**SHORT TERM DISABILITY PLAN**

The short-term disability benefit (“Benefit”) provided by [“EMPLOYER”]. is a self-funded plan for income replacement for employees unable to work due to illness, pregnancy or injury.

**Eligibility**

A regular, full-Time employee who has completed 12 months of continuous employment, is scheduled to work an average of at least 32 hours per week for the past 12 months, and who is unable to work due to illness, pregnancy, or injury (other than Excluded Conditions) is eligible. The employee must have exhausted all accrued but unused PTO.

An employee receiving workers’ compensation or disability pay under any state or federal plan is ineligible for this Benefit. To be eligible for continued disability benefits, the employee must not engage in outside employment and is expected to avoid activities that may delay recovery and a return to work.

Excluded Conditions

An employee is ineligible for this Benefit if the employee’s disability is due to:

1. Intentionally self-inflicted injury
2. Wary, declared or undeclared, or any act of war
3. Active participation in a riot, rebellion, or insurrection.
4. Committing or attempting to commit an assault, felony, or other illegal act.
5. Injury or sickness sustained while employed outside of [“EMPLOYER”].

Disability Defined

A disability means that you are unable to:

1. Perform all the material duties of your job;
2. Unable to perform the duties of any transitional assignment available,
3. Not able to do any work for other employers for payment; and
4. Under the regular and continuing care of a physician.

Commencement of Claim

All claims for this Benefit must be submitted to Human Resources on an approved claim form. A form may be obtained from Human Resources. All claims must be accompanied by supporting documentation from your physician in addition to the claim form.

**Medical Certification**

The employee must provide medical certification of the disability that includes the starting and expected ending date of the disability. This certification must be submitted to the director of human resources, who will review the certification and make a determination on qualification.

[“EMPLOYER”] may request the employee furnish proof of continued disability. The employee must provide the proof in a timely manner. Proof required may include physician, hospital, or other medical records. The employee may also be required to be examined by a physician of [“EMPLOYER”] choice at [“EMPLOYER”] expense.

Failure to provide the proof, failure to provide the proof in a timely manner, or failure to attend a required examination shall be grounds to terminate the Benefit.

Elimination Period

Employees must be out 8 calendar days before they are eligible for payment of this Benefit.

**Benefit Payment**

The Benefit payment is 67 percent of the employee’s base weekly wages or salary calculated on average earnings in the previous six months. Overtime, bonuses, and other discretionary compensation is not included for the sake of calculation of the Benefit. The Benefit may be paid for a maximum of 11 weeks per rolling 12 month period. Payments are made on regularly scheduled paydays. The Benefit is taxable income.

Offset

The Benefit shall be offset by the amount of earnings from any transitional assignment provided by [“EMPLOYER”] even if employee declines to accept the assignment. The benefits are also offset by the total amount of any no-fault insurance or other insurance proceeds.

Any income listed in this Offset section that employee becomes qualified for due to the disability, will be offset from future payments or reimbursed to the company if the income is payable for the same time period during with this Benefit paid for the disability.

Subrogation

[“EMPLOYER”] may be subrogated to the rights of recover the employee may have arising out of the disability, including, but not limited to, payments that may be made pursuant to a third party liability claim, uninsured and underinsured motorist coverage, homeowners’ insurance, medical payments coverage, personal injury protection coverage, no-fault coverage, commercial premises coverage, and specific risk insurance. [“EMPLOYER”]. is to be reimbursed even if employee recovers less than full compensation.

Termination of Benefits

The Benefit shall terminate upon any of the following events:

1. The employee is no longer disabled
2. The employee’s death
3. Failure to comply with the requirements of the Medical Certification section above
4. The employee has received benefits for 11 weeks in a rolling 12 month period.

**Return to Work**

The employee must return to work as soon as permitted by his or her health care provider. The employee must submit a fitness-to-return-to-duty clearance to the director of human resources. An employee whose absence has been designated as Family and Medical Leave Act (FMLA) leave is eligible for reinstatement as provided by the FMLA.

No Guarantee of Continued Employment

Nothing contained in this Benefit shall be construed as a contract of employment between [“EMPLOYER”] and any employee, or as a promise of or right to continued employment for any specified time, a limitation on [“EMPLOYER”] right to discharge employees with or without cause, or any other modification of any employee’s at-will employment.

Amendments/Continuance

[“EMPLOYER”]. reserves the right to make any changes to this Benefit at any time, or to terminate the Benefit at any time.

Effective Date

The effective date of this Benefit is \_\_\_\_\_\_\_\_\_\_\_.

Employees with any questions regarding this policy should contact the director of human resources.