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# ***SAMBA*** ***Long Term*** ***Disability Program***

## **Summary Plan Description**

April 1, 2018  
Plan 501  
EIN 52-1074154

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## **Introduction and Program Highlights**

The SAMBA Federal Employee Benefit Association is a not-for-profit association that offers You and our other Members reliable benefit programs. The SAMBA Long Term Disability Program (the LTD Program or the Program) provides You with a monthly income benefit if You become Disabled in accordance with the Program's definition and meet all other Program provisions. The benefits and provisions of the Program are described in this Summary Plan Description (SPD).

The LTD Program's purpose is to provide:

- **Long Term Disability Benefit** – After You have been Disabled for sixty (60) consecutive days, You can qualify for monthly benefit payments. Your Monthly Benefit is 65% of one-twelfth of your Covered Salary Amount. It may be reduced as described under the Benefit Offsets provision, but will not be reduced to less than \$200 per month.
- **Survivor Benefit** – In the event of Your death while You are collecting monthly benefit payments, Your spouse or named beneficiary may receive a Survivor Benefit of 50% of Your Monthly Benefit.
- **Residual Benefit** – If You receive monthly income benefits for at least thirty (30) days, You may qualify to receive 35% of Your monthly benefit while returning to Full-time employment on a reduced work schedule as part of a Residual Benefit approved by Us.
- **Hospital Confinement Benefit** – The Program provides a daily Hospital Confinement Benefit if You or Your covered Dependent is Hospital Confined. For each day You or Your spouse are Confined in a Hospital, the Program pays 70% of Your Daily Earnings; 35% of Your Daily Earnings is payable each day if Your Dependent child is Hospital Confined.

You will notice that some of the terms used in this SPD begin with capital letters. These terms have special meanings under the Program. Refer to the "Definitions and Terms You Should Know" section (see page 12) for detailed explanations.

We, Us, and Our means the SAMBA Federal Employee Benefit Association or Our authorized representative. This is true whenever the word "We," "Us," or "Our" is used in this SPD, even when those words are not capitalized.

You, Your, Employee, Member, or Participant means an Employee of a SAMBA Eligible Employing Agency who has enrolled in this Program. This is true whenever the word "You," "Your," "Employee," "Member," or "Participant" is used in this SPD, even when those words are not capitalized.

*SAMBA reserves the right to terminate or modify the Program at any time.*



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## SCHEDULE OF BENEFITS PAGE

Your Schedule of Benefits Page is provided with this SPD. You will be sent a replacement Schedule of Benefits Page if Your coverage changes. This SPD and all Schedule of Benefits Pages provide important program information that You should keep for Your records.

## SECTION 1 – Enrollment and Eligibility

Enroll for coverage on Our website located at [www.SambaPlans.com](http://www.SambaPlans.com) or contact Our office by calling (800) 638-6589 to send you an application.

You are eligible to apply for coverage if You are under age 62 and are Actively at Work as a Full-time permanent Employee of a SAMBA Eligible Employing Agency and are covered by either the Federal Employees Retirement System (FERS) or the Civil Service Retirement System (CSRS). The term "SAMBA Eligible Employing Agency" means any branch, department, or agency of the United States Government, including, without limitation, the U.S. Postal Service and the U.S. Courts. Other federal Employees, such as part-time, temporary, or term employees, are not eligible to apply for coverage under the Program.

Once You are approved for coverage Your Dependents are automatically eligible for Hospital Confinement Benefits (but not LTD Benefits) under the Program. Your Dependents are any of the following: 1) Your lawful spouse; and/or 2) Your unmarried Dependent child(ren) (which includes a stepchild, legally adopted child, child placed in the home for adoption, grandchild in Your legal custody, or a foster child) who is under 22 years of age and not in the military, naval, or air force of any country or international organization. Please include Your eligible Dependents on Your application at time of enrollment and keep Us informed of any change in Your Dependent's status.

A spouse or child covered under the Program as an Employee cannot also be covered as a Dependent. A child can be covered as the Dependent of only one parent.

This coverage is not available if your Regular Place of Work is your home or other residence.

### Effective Date of Coverage

Your effective date is shown on Your Schedule of Benefits Page. Your coverage will start on the date determined by Us, subject to approval of an Eligible Person's individual application, satisfactory Evidence of Insurability, and payment of the first premium. The effective date shown on Your Schedule of Benefits page assumes that You are Actively at Work on that date.

If you are not Actively at Work for any reason on the day coverage would otherwise become effective, Your coverage will begin on:

- the first day of the pay period following the date that You return to Actively at Work status at Your Regular Place of Work if You pay the premium through biweekly payroll allotment; or
- the first day that You return to Actively at Work status at Your Regular Place of Work if you pay the premium by an approved method other than biweekly payroll allotment.

You are not Actively at Work if:

- You are on any type of excused absence or paid leave of any kind; or
- Your Regular Place of Work is your home or other residence.

Coverage for Your Dependents starts on the same date Your coverage starts. If You add a new Dependent after the date Your coverage starts, the new Dependent's coverage starts on the date he/she meets the definition of a Dependent. However, if on the date a Dependent's coverage would otherwise start, the Dependent is:

- (a) Confined at home or in a Hospital or medical institution;
- (b) receiving any medical care or services;
- (c) on excused absence or paid leave of any kind; or
- (d) not regularly performing the normal activities of a person of like age on the day coverage would otherwise begin;

then coverage for the Dependent will start the day following the day he/she:

- (a) is no longer Confined at home or in a Hospital or medical institution;
- (b) is no longer receiving any medical care or services;
- (c) returns to Active Work at his/her regular place of work, if any; and
- (d) begins regularly performing the normal activities of a person of like age.

For example, a healthy newborn child will be covered after the child is released to go home from the hospital.

### Cost of Coverage and Premium Payment

You are responsible for paying the full cost of coverage (or premiums) that We bill You. Premiums must be paid through payroll allotment, electronic fund transfer, or direct bill on the due date specified by us.

We automatically will terminate your coverage if we do not receive your premium payment (following the first payment) within thirty (30) days following the due date specified by us. The coverage termination will be effective as of the premium payment due date that You missed. You will continue to owe us for any unpaid premiums.

We reserve the right to change the premium based primarily on the Program's experience. Should We decide to make a premium adjustment, We will notify You at least thirty (30) days in advance of such adjustment. Notification will be sent by U.S. mail to Your current address on file with Us.

We waive Your premium while you are entitled to Monthly Benefits from this Program.

### Premium Waiver

If You are Disabled, We will waive Your premium payment obligation to this Program following the Elimination Period for as long as Monthly Benefits continue to be paid.

### Salary Changes

After Your initial enrollment in the Program, it is Your responsibility to notify Us in writing of any change in Your Eligible Salary Amount.

**Salary Increase:** In the event Your salary changes and is increased above Your Covered Salary Amount on file with Us, You may apply for an increase in Your coverage, not to exceed Your new Eligible Salary Amount. Evidence of Insurability will not be required for such increase, and such increase will not be subject to a new Pre-Existing Condition Limitation if: 1) You apply for the increase within ninety (90) days of the effective date of the increase in Eligible Salary Amount; and 2) Your Covered Salary Amount was equal to Your Eligible Salary Amount immediately prior to the increase.

If conditions 1) and 2) above are not both met, You will be required to provide satisfactory Evidence of Insurability for any increase in coverage. A new Pre-Existing Condition Limitation will apply to the increased amount of benefits from the effective date of the change, but will not apply to coverage already in force. *Note: Even if Your request for an increase Covered Salary Amount is not approved by Us, You may still continue coverage at Your current Covered Salary Amount subject to all other provisions of this Program.*

The effective date for any salary increase will be the date specified by Us and the premium is paid. If a change request increases the amount of coverage or adds new benefits, and You are not Actively at Work on the scheduled effective date for the salary change, then:

- if paying the premium through biweekly payroll allotment, coverage for such change will begin the first day of the pay period following the date You return to Actively at Work status at Your Regular Place of Work; or
- if paying the premium through other than biweekly payroll allotment, coverage for such change will begin the first day You return to Actively at Work status at Your Regular Place of Work.

In no event will coverage become effective, nor will any increase in coverage become effective, for any Eligible Person while You are on excused absence or leave (with or without pay) of any kind.

**Salary Decrease:** In the event Your salary is reduced below Your Covered Salary Amount on file with Us, Your Covered Salary Amount will be adjusted to a lower amount which does not exceed Your reduced Eligible Salary Amount. While You remain Actively at Work on a Full-time basis, Your coverage will remain in force at the lower amount and premiums will be adjusted accordingly.

Premium refunds will not be made for periods greater than six (6) months for any reason.

### Termination of Coverage

Your coverage under this Program will terminate on the earliest of any of the following dates:

- The date the Program terminates;
- The date You cease to make the required premiums;
- The date You enter active military service of any country. For purposes of this coverage, active military service for training purposes of one month or less is not Full-time service;
- The date You are no longer employed by a SAMBA Eligible Employing Agency as a Full-time Employee. You must notify Us immediately in the event that You leave Full-time or any employment with or retire from a SAMBA Eligible Employing Agency;
- The date on which You are no longer Actively at Work. However, coverage may be continued for a period not to exceed ninety (90) days during a SAMBA Eligible Employing Agency-approved period of leave, with or without pay. *Note: If You are terminated due to a period of leave (with or without pay) in excess of ninety (90) days, and You return to Actively at Work status within six (6) months of the date Your leave began, You will not be required to submit new Evidence of Insurability provided that You apply for coverage within thirty (30) days of Your return to Actively at Work status;*
- The next premium due date following the date You request cancellation of coverage. You must make this request to Us in writing. No portion of premiums already paid before the cancellation date that We approve will be refunded.
- Thirty (30) days after Our request for proof of continuing Disability for which You failed to provide requested documentation;
- Failure to reimburse an Overpayment as outlined in the Reimbursement Agreement; or
- The date that Your home or other residence is designated as your Regular Place of Work.

A Dependent's coverage under this Program will terminate on the earliest of any of the following dates:

- The date your coverage terminates;
- The date the Dependent enters active military service of any country. For purposes of this coverage, active military service for training purposes of one month or less will cause the coverage to be suspended for the training period. The coverage will resume at the end of the limited training period;
- The first day of the month following the date Dependents as a class are no longer eligible for Program coverage;
- The date the Dependent no longer meets the definition of Dependent; or
- If the premiums are being waived, twelve (12) months following the date premiums were first waived.

## SECTION 2 – Program Benefits

### Long Term Disability Benefit

The Long Term Disability Benefit provides a Monthly Benefit which begins after the Elimination Period provided You are Disabled in accordance with the Program provisions. The Monthly Benefit will be equal to 65% of one-twelfth of Your Covered Salary Amount, minus any Benefit Offsets.

#### *Qualifying for the Long Term Disability Benefit*

Your coverage must be in force under the Program on the date Disability began and

- You must be Disabled (see page 13 for definition of Disabled) as defined by the Program for the entire Elimination Period and submit satisfactory proof to Us.
- You must, within one year of the date your Disability began, complete and submit an application for Long Term Disability Benefits, including all required documentation at Your own expense. See “How to File a Claim” on page 10.
- You must provide proof of continuing Disability at Your own expense within thirty (30) days of any request by Us.
- You must identify and apply for all other income benefits for which You may qualify as identified under Benefit Offsets (see page 5).
- You must comply with Our requests to sign and return authorizations for the release of medical, financial, and employment information that We require in order to make a decision on Your Long Term Disability Benefit claim.
- You must remain under the Regular Care of a Physician.
- You must comply with our right to require that You be examined by a Physician of Our choice, at Our expense, in connection with Your Long Term Disability Benefit claim.
- You must comply with Our right to request financial, vocational, and other assessments performed by a consultant of Our choice, at Our expense, in connection with Your Long Term Disability Benefit Claim.

We have the sole discretionary authority to determine eligibility for participation or benefits and to interpret the terms of the Program. All determinations and interpretations made by Us are conclusive and binding on all parties.

#### *Elimination Period*

The Elimination Period is sixty (60) continuous days of Disability which must be satisfied before You begin to receive Long Term Disability Benefits under this Program. The Long Term Disability Benefit will begin on the first day after the satisfaction of the Elimination Period. A new Elimination Period will be applied to each period of Disability.

#### *Monthly Benefit Calculation*

Your Monthly Benefit is 65% of one-twelfth of Your Covered Salary Amount minus the amount of all Benefit Offsets (see page 5) available to You.

The following shows how the Monthly Benefit is calculated for a Disabled Employee who has a Covered Salary Amount of \$43,000. Example #1 depicts an Employee with no Benefit Offsets under the Program. Example #2 illustrates an Employee who qualifies for a monthly award of \$2,007 from FERS and Social Security (which would be considered a Benefit Offset under the Program).

Example #1		Example #2	
Your Covered Salary Amount Is:	\$43,000.00	Your Covered Salary Amount Is:	\$43,000.00
multiply by 65% =	\$27,950.00	multiply by 65% =	\$27,950.00
divide by 12 =	\$ 2,329.17	divide by 12 =	\$ 2,329.17
minus Benefit Offsets of:	\$ 0.00	minus Benefit Offsets of:	\$ 2,007.00
<b>Your Monthly Benefit* is equal to:</b>	<b>\$ 2,329.17</b>	<b>Your Monthly Benefit* is equal to:</b>	<b>\$ 322.17</b>

\* Your Monthly Benefit will not be adjusted below \$200.

If the Benefit Offsets You receive, for example, retroactive retirement payments under FERS or CSRS, or a retroactive Social Security disability award, result in an Overpayment under the Program, You are obligated to refund any Overpayment to Us as described in the Right to Recovery provision under the Program (see page 11).

### *Benefit Offsets*

Benefit Offsets used to determine Your Monthly Benefit include all of the following:

1. Any amount that You receive or are eligible to receive because of Your Disability:
  - (a) under any Workers' Compensation Law, Occupational Disease Law, or similar law, including amounts for vocational therapy or for Disability whether permanent or temporary;
  - (b) under any State Disability or income benefit law or similar law, or any employment benefit law or similar law;
  - (c) through the Department of Veterans Affairs;
  - (d) under any group disability insurance coverage which pays for the same Disability as the Program.
2. Any amount You receive or are eligible to receive under the Federal Employees Retirement System (FERS), the Civil Service Retirement System (CSRS), the Social Security Act, or any similar pension or retirement plan, excluding amounts received from a Thrift Savings Plan (TSP), an Individual Retirement Account (IRA), or a Tax-Sheltered Annuity (TSA).

Note: If You receive FERS benefits, FERS provides for a recalculation of benefits after the first twelve (12) months of benefits. When this occurs, We will recalculate Your Monthly Benefit to reflect the new FERS benefit. You must provide Us with copies of the correspondence or confirmation from the Office of Personnel Management (OPM) regarding the FERS recalculation in order to receive continuing payment of Long Term Disability Benefits under the Program.

3. Any amount You receive by compromise, settlement, or other method resulting from a claim for any of the above, whether disputed or undisputed.
4. Any amount You receive:
  - (a) as a result of administrative leave, excused absence, or any other official release from duties without loss of pay (including a leave bank or leave share program) and without charge to Your annual or sick leave;
  - (b) for sick, salary continuance, or severance pay received from Your Employer, after You have been receiving Long Term Disability Benefits for a period of twelve (12) months for a Disability;
  - (c) under any "no fault" law or insurance policy providing for loss of wages payments without determining fault in connection with automobile accidents, excluding any supplemental Disability benefits purchased by You under a "no fault" auto law.

The amount used for determining the Benefit Offsets will be the gross amount for which You qualify before any taxes, deductions, or other payment reductions. The Monthly Benefit will not be reduced by subsequent cost-of-living increases under any of the benefits payable as described in this Benefit Offsets section.

We will determine the amount of any Benefit Offsets paid in a single sum through compromise settlement or as an advance on future liability as follows: 1) the amount paid will be divided by the number of months for which the settlement or advance was provided; or 2) if the number of months for which the settlement or advance is made is unknown, We will divide the amount of the settlement or advance by the expected remaining number of months of Disability, but in no event to exceed sixty (60) months or the Maximum Benefit Period, whichever comes first.

#### *Estimated Benefit Offsets*

We reserve the right to estimate Your Benefit Offsets under the Program until You receive written confirmation of Your actual entitlement under the FERS, CSRS, or Social Security Act. If We estimate Your Benefit Offsets, We will take this estimated amount into account when We determine Your actual Monthly Benefit.

We will not take this estimated amount into account for the first twelve (12) months of benefit payments if You sign Our reimbursement agreement. In this agreement, You promise (a) to apply for all of the benefits for which You are eligible, (b) to appeal any denial of such benefits until all possible appeals have been made, and (c) to repay Us in a lump sum for any amount We overpaid due to an award of such benefits.

If We do reduce Your Monthly Benefit by an estimated amount of Benefit Offsets, We will adjust Your Monthly Benefit when We receive written proof of (a) the amount awarded or (b) that the other income benefits have been denied and no further appeals are possible. If We underpaid You, We pay the full amount of the underpayment in a lump sum.

#### *Duration of Long Term Disability Benefit*

Long Term Disability Benefits will continue to be payable until the earliest of the following:

- The date You are no longer Disabled;
- The date You fail to provide satisfactory proof of continuing Disability;
- The date the Maximum Benefit Period (see page 14 for Definition) has been reached;
- The date that You are able to work in Your Regular Occupation, with or without accommodation, on a Full-time or part-time basis and You choose not to do so;
- The date that You have been outside the United States and/or Canada for more than two months in a twelve (12) month period;
- The date You are able to perform the major duties of any gainful work with reasonable accommodation following the Regular Occupation period;
- The date that You fail to cooperate or to participate in a Residual Disability Plan approved by Us;
- The date You refuse any Physician's examination or other assessment that We require;
- The date on which We determine that you have failed to comply with Your obligation to refund an Overpayment or comply with the terms of a Reimbursement Agreement with Us; or
- The date You die.

#### Residual Benefit

The Residual Benefit provides a benefit equal to 35% of the Monthly Benefit that You were entitled to receive immediately prior to Your return to work when:

- You have been receiving the Long Term Disability Benefit for at least thirty (30) days;
- You are released by Your Physician to return to work under a reduced work schedule; and
- We approve Your Residual Disability Plan (in writing) which must begin immediately following a period of Disability for which benefits are being paid.

The Residual Benefit will continue to be payable until the earliest of the following:

- You fail to provide satisfactory proof of continuing Residual Disability;
- You have been receiving benefits for a period of ninety (90) days or for the maximum period;
- You return to Full-time work; or
- You die.

### Recurrent Disability

Under the Program, any Disability commencing after You have received benefits for a prior Disability will be considered a continuation of the prior Disability unless:

- The periods of Disability are separated by at least one hundred and eighty (180) consecutive days during which You returned to Full-time Active Work; or
- The periods of Disability are due to unrelated causes and are separated by an interval during which You returned to Full-time Active Work.

The new period of Disability is subject to a new Elimination Period and a new Maximum Benefit Period.

### Survivor Benefit

A Survivor Benefit is available if (a) You die while receiving Long Term Disability Benefits (but not Residual Benefits) under the Program and (b) Your death was caused by or related to the Disability diagnosis for which You were receiving Long Term Disability Benefits.

The Survivor Benefit is equal to 50% of the Monthly Benefit that You were entitled to receive at the time of death payable monthly to Your legal spouse, or if You are unmarried, to Your Named Beneficiary for the Survivor Benefit Period. For purposes of this Survivor Benefit, Named Beneficiary means the person or entity named in Our records to receive the Survivor Benefit at Your death if there is no surviving legal spouse. If a Survivor Benefit is available and You do not have a legal spouse or a Named Beneficiary, We will pay Your estate the present value of the payments that would have become due during the Survivor Benefit Period.

The Survivor Benefit Period begins on the first day of the month following the month You die and ends on the earliest of the following events:

- The date on which We determine that Your Long Term Disability Benefits would have terminated if you had continued to live; or
- The date on which the Survivor Benefit has been paid for ten (10) years.

If the Survivor dies, we will issue a lump sum payment to the estate of the Survivor for the present value of the payments that would have become due during the remainder of the Survivor Benefit Period.

### Hospital Confinement Benefit

The Hospital Confinement Benefit provides a daily benefit if You or Your Dependent is Hospital Confined. We will pay the daily Hospital Confinement Benefit shown below if You or Your Dependent is Hospital Confined in accordance with the Program provisions, and such Confinement:

- Is Medically Necessary for the treatment of a covered Injury, Sickness, or Mental or Nervous Disorder;
- Is under the Regular Care of a Physician; and
- Begins while Coverage under this Program is in force.

The daily Hospital Confinement Benefit is:

- For You . . . . . 70% of Your Daily Earnings
- For Your spouse . . . . . 70% of Your Daily Earnings
- For Your Dependent children . . . . . 35% of Your Daily Earnings

Hospital Confined means that the Hospital has charged a full day's room and board\* for Your or Your Dependent's Care. Benefits will begin on the first day of Hospital Confinement and will continue up to a maximum of sixty (60) days for any one covered Injury, Sickness, or Mental or Nervous Disorder.

\*Observation room is not covered.

Successive periods of Hospital Confinements due to the same or related causes will be considered one Injury, Sickness, or Mental or Nervous Disorder, unless separated by at least one hundred and eighty (180) days with no Hospital Confinements.

The following shows how the daily benefit is calculated for an Employee who has a Covered Salary Amount of \$43,000. Example #1 depicts the benefit payable if You (or Your spouse) are Hospital Confined for three (3) days. Example #2 illustrates the benefit payable if Your Dependent child is Hospital Confined for three (3) days.

Example #1			Example #2	
Your Covered Salary Amount Is:	\$43,000.00		Your Covered Salary Amount Is:	\$43,000.00
divide by 360	/ 360		divide by 360	/ 360
Equals Daily Earnings of:	\$ 119.44		Equals Daily Earnings of:	\$ 119.44
You are Hospital Confined for 3 days (multiply by 3) =	x 3		You are Hospital Confined for 3 days (multiply by 3) =	x 3
	\$ 358.32			\$ 358.32
multiply by 70% =	x 70%		multiply by 35% =	x 35%
<b>Benefit Payable is equal to:</b>	<b>\$ 250.82</b>		<b>Benefit Payable is equal to:</b>	<b>\$ 125.41</b>

Limitations

The following limitations listed in this section apply to all benefits under this Program:

**Pre-Existing Conditions:** No Program benefits will be payable for a Disability or Hospital Confinement directly or indirectly contributed to, caused by, or resulting from a Pre-Existing Condition unless the Disability or Hospital Confinement starts after the Covered Person has been covered under the Program for twenty-four (24) consecutive months.

**Mental or Nervous Disorders Benefit Limitation:** The Maximum Benefit Period for a Disability directly or indirectly contributed to, caused by, or resulting from Mental or Nervous Disorders is twenty-four (24) months of Long Term Disability payments for a single period of Disability and forty-eight (48) cumulative months over Your lifetime.

**Foreign Medical Treatment Limitation:** You or a covered Dependent do not qualify for any Program benefits during a Period of Disability or Hospital Confinement in which the Covered Person is hospitalized or receiving medical treatment outside of the United States (including its territories), or Canada, unless We agree in writing to provide Program coverage.

**Occupational Conditions Limitations:** The Maximum Benefit Period is twelve (12) months of Program benefit payments during a single period of Occupational Disability.

**Specific Conditions Limitations:** Monthly Income Benefits will be limited to twenty-four (24) months during Your lifetime, if You are Disabled due to any of the following:

- Carpal Tunnel Syndrome, which is a disorder that results from injury to the median nerve as it passes from the forearm into the hand through a narrow passageway in the wrist called the carpal tunnel. As the nerve passes through the tunnel, it is susceptible to repetitive stress injury or overuse injury;
- Prolonged or chronic fatigue, such as Chronic Fatigue Syndrome, chronic Epstein-Barr virus, myalgic encephalomyelitis, Fibromyalgia Syndrome, or similar diseases or syndromes;
- Chemical Sensitivity or environmental disorders;
- Neuromusculoskeletal or soft tissue disorders, including but not limited to any disease or disorder of the spine or extremities and their surrounding soft tissue, including sprains or strains, joints, and adjacent muscles, unless the Disability has objective evidence of: a) seropositive arthritis; b) spinal tumors, malignancy, or vascular malformations; c) radiculopathies; d) myelopathies; e) traumatic spinal cord necrosis; or f) musclopathies; or
- Symptoms which are not supported, documented, or diagnosed through conventional medical tests.

### Exclusions

The Program will not pay benefits for any Injury, Sickness, Mental or Nervous Disorders, or resulting Disability or Hospital Confinement:

- Caused by war, declared or undeclared, or acts of war or Your taking part in a riot or civil disorder;
- Which occurs while You are in the military, naval, or air force of any country or international organization. Premium adjustments/refunds will not be made for periods greater than one hundred and eighty (180) days. You therefore, should promptly inform us if You are not covered because of this Exclusion;
- Caused by pregnancy, childbirth, elective abortion, or post-partum depression; including false labor, premature labor, high-risk Pregnancy or delivery, occasional spotting, Physician-prescribed rest, morning Sickness, hyperemesis gravidarum, pre-eclampsia or placenta previa, or similar conditions that occur in a difficult Pregnancy, except when loss results from Complications of Pregnancy (see definition of *Complications of Pregnancy* on page 12);
- Which You intentionally inflict on yourself while sane or insane;
- Caused by engaging in an illegal act, or in resisting or fleeing arrest;
- Caused by the voluntary taking of poison or inhalation of gas, except for the involuntary or unintentional ingestion of poison or inhalation of poisonous gases or fumes;
- Caused from any accident in which You were the driver or pilot where Your blood alcohol content exceeds the legal limit of the jurisdiction in which the accident took place, whether or not You were charged;
- Caused by You being under the influence of any narcotic, barbiturate or hallucinatory drug unless administered under the advice of a Physician and taken in accordance with the prescribed dosage;
- For any period of time for which You are incarcerated, whether or not the Disability commenced while incarcerated;
- Caused by a Drug or Alcohol Disorder; or
- Hospital Confinement (under the Hospital Confinement Benefit) which results from cosmetic surgery, except for reconstructive surgery incidental to or following surgery for trauma or infection, or other Sickness of the part of the body reconstructed, or to treat a congenital malformation of a child.

We do not pay benefits for any Disability that started before Your coverage under this Program.

## SECTION 3 – General Information

### How to File a Claim

You must notify Us as soon as reasonably possible after Disability or Hospital Confinement begins. Our addresses and telephone numbers are listed below:

SAMBA Federal Employee Benefit Association

11301 Old Georgetown Road  
Rockville, MD 20852-2800

(301) 984-1440 or (800) 638-6589

Fax (301) 816-0191

Email address:  
insurance@sambaplans.com

We will furnish You with any claim forms that are required within fifteen (15) days after You have notified Us of your claim. These forms must be returned to Us after completion. If We do not send the forms within that time, You can send written proof of the occurrence, character, and extent of loss for which the claim is made. In no event, except in the absence of legal capacity, will We accept Your claim if proof of loss is not provided within one (1) year after the Disability or Hospital Confinement begins.

We will provide You with forms authorizing the release to Us medical, vocational, occupational, and governmental information required to make a decision on Your claim. You must sign these forms and return them to Us.

We may ask You to take part in medical, financial, vocational, or other assessments that We consider necessary to make a decision on Your claim. We will pay for all such assessments. You must cooperate with Our requests.

We will ensure that all benefit claims and appeals are adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in making the decision. Among other steps, We will not make our decisions regarding hiring, compensation, termination, promotion, or other similar matters with respect to any individual (such as a claims adjudicator or medical expert) based upon the likelihood that the individual will support the denial of benefits.

1. A discussion of Our decision, including the specific reason for the decision, specific reference to the pertinent Plan provisions and, whenever applicable, an explanation of the basis for Our disagreeing with or not following (a) the presented views of health care professionals treating You and vocational consultants who evaluated You, (b) the views of medical or vocational experts whose advice We obtained on Your Claim, without regard to whether We relied upon that advice in making our decision, and (c) a Social Security Administration disability determination applicable to You concerning the same disability which Your Claim presents to Us.
2. If our decision is based on a medical necessity or experimental treatment exclusion or similar exclusion or limit, We will provide You with either (a) an explanation of the scientific or clinical judgment for the determination applying the terms of the plan to Your medical circumstances, or (b) a statement that such explanation will be provided free of charge upon request.
3. We will provide You with the specific internal rules, guidelines, protocols, standards or other similar criteria the plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the plan do not exist.
4. We will explain that You are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to Your claim.
5. An explanation of the Program's claim review procedure.

### Appeal Procedures

You are entitled to a full and fair review of a denial of a claim or a retroactive rescission of Your coverage (except when rescission is caused by Your failure to pay required contributions for coverage). You may make a request for review to Us. The procedure is as follows:

1. The request for review must be in writing and made within one hundred and eighty (180) days of receipt of written notice of denial.
2. If We consider new or additional evidence or rationale at the appeal stage, we will provide you free of charge with a copy of that evidence or an explanation of that rationale before we make our decision on appeal. We will provide You with a reasonable period of time to respond to the new or additional evidence or rationale before making Our decision upon review.
3. We or an authorized representative will review Your request.
4. We will make a decision upon review within forty-five (45) days after receipt of the request unless special circumstances require an extension of time for processing, in which case the time limit shall not be later than ninety (90) days after receipt. The decision or review will be in writing, include the specific reasons for the decision and specific references to the pertinent Program provisions on which the decision is based, and be furnished directly to You.

### Authorized Representative

We will recognize as Your authorized representative for claim and appeal purposes any person (such as a spouse, adult child, or attorney) whom You authorize in writing to act on Your behalf.

### Payments of Benefits

If You become Disabled while covered under this Program, You will be paid a Monthly Benefit for each month (following the Elimination Period) as long as You are Disabled, subject to all the provisions of this Program. Monthly benefits will be paid to You for each full or partial month that You remain Disabled due to Injury or Sickness after the Elimination Period, until the Maximum Benefit Period ends. For a period of Disability that lasts less than a full month, benefits will be pro-rated at a daily rate equal to 1/30 of the Monthly Benefit.

Only one Monthly Benefit will be paid during any full month of Disability, even if Disability is caused by or results from more than one Injury, Sickness, or Nervous or Mental Disorders.

To continue to receive Long Term Disability Benefits, you must give us current proof of loss as often as We may reasonably require. Ongoing proof of loss must be provided to us within thirty (30) days of Our request to You.

All benefits, except the Survivor Benefit, will be payable to You. Any benefits payable on or after Your death will be paid to Your estate. If the benefits are payable to Your estate, We may pay up to \$5,000 to any relative by blood or marriage whom We deem is entitled to the benefits. Any payment We make in good faith under this provision fully discharges Us to the extent of that payment. The Survivor Benefit is payable as explained in the Survivor Benefit (see page 7) section.

### Right to Recovery

We have the right to recover from you any amount which We determine to be an Overpayment. If You or Your Dependents receive any erroneous benefit Overpayments from the Program, You and Your Dependents shall repay those amounts to the Program in a lump sum. We may apply subsequent benefits otherwise payable to recoup any erroneous benefit Overpayments. Long Term Disability Benefits will be terminated if You fail to comply with this obligation. If We are required to take collection action, then You and Your Dependents shall be liable for all collection costs, including interest on the Overpayment, attorney's fees, and court costs.

You should be aware that persons who submit fraudulent or misleading claims to Us in connection with Program benefits, for example, provide misleading information of any type or false information or other fraudulent representations, are subject under federal law (29 U.S.C. § 1131) to a criminal penalty of one (1) year imprisonment and/or a \$5,000 fine. We also reserve the right to suspend or terminate any such person's participation in the Program and to take any other appropriate measure.

## Misstatement of Age or Health Status

If Your age has been misstated, We will make an equitable adjustment of premiums or benefits or both. We will change the benefit to the applicable amount available for the correct age. We will refund to You any excess premium paid over the amount due for the correct benefit amount. We will request payment for any overdue premium for the correct benefit amount. If the misstatement is discovered after a benefit is due and payable, We will reduce or increase the benefit amount payable by the amount of excess or overdue premiums paid on and after the date the Member was no longer eligible.

If Your health status has been misstated, We reserve the right to retroactively terminate the coverage if under our underwriting policies, we would not have issued the coverage if we had known the true state of Your health status. We further reserve the alternative right to condition future coverage on Your submission of an updated health status and related medical records within thirty (30) days after our request.

## Clerical Errors

Clerical errors or delays in keeping records for the Program will not deny benefits that would otherwise have been granted, nor extend benefits that otherwise would have ceased, and call for a fair adjustment of premium and benefits to correct the error.

## Premium Adjustment Limitation

In no event will Our premium adjustments and refunds to You for any reason be made for periods greater than one hundred and eighty (180) days.

## Definitions and Terms You Should Know

You need to know what is meant by certain terms used to describe the benefits, limitations, exclusions, and eligibility provisions in this Program. They are defined below:

**Actively at Work/Active Work** means You are working for Your Employer on a Full-time basis for earnings that are paid to You regularly and You are performing each of the Material and Substantial Duties of your Regular Occupation at Your Regular Place of Work, which may not be Your home or other residence. You are not Actively at Work if:

- You are on any type of excused absence or paid leave of any kind, or
- Your Regular Place of Work is your home or other residence.

**Availability Pay** means a type of premium pay that is paid to Federal law enforcement officers who are criminal investigators in accordance with U.S. Office of Personnel Management rules.

**Complications of Pregnancy** mean any of these: 1) a condition which, while affected by pregnancy, is still classified by accepted medical standards as a Sickness, disease or Injury apart from the normal bodily changes that accompany pregnancy; 2) an extra-uterine or ectopic pregnancy; 3) a spontaneous termination of pregnancy during a period of gestation in which a viable birth is not possible; or 4) a non-elective Cesarean section. Complications of Pregnancy do not include: false labor, premature labor, high-risk Pregnancy or delivery, occasional spotting, Physician-prescribed rest, morning Sickness, hyperemesis gravidarum, pre-eclampsia or placenta previa, or similar conditions that occur in a difficult Pregnancy.

**Confined/Confinement** means any Confinement which has been ordered by a Physician and for which You are charged by a Hospital for a full day's room and board.

**Covered Person** means You or Your Dependent whose coverage under the Program has become effective and has not ended.

**Covered Salary Amount** means the amount for which You applied in Your application or a request for change in coverage, whichever is later, that is approved by Us in writing. The initial Covered Salary Amount is shown on the Statement of Coverage Page. The Covered Salary Amount cannot exceed the Eligible Salary Amount.

**Daily Earnings** mean 1/360th of your Covered Salary Amount.

**Dependent** means any of the following: 1) Your lawful spouse; or 2) Your unmarried Dependent child (which includes a stepchild, legally adopted child, child placed in the home for adoption, grandchild in Your legal custody, and foster child) who is under twenty-two (22) years of age and who is not in the military, naval, or air force of any country or international organization. A spouse or child covered under the Program as a Member will not be eligible as a Dependent. If a child is considered a Dependent of more than one Member (i.e., husband and wife) the child will be the Dependent of only one parent.

**Disability or Disabled** means that because of Injury, Sickness, or Mental or Nervous Disorders You are not engaged in any occupation or employment for wage or profit for which You are reasonably qualified by education, training, or experience, and:

- During the first twenty-four (24) months of Disability, you cannot perform all of the Material and Substantial Duties of your Regular Occupation; and
- After twenty-four (24) months of Disability, You are completely unable to perform the Material and Substantial Duties of any occupation for which You are reasonably fit by education, training, or experience.

You also must be under the Regular Care of a Physician.

Loss of professional, firearms, or occupational license or certification does not in itself constitute a Disability.

**Drug or Alcohol Disorders** mean a physical, mental, emotional, behavioral, or stress-related disorder caused or contributed to, directly or independently, by a substance abuse or dependency, as classified in the Diagnostic and Statistical Manual of the American Psychiatric Association and/or the International Classification of Diseases in effect as of the date the Disability commenced.

**Eligible Salary Amount** means the amount of Your gross annual income received from Your Employer, rounded to the next highest multiple of \$1,000, if not already a multiple of \$1,000, including Locality Pay, Availability Pay, or administratively uncontrolled overtime pay for which You are entitled. Eligible Salary Amount does not include any bonuses, regular overtime pay, night or other differential pay allowances, retention pay, overseas post differential pay, specialty pay, overrides, or any other compensation. The maximum salary amount is \$200,000.

**Elimination Period** means a period of sixty (60) continuous days of Disability which must be satisfied before You begin to receive Long Term Disability Benefits under the Program. A new Elimination Period will be applied to each Period of Disability.

**Employee** means a Full-time permanent Employee of a SAMBA Eligible Employing Agency and are covered by either the Federal Employees Retirement System (FERS) or the Civil Service Retirement System (CSRS).

**Evidence of Insurability** means proof of Your good health that is acceptable to Us.

**Full-time** means regularly working for the Employer at least thirty-two (32) hours per week.

**Hospital** means a legally operated and licensed institution or facility providing full-time medical care and treatment under the direction of a full-time staff of Physicians and Registered Nurses. Hospital does not mean nursing homes, rest homes, convalescent homes, and homes for the aged, Drug and Alcohol rehabilitation centers and facilities primarily providing custodial, educational or rehabilitative care.

**Injury** means a bodily Injury sustained directly and independently of all other causes, which results in a loss covered by the Program. The Disability must occur while You are covered under the Program.

**Locality Pay** means pay adjustments based on survey comparisons with non-Federal rates on a locality basis as established annually by the U.S. Office of Personnel Management.

**Material and Substantial Duties** mean duties that are normally required for the performance of Your Regular Occupation and cannot be reasonably omitted or modified.

**Maximum Benefit Period** means the longest period of time payments will be made to You for any one period of Disability. The Maximum Benefit Period will begin to accrue when the Elimination Period ends and will end on your 62nd birthday, unless you are sixty-one (61) years of age when benefits begin, in which case the Maximum Benefit Period will not be less than twelve (12) months. Monthly Benefits are not payable after the end of the Maximum Benefit Period, even if You are still Disabled.

**Medically Necessary** means that the service, supply, drug, or equipment:

- Is appropriate for the diagnosis or treatment of Your Injury, Sickness, or Mental or Nervous Disorder;
- Is consistent with generally accepted current medical practice in the United States;
- Is not primarily for the personal comfort or convenience of You, the family, or the Physician;
- Is not part of, or associated with, the scholastic education or vocational training for You;
- In the case of inpatient care, cannot be provided safely on an outpatient basis;
- Does not exceed (in scope, duration, or intensity) that level of care needed to provide safe, adequate, and appropriate diagnosis or treatment; and
- Is not part of a plan of treatment that is experimental, unproven, or related to research protocol.

The fact that a Physician has prescribed, ordered, recommended, or approved a service, supply, drug, or equipment does not, in itself, make it Medically Necessary.

**Mental or Nervous Disorders** means a physical, mental, emotional, behavioral, or stress-related disorder caused or contributed to, directly or independently, by a mental or nervous condition, as classified in the Diagnostic and Statistical Manual of the American Psychiatric Association in effect as of the date the Disability commenced. This includes both biologically and non-biologically based Mental or Nervous Disorders.

**Monthly Benefit** means 65% of one-twelfth of Your Covered Salary Amount. It may be reduced as described in the Benefit Offsets provision, but will not be reduced to less than \$200.

**Occupational Disability** means a Disability for which You qualify to receive benefits either for loss of time or for medical expenses related to an Injury, Sickness, or Mental or Nervous Disorder under any Workers' Compensation Law, Occupational Diseases Law, Federal Employees Compensation Act, or similar legislation.

**Overpayment** is the amount We determine that is the total amount paid by Us for a period of Disability in excess of the total amount due under the Program. This includes Overpayments resulting from:

- Retroactive awards received from sources shown in the Benefit Offsets section;
- Fraud; or
- Any error We make in processing Your claim.

**Physician** means a person licensed by the State in which he or she is a resident to practice the healing arts. He or she must be practicing within the lawful scope of his or her license for the service or treatment provided. He or she may not be Yourself or a member of Your Immediate Family. Immediate Family means You or Your spouse, parent, child, grandparent, brother, sister, in-law, or any person residing with You.

**Plan Administrator** and **Plan Sponsor** means the SAMBA Federal Employee Benefit Association.

**Pre-existing Condition** means a Sickness, Injury, Mental or Nervous Disorder for which the Covered Person has within the twelve (12) months immediately before the date coverage under this Program started:

- Consulted a Physician or received any medical advice, treatment, care, services, or medical supplies;
- Taken prescription medication or had medications prescribed; or
- Had symptoms or conditions which would have caused a prudent person to seek diagnosis, care, or treatment.

**Regular Care** means:

- You personally visit a Physician as medically required, according to standard medical practice, to effectively manage and treat Your Disability, including any other condition which, if left untreated, would adversely affect Your Disability; and
- You are receiving appropriate treatment and care of the Disability by a Physician whose specialty or experience is appropriate for the Disability.

Appropriate treatment is consistent with generally accepted medical standards supported by nationally recognized authorities in the health care field, including the American Medical Association (AMA), the AMA Board of Specialties, the Food and Drug Administration, the Centers for Disease Control, the National Institutes of Health, the U.S. Department of Health and Human Services, and any other agency of similar repute.

**Regular Occupation** means the occupation in which You are regularly engaged at the time You became Disabled.

**Regular Place of Work** means Your official work site associated with your position on record. For purposes of this coverage, Your Regular Place of Work may not be Your home or other residence.

**Residual Disability** means as a result of the Injury or Sickness, which caused total Disability, You are able to gradually return to Full-time employment on a reduced work schedule.

**Residual Disability Plan** means a written agreement between You and Us. Its purpose is to assist You in returning to gainful Full-time employment. The Residual Disability Plan will outline the time, dates, and other requirements to receive Your Residual Disability benefit.

**SAMBA Eligible Employing Agency** means any branch, department, or agency of the United States Government, including, without limitation, the U.S. Postal Service and the U.S. Courts. Other federal Employees, such as part-time, temporary, or term Employees, are not eligible to apply for coverage under the Program.

**Sickness** means a bodily disorder or a disease. The Sickness must occur while the coverage for You is in force under the Program. Sickness does not include Drug or Alcohol Disorders or Mental or Nervous Disorders.

**You, Your, Employee, Member, or Participant** means an Employee of a SAMBA Eligible Employing Agency who has enrolled in this Program. This is true whenever the word "You," "Your," "Employee," "Member," or "Participant" is used in this SPD, even when those words are not capitalized.

**We, Us, and Our** means the Special Agents Mutual Benefit Association (SAMBA), or Our authorized representative. This is true for whenever the words "We," "Us," or "Our" is used in this SPD, even when those words are not capitalized.

## Plan Information

*Name of Plan:* SAMBA Group Plan (the Plan). All benefit programs that SAMBA Federal Employee Benefit Association sponsors for its membership, including, without limitation, this Long Term Disability Program, the SAMBA Health Benefits Plan, and all other insured and self-insured programs, constitute one employee welfare benefit plan within the meaning of ERISA, the federal law that governs this Plan.

*Plan Sponsor:* SAMBA Federal Employee Benefit Association • 11301 Old Georgetown Road, Rockville, MD 20852 • (301) 984-1440 • (800) 638-6589

*Employer Identification Number:* EIN #52-1074154

*Plan Number:* 501

*Effective Date:* The Long Term Disability Program described in this Summary Plan Description became effective at 12:01 a.m. on January 1, 2004.

*Plan Administrator:* The Plan is administered and maintained by the SAMBA Federal Employee Benefit Association, at the address listed above (see "Plan Sponsor").

*Type of Administration:* The administration of the Long Term Disability Program is under the supervision of the Plan Administrator (SAMBA). The duty of the Plan Administrator is to see that the provisions of the Long Term Disability Program are carried out for the benefit of the persons entitled to participate without discrimination among Participants.

*Amendment or Termination of Plan:* This Plan, including any program under the Plan, including this Program, may be amended or terminated at any time by SAMBA. If the Plan is terminated, SAMBA may use plan assets to pay Benefits outstanding as of the later of the date the termination is adopted or is effective, and Corporation expenses. Any remaining assets will be allocated by a Board of Directors' resolution that conforms with applicable law and does not adversely affect Internal Revenue Code Section 501(c)(9) qualified status of SAMBA. If the Plan is merged with another plan or plan assets are transferred to another plan, plan assets will be allocated according to the merger or acquisition agreement's terms.

*Agent for Service of Legal Process:* Corporation Guarantee & Trust Co., 1129 20th Street, N.W., Washington, D.C. 20036. Legal Process may also be served on the Executive Director at SAMBA, 11301 Old Georgetown Road, Rockville, MD 20852-2800.

*Plan Year:* All financial records of the Plan are kept on a fiscal year of January 1 through December 31.

*Cost of Benefits and Plan Funding:* Premiums for this Long Term Disability Program are paid by You, the Plan Participants. SAMBA self-insures this Program. Reserves and other funds for this Program are held by SAMBA in the SAMBA Group Insurance Plan Trust. PNC Bank of Baltimore, Maryland, serves as Trustee of the Trust.

## Your Rights Under ERISA

As a Participant in this Program You are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Program Participants are entitled to:

Examine, without charge, at SAMBA's office and at other specified locations, such as work sites, all Plan documents, including Insurance contracts, and copies of all documents filed by the Plan with the U. S. Department of Labor, such as annual reports and Plan descriptions. This examination may take place between the hours of 10:00 a.m. and 3:00 p.m., Monday through Friday, except holidays.

- Obtain copies of all Plan documents and other Plan information upon written request to SAMBA's Executive Director, who may request a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. SAMBA is required by law to furnish, upon request, each Participant with a copy of this summary annual report.

In addition to creating rights for plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the Employee benefit plan. The people who operate Your Plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of You and other plan Participants and beneficiaries. No one, including an employer, SAMBA, or any other person, may discriminate against You in any way to prevent You from obtaining a benefit or exercising Your rights under ERISA.

If Your claim for a benefit is denied in whole or in part You must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider Your claim (see above). Under ERISA, there are steps You can take to enforce the above rights. For instance, if You request materials from the Plan and do not receive them within thirty (30) days, You may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay You up to \$110 a day until You receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If You have a claim for benefits which is denied or ignored, in whole or in part, You may file suit in a state or federal court. If the plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting Your rights, You may seek assistance from the U.S. Department of Labor, or You may file suit in a federal court. The court will decide who should pay court costs and legal fees. If You are successful the court may order the person You have sued to pay these costs and fees. If You lose, the court may order You to pay these costs and fees, for example, if it finds Your claim is frivolous. If You have any questions about Your Plan, You should contact SAMBA's office. If You have any questions about this statement or about Your rights under ERISA, You should contact the nearest Area Office of Employee Benefits Security Administration, U.S. Department of Labor.



