If you become totally disabled, supplemental disability benefits provide extra monthly income if your salary is more than the amount protected by core disability benefits through the Death and Disability Plan.

**HOW IT WORKS**

Disability benefits under the Death and Disability Plan are generally equal to 60 percent of your effective salary. The highest salary covered is $110,000*. If your salary grows beyond that amount, it may mean that your household expenses will, too. And that could make it hard for you to meet routine expenses if you are totally disabled and unable to work.

**AMOUNT OF COVERAGE AVAILABLE**

You can elect supplemental disability coverage, in increments of $10,000, to protect all or part of your salary above $110,000*. To determine the amount you can elect, round down your effective salary to the nearest $10,000. If that amount is at least $120,000*, you can buy supplemental disability coverage. In other words, your effective salary must be more than $120,000* to elect this coverage.

If you have opted out of Social Security you cannot use supplemental disability benefits to protect your full salary.

**AMOUNT OF BENEFIT**

If you elect this coverage, supplemental disability benefits can replace 60 percent of your effective salary in excess of $110,000* up to the IRS maximum. The IRS maximum for 2020 is $285,000, effective January 1, 2020, increased from $280,000 in 2019.

The maximum monthly benefit under the plan is $5,500**.

* Beginning January 1, 2020. For 2019, the maximum salary protected under core disability coverage is $100,000, and supplemental disability coverage is available for employees with effective salaries greater than $110,000.

** For 2019, the monthly maximum was $5,000.

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**How $125,000 effective salary is covered**

<table>
<thead>
<tr>
<th>$110,000*</th>
<th>$110,001 - $120,000</th>
<th>$120,001 - $125,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>protected by standard disability coverage, which replaces 60% of salary up to $5,000/month</td>
<td>protected by supplemental disability coverage; Plan replaces 60% of salary up to $5,000/month</td>
<td>Not covered. The highest amount of salary you can cover is $120,000 ($125,000 rounded down to the nearest $10,000 which is $120,000)</td>
</tr>
</tbody>
</table>

This coverage has no disability-benefit increase feature or inflation adjustment, and it does not provide for pension credit accrual on your salary above $110,000* if you participate in the Pension Plan.

If you return to work part time, and your benefits combined with part-time income exceed 80 percent of your protected effective salary, the Board will proportionately reduce supplemental disability benefits.

**ENROLLING FOR COVERAGE**

The Board will contact you with instructions about how to enroll, if you receive a salary increase that makes you initially eligible for coverage, for example, if a raise increases your salary to $120,000* or more, or causes you to be eligible for an increased level of coverage.

**Evidence of insurability**

If you do not enroll when first eligible or when you receive an increase that makes you eligible for more coverage, you will be asked to undergo medical underwriting (provide evidence of insurability, EOI) at your own expense. If coverage is approved it will be provided with no pre-existing condition exclusion (see next page).
If you protect only some of your excess salary now and wish to protect more later, you will be subject to medical underwriting when you purchase additional protection. Once you purchase the maximum available supplemental protection, pre-existing condition limitations and medical underwriting are waived when purchasing future increments, as long as you buy the maximum available amount of protection each time.

Pre-existing conditions
A pre-existing condition is one that existed in the 12 months before the effective date of coverage under this plan. If you enrolled when first eligible and that pre-existing condition causes you to become disabled during the first year of coverage, you will not be eligible for the benefits of this plan. Any contributions you made for the coverage will be returned.

Cost
The monthly cost of coverage is determined by the level you select and your age as of January 1 each year. For current costs, refer to the Supplemental disability benefits page in Benefits Guidance for members on pensions.org, or the Disability Benefits booklet on pensions.org.

Your employer may pay some or all of the cost of this coverage. If your employer pays the premium on your behalf, the benefit is taxable. If you pay the premium with pretax dollars, the benefit is taxable. If you pay with after-tax dollars, the benefit is not taxable. In addition, ministers of the Word and Sacrament can modify the taxability of the benefit by using the housing allowance.

LEARN MORE
For more information about supplemental disability benefits, visit pensions.org/benefitsguidance. If you have questions, call the Board at 800-773-7752 (800-PRESPLAN).

Critical coverage
If you can’t work, your paycheck stops. These benefits provide a monthly income during total disability.

Added protection
Supplemental disability coverage protects your salary above the maximum covered by standard disability coverage.

Signing up
The Board will contact you with instructions if you are eligible for coverage.

This is not a full description of benefits and limitations of the plan. If there is any difference between the information presented here and the provisions of the Benefits Plan of the Presbyterian Church (U.S.A.), the plan terms will govern. Visit pensions.org or call the Board at 800-773-7752 (800-PRESPLAN) for a copy of the plan document.