



**SELF-FUNDED EMPLOYEE BENEFIT PLAN**

**SHORT TERM DISABILITY**

**PLAN DOCUMENT**

**YOSEMITE COMMUNITY COLLEGE DISTRICT**

**Restated January 1, 2007**

*Keenan*  
*Associates*

License #0451271

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**SHORT TERM DISABILITY PLAN DOCUMENT**  
**Yosemite Community College District**

ORIGINAL EFFECTIVE DATE: November 1, 1986 at 12:01 AM, local time of Modesto, California

PLAN RESTATED: January 1, 2007

ANNIVERSARY DATE: January 1 of each year

PLAN ADMINISTRATOR: Yosemite Community College District  
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Modesto, California 95352  
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PLAN CONSULTANT: Keenan & Associates  
2355 Crenshaw Boulevard, Suite 200  
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CLAIMS ADMINISTRATOR: Keenan & Associates  
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The Yosemite Community College District ("District") agrees to pay to the eligible persons covered under this Plan, the Benefits described in accordance with and subject to all the terms, conditions and limitations of this Plan Document, if and when any such eligible person becomes entitled to the Benefits.

This Plan Document is a restatement of the original Plan Document effective November 1, 1986. The term of this Plan Document begins on January 1, 2007, at 12:01 AM local time of Modesto, California, and ends on the first anniversary thereof, as set forth hereinafter, but the Plan Document may be continued, as hereinafter provided.

This Plan Document is written in California and is governed by the laws of that jurisdiction.

This Plan is adopted without prejudice to any possible bilateral agreement or future actions, which may be arrived at, or taken, as a result of impasse proceedings or possible further negotiations with exclusive representatives relative to the subjects.

## I. DEFINITIONS

The following words and phrases as used here shall have the following meanings, unless a different meaning is plainly required by the context:

**Active Work; Actively at Work** means that an Employee is performing the regular duties of his occupation either at their regular place of business at the District, or at some location to which the Employee is required to travel on behalf of the District. An Employee shall be considered Actively at Work on each day of a regular paid vacation, while on jury duty, or on any regular nonworking day, including holidays, provided that the Employee had been Actively at Work the last scheduled working day before.

**Benefit** means the amounts paid by this Plan to eligible Employees for a covered Disability as provided in Section XV, if and when any such eligible person becomes entitled to the Benefits.

**Coverage** means the period during which the Benefits provided by this Plan shall be available to an eligible Employee.

**Disability; Disabled** means any illness or injury, either mental or physical that prevents an Employee from performing, with reasonable continuity, the material duties of their regular occupation due to injury, sickness or pregnancy, and receives no remuneration for work or service.

**District** means the Yosemite Community College District.

**Elimination Period** means the period of continuous Disability before Benefits under this Plan begin.

**Employee** means an individual who is considered to be in an Employer-Employee relationship with the District and who meets the eligibility requirements of this Plan as provided in Section II.

**FMLA** means the Family and Medical Leave Act of 1993.

**FMLA Leave** means a leave of absence the District is required to extend to an Employee under the provisions of the FMLA.

**FRA** means the California Family Rights Act.

**Leave of Absence** means a period, whether paid or unpaid, during which an Employee is not Actively at Work, approved in accordance with the District's leave policies.

**Professional Care** means a planned program of observation and treatment of a sickness, injury or pregnancy under the regular attendance of a legally qualified physician as required by applicable medical standards.

**USERRA** means the Uniformed Services Employment and Reemployment Rights Act of 1994.

## **II. ELIGIBILITY AND EFFECTIVE DATE**

**ELIGIBILITY:** A person shall be eligible under this Plan if a full-time or permanent part-time Employee of the District with probation or permanent employee status and a minimum regular assignment of fifty percent (50%) of full-time or higher, actively at Work on their effective date of Coverage as described below.

**EFFECTIVE DATE OF COVERAGE:** Each eligible Employee shall be covered under the Plan effective November 1, 1986 if that Employee was covered under the Crown Life Policy Number 44855 on November 1, 1986, unless such Employee became ineligible on November 1, 1986.

Each new Employee, becoming eligible on or after November 1, 1986, shall be covered under the Plan on the first of the month on or after their date of hire, subject to the eligibility requirements of the Plan.

This Plan is paid for entirely by the District.

## **III. CHANGES IN CLASSIFICATION**

If a covered person's classification changes, the amounts for which he is covered under this Plan shall be adjusted to conform to his new classification effective on the date his classification changes.

A change in classification shall become effective as follows:

- (a) If an eligible person's amount of Coverage is increased during a period when he is not Actively at Work, such increase shall not take effect until the date he returns to Active Work at his customary place of employment;
- (b) If an eligible person's Coverage is decreased during a period when he is not Actively at Work, such decrease shall take effect on the date of the decrease in Coverage; except that such decrease in the amount of Coverage shall not take effect while the eligible person is receiving Disability Benefits under this Plan.

## **IV. TERMINATION OF INDIVIDUAL COVERAGE**

The Coverage of any eligible person covered hereunder shall terminate at 12:01 AM, local time, on whichever of the following dates occurs first:

- (a) the date he ceases to be within the class of persons eligible for the Benefits under the Plan, or
- (b) the date the Plan is discontinued, or
- (c) the date the covered person enters the Armed Forces on full-time active duty

A person who is eligible for this Plan shall cease to be within the class of persons eligible for this Plan upon the termination of employment. Termination of employment shall, for the purpose of the Plan, be defined as cessation of Active Work by layoff, work stoppage, Leave of Absence, resignation, dismissal, being pensioned or retired, or cessation of Active Work because of Disability. Notwithstanding the previous provision, an Employee whose leave qualifies under the federal Family and Medical Leave Act (FMLA) or the California Family Rights Act (FRA), may have their Coverage continued under this Plan during the qualifying FMLA or FRA leave period, subject to the District's leave policies.

If an eligible person's Coverage is terminated during a Disability covered by this Plan and that person returns to Active Work at the end of the period of Disability, his Coverage under this Plan may be reinstated as of the date of his return to Active Work without evidence of insurability. Reinstatement for a covered person whose Coverage ended because of Armed Forces active duty shall be subject to the requirements of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). Individuals whose Coverage terminated under this Plan for any other reason, and become eligible again at a later time will be subject to the Eligibility and Effective Date of Coverage provisions for new Employees as specified in Section II of this Plan Document.

## **V. CONTINUANCE OF PLAN DOCUMENT**

The provisions of the restated Plan Document will become effective on January 1, 2001, at 12:01 local time of Modesto, California, and will remain in effect for an initial term of twelve consecutive months, subject to the right of the District to modify it. Thereafter, it will renew automatically on a monthly basis, subject to the discretion of the District.

This Plan may be terminated by the District, with notice not less than thirty days prior to the termination thereof. In the event of termination of the Plan, reasonable notice shall be given to **exclusive representatives** prior to the termination date thereof.

## **VI. RECORDS - INFORMATION TO BE FURNISHED**

The District shall keep a record of the eligible persons. The District shall furnish monthly such information relating to new eligible persons, adjustments because of changes in classification and termination of insurance as may be required by Keenan & Associates to properly administer this Plan. The District's books and records which may have a bearing on the Benefits provided under this Plan shall be open to Keenan & Associates' inspection at any time during the Plan period, and after termination of the Plan while claims for which this Plan is liable are still pending.

## **VII. INDIVIDUAL BOOKLETS**

The District will provide to each eligible person included hereunder a booklet setting forth a statement as to the Benefits to which such person is entitled under this Plan and to whom

such Benefits are payable. The booklet shall also set forth the procedure to be followed in making a claim under the Plan.

### **VIII. NOT IN LIEU OF WORKERS' COMPENSATION**

This Plan is not in lieu of and does not affect any requirement for coverage by workers' compensation insurance.

### **IX. ENTIRE CONTRACT; CHANGES; CONFORMITY WITH STATE STATUTES**

This Plan constitutes the entire contract between the parties, and any statement made by the District shall be deemed a representation and not a warranty. No such statement shall avoid or reduce the Benefits under this Plan, or be used in defense to a claim hereunder.

Any provision of this Plan which, on its effective date, is in conflict with the statutes of the state of California is hereby amended to conform with the minimum requirements of such statute.

### **X. NOTICE OF CLAIM**

Written notice of claim must be given to the District within 49 days after the occurrence or commencement of any loss covered by the Plan, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the claimant to the District or to any authorized agent of the District with information sufficient to identify the eligible person, shall be deemed notice to the District.

### **XI. CLAIM FORMS**

The District, upon receipt of a written notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within 15 days after the giving of such notice, the claimant shall be deemed to have complied with the requirements of this Plan as to proof of loss upon submitting, within the time fixed in the Plan for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

### **XII. PROOF OF LOSS**

Written proof of loss must be furnished to the District in case of claim for loss for which this Plan provides any periodic payment contingent upon continuing loss, within 90 days after the end of the Elimination Period. Periodic payment will be made in case of loss of time for which Benefits accrue during a period of more than two weeks. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not

reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible, and in no event, except in the case of legal incapacity of the claimant, later than one year from the time proof is otherwise required.

The District has the right to have the covered person for whom the claim is made examined by a physician, other medical practitioner, or vocational expert of our choice. The examination will be at the District's expense. The District may require such examination as often as reasonably necessary while such claim is pending.

### **XIII. TIME OF PAYMENT OF CLAIMS; LEGAL ACTIONS**

Any Employee, beneficiary, or his duly authorized representative may file a claim for a plan Benefit to which the claimant believes that he is entitled, but that has been previously denied by the Claims Administrator. Such a claim must be in writing and delivered to the Claims Administrator in person or by mail, postage paid. Within ninety (90) days after receipt of such claim, the Claims Administrator shall send to the claimant, by mail, postage prepaid, notice of the granting or denying, in whole or in part, of such claim, unless special circumstances require an extension of time for processing the claim. In no event may the extension exceed ninety (90) days from the end of the initial period. If such extension is necessary, the claimant will be given a written notice to this effect prior to the expiration of the initial 90-day period. The Claims Administrator shall have full discretion to deny or grant a claim in whole or in part. If notice of the denial of a claim is not furnished in accordance with this section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to review.

The Claims Administrator shall provide to every claimant who is denied a claim for Benefits a written notice setting forth in a manner calculated to be understood by the claimant, containing the following information:

- (a) The specific reason or reasons for the denial;
- (b) Specific reference to the pertinent Plan provisions on which the denial is based;
- (c) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material is necessary; and
- (d) An explanation of the Plan's claim review procedure.

Within sixty (60) days after the receipt by the claimant of written notification of the denial (in whole or in part) of his claim, the claimant or his duly authorized representative may make a written application to the Plan Administrator, in person or by certified mail, postage prepaid, to be afforded a review of such denial; may review pertinent documents; and may submit issues and comments in writing.



Upon receipt of a request for review, the Plan Administrator shall make a prompt decision on the review matter. The decision on such review shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent plan or insurance policy provisions on which the decision was based. The decision upon review shall be made not later than 60 days after the Plan Administrator's receipt of a request for review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered not later than 120 days after receipt of a request for review. If an extension is necessary, the claimant shall be given written notice of the extension prior to the expiration of the initial 60 day period. If notice of the decision on the review is not furnished in accordance with this section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to legal remedy.

After exhaustion of the claims review procedure is provided under this Plan, nothing shall prevent any person from pursuing any other legal or equitable remedy. No action at law or in equity shall be brought to recover on this Plan prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of this Plan. No such action shall be brought after the expiration of three years after the time written proof of loss is required.

#### **XIV. PAYMENT OF CLAIMS**

All Benefits will be payable to the covered person. Any accrued Benefits unpaid at the time of the death of the covered person will, at the option of the District, be payable to the first surviving person or persons in the following order, absent any signed beneficiary designation by the covered person:

- (a) surviving spouse; otherwise to
- (b) surviving child(ren) in equal shares; otherwise to
- (c) surviving parent(s) in equal shares; otherwise to
- (d) estate of the covered person.

Any payment made by the District in good faith pursuant to this provision shall fully discharge the District to the extent of such payment.

#### **XV. SCHEDULE OF BENEFITS**

If a covered person becomes totally and continuously Disabled from accidental bodily injuries, sickness or pregnancy, so as to be prevented from performing, with reasonable continuity, the material duties of his occupation and receives no remuneration for any other work or service, the District, provided such Disability begins while the person is covered under this Plan, will pay Benefits during the period of such Disability (after the expiration of the Elimination Period) at the rate of the Monthly Benefit, but not to exceed the Maximum Period for any one period of Disability.

Benefits under this Plan cease upon the earliest of return to Active Work, or the expiration of the Maximum Period Payable.

Successive periods of Disability separated by less than two weeks of Active Work shall be considered one period of Disability, unless the subsequent period of Disability is due to injuries, sickness or pregnancy, entirely unrelated to the causes of the previous Disability, and commences after return to Active Work.

Subject to the offsets specified in Paragraph C of this Section XV (Coordination of Benefits), this Plan will pay Substitute Difference Pay Benefits and Accident and Sickness Monthly Benefits (as shown in Paragraphs A and B, below) for the qualifying Disability of an eligible Employee. The Benefit amount payable, Maximum Benefit Period, and Elimination Period referred to in this provision are as specified below:

**A. SALARY CONTINUATION BENEFIT**

<b>Daily Benefit</b>	55% of Employee Daily Pay
<b>Maximum Period Payable</b>	100 work days, but not to exceed one year from Date of Disability

*All Benefit amounts are subject to offset for other benefits or income received, or for which the Employee has an entitlement, as specified in Paragraph C, below.*

<b>Maximum Benefit</b>	55% of Employee daily pay, with no dollar limit
<b>Gross Minimum Benefit (Classified and non-STRS eligible Certificated employees)</b>	\$900.00 per regular work month, prorated per workday, and further prorated for less than full-time employment, and subject to offset for other benefits or income received, or for which the Employee has an entitlement as specified in Paragraph C of this Section, below.
<b>Elimination Period</b>	Employee balance of current and accumulated sick leave.

The intent of this section is to provide substitute difference pay benefits as determined above and provided for in California Education Code Sections 88196 and 87780, as modified for the purposes of this Section, and as administered by the District.

## B. ACCIDENT AND SICKNESS MONTHLY BENEFITS

*All Benefit amounts are subject to offset for other benefits or income received, or for which the Employee has an entitlement, as specified in Paragraph C, below.*

<b>Monthly Benefit</b>	55% of Employee Monthly Pay, with no dollar limit
<b>Maximum Benefit Period</b>	One calendar year from Date of Disability
<b>Gross Minimum Benefit (Classified and non-STRS eligible Certificated Employees)</b>	\$900.00 per regular work month, prorated per work day, and further prorated for less than full-time employment, and subject to offset for other benefits or income received, or for which the Employee has an entitlement, as specified in Paragraph C of this Section, below.
<b>Elimination Period, Accident and Sickness</b>	Employee balance of current and accumulated sick leave.

Maternity is treated as any other illness.

Non-STRS eligible Employees are defined as having less than five years of credited service.

## C. COORDINATION OF BENEFITS

The Benefits provided under this Plan will be reduced by any benefits payable, or for which the Employee has an entitlement, by Social Security or Railroad Retirement Act; any temporary disability or total permanent disability benefit provision of any group, pension, workers' compensation, or franchise insurance plan; any salary or other compensation received for other work; any disability benefit resulting from a disability occurring while on military reserve duty; any other compensation received from the District; any federal, state or municipal government disability or retirement plan or law; or disability or retirement income payable from any other source. If your benefits from other sources of income equal or exceed the disability benefit, the benefit is offset and no payment of benefits will be due under this plan.

The Employee has an obligation to apply for such benefits, as described in the previous paragraph, to which he or she is entitled. The Plan will have the right to offset benefits under this Plan with an estimate of such benefits that would have been payable if the Employee had actually applied on the date such benefits became available.

#### D. EXCLUSIONS

This Plan of Benefits provision does not cover:

- (a) any disability during which the covered person is not under the Professional Care and regular attendance of a legally qualified physician; or
- (b) any loss caused by war or act of war; or
- (c) loss incurred while engaged in military, naval, or air service.

#### XVI. ALLOCATION OF AUTHORITY

Except as to those functions reserved within the Plan to the District or its Board, the Plan Administrator shall control and manage the operation and Administration of the Plan. The Plan Administrator shall have the exclusive right (except as to matters reserved to the Board by the Plan or which the Board may reserve to itself) to interpret the Plan and to decide all matters arising under the Plan, including the right to remedy possible ambiguities, inconsistencies or omissions. All determinations of the Plan Administrator or the Board of Education with respect to any matter under the Plan shall be conclusive and binding on all persons. Without limiting the generality of the foregoing, the Plan Administrator shall have the following powers and duties:

- (a) To require any person to furnish reasonable information as he may request for the purpose of the proper administration of the Plan as a condition to receiving any Benefits under the Plan;
- (b) To make and enforce rules and regulations and prescribe the use of such forms as he shall deem necessary for the efficient administration of the Plan;
- (c) To decide on questions concerning the Plan and the eligibility of any Employee to participate in the Plan, in accordance with the provisions of the Plan;
- (d) To determine the amount of Benefits which shall be payable to any person in accordance with the provisions of the Plan; to inform the District, or Insurer (if any), as appropriate, of the amount of such Benefits; and to provide a full and fair review to any Participant whose claim for Benefits has been denied in whole or in part; and
- (e) To designate other persons to carry out any duty or power which would otherwise be a fiduciary responsibility of the Plan Administrator, under the terms of the Plan.

**XVII. EXECUTION OF PLAN DOCUMENT**

IN WITNESS WHEREOF, the District and Keenan & Associates have caused this Plan Document to be executed in duplicate by their respective representatives duly authorized to do so.

Dated at Modesto, California, this \_\_\_\_\_ day of \_\_\_\_\_, 2007

YOSEMITE COMMUNITY COLLEGE DISTRICT

By \_\_\_\_\_

Dated at Torrance, California, this \_\_\_\_\_ day of \_\_\_\_\_, 2007

KEENAN & ASSOCIATES

By \_\_\_\_\_