

Lincoln Financial Group

Claims Process Reference Guide

Short Term Disability



Table of Contents

Short Term Disability.....	2
Complete claim.....	2
Intake options.....	2
Turn-around times.....	2
Incomplete process	3
Expedited claims.....	3
Communication	3
LINKS process	3-4
Offsets	4-5
Payment Options.....	5
Appeal process	5
FICA.....	5-6
Return to Work Assistance	6-7
Other Topics	7-8

Short Term Disability

At Lincoln Financial Group, we take a stream-lined, coordinated approach to claims management to ensure the process from intake to benefit decisions are coordinated and clearly communicated, with experts supporting the process every step of the way.

What is a complete claim?

A complete claim includes complete employer information, complete employee information, the Attending Physician Statement (APS) and authorization for release of additional medical records if necessary.

*To help assist with the claim management please provide a job description with the claim.

Intake Options:

We offer multiple leave intake options for Short Term Disability (STD) claims:

- **Telephonic intake (866-STD-CALL)**
 - Telephonic intake is the preferred method for submitting a STD claim as it allows for an immediate opportunity to have a dialogue with our intake representatives who can help explain the process and answer your employee's questions.
 - Our telephonic service hours are: 7 a.m. to 7 p.m. CST Monday-Thursday and 7 a.m. to 5 p.m. CST on Fridays
- **Email:** DisabilityClaims@lfg.com
- **Mail:** The Lincoln National Life Insurance Company, PO Box 2609, Omaha, NE 68103

If group is situated in New York send to: Lincoln Life & Annuity Company of New York, PO Box 2609, Omaha, NE 68103
- **Fax:** 800-922-3503
- **Web:** LincolnFinancial.com—Only available for fully insured STD products

Turn-around times

- Initial claim review—within 3 business days
- Correspondence—within 3 business days
- Email/Phone—within 24 business hours

Short Term Disability—Incomplete process

- Day 1—during the telephonic intake call, the Attending Physician Statement is sent to doctor's office
- Within 3 business days—Claims Examiner completes an initial review to approve, deny or pend the claim (initial call to the claimant is attempted)
- 7 days from the initial review date—Claims Examiner reaches out to the claimant and doctor's office
- 10 days from the initial review date—If missing employer information, the Claims Examiner will follow up with the employer
- 15 days from the initial review date—Claim is closed and letter is sent to the claimant and group

Expedited Claims Processing—Fast Track (FT) Diagnosis

For the following conditions: Maternity, Hysterectomy, Appendectomy, Cholesystectomy, Bunionectomy, or Hernia, we offer an expedited claim process. Once we confirm eligibility and the surgery or delivery date, we make the disability decision. Payment is based upon the usual and customary duration (based on MD Guidelines). For example, maternity claims are lump sum paid—6 weeks from normal delivery minus elimination period & 8 weeks for c-section deliveries minus the elimination period.

Note: No Attending Physician Statement/Authorization is required for the expedited claims unless benefits are requested prior to surgery/delivery or are requested after the usual and customary duration (based on MD Guidelines) due to complications.

Communication

- Communication method
 - Secure email
- Initial phone call to the claimants (within 3 days)
- Periodic phone interviews with the claimants on medical updates and abilities
- Correspondence to the employee and employer at every status change

Lincoln Financial Group's Links process

Lincoln Financial Group offers a variety of programs and services to assist disabled employees and help them return to full productivity. One such program is LINKS — a highly efficient claims process for those covered by Lincoln Financial short-term disability (STD) and long-term disability (LTD) plans. LINKS goes beyond usual expectations to provide a smooth transition

from STD to LTD without claim filing. It is a proactive, integrated claims management system that provides early intervention with the insured to identify potential LTD claims.

How the LINKS process works:

When an STD claim is received, the Claims department determines whether the claimant is also covered under a Lincoln Financial LTD plan. If so, the integration process begins. A team approach is used and, when deemed appropriate, a nurse and a vocational counselor are consulted for return-to-work planning. The LINKS program was designed by Lincoln Financial to blend technology with the personal touch of our disability Claims Examiners. All claims information resides together in our system for more efficient access and coordination. Claims Examiners work closely together to manage claims and monitor the progress of the disability. This approach benefits both the employee and employer by helping the employee get back to productive work and full earning potential as quickly as possible.

Offsets

- Do you have a sick leave or salary continuation plan?

- ☐ Yes
- ☐ No

- Sick leave is an

- ☐ Offset
- ☐ Exclusion
- ☐ Backdoor Integration

AMOUNT. The amount of the Total Disability Weekly Benefit equals the lesser of:

1. the Insured Employee's Basic Weekly Earnings multiplied by the Benefit Percentage; minus Other Income Benefits except any pay received under the Employer's Sick Leave or Salary Continuance Plan;
2. 100% of the Insured Employee's Basic Weekly Earnings; minus Other Income Benefits including any pay received under the Employer's Sick Leave or Salary Continuance Plan; or
3. the Maximum Weekly Benefit.

In no event will the amount of the Total Disability Weekly Benefit plus any pay received under the Employer's Sick Leave or Salary Continuance Plan exceed 100% of the Insured Employee's Basic Weekly Earnings.

- Workers compensation is an

- ☐ Offset
- ☐ Exclusion

- No Fault Auto Plan
- State disability offset
 - State benefits will be calculated by Lincoln Financial Group
 - CA sitused groups—employee permission is required for estimating offsets

Payment Options

- Payment modes
 - ☐ Bi-weekly (26 payments a year)
 - ☐ Weekly (52 payments a year)
 - Payment options
 - Direct deposit (preferred method)
 - Check
- *All payments are made directly to the claimant

Appeal Process

- 1 Appeal reviews for ATP/ASO
- 2 Appeals reviews for STD
- 180 days to request a review of an adverse decision

STD Plan without FICA Match Service

Tax reporting activity	Lincoln responsibility	Employer responsibility
Employee FICA withholding and remittance (if applicable)	Yes*	No
Employer FICA remittance (if applicable)	No	Yes
941 reporting	Yes* (employee FICA withholding)	Yes (employer FICA)
W-2 reporting and distribution	No	Yes
W-2 preparing and mailing	No	Yes
W-2 corrections	No	Yes
FUTA/SUTA	No	Yes

Monthly FICA reports will be sent to the employer. After year-end, an annual FICA report will also be printed and mailed to the employer in January.

*Reporting done under Lincoln company name and EIN
Not available if group has ATP

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Return to Work Assistance

All of Lincoln's disability plans are designed and managed to encourage and facilitate a timely return to work. Most claimants can be expected to fully recover or retain transferrable skills that can enable them to regain productivity in the workplace, and most people who have been ill or injured want to return to work when able.

Because the highest probability of a successful return to work is returning to the same employer, we strive to form partnerships with our customers that can result in a win-win outcome for the employer, employee, and Lincoln. And even if you find you do not have a role for your employee to return to, our Vocational Rehabilitation Consultants can work with your claimants to find alternative employment by leveraging transferable skills, or helping to build new skills that lead to gainful employment.

Understanding your current workplace culture and ability or interest to help employees to return to work will be helpful to effectively administering your plan. It's helpful for us to know:

1. Do you have a formal return to work process in place? Please describe.
2. If Lincoln identifies an employee may have the ability to return to work part time, or full time with restrictions, who can we contact at your company to discuss these possibilities?

3. Does your company have an established policy for how long to hold a job or retain employment after an employee becomes disabled? For example, some companies may maintain employment throughout the STD duration, but terminate employment if the claimant extends to LTD.

If you have interest in further discussions about how Lincoln's Vocational Rehabilitation team can consult with you to build or expand upon a return to work process, or to discuss our capabilities in more detail, please let us know.

Other Topics

- **MD Guidelines**—These guidelines help disability staff understand the typical length of disability for a specific diagnosis or procedure. Several factors are taken into account when applying the guidelines such as occupation, age, and variability with a diagnosis.
- **Elimination Period**—An Elimination Period is a time period in which benefits are not payable but the employee must satisfy before becoming eligible for benefits. These days must be consecutive days of total or partial disability.
- **Progressive Partial Payment**—Between disability payment and salary, the employee is able to receive 100% of pre-disability earnings, with no time limits & a 99% earnings test
- **Early Claim Submission Process**—Claims that are submitted more than two weeks in advance of the last day worked or actual date of disability (eg. for scheduled procedures/surgeries or pregnancy delivery date) will be accepted via paper or telephonic intake, and then will subsequently be closed with an automatic task established for the Benefit Specialist to follow-up about 5 days after the expected last day worked or scheduled procedure /surgery or delivery date. About 5 days after the scheduled surgery or delivery date, the assigned Benefit Specialist will contact the claimant to confirm the surgery or delivery date and re-open the claim to continue the claim investigation and management process.
- **Recurrent Disability**—Recurrent Disability means a Disability due to an Injury or Sickness which is the same as, or related to, the cause of a prior Disability for which Weekly Benefits were payable. A Recurrent Disability will be treated as follows.
 1. A Recurrent Disability will be treated as a new period of disability, and a new Elimination Period must be completed before further Benefits are payable; if the Insured Employee returns to his or her regular occupation on a full-time basis for two weeks or more (or the timeframe established in the contract).

2. A Recurrent Disability will be treated as part of the prior Disability, if an Insured Employee returns to his or her regular occupation on a fulltime basis for less than two weeks (or the timeframe established in the contract).

- **Pre-x**—This provision stipulates that disabilities caused by, or contributed to, a pre-existing condition are excluded from coverage under the contract unless certain conditions have been met. A pre-existing condition applies to a sickness or injury from which the employee received medical treatment, consultation, care or services including diagnostic measures or prescribed drugs or medicines during a specific period of time prior to the employee's effective date.

If a Pre-Existing provision is included in your policy, an investigation based on the Pre-Existing language will be conducted, if applicable.

Example: A 3/12 pre-existing clause means that any disabling condition which the Insured received treatment during the 3 months immediately prior to the effective date of coverage is excluded. Once the Insured has been covered for 12 months the pre-existing clause no longer applies.

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