such certificate is not required if the employee submits evidence of receipt of temporary disability benefits under a workers' compensation law for any day for which he or she is entitled to receive disability benefits reduced by such temporary workers' compensation benefits.

Such certificate is not required if any employee is ordered not to work because he or she is infected with or suspected of being infected with a communicable disease and a written order from a state or local health officer estimating the duration of such confinement is provided.

If any individual, in good faith, adheres to the teachings of any bonafide sect, denomination, or organization which, in accordance with its creeds, tenets, or principles, depends entirely upon prayer or spiritual means for healing, the certificate of a duly authorized or accredited practitioner of such bonafide sect, denomination, or organization as to the disability of the claimant and the estimated duration of such disability will be accepted. Benefits will be paid to the extent that benefits would be paid under the state plan.

(2) For any day of disability for which the employee receives, or is entitled to receive benefits or cash payments for: a) temporary disability indemnity, under a workers' compensation or employer liability law of this state, or any other state, or of the federal government; b) a maintenance allowance, except when certain conditions are met; or c) permanent disability benefits for the same injury or illness under the

workers' compensation of this state, any other state, or the federal government, and those benefits are less than the amount he/she would otherwise receive as benefits under this Plan, he/she shall be entitled to receive for such day, if otherwise eligible, disability benefits, reduced by the amount of such payments.

(3) For any period of disability for which benefits are payable under any unemployment act of the United States or of any state, benefits under this Plan are not payable.

(4) If the employee is confined, pursuant to commitment or court order or certification, in an institution or other place as a drug addict, benefits under this Plan may not be payable.

(5) Benefits are not payable to any individual who is a) incarcerated in any federal, state, or municipal penal institution, jail, medical facility, public or private hospital, or in any other place because of a criminal conviction of a federal, state, or municipal law or ordinance; or b) who commits a crime and is disabled due to an illness or injury caused by or arising out of the commission of that crime, arrest, investigation, or prosecution of any crime that results in a felony conviction.

(6) Benefits are not payable to any employee who is scheduled to be off work for summer or winter break unless adequate substantiation is provided that he/she would be employed elsewhere during the scheduled time off. Benefits are also not payable to any individual who is no longer in the labor market.

V. PRORATION OF BENEFITS

In case of any period of disability for which an employee entitled to benefits hereunder is simultaneously covered by one or more other plans (including voluntary plans and the State Disability Fund) and accordingly is entitled to other unemployment compensation disability benefits on account of the same disability, the amount payable for such period shall be:

(1) The amount, if any, by which the basic and additional benefit to which the employee otherwise would have been entitled under this Plan exceeds the benefits to which he or she would have been entitled under the California Unemployment Insurance Code if he or she were not covered by any voluntary plans, plus;

(2) The quotient of the amount of basic and additional benefits to which the employee would have been entitled under the California Unemployment Insurance Code if he or she were not covered by any voluntary plans (including voluntary plans and the State Disability Fund) under which he or she is simultaneously entitled to benefits.

VI. PAID FAMILY LEAVE

The Paid Family Leave (PFL) is a component of The Claremont Colleges Voluntary Disability Insurance Plan (VDI). PFL is designed to provide partial compensation for wages up to six (6) weeks for one of the following reasons:

- To care for a seriously ill child, spouse, parent, or registered domestic partner
- To bond with the employee's new child or the new child of the employee's registered domestic partner; or
- To bond with a child who is placed with the employee in connection with the adoption or foster care placement of the child with the employee or the employee's registered domestic partner.

A. Waiting Period

Employees will have a one-week (5 business days) waiting period before they can apply for paid leave and must use accrued vacation during this time. New mothers will have satisfied the waiting period with a maternity leave.

B. Contributions

This program is funded by employee contributions collected through the VDI Program (Section III of this booklet).

C. Taxes

PFL benefits are not taxable by the state but are federally taxed.

D. Insurance Schedule/Benefit Payments

All disability benefits will be paid in accordance with the schedule on page 3 subject to limitations and provisions hereafter stated. All employees shall be paid their basic weekly benefit amount. The maximum basic benefit amount payable is six times the weekly benefit amount (30 days) or 100% of the employee's total PFL period, whichever is less.

The weekly benefit (page 4) amount will be based on the employee's wages on the highest earnings in the quarter within the base period. The amount of the basic weekly benefit depends upon the total wages paid to the employee during a 12-month base period.

VII. TERMINATION OF INDIVIDUAL EMPLOYEE COVERAGE

An employee's coverage terminates at midnight on the date of termination of the employer-employee relationship; or at midnight on the fifteenth day following a leave of absence without pay or a layoff without pay; or on termination of this Plan.

VIII. OTHER REQUIREMENTS

Payments under California Unemployment Insurance Code Section 3252 (b) shall be paid from the Plan.

Security as required by the Employment Development Department will be deposited to secure the operation of the Plan. The amount of the deposit shall be determined by the Department and shall be deposited with the State Treasurer for the purpose herein specified. The Plan shall continue in effect for a period of one year from the effective date and continuously thereafter unless 30 days advance written notice is given of the withdrawal of the Plan. Withdrawal shall be effective only on the anniversary of the effective date of the amounts provided by Sections 2653 and 2655 of the Unemployment Insurance Code or the operative date of any change in the rate of Plan next following the filing of the notice; except that the Plan may be withdrawn on the operative day of any law increasing the benefit worker contributions as determined by Section 984, if notice of the withdrawal of the Plan is transmitted to the Director of Employment Development not less than 30 days prior to the operative date of such law or change. If the Plan is not withdrawn on such 30 day notice because of the enactment of a law increasing benefits or because of a change in the rate of worker contributions as determined by Section 984,

the Plan shall be amended to conform to such increase or change on the operative date of the increase or change.

IX. COMPLIANCE

The employer hereby guarantees that each employee covered by this Plan will in all respects be afforded rights at least equal to those afforded by the State Disability Fund and will receive a weekly rate and maximum amount and duration of benefits at least equal to those which he or she would have received from the State Disability Fund but for his or her coverage by this Plan.

X. CLAIMS

A claim must be filed no later than the 41st compensable day of disability, provided that an extension shall be granted for good cause.

To claim benefits under this Plan, obtain a claim form from Disability Administration at the Claremont University Consortium, Administrative Campus Center, 101 S. Mills Ave., Claremont, CA 91711.

XI. APPEALS

An employee who is denied benefits under the terms of this Plan may appeal the denial. During the appeal process, the employee may elect to receive benefits. However, if the employee files an appeal, chooses to receive payment while the appeal is being processed, and loses the appeal; he/she is required to **refund any benefits received** to Disability Administration within 30 days. Appeals may be made in person or in writing at any Employment Development Department office within twenty (20) days from the date the notice of denial was mailed. Written appeals must be signed and shall include the employee's name, social security number, name of the employer, and the reason for filing the appeal.

XII. CONFIDENTIALITY OF RECORDS

All records are confidential except where release is required by law. However, any claim information in the possession of the Employment Development Department becomes subject to legal release.

XIII. DEFINITION OF TERMS

- Employee: Refers to any individual actively employed by one of the employing institutions listed below.
- Employer: Refers to the following employing institutions: Pomona College, Claremont University Consortium, Scripps College, Claremont McKenna College, Harvey Mudd College, Pitzer College, and Keck Graduate Institute.
- IME: Independent Medical Examination
- PFL: Paid Family Leave
- Short-Term Disability Insurance: Another term for VDI
- SDI: State Disability Insurance
- VDI: Voluntary Disability Insurance



CLAREMONT UNIVERSITY CONSORTIUM

WORKERS' COMPENSATION AND DISABILITY ADMINISTRATION
101 SOUTH MILLS AVENUE
CLAREMONT, CALIFORNIA
91711

(909) 607-7946
www.cuc.claremont.edu/benefits