



SHORT TERM DISABILITY (STD) FAQs

1. What is Short Term Disability (STD) Insurance?

STD is a type of insurance that provides income replacement for employees who need to take time away from work because they are unable to perform job duties due to an illness or injury. The policy has the ability to provide a benefit for up to 26 weeks.

2. Who will be covered by the benefit and what is the premium structure?

This benefit will be provided to all full-time hourly and piecework employees with six months of service. New hires will be covered after they attain six months of service. This will be a company provided benefit requiring no premiums from employees.

3. Why is the Company providing this benefit?

Traditionally, the Company has only paid for work performed. The recent pandemic brought to light the need to provide income for employees during a short term illness or injury in a more traditional way than our voluntary methods that may have gaps in income replacement during periods of disability.

4. Who will manage this new STD insurance program?

The program will be managed by MetLife. Employees will submit their claim forms and medical documentation directly to MetLife at which time they will be assigned a claim specialist to work with them and their doctor to determine eligibility of a benefit payment.

5. How are benefit payments handled?

Employees are eligible for the first benefit payment after seven days of disability. The plan will provide a flat dollar amount of \$540 per week. ***Please note: The IRS does mandate that this benefit is taxable, given it is a company provided benefit requiring no premium from the employees.*** Therefore, we estimate a net benefit of approximately \$350 a week after taxes. MetLife will release payments weekly.

6. How does the New STD benefit work with the Employees' Association Mutual Benefit?

The new STD plan is a separate arrangement sponsored by the Company.

Employees' Association of The Lincoln Electric Company is the sponsor of the Mutual Benefit Fund. That entity will determine the future of the benefit independent of the Company. This information will be provided under separate cover directly from the Employees' Association.

7. What is the difference between STD and LTD?

Short Term Disability (STD) provides a benefit for a maximum of 26 weeks while Long Term Disability (LTD) provides a benefit for illnesses and injuries that last beyond the 26 week period. In some cases LTD benefits may be payable in some form multiple years until age 68.

8. Are there any changes to LTD with the introduction of STD?

Yes, there are changes. Today, we offer two LTD buy-up options. There is a special buy-up option for hourly and pieceworkers that allows the LTD benefit to begin on the 14th week of disability. Given the new STD plan will provide a benefit up to 26 weeks this buy-up option is being eliminated. If you are enrolled in this option, we will automatically enroll you in the remaining buy-up option providing an additional 20% of LTD benefit. Your premium will be reduced.

If you wish not to participate in the remaining buy-up option, you may cancel your enrollment during Open Enrollment.

9. How soon can an employee submit a claim after the effective date of the new policy with MetLife?

STD coverage will be provided through the new policy for employees actively at work as a full-time employee with six months of service or more as of the effective date of the policy 1/1/2023. They would be eligible to file a claim if they become disabled on or after that date.

Employees on leave with six months of service or more on the effective date of the new policy will not be covered until they return to work.

New hires will become eligible first of the month after six months of service.

Hired prior to 7/1/2022 or earliereffective 1/1/2023

Hired 7/2/2022 effective 2/1/2023

Hired 9/15/2022 effective 4/1/2023

10. How do I initiate a claim for STD with MetLife?

You will need to contact the HR Benefits team for a claim packet. The claim packet has three sections.

Section I.....to be completed by benefits associate

Section II.....to be completed by you the claimant

Section III..... to be completed by your attending physician

The benefits associate will assist you with the submission of your completed packet. Once the claim is submitted you will be assigned a MetLife claim specialist who will work directly with you. If any additional information is needed, MetLife will contact you directly. You will also be provided with MetLife’s phone number in the event you have any questions.

11. Will additional information be provided on the STD benefit

Yes, a Summary Plan Description (SPD) will be provided. It will be posted on [Lincolnconnect.com](https://lincolnconnect.com) by the end of January.

Additional information on the new Short Term Disability (STD) plan will be available late January 2023. Please check back on lincolnconnect.com