

Definitions of Terms

The following are definitions of important terms used in this description of your Group Disability Income Insurance Plan:

Act means the Texas Employees Group Benefits Act (Chapter 1551, *Texas Insurance Code*).

Active Employee means an Employee as defined in the Act who has not retired.

Actively at Work, Active Work, Active Service or Active Duty means the active expenditure of time and energy in the service of the Employer, except for elected officials of the State who qualify under the Texas Employees Group Benefits Act (Chapter 1551, *Texas Insurance Code*). An Employee will be considered to be on Active Duty on each day of a regular paid vacation, paid sick leave, or on a regular nonworking day, provided he or she was Actively at Work on the previous work day.

Approved Practitioner means a person, who provides medical service and care within the scope of his or her licensure and training which is consistent with national and community medical practice standards who is a Doctor of Medicine or Doctor of Osteopathy (other than a hospital resident or intern). The term Approved Practitioner shall not be deemed to include a Doctor of Chiropractic, a Doctor of Dentistry, a Doctor of Optometry, a Doctor in Psychology, a Licensed Audiologist, a Licensed Clinical Social Worker, a Licensed Chemical Dependency Counselor, a Licensed Hearing Instrument Fitter and Dispenser, a Licensed Dietitian, a Licensed Marriage and Family Therapist, a Licensed Professional Counselor, a Licensed Speech-Language Pathologist, a Doctor of Podiatry, an Advanced Practice Nurse, a Physician Assistant, a Licensed Occupational Therapist, a Licensed Physical Therapist, spiritual care provider (for example, Christian Science practitioner; therapeutic optometrist; nurse first assistant; a Licensed Psychological Associate or a Licensed Surgical Assistant. An acute and temporary Total Disability may be certified or attested to by a Doctor of Podiatry licensed by the Texas State Board of Podiatric Medical Examiners if the acute and temporary Total Disability is caused by a sickness or injury that may be treated within the scope of the license of such Doctor of Podiatry. Such terms as used

herein shall have the meaning assigned to them by the *Texas Insurance Code*.

Disability Evidence of Insurability means such evidence, provided at no expense to ERS or the Claims Administrator, including medical records and a physical examination, as may be required by Dearborn National to determine that the Employee for whom coverage is sought is an acceptable risk for issuance of new coverage or for increases in existing coverage, required pursuant to the Rules of the Board of Trustees of the Employees Retirement System of Texas. The Claims Administrator must review the Disability Evidence of Insurability and approve coverage before such coverage becomes effective.

Employee means an individual eligible to participate in the Group Benefits Program under Chapter 1551, *Texas Insurance Code*, as provided in Section 1551.101 in that chapter.

Employer means the state of Texas and all its State agencies, as State Agency is defined in the Act or an institution of higher education.

Fort Dearborn Life or Fort Dearborn Life Insurance Company - Short-term Disability Income Insurance and Long-term Disability Income Insurance are underwritten for eligibility and administered by Fort Dearborn Life Insurance Company.

Full-Time Employee means an Employee as defined by Section 1551.003 of the Act.

Group Benefits Program means the state employees group benefits program provided by Chapter 1551, *Texas Insurance Code*.

Injury means bodily injury caused by an accident that happened while both the Master Benefit Plan Document and the Employee's insurance is in force. This definition applies to the Employee whose bodily injury is the basis of a claim, except where limited or excluded by the provisions of the Master Benefit Plan Document.

Insured Monthly Salary means the monthly earnings payable for work performed as an Employee of the State of Texas (including shift differential, longevity, hazardous duty pay, and benefit replacement pay) paid to an Employee by the Employer as of the effective date of the Employee's first day of Active Duty or

previous September 1 if the Employee was continuously employed on and since that date, up to the maximum per plan. Overtime, bonuses, and any other extra compensation is excluded from these earnings. The maximum Insured Monthly Salary for the Short-term Disability Plan is \$10,000. The maximum Insured Monthly Salary for the Long-term Disability Plan is \$10,000. Non-salaried elected or appointed officials and members of the Legislature may use the monthly salary of a state district judge or their actual monthly salary as of September 1 of each year.

Leave Without Pay means the status of an Employee who is certified by a State Agency administrator as absent from work and not on Active Duty and as not receiving any compensation for an entire calendar month to which the certification applies, and has not received a refund of retirement contributions based upon the most recent term of employment. Such leave is limited to the maximum time period specified by law.

Master Benefit Plan Document means the document for the disability income benefit plan established by the Board of Trustees.

Part-Time Employee means an Employee as defined by Section 1551.003 of the Act.

Plan Year means each succeeding 12-month period beginning on September 1 of each year.

Qualifying Life Event means a change in marital status, a change in dependent status, a change in employment status, a change of address that results in loss of benefits eligibility, a change in Medicare, Medicaid, State Kids Insurance Program (SKIP), or Health Insurance Premium Payment Reimbursement Program (HIPP) status, a significant cost of benefit or coverage change imposed by a third party provider, or a change in coverage ordered by a court.

Rule or **Rules** means those rules adopted by the Board of Trustees of the Employees Retirement System of Texas to help administer the Act.

Sickness means illness (including maternity), disease, or mental infirmity which causes a Total Disability that begins while both the Master Benefit Plan and the Employee coverage are in force. This definition applies to the Employee whose Sickness is the basis of a claim, except as limited or excluded by the Master Benefit Plan Document provisions.

State Agency means a commission, board, department, division, institution of higher education, or other agency of this state created by the constitution or statutes of this state. The term also includes the Texas Municipal Retirement System (TMRS) and the Texas County and District Retirement System (TCDRS).

Total Disability or **Totally Disabled** means for the first 24 months for which the Plan pays benefits, the inability of the covered Employee, because of an Injury or Sickness established by medical evidence based on objective clinical findings using current American Medical Association guidelines and certified by an Approved Practitioner operating within the scope of his or her licensure and practice, to perform the usual tasks of his or her occupation in such a way as to procure or retain employment.

After benefits have been paid for 24 months of continuous disability, Total Disability will mean the inability of the covered Employee, because of an Injury or Sickness established by medical evidence based on objective clinical findings using current American Medical Association guidelines and certified by an Approved Practitioner operating within the scope of his or her licensure and practice, to perform the usual tasks of any compensated occupation for which the covered Employee is reasonably suited by training, education, or experience, in such a way as to procure or retain employment. Inability to pass a periodic physical examination required by flight personnel or a temporary permanent disability does not constitute Total Disability. The Employee will be conclusively deemed not to be disabled if employed and compensated in any manner.

Trustee means the Employees Retirement System of Texas and/or the Board of Trustees of the Employees Retirement System of Texas.

Waiting Period means the number of consecutive days of Total Disability in which no insurance benefits are paid under this Plan, beginning at any one period of disability. After the Employee has stopped working, the Waiting Period begins the day an Approved Practitioner certifies the Total Disability.