



AFLAC Short Term Disability Insurance Offering 2011

Underwritten by Continental American Insurance Company

Questions and Answers

- 1. What is Group Short Term Disability Insurance?** Group Short Term Disability Insurance is income protection for when you cannot work due to non-occupational illness or injury. This Short Term Disability supplemental insurance product has an elimination period of 30 days (benefits start on the 31st day after a covered illness or injury) and covers you up to 8 months. You can select the amount of monthly benefit you want, in \$100 increments, from \$300 per month to \$2000 per month, subject to income requirements.
- 2. Why is this product being offered now?** Many Flight Attendants have been asking for a Short Term disability product. If your Sick leave bank balance is low, you may have no income protection from the time it runs out until Long Term Disability starts (if you elected the coverage), which is 270 days after illness or injury. Your AFA MEC Benefits Committee has been searching for an acceptable replacement to the minimal Short Term Disability benefit that ended in United's bankruptcy. This has proved to be a difficult process, and AFA teamed up with Design Benefits to find a plan with group rates for United Flight Attendants and terms that would work the best for our diverse workgroup.
- 3. How do I enroll in this insurance?** A web based enrollment is available by going to www.unitedafa.org. From the front page of the United AFA website, you can click the AFLAC link which takes you to a designated and secure website that will contain all information regarding this plan and walk you through the enrollment process.
- 4. When can I enroll in this insurance plan?** The initial open enrollment period starts March 4, 2011 and runs through April 8, 2011. There is an extension open enrollment period for those who did not enroll by April 8. It runs from April 11 through May 6, 2011.
- 5. Can I enroll if I am on Voluntary Furlough or a Leave of Absence?** No, you must be an active Flight Attendant to enroll in this plan.
- 6. How are the Short Term Disability rates calculated?** The rates for this Short Term Disability plan have age bands that use the age you are at the time you sign up, and the amount of coverage you select. As mentioned in the answer to question 1, you select the monthly benefit amount from \$300 to \$2000 per month, subject to income requirements.
- 7. As I get older do my rates go up?** No your rates are locked in at the age you are at the time you sign up for the plan.
- 8. There are other Insurance products being offered at the same time as this Group Short Term Disability Insurance offering, what are they?** They are Group Accident, Group Critical Illness and Group Supplemental Hospital Income Plans. These plans are all optional.

9. **Who can sign up for this Group Short Term Disability Insurance and other products?** Any United AFA-CWA represented Flight Attendant who has a Social Security Number. A Visa/MasterCard credit card or a U.S. bank account for Automated Clearing House (ACH) withdrawals is also needed for payment of monthly premiums. Claims must be submitted in English (you are responsible for any translation fees), and will only be reimbursed in U.S. dollars. A U.S. address is also needed for enrollment purposes.
10. **Is a U.S. Post Office Box sufficient for the address requirement?** Yes.
11. **Are these insurance plans payroll deducted?** No. Monthly premiums are paid for with either a Visa/MasterCard credit card, or deducted by ACH withdrawals from a U.S. bank account.
12. **I am based outside of the United States; can I enroll in this Group Short Term Disability Insurance?** Yes, however a U.S. address must be given for enrollment purposes. As stated above, a Visa/MasterCard credit card, or a U.S. bank account is also needed to set up monthly ACH withdrawals for monthly premiums. Claims must be submitted in English, and are reimbursed in U.S. dollars. You are responsible for any translation fees.
13. **I am based outside of the United States, and do not have a Social Security number. I have an International Tax Identification Number (ITIN), why can't I enroll in these plans?** While our goal is always to include all United AFA-CWA members, this is a requirement of CAIC.
14. **I am based outside of the United States. Is it advisable to enroll in the supplemental insurance plans other than the Group Short Term Disability Insurance?**
In general, the answer is "No", with the exception that you may have dependents that you would like to cover whom reside in the United States or you are willing to travel to the United States for services. As with the Short term disability plan, you must have a Social Security number, a U.S. address to enroll, and either a Visa/MasterCard credit card, or a U.S. bank account is needed to set up ACH withdrawals for monthly premiums. Claims must be in English, and you are responsible for any translation fees. Additionally, please note the following provisions:
- The Accident and Hospital Indemnity plan contains the following exclusion – Traveling more than 40 miles outside the territorial limits of the United States, Canada, Mexico, Puerto Rico, The Bahamas, Virgin Islands, Bermuda and Jamaica, except under the Accidental Common Carrier Death Benefit.
- The Critical Illness contains the following limitations/exclusion – a diagnosis must be made and treatment received in the United States.
15. **Do I have to be diagnosed or receive treatment in the United States in order to receive benefits with the Group Short Term Disability Insurance?** No, these are not requirements. Claims must be submitted in English, and you are responsible for any translation fees.

16. **When I sign up for the Group Short Term Disability I am prompted to enter an annual income. Why is that the case?** Short Term Disability Insurance is designed to replace income. This insurance plan will replace up to a maximum of 50% of your monthly income (not to exceed \$2000), or less if you are based in a state with a state disability benefit. Entering your annual income allows the enrollment website generate benefit levels which correspond to your annual income level.
17. **The enrollment application will not let me enroll in the Group Short Term Disability Plan. It looks as if I waived coverage when I did not. Why?** On page 2 of 9, the personal information page, must be updated with an annual income. Select the “**Edit**” button, use your backspace button or delete button to update any incorrect information. Enter your annual income, and then click the “**Update**” button. Now you are ready to select the “**next**” button at the bottom of the page to move on to page three. These steps must be completed to lock the edits made to this page in order to move on to the rest of the enrollment process.
18. **I am trying to go online to the enrollment site and make changes to my application and I always arrive at the payment selection page. Why does that happen?** In order for your initial enrollment to be locked into the system, you must complete the application all the way through the payment portion. If you exit in advance of completing the payment portion of the application, and then re-enter at a later date, the system will open to the payment page for completion of your application. You only have to complete the payment information once. After entering the payment information, you are free to add or make changes to your application.
19. **What is AFLAC’s relationship to CAIC?** Aflac acquired Continental American Insurance Company (CAIC) in July 2009. CAIC is a member of the AFLAC Family and offers underwriting for Aflac’s Group Products. CAIC is headquartered in Columbia, South Carolina, and specializes in offering voluntary group insurance plans that are usually distributed through insurance brokers at the worksite.
20. **In the past AFA has offered supplementary Insurance products through AFLAC. Is this replacing them?** No – you may keep the original plans or apply for the new group plans. However, you cannot be covered for like coverage under both. For example, you cannot be insured under two Accident plans or two Hospital Indemnity plans. If you have questions regarding overlap of coverage please contact Tina Jeffery of Design Benefits with additional questions:

U.S. Domiciles: Toll free 888 772-1144 or direct at 208-765-7755 ext 302 or email

International Domiciles: tina@designbenefitsonline.com

21. **I have previously signed up for AFLAC insurance, should I switch to these Insurance plans instead?** You may find that the newer plans fit your needs both from a healthcare coverage and financial affordability standpoint. The option is yours. If you have questions regarding overlap of coverage or coverage comparisons, please contact Tina Jeffery of Design Benefits with additional questions:

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22. I am based in a State that has a State disability benefits (California, New York, New Jersey, Rhode Island and Hawaii) can I sign up for this Short Term disability plan?

Yes, but since a Flight Attendant based in California (LAX or SFO) or New York (JFK) is also eligible for a State disability benefit, a Flight Attendant based in those locations can only sign up for a maximum of 30% of income not to exceed \$2,000.

23. What happens if I sign up for a certain monthly benefit level, and then I transfer to a domicile that has a State disability benefit? If you have signed up for a benefit level higher than 30% of income and then transfer to a domicile with a State disability benefit, you should notify our broker, Tina Jeffrey of Design Benefits to arrange for a reduced benefit and premium.

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24. Does the Short Term Disability plan have any offsets? No. You can collect your sick leave benefit or State disability benefit and this benefit at the same time.

25. If I start to collect a benefit from the Short Term Disability plan, do I have to continue paying my monthly premium? There is a 60 day waiver of premium. If you are receiving benefits under the plan, premiums are waived and no longer payable after you have been disabled for sixty days. They resume again when you are no longer disabled or no longer receiving benefits under the plan.

26. Is there a maximum age limit when enrolling in the Short Term Disability plan? Yes, you must be under age 70.

27. Who does this Short Term Disability product benefit, and do I need it? This product is designed to provide income protection after 30 days of injury or illness through 8 months. You can decide if you need the income protection. Factors to consider are both State Disability plans and the amount of sick leave you have, or will have in the future.

28. If I am injured on the job (Occupational Injury), does the Short Term disability Insurance cover me? No, this product is for non-occupational injuries and illnesses.

29. In the plan documents I see that plans have an exclusion stating "Travel in, jumping or descent from any aircraft, except when a fare paying passenger in a licensed passenger aircraft". What if I am travelling on a pass or using Jump seat privileges? As long as you are not working, you will receive full benefits of these Plans.

30. Can I continue with any of these plans if my employment with United ends? Yes. All plans have a portability provision which allow you to maintain coverage with same rates. For the Short Term Disability plan, you should give notice within 31 days of ending employment with United and be a full time employee with your new employer.

31. What about pre-existing conditions? A "Pre-existing Condition" means a sickness or physical condition which, within the 12-month period prior to the Effective Date of Your Certificate, either: 1) resulted in your receiving medical advice or treatment; or 2) caused symptoms for which an ordinarily prudent person would seek medical advice or treatment.

32. When does a pre-existing condition cease to be a pre-existing condition? A condition will no longer be considered pre-existing at the end of 12 consecutive months starting and ending after the effective date of your certificate

33. **Are there any benefits available for pre-existing conditions with the Group Short Term Disability plan?** Yes. During the first 12 months of coverage 50% of the applicable monthly benefit is payable for up to six weeks for pre-existing conditions.
34. **Does the Short Term Disability plan cover pregnancy?** Yes
35. **If I am pregnant can I sign up for the Short Term Disability plan?** Yes. Pregnancy is considered a pre-existing condition if conception occurs before the effective date of your certificate. If this is the case, then 50% of the applicable monthly benefit would be payable for up to six weeks.
36. **Can rates increase in the future?** There is always a possibility with group products for increases and decreases based on the claims experience of the group.
37. **What does “Guaranteed issue” mean, and how does that work with these plans?** During the initial open enrollment period of March 4, 2011 through April 8, 2011 (extended to May 6, 2011), for the Group Short Term Disability plan there is a guaranteed issue benefit amount of up to \$500. This means you cannot be denied coverage for any medical reason if you sign up for a plan benefit amount of \$500 per month or less. The guarantee issue option is only available during the initial open enrollment period in which you were eligible.

For amounts above \$500 per month, a Medical questionnaire would need to be filled out for approval.

The Group Accident and Group Supplemental Hospital Indemnity plans are guaranteed issue during the initial Open Enrollment, and the Group Critical Illness plan has a guaranteed issue amount of up to \$10,000.00 of coverage during initial Open Enrollment.

38. **What if I don't sign up now, will there be another Open Enrollment period?** Yes. There will be other enrollment opportunities throughout the year, and in the future as determined by the United AFA MEC. The guarantee issue option is only available during the initial Open Enrollment period in which you were eligible. If you decide to enroll at a later date, you will have to go through limited underwriting (answering a medical questionnaire).
39. **What if I sign up for one benefit level for coverage now, can I increase/decrease it in the future, and how will my rates be calculated if I make a change?** You can decrease your benefit level at any time. This will not affect the premium age band for which you signed up for, but it will decrease your premium.

You can increase your coverage during any Open Enrollment period, and the increased benefit will be calculated at the new age band if applicable. The increase in benefit may be applicable to a pre-existing condition.

40. **What happens if I don't pay my bill or there isn't enough money in my bank account to cover the payment?** This Plan has a 31 day grace period. This means that if a renewal premium is not paid on or before the date it is due, it may be paid during the next 31 days. During the Grace Period, the Plan will stay in force, unless the Policyholder has given Continental American written notice of discontinuance of the plan

41. **What is the time limitation to file a claim for these plans?** If the Plan provides for periodic/monthly payments as in the Group Short Term Disability plan, written proof of loss must be furnished within 90 days after the end of the period for which CAIC is liable. For any other loss, written proof must be given within 90 days after such loss. If it is not reasonably possible to file a claim within 90 days, CAIC will not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. In any event, the proof required must be furnished no later than one year after the 90 days unless you are legally unable to do so.
42. **My question isn't answered here, who can I contact to get more information?**
Please contact our broker, Tina Jeffrey of Design Benefits:

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