

SAN JOSE UNIFIED SCHOOL DISTRICT

PRESENTS A SUMMARY OF THE

INCOME PROTECTION PLAN

ADMINISTERED BY:

UNITED ADMINISTRATIVE SERVICES, INC.

1120 SOUTH BASCOM AVENUE

P.O. BOX 5057

SAN JOSE, CALIFORNIA 95150

TELEPHONE: (408) 288-4400

ELIGIBILITY

The following classifications will be covered under this disability plan:

- a) Administrators
- b) Classified – Full-Time Employees
- c) Classified – Part-Time working 20 hours/week or more

All active employees in the above classifications on or before January 1, 1981, will be effective for this coverage January 1, 1981. All eligible employees hired after January 1, 1981 will have their coverage effective of the date of hire. Any change in classification will become effective on the date such change occurs.

Coverage will terminate when you are no longer an eligible employee; terminate employment with the District; or on the date the Income Protection Plan is terminated.

BENEFITS

Monthly Income – If you are disabled and unable to work because of covered accident or sickness, the Plan pays 66²/₃% of your earnings beginning with the first day in the hospital or the eighth day of your disability or the expiration of your accrued District sick leave benefits, whichever occurs later.

Payments under the Plan will commence after the above waiting period and will continue for twelve (12) months or until you are eligible to receive PERS or STRS disability benefits through the retirement system.

Payments under this Plan will be reduced by any other income you receive, or are entitled to receive, from Worker’s Compensation, Disability or Retirement Social Security Benefits and any Disability, Retirement or other income benefits provided by or through the San Jose Unified School District.

For the purpose of determining your monthly benefit under this Plan, earnings or salary shall mean your annual salary divided by twelve, or in the case of twelve-month employees, your regular monthly salary. Earnings for hourly employees will be based upon your hourly base rate of pay (times normal hours you would have worked had you not been disabled) at the time of your disability.

Benefit Payments – Payments under the Plan will commence after the above waiting period and will continue for twelve (12) months while you are unable to perform each and every duty of your occupation while under the care of a qualified physician or until you are eligible to receive PERS or STRS disability benefits through the retirement system.

EXCLUSIONS

Benefits are not payable for disability resulting from intentionally self-inflicted injury, or participation in a violent disorder, assault or felony.

SURVIVOR BENEFIT

In the event of death to an employee while receiving benefits, the surviving spouse, or legal department(s), shall continue to receive the same benefits for a period of three months from the date of death.

COST

The benefits of this Plan are funded by the District. No payment is required from the employees eligible for coverage.

EXAMPLES OF BENEFITS

For employees after the waiting period:

If your Monthly Salary Is	Your Monthly Benefit Will Be
\$ 650	\$ 433
800	533
1,000	667
1,500	1,000
2,000	1,332
2,500	1,667
3,000	2,000

RECURRING DISABILITIES

Disabilities due to the same or related cause, if separated by a period of no more than three months, shall be considered as one disability benefit period with no new waiting period required.

GENERAL INFORMATION

- House confinement is not required to receive benefits under this Plan.
- Coverage is provided in any type of aircraft.
- Coverage is provided worldwide.
- Once you are protected under this Plan, preexisting sickness conditions are fully covered. All claims must be filed with the Administrator not later than 90 days after benefits are

payable. Otherwise your request for benefits may be declined unless it was not reasonably possible for you to give written notice within such time.

YOUR RIGHTS

You are entitled to be given the reason for any determination which reduces or denies your benefits. You may appeal any determination which reduces or denies your benefits. You may appeal any determination of benefits by notifying, in writing, your intention to appeal to the administrator’s office within twenty days from the date of rejection. A copy of your appeal request should be filed with the District Personnel Department.

HOW TO APPLY FOR BENEFITS

- 1) Obtain a claim form by contacting the Plan Administrator’s Office: United Administrative Services, Inc. Phone: (408) 288-4400.
- 2) Fill out and sign the “Claim Statement of Employee”. Write or print clearly. Be sure all information is correct. Be especially careful with your Social Security Number, addresses and dates.
- 3) Give the form to your doctor for completion of the “Attending Physician Statement”.
- 4) Mail the claim form to:

**United Administrative Services
P.O. Box 5057
San Jose, California 95150**

Early filing will speed your payment. Please direct any questions regarding your claim to the Administrator’s Office:

**United Administrative Services
1120 South Bascom Avenue
San Jose, California 95128**

Phone Number: (408) 288-4400

SAN JOSE UNIFIED SCHOOL DISTRICT

PRESENTS THE

INCOME PROTECTION PLAN

FOR CERTIFICATED EMPLOYEES
OF THE
RECOGNIZED BARGAINING UNIT

RULES

AND

REGULATIONS

ADOPTED DECEMBER 1, 1982

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PLAN DESCRIPTION

GROUP COVERAGE EFFECTIVE DATE: DECEMBER 1, 1982

This is an explanation of the Plan benefits for those eligible for coverage under the rules described herein. All provisions are subject to the provisions, definitions, exceptions, and restrictions as described herein.

This is a self-funded plan for the period of benefits (1st 12 months). For those employees who do not qualify for benefits under the State Teachers Retirement System after the first 12 months of coverage as provided by this Plan by reason of having less than five (5) years of contributions into STRS, benefits will be provided by Mutual of Omaha Life Insurance Company. Refer to the benefits described herein.

In this Plan document the San Jose Unified School District is referred to as the “District” and the eligible employee as “you”.

Rules and Regulations governing direct payment plan and insurance provisions for active certificated employees employed by San Jose Unified School District. Effective date of the Plan is December 1, 1982.

ELIGIBLE STATUS

All active full-time employees of the recognized bargaining unit.

ELIGIBILITY DATE

If you are in an eligible status you will become eligible on the first day of the month coinciding with or following the date you enter or return to an eligible status.

COST OF PLAN

The benefits of this Plan are funded by the District. No payment is required from the employees eligible for coverage.

EFFECTIVE DATE OF COVERAGE*

The effective date for those in an eligible status is the same as your eligibility date.

CLASSIFICATION CHANGE*

Any change in your classification will become effective the first day of the month coinciding with or following the date the District receives written notice of a change.

If more than one class applies to you, you will be covered only in the class for which the highest benefits are provided.

TERMINATION OF COVERAGE

Your coverage and insurance (for those with less than 5 years under STRS or PERS) will automatically terminate on the earlier of the following dates:

- a) the date the plan terminates,
- b) the date of expiration of the period for which the last contribution or premium is made on account of your coverage, or
- c) the first day of the month following the date in which you enter full-time military service.

Unless your coverage terminates earlier as in (a), (b), or (c) above, the District, by filing advance written notice with the Administrator and provided contributions are paid, may continue your coverage in force:

- i) during the period of any temporary layoff up to a maximum of three (3) months, or
- ii) during any period of disability resulting from bodily injury or sickness which prevents you from attending school and performing the regular duties of your occupation.

At the expiration of the respective period provided above, your coverage will terminate automatically unless you then return or will have returned to active work.

WAIVER OF CONTRIBUTION

While you are totally disabled by reason of bodily injury or sickness, the Plan will waive all premiums and/or contributions due in your account during the period for which benefits are payable on account of such disability.

EFFECTIVE DATE PROVISIO

If you are not actively at work in an eligible status on the date your coverage would otherwise become effective, the coverage will not become effective until the date you return to active work for eleven (11) consecutive regular work days. If you are not actively at work in an eligible status on the date you would otherwise be entitled to any additional insurance or increased benefits as the result of a change or an amendment to the Plan, the additional insurance or increased benefits will not become effective until the date you return to active work for eleven (11) consecutive regular work days.

COVERAGE CLASSES

CLASS 1

Any employee who, on the date (s)he becomes totally disabled, has five or more years of credited service under the California State Teachers Retirement System, or Public Employees Retirement System, or who is not a participant in either system.

CLASS 2

Any employee who, on the date (s)he becomes totally disabled, participates in but has less than five years of credited service under the California State Teachers Retirement System, or Public Employees Retirement System.

SUMMARY OF BENEFITS

ACCIDENTAL DEATH – Principal Amount

ACCIDENTAL DISMEMBERMENT

Loss of both hands, both feet, the sight of both eyes, or any two of these – Principal Amount

Loss of one hand, one foot, or the sight of one eye – One-half the Principal Amount

The Principal Amount of your Accidental Death and Dismemberment is: Class 1 - \$1,000
Class 2 - \$1,000

ACCIDENT AND SICKNESS (Classes 1 and 2)

Amount payable for each period of disability - \$200 per regular work month while receiving fully paid sick leave; then 75% of monthly contract salary.

A minimum monthly benefit of \$400 will be paid during any period in which substitute differential pay is received.

Benefit Waiting Period – Ten consecutive regular workdays of disability.

Benefits Payment Period (Maximum) – One Year from expiration of fully paid sick leave.

LONG TERM DISABILITY INCOME BENEFIT (For Class 2 Only) Provided by Mutual of Omaha Life Insurance Company

Amount payable for each period of disability – 50% of your monthly contract salary.

Benefit Waiting Period – The expiration of Accident and Sickness Benefits as provided above.

Benefits Payment Period (Maximum) – To age 65 if disability commences prior to 60th birthday; or if benefits commence for a period of disability between 60 and 65th birthday, 3 years or to 65th birthday, whichever is longer.

Benefits Waiting Period – After 65th and before 70th birthday, 2 years, but not beyond 70th birthday.

The amounts of Accident and Sickness and Long Term Disability Income Benefits will be reduced by the total amounts of “Other Income”.

SURVIVORSHIP BENEFIT

Amounts Payable: Class 1 – 75% of your monthly contract salary.
Class 2 – 50% of your monthly contract salary.

Benefit Payment Period (Maximum) – Three Months

DESCRIPTION OF BENEFITS

ACCIDENTAL DEATH AND DISMEMBERMENT

The Plan will pay this benefit if you suffer, directly and independently of all other causes, accidental death or accidental bodily injury which results in any of the specific losses described below within 90 days after the accident causing the loss, if the accident occurs while you are covered under the Plan.

The Plan will pay the principal amount specified in the Summary of Benefits for:

- a) loss of life, or
- b) loss of both hands, both feet, one hand and one foot, one hand or one foot and the sight of one eye, or the sight of both eyes. One-half of the principal amount is payable for the loss of one hand, one foot, or the sight of one eye.

Loss of a hand or foot means severance at or above the wrist or ankle; loss of sight means total and irrecoverable loss of sight. For more than one loss from the same accident the Plan will pay only for the loss on which the largest amount is payable.

Beneficiary Benefits for loss of life will be paid to the surviving person or persons in the first of the following classes of successive preference beneficiaries of which a member survives you:

- a) your spouse;
- b) your children, including legally adopted children;
- c) your parents;
- d) your brothers and sisters;
- e) your executor or administrator.

In determining such person or persons, we may rely upon an affidavit by a member of any of the classes by preference beneficiaries. Payment based upon such affidavit will be full acquittance unless, before such payment is made, the District has received written notice of a valid claim by some other person. If two or more persons become entitled to benefits as a preference beneficiary, they will share equally.

Any benefits for loss of life payable to a minor may be paid to the legally appointed guardian of the minor, or if there be no such guardian, to such adult or adults as have in our opinion assumed the custody and principal support of such minor.

You may designate a beneficiary by filing with the Plan a properly completed written request on a form satisfactory to the Plan. Such designation or change will not take effect until received in

writing by the District Office. When so received, even if you are not then living, the request for the change of beneficiary will take effect on the date the request was signed, subject to any payment made by us before receiving such request. If more than one beneficiary is designated and you have failed to specify their respective interests, the beneficiaries will share equally.

You are not covered for losses from:

- a) intentionally self-inflicted injury or suicide, whether sane or insane;
- b) bacterial infections (except pyogenic infections occurring simultaneously with and in consequence of bodily injury for which accidental death or dismemberment benefits are payable);
- c) bodily or mental infirmity, disease of any kind, or as a result of medical or surgical treatment therefor;
- d) the commission of or the attempt to commit an assault or felony by you;
- e) war, whether declared or undeclared, or insurrection;
- f) any travel or flight as a pilot or crew member in any kind of aircraft; or
- g) travel or flight in any kind of aircraft owned, operated or leased by or on behalf of the District or any Sub-Group referred to in the Plan.

ACCIDENT AND SICKNESS (For Classes 1 and 2)

If you become totally disabled while covered as a result of bodily injury or sickness, the Plan will pay the applicable amount during each period of disability, commencing on the applicable day shown in the Summary of Benefits. In the event you are totally disabled and eligible for benefits at the time the plan of benefits for your Sub-Group is changed, or your coverage terminates, benefits will be paid on account of the sickness or injury which caused such disability, to the same extent as if the change or termination had not occurred.

The Plan does not pay benefits for:

- a) sickness first manifested or injury sustained prior to your effective date of insurance, except for periods of disability commencing while insured, and immediately following at least ten consecutive regular work days of full-time active employment,
- b) bodily injury or sickness for which you are not under the regular care of a doctor other than yourself, your spouse, parent, child, brother or sister,
- c) intentionally self-inflicted injuries,
- d) participation in the commission of a felony, or
- e) war or any act of war, whether declared or undeclared.

LONG TERM DISABILITY INCOME (For Class 2 Only)

If, while insured, you become totally and continuously disabled as a result of bodily injury or sickness, the Plan will pay you the monthly benefit, beginning with the day following the Benefit Waiting Period and ceasing on the earlier of the following dates:

- a) the date you cease to be so disabled, or
- b) the end of the Benefit Payment Period, maximum one (1) year.

In the event you are totally disabled and eligible for benefits at the time the plan of benefits for your Sub-Group is changed, or your insurance terminates, benefits will be paid on account of the sickness or injury which caused such disability, to the same extent as if the change or termination had not occurred.

Should you continue to be disabled as a result of bodily injury or sickness beyond the date that the Benefit Payment (maximum of one year) under the self-funded position of the Plan, your eligibility for continuous coverage will be determined by Mutual of Omaha Life Insurance Company.

If you are disabled and accept a lump sum settlement in lieu of all or part of the periodic payments under any of the sources of "Other Income", such periodic payments will be considered, for the purposes of determining the Monthly Benefit Payable, to continue for a number of months determined by dividing the lump sum settlement by the monthly equivalent of such periodic payments.

If benefits are payable for a period which is less than a full month, such benefits will be computed as provided above, but pro-rated on the basis of 1/30th for each calendar day.

The Plan does not pay for benefits for:

- a) sickness first manifested or injury sustained prior to your effective date of coverage, except for periods of disability commencing while covered, and immediately following at least ten consecutive regular work days of full-time active employment.
- b) bodily injury or sickness for which you are not under the regular care of a doctor other than yourself, your spouse, parent, child, brother or sister,
- c) intentionally self-inflicted injuries,
- d) participation in the commission of a felony, or
- e) war or any act of war, whether declared or undeclared.

SURVIVORSHIP BENEFIT

If you die while receiving Accident or Sickness or Long Term Disability Income Benefits, the Plan will pay the applicable amount specified to the beneficiary, but payment will not be made beyond the Benefit Payment Period. The total amount of the Survivorship Benefit payable to the beneficiary will be payable in one lump sum, unless separate installments are requested by the beneficiary.

Beneficiary – Any person or persons you name. If you do not name a beneficiary, or if the person you name does not survive you, your beneficiary will be the surviving person or persons in the first of the following classes in which a member survives you:

- a) spouse,
- b) children, including legally adopted children
- c) parents,
- d) brothers or sister, or
- e) executor or administrator.

Two or more persons entitled to benefits will be paid equal shares. Any benefit payable to a minor may be paid to the legally appointed guardian of the minor, or if there be no such guardian, to such adult or adults as have in our opinion assumed the custody and principal support of such minor.

The Plan may require a beneficiary to furnish, at his/her own expense, satisfactory proof of his/her entitlement or continued entitlement to any Survivorship Benefit provided.

The Survivorship Benefit provided is not assignable during your lifetime, nor will any beneficiary have the right to assign any monthly benefit after your death.

DEFINITIONS

“Benefit Payment Program and Benefit Waiting Period” means the applicable periods specified in the Summary of Benefits.

“Monthly Contract Salary” means only the gross annual salary payable to you as contracted between you and the District, divided by the number of pay warrants which you are scheduled to receive. In no event, however, will this term include any additional compensation for overtime pay, weekend or summer school employment, bonuses, or District funded fringe benefits.

For the purpose of determining the amount of benefits payable in accordance with the Summary of Benefits, your monthly contract salary will be determined based on the contract year in which total disability commenced, and based upon whether you receive ten to twelve pay warrants per year.

“Doctor” means a person who is licensed to practice medicine and surgery as a Doctor of Medicine or as a Doctor of Osteopathy. While acting within the scope of his/her practice and to the extent that benefits are provided, “doctor” will also include a person licensed to practice as a psychologist. The term “doctor” will not include you or your spouse, parent, child, brother or sister.

The term “doctor” will also include any Christian Science Practitioner recognized by the Mother Church; provided, however, that with respect only to the long Term Disability Income Benefit, this paragraph will apply only to you if you are confined in a Christian Science Sanatorium which qualifies as a hospital.

“Active Employee” means a full-time employee working a minimum of 20 hours per week for the School District.

“Other Income” means the total amount of income or benefits which you receive, while disabled, from the following sources:

- a) income which you are eligible to receive from your employer,
- b) benefits payable under any other disability income plans for which the employer pays the premium, including those required under any worker’s compensation or employer’s liability law, or
- c) disability benefits or pensions payable under any governmental plan; except that the following provisions will apply:
 - i) Military service retirement benefits, and military disability allowances being received as a consequence of prior service connected disabilities, are excluded, except as provided in ii) below.

- ii) Military disability allowances applied for after becoming disabled, while insured, will be considered as “Other Income”.
- iii) Disability allowances received under the California State Teachers Retirement System, or the Public Employees Retirement System during the first year of any “Benefit Period” are excluded.
- iv) Improvement factors or cost of living adjustments which become effective after the date of disability are excluded.

The term “Other Income” will also include disability benefits which you are eligible to receive, whether or not actually applied for, from any other group life or disability insurance plans, any franchise or wholesale insurance plans.

With respect only to members with less than five (5) years of credited service under the California State Teachers Retirement System, or Public Employees Retirement System who have received disability benefits for at least one year, the term “Other Income” will mean income which you are eligible to receive, whether or not actually applied for, from any of the sources enumerated in items a), b), or c) in the first paragraph of this definition.

“Period of Disability” means the period during which you are continuously totally disabled.

Successive periods of disability resulting from the same or related causes will be considered one period of disability unless the periods are separated by your returning to work for at least 120 consecutive regular work days.

If a period of total disability commences and continued during a “Scheduled Vacation Period”, any applicable benefits waiting period will not commence until the first day of your next scheduled regular period of employment.

“Scheduled Vacation Period” means any vacation period, other than a leave of absence, which is at least two but less than fourteen consecutive weeks in duration.

“Regular Work Day” means any day of teacher attendance required by regulations of the employing unit including legal holidays which fall on an otherwise regular workday.

“Fully Paid Sick Leave” means the total number of days of sick leave with full pay to which you are entitled.

“Totally Disabled” During your Benefit Payment Period, but not to exceed the first four years thereof, you will be considered “totally disabled” while you are unable to perform the material duties of your own occupation and while you are not engaged in any other occupation. Thereafter, you will be considered “totally disabled” while you are able to engage in any gainful occupation for which you are reasonably qualified by training, education or experience.

With respect only to members with less than five (5) years of credited service under the California State Teachers Retirement System, or Public Employees Retirement System, if the total disability is caused by nervous or mental conditions, alcoholism or drug addiction, the maximum Benefit Payment Period will in no event exceed two years of continuous disability, unless the member is hospital confined or is participating in a rehabilitation program approved by us.

“Hospital” means only an institution which meets all of the following requirements:

- a) Maintains permanent and full-time facilities for bed care of five or more resident patients,
- b) Has a doctor in regular attendance,
- c) Continuously provides 24 hours a day nursing service by Registered Nurses, and
- d) Is primarily engaged in providing diagnostic and therapeutic facilities for medical and surgical care of injured and sick persons.

The term “hospital” will also include any approved Christian Science Sanatorium or other institution which has been approved by the Committee on Christian Science Nursing Homes of the Mother Church, except in the event of confinement in such institution for spiritual guidance or rest. In no event, however, will the term “hospital” include any institution, or part thereof, which is used principally as a rest home, nursing home, convalescent home, or a place for the aged.

“State Teachers Retirement System” means the applicable provisions of the Education Code of the State of California which relate to the State Teachers Retirement System.

“Public Employees Retirement System” means the applicable provisions of the Government Code of the State of California which relates to the Public Employees Retirement System.

GENERAL INFORMATION

The Plan does not replace nor affect any requirement for coverage by workers' compensation insurance.

The effective time for any dates used herein will be 12:01 A.M. Standard Time at the address of the Policyholder. Masculine pronouns in the policy apply to both sexes.

The Plan document, the application of the District, and individual applications, if any, of the individuals constitute the entire contract. The Plan can be changed only by an endorsement issued by the District and Mutual of Omaha Life Insurance Company.

The validity of the Mutual of Omaha Life Policy will not be contested, except for non-payment of premiums, after it has been in force for two years from its effective date. No statement made by an individual relating to his insurability will be used in contesting the validity of the insurance with respect to which such statement was made after such insurance has been in force prior to contest for a period of two years during his lifetime nor unless it is contained in a written application signed by him, and a copy of such application is furnished to him or his beneficiary.

APPLICABLE TO BENEFITS OTHER THAN LIFE INSURANCE BENEFITS

The Plan will not use any statement, other than a fraudulent misstatement, by a covered person to contest a claim after his coverage has been in effect continuously for two years. If a claim is contested, a copy of such statement will be furnished to the insured person or his beneficiary.

Written notice of a claim must be given within 20 days after loss begins, or as soon as reasonably possible. The Plan Administrator must be furnished proof of loss by the claimant within 90 days after date of loss, if reasonably possible, and except in the absence of legal capacity of the claimant, not later than one year after the end of the 90-day period.

The District will provide the usual claim forms for the claimant within 15 days after he gives written notice of claim. Otherwise, he may submit, within the required time, written proof covering the occurrence, character, and extent of the loss.

To comply with these requirements, when you have a claim, notify the District and obtain claims forms.

Claims will be paid immediately upon receipt of due written proof of loss.

Amounts for loss of life will be paid in accordance with the beneficiary provisions contained in this certificate. In the absence of such provisions, amounts for loss of life will be paid to your estate. Any accrued amounts unpaid at your death will be paid, at our option, to your beneficiary or to your estate. All other amounts will be paid to you. You may change your beneficiary at any time in accordance with the beneficiary provisions without the consent of any previously named beneficiary being required.

We may examine the person for whom the claim is made or make an autopsy, at our expense, if not forbidden by law.

FOR LONG TERM DISABILITY INCOME BENEFITS

Mutual of Omaha Life must be given written notice of claim before the end of the Benefit Waiting Period, or as soon as reasonable possible. Mutual of Omaha Life must be furnished, by the claimant, proof of total disability within 90 days after the end of the Benefit Waiting Period, and thereafter during the continuation of the disability as we may reasonably require. Failure to furnish such proofs within the time required will not invalidate a claim, if it was not reasonable possible to give such proof within such time, provided such proof is given as soon as reasonable possible and in no event, except in the absence of legal capacity of the claimant, later than one year from the time proof is required.

FACILITY OF PAYMENT APPLICABLE TO GROUP DISABILITY INSURANCE

All Disability Benefits under the policy are payable to you. If any indemnity under the policy is payable to your estate, or to you or a beneficiary while you or they are a minor or otherwise not competent to give a valid release, we may pay such indemnity up to an amount not exceeding \$1,000 to any relative by blood or marriage of you or the beneficiary who is deemed by us to be equitable entitled to it. Any payment made by the Plan in good faith under this provision will fully discharge us to the extent of such payment.

Filing of claims and all questions regarding the processing of your claim should be directed to the Administrator's Office.

**United Administrative Services
1120 South Bascom Avenue
San Jose, California 95128
Telephone Number: (408) 288-4400
Mailing Address:
P.O. Box 5057
San Jose, California 95150**

Signed this 28th day of December 1982 for San Jose Unified School District.

By: Richard B. Jackson
Title: Assistant Superintendent, Operations