

Voluntary Disability Insurance Plan (VDI) FAQs

*These questions and answers are designed to give you a summary of some of the plan's highlights. For a complete description of your benefits please refer to the appropriate summary plan document in the **Resource Library** of the Benefits Web site. If there are any differences between this information and the plan documents, the plan documents will govern.*

What is Voluntary Disability Insurance?

The Stanford University Voluntary Disability Insurance (VDI) plan is a non-work-related short-term disability plan that is designed to replace a portion of your income if you are unable to work for up to a maximum of 52 weeks of total disability.

Who is eligible for the Voluntary Disability Plan?

All employees, including temporary, part-time and salaried post doctoral candidates, are eligible for coverage under this plan starting on date of employment. Stanford University students are not eligible for this plan.

When and how should I file a VDI claim?

You should file your claim immediately after your doctor certifies your date of disability or within 45 days from the onset of the disability. Claims may be accepted later if you have good cause for the delay.

To report your claim, call Liberty Mutual Insurance Company toll-free at (800) 896-9375 or on their Web site at www.mylibertyclaim.com (claimant service ID: stanford).

What does the Voluntary Disability Plan pay and how often do I get paid?

The VDI Plan pays a maximum of \$917 per week or 2/3 of your weekly salary, whichever is less. You will be paid weekly by Liberty Mutual Insurance Company for a maximum of 52 weeks. If you have accrued hours available for salary continuation you will receive those dollars on the 7th and 22nd of each month in the form of a reduced Stanford paycheck. See the question below about what salary continuation is.

If you opted out of the VDI Plan in writing and chose the State plan (California SDI), your weekly maximum is \$917 per week and will be paid by California's Employment Development Department. (*weekly* means each 7-day period of disability). See www.edd.ca.gov/direp/diind.htm

Important: You may not collect VDI and SDI for the same claim unless you have two employers. Then the claim will be shared by both employers but your maximum benefit will still be \$917 per week.

For more information we recommend that you review the VDI Statement of Coverage in the *Resource Library*.

What is salary continuation?

Salary Continuation is when a staff member wishes to supplement his/her VDI pay with accrued sick, PTO, floating holiday or vacation hours to bring their pay up to 100% of their full pre-disability salary.

When you decide to use accrued time in the form of salary continuation you will receive more than one check: Your VDI benefits will come from Liberty Mutual Insurance Company, and your salary continuation dollars will come to you in the form of a reduced Stanford paycheck. SCRP retirement contributions will only be made on the salary continuation dollars, not on the VDI benefits from Liberty Mutual.

How can Faculty, Senior Staff and other teaching positions supplement their salary while on disability leave?

Please contact your Faculty Affairs Officer or Human Resource Manager for your school to answer this question.

Are my VDI benefits taxable?

No. Voluntary Disability Insurance benefits are not taxable by either the Federal or State government.

May I continue my benefits while on VDI leave?

Yes. You may continue all the same benefits while on VDI except the Dependent Day Care flexible spending account. Dependent Day Care flexible spending accounts must be suspended when you are on a VDI leave, but are reactivated when you return from your leave. See the Plan Summary and FAQ on [Flexible Spending Accounts](#) in the Medical & Life section of the Benefits Web site, or look in the *Resource Library*.

What happens if I run out of leave accruals while on VDI?

When you run out of leave accruals – sick time, PTO, floating holidays or vacation – you will be put on leave without salary. When this happens, you will:

- Be billed directly for your benefits by our direct pay administrator, The Vita Companies, on the 7th and 22nd of each month.
- Continue to receive university contributions for your benefits. But remember that, since you are not being paid through Stanford, you will pay your portion of your benefit costs through Vita using after-tax dollars.

How do I pay for benefits while on VDI disability leave?

If you are on a paid leave your contributions will continue to be taken out of your Stanford paycheck on a before-tax basis.

If you are on an unpaid leave you will be sent a coupon book by our direct pay administrator, The Vita Companies. You will send the coupons with your payments twice a month to VITA and you will pay for your benefits with after-tax dollars.

Do I have to pay a premium for the VDI benefit?

Yes. In calendar year 2008 you will pay a total of 0.80% of the first \$86,698 of your calendar year earnings as your VDI premium ($\$86,698 \times 0.008$). If you earn more than \$86,698 then you will stop paying your premium when you have reached the maximum for the year. These amounts are subject to change each January 1. This premium is deducted from your paycheck.

How long can I remain on VDI?

You can receive a VDI benefit as long as your doctor certifies your disability. The maximum benefit period is 52 weeks of total disability. For more information we recommend you review the [VDI Statement of Coverage](#) in the *Resource Library*.

If I come back to work after being on VDI and go out again for the same problem must I file a new claim?

If the diagnosis is the same and you have been back at work for less than 14 days you do not need to file a new claim. But if you have been back to work more than 14 days you must file a new claim.

Am I eligible for the VDI plan if I am a Seasonal Layoff?

If your disability begins within 15 days of your seasonal layoff date then you are eligible for the Stanford VDI Plan.

After 15 days you must apply for state disability directly from your local Employment Development Department office. The benefit amount may be different from the Stanford plan. For more information, go to www.edd.ca.gov/direp/diind.htm

Does the time on VDI count toward retirement eligibility?

Only your first 90 days of VDI count toward your retirement eligibility.