Disability Benefits Guide for Members

Concordia Disability & Survivor Plan (CDSP)

Being away from your job on disability can be overwhelming. Here's what you need to take control of the situation and make things easier.

Defining Disability

You will be considered disabled under the CDSP if:

- For short-term disability, you are unable to work for at least seven consecutive calendar days because of a physical or mental impairment and are under the regular care of a licensed physician. This includes pregnancy.
- For long-term disability, you are unable to work for more than 26 consecutive weeks because of a physical or mental impairment and are under the regular care of a licensed physician. Your doctor(s) must provide documented, objective medical evidence of the disabling condition.
- During the first two years of disability, you are unable to perform the essential duties of your job because of your disabling condition and are unable to earn at least 80% of the compensation you earned prior to when the disabling condition began.
- After the first two years of disability, you are unable to engage in any substantial, gainful activity for which you are qualified (by training, education or experience) because of the disabling condition.

NOTE: Impairments not eligible for disability include those that result from an injury or illness sustained during an act of war or while serving in any armed forces; committing a felony; willfully and illegally participating in a fight, riot or civil insurrection; or those sustained after the individual ceased to be actively employed.

Filing a Disability Claim

All disability claims must be reported directly to Sedgwick, our disability benefits administrator, by:

- Calling the Sedgwick Service Center: 888-550-1617 (select 1 to report a new claim).
- Online through the mySedgwick Portal: **mysedgwick.com/ConcordiaPlans**.

A disabling condition can be reported up to 30 days prior to the first day of disability leave if it appears you will be unable to work for at least seven consecutive calendar days.

To report a claim you will need to provide your:

- Name, address and phone number.
- Social Security number.
- Last day worked/the first full day you were unable to work.
- Job title and your employer's phone number/contact information.
- Doctor's name and phone number, as well as the nature of your condition.

The Disability Claim Application Process

After you start your disability claim with Sedgwick, you should receive an initial contact from your Case Manager within two business days of reporting your claim. If not, call Concordia Plans at **888-927-7526**.

Your Case Manager will contact you and your doctor to gather information about your medical condition, the nature of your job responsibilities and your work environment. The Case Manager makes the initial decision to approve or deny a disability benefit. You also can use the mySedgwick Portal to check on your claim.

- If your claim is approved, your Case Manager will continue to make periodic reviews of your disability status, or you can contact them anytime with updates to ensure appropriate claim/medical management. When necessary, evaluations are performed in consultation with peer advisors with an appropriate specialty for your disabling condition.
- If your disability claim is denied, you will be notified of the reason, and provided with steps to appeal.

Required Documentation for a Disability Claim

Sedgwick will provide you with the necessary forms for you and your doctor to complete. Be sure to carefully read the materials provided by Sedgwick to ensure your claim is processed quickly and correctly.

Sedgwick will attempt to contact your doctor if further details are necessary. If they have difficulty obtaining the necessary medical information, your Case Manager may ask you or your representative for assistance in getting your doctor to respond. As the patient, you sometimes have more influence with the doctor's office to get the needed information.

If Sedgwick is not able to obtain the necessary medical information, it may result in a denial of benefits.

You are responsible for paying your physician's office fees for the medical records necessary to apply for disability benefits. Neither Concordia Plans nor Sedgwick will pay for or reimburse expenses for medical records.

Disabled Member's Responsibilities

For the disability benefit to be paid, you must be under the regular care of a physician whose specialty or experience is appropriate for the treatment of your disabling condition, and you must comply with treatment or rehabilitation plans.

With your doctor's permission, working part-time may be a part of your professionally developed rehabilitation plan. If you work part-time, your disability payments would be reduced by a percentage of your earnings.

If you are injured at work, you should file for CDSP benefits, as help may be available in addition to workers compensation benefits.

Disability Income Benefit Payments

The benefit payments paid by the CDSP are processed by Sedgwick, and begin on the eighth consecutive calendar day of disability. The income benefit you receive is a set percentage of your compensation, as defined by the Plan, at the time your disability began.

Disability benefits will be reduced by:

- A percentage of any compensation you earn while you are disabled, including part-time earnings and earnings from self-employment;
- The amount of any salary provided by the employer (starting after six months of disability), that is above the percentage of compensation provided by the CDSP;
- Social Security benefits, including any dependent benefits. Even if you are not participating in Social Security, your benefit will be reduced by an estimate of Social Security benefits; and
- Any state-mandated benefit or other group plan benefit, including worker's compensation.

The minimum benefit from the CDSP after all deductions, except those in the first two bullets above, is 10% of the disability benefit.

For rostered workers who remain in furnished residences during disability, the benefit will be a percentage of compensation without allowance added for the value of housing furnished. The above offsets and minimum benefit provisions apply.

It is the disabled member's responsibility to promptly report any changes in income, including but not limited to part-time income, Social Security benefits and settlement awards (when the disability is the result of a third party).

There are two different payment schedules depending on the duration of your disability:

- Sedgwick will issue a weekly benefit to those on an approved disability of 26 weeks or less. Payments will be direct deposited each Wednesday for the prior approved weekly benefit period.
- Sedgwick will issue a monthly benefit to those on an approved disability that exceeds 26 weeks. Payments will be direct deposited on the 28th of each month (or the next business day), for the prior approved monthly period.

Length of Disability Benefits

The length of an approved benefit period depends on the nature of the disabling condition and the information supplied by your physician. Normally, the first approval period (and possibly subsequent approvals) will be fairly short, typically until the next appointment with your doctor. If updated medical information from the latest appointment confirms your continued disability, your Case Manager will be able to extend the benefit period. If the disability continues for a longer period, the approval periods may not be dependent on the next doctor's appointment.

Disability Benefits and Taxes

Benefits received during the first six months of your disability are subject to Social Security and Medicare taxes.

- If you are not considered self-employed for Social Security purposes, Sedgwick will withhold your portion of Social Security and Medicare taxes from each disability payment made during the first six months. Sedgwick, on behalf of the CDSP, will pay the required employer portion of Social Security and Medicare taxes.
- If you are considered self-employed for Social Security purposes, you are required to pay self-employment taxes for the disability benefits received during the first six months following the last calendar month in which you worked.

Benefits received after six months of disability are exempt from Social Security and Medicare taxes.

Disability benefit payments are subject to federal and state income taxes, if applicable. Sedgwick will withhold both federal and state taxes for the worker, defaulting to single for marital status with zero dependents. You can update your tax withholding by providing a completed Federal W-4S Form, available from **irs.gov** for the federal withholding and/or providing the proper form from your state government's website for the state withholding. You will receive a W-2 form at the end of the year for your disability income.

Ending a Disability Claim

Disability benefits end when the first of the following occurs:

- You recover and return to full-time employment;
- A determination is made by the Case Manager that you are no longer disabled in accordance with CDSP provisions;
- You reach the lifetime maximum benefit;
- You have reached Normal Retirement Age (as defined in the Concordia Retirement Plan), have accrued five years of Creditable Service and received 12 months of disability benefits; or
- You pass away.

It is possible that Sedgwick may determine you are not totally disabled. The goal is to help you return to some form of gainful employment, most preferably with your present employer (or at least within The Lutheran Church–Missouri Synod). However, in certain cases, you might be asked to accept a different type of position than the one you previously held.

Subrogation

If your disability is the result of an act of a third party for which the third party may have some legal liability (e.g., an auto accident caused by the other driver), you or your representative will need to agree in writing to repay the CDSP for the disability benefits paid (and those that will be paid in the future) in the case of a settlement. Your Case Manager will assist you in getting the proper documentation signed as part of the disability benefit approval process. For more information, see the CDSP plan document or call Sedgwick at 888-550-1617.

Social Security Disability Benefits

If your disability has continued for five months and is expected to continue for at least a year, you will be contacted by your Case Manager about applying for Social Security disability benefits. Concordia Plans requires you to use the Social Security advocacy services of Allsup, at no cost to you, to file for Social Security disability benefits.



The disability benefit paid by the CDSP is reduced by Social Security disability benefits (including dependent benefits). If you do not participate in Social Security, your CDSP benefit will be reduced by the estimated amount of Social Security disability benefits you would have received if you were participating as outlined in the CDSP.

If you don't choose to use Allsup's services or fail to apply for benefits, the Plan will reduce your disability benefits by an estimate of your Social Security disability benefits (including dependent benefits) beginning with the sixth month of your disability. This will continue until Concordia Plans is notified of the actual Social Security disability benefit awarded. **If you receive a lump-sum payment from Social Security representing several months of disability payments, the entire amount may be payable to the CDSP to offset disability benefits you previously received from the Disability Plan.**

For information about your disability claim status, length of your benefit approval, the impact of your medical condition on your eligibility for benefits or other issues involving your benefit approval, please contact your Case Manager.

A Disability's Effect on Other Concordia Plans Benefits

Concordia Retirement Plan (CRP) and CDSP: If your claim is approved, your membership in the CRP and CDSP will continue. Effective the fourth calendar month following date of disability, the CDSP takes over for your employer and pays the CRP contribution and waives your employer's CDSP contribution.

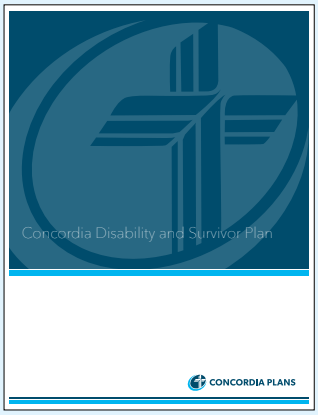
Concordia Health Plan (CHP): If you are a member of the CHP, your employer is required to pay the contributions for the CHP option you were enrolled in when your initial claim for disability benefits were reviewed. If your claim is approved and while your disability continues, CHP coverage continues and the contribution will be paid by the CDSP beginning with the fourth calendar month following date of disability. Your coverage in the CHP will continue through the first Jan. 1 after seven months on disability. The CDSP will offer you a $1,500 monthly stipend to help you secure new health plan coverage outside the CHP. Assuming you remain eligible for disability payments, this monthly stipend will be provided to you up to a maximum of 30 months* from your first day of disability. We have also arranged for no-cost professional assistance from Allsup Benefits Coordination Services with this healthcare coverage transition.

**Please note that if you become eligible for Medicare due to age, or are already eligible for Medicare due to age, the disability benefit and stipend will end on the later of the day you become eligible for Medicare or 12 months from the date of disability.*

Concordia Retirement Savings Plan (CRSP) 403(b): If you were participating in the CRSP prior to filing for your disability benefits, your contributions may continue as long as your employer is paying a portion of your salary above the percentage of compensation you receive through the CDSP. If your employer is not paying any portion of your salary above your CDSP benefit amount, you are not able to contribute. If you have an outstanding CRSP loan, contact Fidelity to learn about repayment options in order to prevent a default on the loan.

Accidental Death and Dismemberment (AD&D), Travel Accident Insurance Program (TAIP), Supplemental Life Insurance, Critical Illness and/or Accidental Injury: If you enrolled in any or all of these programs, participation will continue while you remain employed and premiums continue to be received. Your coverage in any of these will terminate at the end of the month for which the last premium payment was made or your employment ends, whichever occurs first.

- Premiums for AD&D and Supplemental Life are your responsibility but will be billed to your employer. Please contact your employer regarding premium payment.
- TAIP premiums will be billed to you.
- If you enrolled in Supplemental Life Insurance, when coverage ends, you will be provided information about continuing this coverage through Securian by converting it to an individual policy.
- If you enrolled in Critical Illness or Accidental Injury, when your coverage ends, you will be provided information about how you can continue this coverage through Cigna by converting to an individual policy.



The CDSP Plan Document

This document provides a brief summary of the CDSP. It does not include every detail. More details about the Plan are on our website: **ConcordiaPlans.org**. In the event of a conflict between the information in this document and the terms stated in the **CDSP Plan Document**, the plan document will govern.

Who is Sedgwick?

Sedgwick is our claim service provider. A Sedgwick Case Manager is responsible for determining your initial and ongoing approval for disability benefits. You will be contacted directly by a Case Manager, who will help you throughout your claim.

Adding a baby to the Concordia Plans

It is important to enroll a new baby in the Concordia Plans because enrollment is not automatic. To add your new baby, log in to the Member Portal via **ConcordiaPlans.org/MemberPortal.** Once logged in, click "Enroll or make changes" and then select "Birth/Adoption" from the "Life Events" menu. Follow the prompts to complete the enrollment process.

Naming a Representative

Someone assisting you can call on your behalf to initiate a claim; however, for your protection, after your initial claim is made, Concordia Plans and Sedgwick will speak only to you regarding your claim. If you wish to designate a representative to assist you further, you must complete a Nomination of Benefit Plan Representative form and return it to Concordia Plans. The form can be found on our website at **ConcordiaPlans.org** or you can call **888-927-7526** to request a copy.

Pre-existing condition limitation

If both of the following conditions apply, workers will not be paid beyond 12 weeks or the period of time the disabling condition is medically supported, whichever is shorter.

- Received medical treatment, consultation, care or services for the current disabling condition in the three months prior to their enrollment date in the CDSP, and
- Files a disability claim within the first 12 months of CDSP membership.

If a member is subject to the pre-existing provision, no payment of contributions by the CDSP for the Concordia Plans will be applicable either.

The pre-existing condition limitation does not apply to new graduates of LCMS seminaries, universities and colleges if they enroll at their first assignment post-graduation. It also does not apply to ordained or commissioned ministers who re-enroll in the CDSP within one year of their termination of plan membership.

Lifetime Maximum

Workers who become disabled due to mental illness, substance abuse or a self-reported or subjective-syndrome condition are subject to a maximum benefit period of 104 weeks during their lifetime. The lifetime maximum is applicable if one of the conditions listed above is the primary disabling condition. The lifetime maximum will not apply in cases of mental illness caused by stroke or cerebral vascular accident, viral infection, Alzheimer's disease, senility and/or dementia, organic brain syndrome or closed head injury.

A "self-reported or subjective-symptom condition" is one that cannot be independently verified and measured using generally accepted standard medical testing, procedures, and practices (e.g., headaches, fatigue, pain).

If you are confined in a hospital or institution at the end of the 104-week maximum benefit period, disability benefits will continue during the confinement and, if still disabled when discharged, for a recovery period of up to 90 days. Your waiver of contributions for the Concordia Plans will also end when the benefits end.

When a claim is denied

If Sedgwick determines that you are not or are no longer disabled, you are notified by telephone, followed by written confirmation. The letter to you will include the reasons for the decision and explain your right to appeal. To do so, you must submit a formal, written appeal to Sedgwick.

For information about your disability claim status, length of your benefit approval, the impact of your medical condition on your eligibility for benefits or other issues involving your benefit approval, it is best to contact your Case Manager.

Sedgwick representatives are available to answer questions and help you through the disability application process.

Call our office at 888-550-1617 from 7 a.m. to 7 p.m. CT Monday–Friday.