

## WORKPLACE BENEFITS: A GUIDE FOR EMPLOYED INDIVIDUALS Continued

### WHERE TO FIND INFORMATION

Connect with your human resources department if you have questions involving employer-related benefits. They will help walk you through your options and the steps to access these benefits.



Ask for a copy of the benefits package that provides an overview of all your options (typically offered on hiring and then again for annual benefits renewal).



Ask for a copy of the employee handbook which describes PTO and other benefits that may not be specified in the benefits package.



Ask where to find specific insurance, disability, and other premium plans for details on what is covered, wait periods and usage guidelines.

If you are looking for specific plan documents, like a copy of the full policy which outlines your coverage, you can reach out to the plan directly to receive that information. There is generally a customer service phone number listed on the plan's member identification card. You can also call the benefits point of contact through your employer.

Disclaimer: This content is designed to educate you on common benefit choices. Not all employers offer benefits to all employees. Read your employer's Benefits Summary for details.



## RESOURCES

Search these titles at <https://education.patientadvocate.org/>

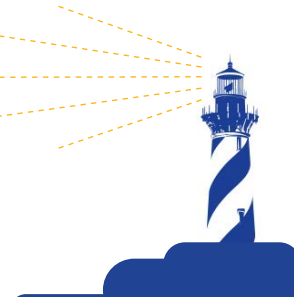
- [Moving Forward After a Diagnosis](#)
- [PAF Articles: Short Term & Long-Term Disability Benefits](#)
- [Identifying the Right Policy Among a Sea of Plan Options](#)
- [Maintaining Eligibility for Insurance](#)
- [Health Insurance Education Series](#)

**Patient Advocate Foundation**, a national nonprofit organization founded in 1996, provides direct services to patients with chronic, life-threatening, and debilitating diseases. For more information about medical expenses and other health care-related topics, explore our Education Resource Library at <https://education.patientadvocate.org>

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The Patient Education and Empowerment Department creates resources that address a range of topics from medical debt to insurance access and disability benefits. The resources we produce are reflective of real-world experiences that meet the needs of the patients PAF serves.



## WORKPLACE BENEFITS: A GUIDE FOR EMPLOYED INDIVIDUALS

### KNOW YOUR EMPLOYEE BENEFITS.

It is important to understand all the benefits choices your employer offers and to decide which ones are best for you and your family when you are hired AND during EACH annual open enrollment. The choices you make about your health insurance during open enrollment will impact the cost of your monthly premium, medication costs, and costs for doctor's visits, procedures, and any other health-care services you receive. As well, if you choose to purchase disability insurance or other supplemental policies, these may even replace some income should you need to be out of work due to illness or injury.

### KEY TERMS:

- ✓ **ATTENDING PHYSICIAN'S STATEMENT (APS):** A report by your physician, hospital or medical facility that provides your medical history. Often, but not always, required for insurance, medical leave, or other disability policies.
- ✓ **BENEFIT PERIOD:** The length of time you can receive benefits under the terms of the policy.
- ✓ **BENEFICIARY:** The person or entity you designate to receive the benefits of your financial products.
- ✓ **ELIMINATION PERIOD:** Also called the waiting period. This is the length of time you must wait before you start receiving benefits from the policy.
- ✓ **EXCLUSION:** Conditions or situations for which the insurance company does not provide coverage.
- ✓ **OPEN/ANNUAL ENROLLMENT PERIOD:** The time of year when you can enroll into benefits.
- ✓ **PREMIUM:** Payments you make for benefits, usually monthly.



### SOME IMPORTANT TIPS TO REMEMBER:

Your employer may not offer insurance benefits to employees and/or dependents.

Employer benefits may include (but are not limited to):

- ✓ CAFETERIA PLANS/SECTION 125
- ✓ HEALTH INSURANCE
- ✓ DISABILITY INSURANCE
- ✓ LIFE INSURANCE
- ✓ SUPPLEMENTAL INSURANCE
- ✓ RETIREMENT PLANS
- ✓ PAID TIME OFF

Each benefit option will have its own terms, conditions, exclusions, and enrollment steps. Read through each option carefully. When you first enroll, some critical illness policies may lift pre-existing conditions exclusions.

Review your benefit options every year (including your insurance plan drug formulary). The benefits your employer offers, and your needs, will change over time.

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## BENEFIT OPTIONS:

**CAFETERIA PLANS/SECTION 125 PLANS:** These plans allow employees to set aside a portion of their pre-tax salary to pay for certain health expenses. When you enroll in one of these plans, you pay fewer taxes and keep more of what you

earn. Each plan provides a list of expenses that can be used to reduce your tax bill.  
Examples of Cafeteria Plans/Section 125 Plans: **Dependent Care Assistance Plans (DCAP), Flexible Spending Accounts**



## DISABILITY INSURANCE:

**SHORT-TERM DISABILITY (STD):** Provides wage replacement, typically between 40%-70% of your salary for a short period of time (generally 3-6 months) if you are unable to work due to an illness or disability. Your doctor will need to complete paperwork verifying your health status. If approved, you will receive benefits after a waiting period, typically 14 days.

All STD plans vary in eligibility, waiting periods, disabilities covered, benefits offered, exceptions and usage guidelines. Be sure to read your policy for exact details.

**LONG-TERM DISABILITY (LTD):** Provides wage replacement typically between 50%-70% of your base salary for an extended period of time if you are unable to work due to an illness or disability. Your doctor will need to complete appropriate paperwork verifying your health status and, if approved, you will receive benefits after a waiting period.

**(FSAs), Health Reimbursement Accounts (HRAs), and Health Savings Accounts (HSAs).** You are not eligible for an FSA or HSA if you have Medicare, Medicaid, or a Tricare plan, or if you are uninsured.

Most LTD policies require that you apply for **Social Security Disability Insurance (SSDI)** benefits. The LTD plan representative or your employer's benefit specialist may assist you in applying for SSDI. LTD policies provide an offset, which means any benefit paid by SSDI will reduce what is paid out by the LTD.

All LTD plans vary in eligibility, waiting periods, disabilities covered, benefits offered, exceptions, and usage guidelines. Be sure to read your policy for exact details.

\*Note: Your employer will decide if you have to use your PTO prior to claiming Short- or Long-Term Disability. Refer to your human resource department for agency-specific guidelines.



**HEALTH INSURANCE:** Insurance that typically pays for medical, surgical and prescription drug expenses for the person covered by the policy.

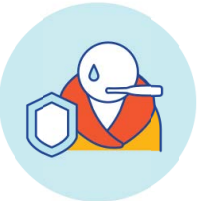
Depending on the plan, the insurance plan can either pay the provider directly for medical expenses you incur or reimburse you after you pay the provider. Some plans may offer limited dental and vision coverage.

If you want to learn about the basics of health insurance, visit our Education Resource Library at <https://education.patientadvocate.org> to watch our Health Insurance Education Series.



**LIFE INSURANCE:** Pays a specified amount to a person or people you have named as a "beneficiary" after you die. Some employers offer

this coverage for free or low cost to employees. All life insurance policies vary in eligibility and usage guidelines.



**PAID TIME OFF (PTO):** May include vacation, sick, holiday, personal time, and/or additional incentive days.

Some employers also allow employees to annually donate PTO to a leave bank for others to use.



**RETIREMENT AND SAVINGS PLANS:** Anticipating retirement is an important consideration in every stage of life.

Retirement and Savings Plans vary by employer. Some may match the employee's financial contribution (for example, to a 401K savings plan). Your retirement and other saving move with you when you make a job change. Most savings plans have penalties for early withdrawal but may be used for expenses during a long illness.



**SUPPLEMENTAL INSURANCE:** These policies are designed to supplement your primary health insurance coverage. Some pay a fixed

amount to the enrollee for qualified health-related expenses and some offer additional benefits up to a certain amount. In addition to dental and vision plans, supplemental insurance plans include hospital indemnity policies, critical-illness and cancer policies, accident, and long-term care insurance.



**WELLNESS PROGRAMS:** A wide range of benefits an employer may offer to help you stay or get healthy!

These are often annual "use it" or "lose it" benefits. Examples include Employee Assistance Programs (EAPs), wellness days, gym membership reimbursements, mental health resources, incentive programs, nutrition counseling, or discounts to participate in a health event.

# DISABILITY INSURANCE

Your employer decides who is eligible for benefits, and that might be strictly available for full-time employees. They might extend benefits to part-time employees, or spouses, domestic partners, and/or dependents. Many employers will cover a portion or all the monthly health insurance premiums on behalf of the employee, but not always for family or dependents. Your employer may also contribute towards a Health Savings Account if you elect one.

Additionally, if you switch from full-time to part-time or cut your hours, it may impact your benefits, especially if you are set up to contribute a portion of your paycheck towards retirement or health savings. On the other hand, the longer you work at your employer, you may gain access to more benefits, like more paid time off.