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Types of Long-Term Disability

The loss of income due to illness or injury can cause serious financial hardship for you and your family. Disability insurance replaces a portion of your income to help you continue to meet your financial obligations during this difficult time. Chubb offers the following LTD coverage:

- 1) **Basic LTD insurance** - Provided through New York Life, is automatic and company-paid; it is available to all benefits-eligible US employees, including Puerto Rico.
 - Coverage begins after 180 days/26 weeks of short-term disability (STD) that is considered to be successive and/or a continuous period of time for the same or related cause of disability.
 - Pays 60% of your annual base salary, up to a maximum of \$25,000 per month.

- 2) **LTD buy-up insurance** - Provided through New York Life, is optional and employee-paid; it is available to all benefits-eligible US employees, including Puerto Rico.
 - You may choose to purchase additional \$5,000 in LTD insurance to cover your bonus and/or commission.
 - This will allow you to receive 60% of your total compensation, up to a combined maximum of \$30,000 per month (up to \$25,000 basic LTD and \$5,000 buy up).

Initiating a Long-Term Disability Claim

1. How is an LTD claim initiated?

As you approach the maximum period that STD benefits are payable, New York Life will mail you a letter with instructions on how to file an LTD claim. You must complete, sign and return the disability questionnaire and authorization form enclosed within 30 days so they can review and make a decision on your LTD claim.

Blank forms, including the Disclosure Authorization and Medical Request Form can also be accessed via the New York Life website at <https://www.newyorklife.com/group-benefit-solutions/forms>.

2. How long does it take for an LTD claim to be reviewed?

The review and determination process typically takes a month; however, it is dependent on when the disability questionnaire, authorization form and medical documentation from your provider is received.

3. How do I submit my authorization form to New York Life?

You can submit documentation by taking a picture and uploading it directly to your account via myNYLGBS.com upon receipt of your LTD package or you can mail it to the return address included in the letter.

If you need technical assistance with the portal, contact New York Life at 1-800-644-5567.

4. Should I contact my Short-Term Disability (STD) case manager if I have questions about my LTD claim?

No. LTD related inquiries (status of your claim, benefit amount, etc.) should be directed to New York Life at 1-888-842-4462. The ESIS Leave Management Team only administers STD, New Parent Leave, Family and Medical Leave Act (FMLA) claims etc.

Long-Term Disability Benefit

5. Does LTD buy-up insurance cover me for a combined LTD benefit equal to 100% of my pre-disability earnings?

No. Buy-up insurance covers your performance bonus and/or commissions to receive 60% of your total compensation *up to* a combined maximum of your basic company-provided LTD amount plus your LTD buy-up amount (\$25,000 basic *plus* \$5,000 buy-up = \$30,000 per month).

For example:

Your salary as of 07/16/2023: \$60,000

Bonus paid in 2021 (7/16/2022 through 7/15/2023): \$15,000

Total earnings applied for LTD benefit calculation: 60% of \$75,000

6. Which year commissions and bonus are used to calculate my LTD buy-up benefit?

Commissions and bonuses will be averaged for the calendar year prior to the date disability begins, or the months employed, if less than the calendar year.

For example, if your first day of disability is 4/1/21, your commissions and bonus received within 4/1/20 – 3/31/21 is used in your calculation.

LTD buy-up insurance must be active at the time of disability.

7. Will my basic LTD benefit increase if I receive a merit increase while I am on LTD?

No. The basic LTD benefit is calculated using the base earnings in effect prior to your disability date.

Plan documents and communications summarizing the LTD buy-up benefit are available. Visit [My Benefits at Chubb](#) and [Chubb Benefits Portal](#) on the *Home page* under *Library* to view plan document and summaries.

8. Are the basic LTD and buy-up benefits taxed?

A portion of the premiums are partially paid (post-tax) by the employee and the remaining amount is paid by Chubb. The 2024 post taxable percent (35%) paid by the employee is not taxed and the portion (65%) paid by Chubb is taxed.

For example, an employee eligible for \$10,000.00 in LTD buy-up per month contributes 35% of post-tax premium; Chubb contributes the remaining 65% of the premiums; 65% of \$10,000 buy-up benefit equals \$6,500.00 times the FICA rate of 7.65% for a total tax of \$497.25.

Only FICA taxes are deducted from LTD benefits. If you would like to have Federal or State income taxes withheld, you can contact New York Life and they will provide a form for completion.

9. Why has my LTD benefit been reduced?

Your LTD benefit may be reduced if you are receiving benefits from other income sources (including, but not limited to amounts received for dependents, statutory disability benefits, Social Security disability, retirement benefits). New York Life is required to reduce your LTD benefit by the amount of other income benefits received.

Your benefits may also be reduced if you return to work in a partial capacity and receive a combination of regular and LTD earnings. Additional details can be found in the US Disability Summary Plan Description. Visit [My Benefits at Chubb](#) and [Chubb Benefits Portal](#) on the *Home page* under *Library* to view plan document and summaries.

10. Will my LTD benefits continue if I am unable to return to work or terminate from Chubb?

You will continue receiving LTD benefits (up to the maximum benefit period); the later of your Social Security Normal Retirement Age, or the following schedule (as long as your medical provider(s) continue to submit documentation supporting your disability to New York Life).

<i>Age When Disability Begins</i>	Age 62 or younger	63	64	65	66	67	68	69 or older
<i>Maximum Benefit Period (months)</i>	Your 65th birthday or the date the 42nd Monthly Benefit is payable, if later.	36	30	24	21	18	15	12

Long-Term Disability and Benefit Coordination

11. Will my other benefits terminate upon my separation of employment from Chubb while receiving LTD Plan benefits?

Upon separation of employment, other Chubb benefits will terminate in accordance with their respective plan rules as of your official date of separation. However, you will be able to continue your medical, dental, vision and Flexible Spending Account through COBRA at the subsidized active employee rate for you and your covered dependents for up to 24 months from your first day of STD (as long as you remain on a medically supported disability).

Upon termination, you are offered COBRA for a total of 18 months. You pay the active employee premium rates for the rest of the 24 months and the remaining at full COBRA rates up to 18 months. See example below:

- 2/2/21 - Your STD begins.
- 2/1/22 – Your employment terminates while on LTD. You are eligible to receive active employee premium rates for the remaining 12 (of 24) months and *full* COBRA rates (18 months) will begin. You will continue paying active employee premium rates.
- 2/28/23 - 24 months of *active employee premium rates* through COBRA exhaust; *full* COBRA rates continue.
- 3/1/23 through 9/30/23 – You are eligible to continue COBRA for the remaining 6 months at *full* rates.

After termination, you will receive a COBRA coverage election notice from Chubb’s benefit administrator, bswift. Your COBRA elections and payments are made through the Chubb Benefits Portal. You will receive monthly invoices and can arrange to schedule recurring automatic payments. If you have questions or need assistance with the portal, contact the Chubb Benefits Service Center at 1-844-58-CHUBB (1-844-582-4822).

You can also choose to elect retiree health coverage after the active employee premium rates or full COBRA rate period ends. You are eligible for retiree health benefits if, at the time of retirement you meet the “Rule of 65”, as set forth below:

- You are at least age 55;
- Your age and credited service added together equal 65; and
- You have at least 5 years of service.

Depending on your legacy company and date of hire, you may be eligible for Chubb’s retiree health benefits through 2025. For more information, contact the Benefits Service Center at 1-844-58CHUBB, Option 2.

If you or your covered spouse are age 65 (or older), you may enroll in the Horizon Medicare Supplement plan. This plan is offered to retirees and you will receive a special communication outlining the rates, subsidy dates and other benefit information.

12. How will I be billed for subsidized COBRA rates?

Active benefits will end on the last day of the month in which you terminated. COBRA subsidized benefits will be effective the 1st day of the following month. A new invoice will be mailed to you with instructions on how to access the Chubb benefits portal where you will view benefit options, premium amounts and billing details. If you have questions or need assistance with the portal, contact the Chubb Benefits Service Center at 1-844-58-CHUBB (1-844-582-4822).

13. How do I enroll in Medicare?

It is important for individuals 65 or turning 65 to understand how Medicare plays a role in your health benefits. Mercer SmartConnect is available to provide guidance on how to enroll for Medicare/alternative supplemental plans. Experts at Mercer SmartConnect can help you navigate Medicare options and compare them to the Chubb plan. Counselors can be reached via 1-877-374-2705, Monday through Friday, 7:30 am to 5 pm CT.

14. How do I enroll in Social Security?

New York Life offers a free Social Security Disability service through Advantage 2K for employees ages 65 or 55 and younger that have been disabled for 2 years. You will be assigned a Social

Security Advocate who will assist throughout the process. The Social Security Advocate will communicate directly with your LTD Claim Manager on the status of your SSDI application.

15. What happens to my life insurance upon termination?

Employee-paid group life insurance coverage will continue through the remaining 24 months of active employee premium rates (from your first day of STD) **or** until New York Life determines you are no longer disabled. You will receive a direct bill payment notice from Prudential. Failure to pay the required premiums will result in termination of your coverage.

Waiver of Premium. If you are enrolled in *optional* life insurance, you may qualify for a waiver of premium, which allows you to have coverage paid for by Prudential. If you're eligible, you will receive an application to complete and return to Prudential.

If approved, premiums will be waived from the date Prudential receives proof of total disability through age 70. For more information regarding waiver of premium or any changes to your life insurance amount due to age, please contact Prudential at 1-800-778-3827.

You also have the option to convert your existing policy into an individual policy at the end of your subsidy period. Prudential will provide you with additional details on conversion options.

16. Can I contribute to my 401(k) Plan while on LTD?

No. Your contributions to your 401(k) account are deducted from your Chubb paycheck. Therefore, 401(k) contributions can no longer be deposited to your plan once New York Life begins to issue your LTD payments. This may occur prior to your LTD payments if you were on an unpaid leave. Visit www.netbenefits.com or contact Fidelity at 1-800-939-2227 for questions and additional information.

17. Will I receive my 401(k) matching contributions?

You will receive company contributions based on your eligible earnings from the year in which you became disabled, provided you do not voluntarily separate from employment, less in the event of retirement and/or death. Company contributions are deposited to your Fidelity 401(k) plan account in January after the plan year ends. You will no longer be eligible for company contributions once your employment terminates.

Returning to Work from Long-Term Disability

18. Can I return to work from LTD on a modified schedule?

Yes, you are able to return to work on a modified schedule if you have supporting medical documentation from your provider(s). Your LTD benefit will be reduced by the amount of regular earnings you are receiving. You must provide chubbpayroll@chubb.com with your weekly hours and your New York Life claim manager with your bi-weekly paystubs earned from Chubb.