



Voluntary Short Term Disability Income Protection Insurance Plan Highlights

CRC Health Corporation Policy # 417123

Please read carefully the following description of your Short Term Disability Income Protection insurance plan, underwritten by Unum Life Insurance Company of America.

Your Plan

Eligibility

You are eligible for coverage if you are a regular full time employee working in the United States with the Employer at least 32 hours per week.

Weekly Benefit Amount

If you meet the definition of disability, you would be eligible to receive a weekly benefit equal to 60% of your weekly earnings, to a maximum of \$1,250 per week.

If you are totally, partially or residually disabled, in order to receive a benefit, you must have a 20% or greater loss of your weekly pre-disability earnings due to the same disability.

*Example below illustrates how at least two common reductions would reduce the maximum benefit the insured would receive (benefit percent and amounts are for illustration purposes only and may not be representative of your plan):

Insured's weekly pre-disability earnings:	\$1,000
Short term disability benefit percentage:	x 60%
Unreduced maximum benefit:	\$600
Less Social Security disability benefit per week:	-300
Less state disability income benefit per week:	-100
Weekly short term disability benefit:	\$200

Your disability benefit may be reduced by benefit reductions including amounts you receive or are entitled to receive as:

- disability income payments under any state compulsory benefit act or law;
- a benefit under an occupational disease law or any other act or law with similar intent, other than workers' compensation;
- disability payments due to your disability from Social Security or similar governmental programs. Your disability benefit may also be reduced by disability payments that your dependent spouse and children receive or are entitled to receive due to your disability from Social Security or similar governmental programs. **Your disability benefit may be reduced by benefit reductions** including amounts you receive:
 - under a salary continuation or accumulated sick leave plan;
 - from a third party (after subtracting attorney's fees); by judgment, settlement or otherwise;

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- as disability payments under your Employer's retirement plan.
 - disability payments under Title 46, United States Code Section 688 (The Jones Act);

If you are totally, partially or residually disabled, your disability benefit may be reduced by any earnings you have while disabled. During the first 12 months of payments, if your disability payments plus your disability earnings exceed 100% of your pre disability earnings we will subtract the amount over 100% from your benefit payment. Disability earnings are earnings which you receive for work performed while you are disabled and working for your Employer or from another employer for whom you became employed after your disability began.

Definition of Disability

You are totally disabled when, as a result of sickness or injury, you are unable to perform with reasonable continuity the substantial and material acts necessary to pursue your usual occupation in the usual and customary way.

Substantial and material acts means the important tasks, functions and operations generally required by your employer from those engaged in your usual occupation that cannot be reasonably omitted or modified.

Usual occupation means the substantial and material acts you are routinely performing for your Employer when your disability begins.

You are partially disabled when you are not totally disabled and that while actually working in your usual occupation, as a result of sickness or injury you are unable to earn 80% or more of your indexed weekly pre-disability earnings.

Substantial and material acts means the important tasks, functions and operations generally required by your employer from those engaged in your usual occupation that cannot be reasonably omitted or modified.

Usual occupation means the substantial and material acts you are routinely performing for your Employer when your disability begins.

Elimination Period

The Elimination Period is the length of time of continuous disability which must be satisfied before you are eligible to receive benefits. If your disability is the result of an injury that occurs while you are covered under the plan, your Elimination Period is 14 days.

If your disability is due to a sickness, your Elimination Period is 14 days.

Benefit Duration

If you meet the definition of disability you may receive a benefit for 13 weeks.

Federal Income Taxation

You may wonder if your disability benefit amount will be taxed. It depends on how your premium — the price of your coverage — is paid.

If your premium is paid with:

- **Pre-Tax Dollars**,* your benefit amount **will** be taxed
- **Post-Tax Dollars**,** your benefit amount **will not** be taxed
- **Both Pre-Tax and Post-Tax Dollars**, a portion of your benefit amount will be taxed

The disability benefit amounts you receive will be reported annually on a W-2. It will show any taxable and non-taxable portions separately.

**Pre-Tax Dollars are dollars paid by your employer toward premium that are not reported as earnings on your annual W-2. They are also dollars you pay toward premium through a cafeteria plan.*

***Post-Tax Dollars are dollars paid through payroll deductions after taxes and withholdings have been subtracted from your earnings. They are also dollars paid by your employer toward premium that are reported as earnings on your annual W-2 and taxed accordingly.*

Limitations/Exclusions/ Termination of Coverage

Pre-existing Condition Exclusion

Benefits would not be paid for disabilities caused or substantially contributed to by a pre-existing condition or medical or surgical treatment of a pre-existing condition. You have an excluded pre-existing condition if:

- you received medical treatment, care or services for a diagnosed condition, or took prescribed drugs or prescribed medicines for that diagnosed condition, in the 3 months just prior to your effective date of coverage; and
- the disability caused or substantially contributed to by the condition begins in the first 12 months after your effective date of coverage.

Instances When Benefits Would Not Be Paid

Benefits would not be paid for disabilities caused by or resulting from:

- intentionally self-inflicted injuries;
- active participation in a riot;
- commission of a felony for which you have been convicted;
- war, declared or undeclared, or any act of war.
- **occupational sickness or injury** (however, Unum will cover disabilities due to occupational sicknesses or injuries for partners or sole proprietors who cannot be covered by a worker's compensation law);
- excluded pre-existing condition.

The loss of a professional or occupational license or certification does not, in itself, constitute disability.

Termination of Coverage

Your coverage under the policy ends on the earliest of the following:

- The date the policy or your coverage under the policy is cancelled;
- The date you no longer are in an eligible group;
- The date your eligible group is no longer covered;
- The last day of the period for which you made any required contributions;

- The last day you are in active employment

However, coverage will continue:

- while benefits are being paid;
- while you are fulfilling the requirements of your elimination period, so long as premium is being paid; or
- in accordance with the layoff and leave of absence provisions of the policy.

Please see your Plan Administrator for further information on these provisions.

Unum will provide coverage for a payable claim which occurs while you are covered under the policy or plan.

BI-WEEKLY Rates* per \$10 of Weekly Benefit			
Age	Rate	Age	Rate
<25	\$0.37	50 – 54	\$0.35
25 – 29	\$0.39	55 – 59	\$0.42
30 – 34	\$0.34	60 – 64	\$0.48
35 – 39	\$0.32	65 – 69	\$0.54
40 – 44	\$0.29	70+	\$0.54
45 – 49	\$0.31		

**STD rates are based on five-year increments. Rates increase as you age.*

Next Steps

How to Apply

Current employees: To apply for coverage, complete your enrollment form by 7/18/2014. After that date you will be required to provide evidence of insurability in order to qualify for coverage. This will include a review of your overall medical health including routine, planned, unplanned or ongoing medical care or consultation, and may result in a declination of coverage.

For employees hired on or after 09/01/2014: Enrollment is automatic. For details, log onto CRC's benefit enrollment website within 31 days of your eligibility date. After that date you will be required to provide evidence of insurability in order to qualify for coverage. This will include a review of your overall medical health including routine, planned, unplanned or ongoing medical care or consultation, and may result in a declination of coverage.

Effective Date of Coverage

Your effective date of coverage is 09/01/2014. For employees who become eligible after this date, please see your Plan Administrator for your effective date.

Delayed Effective Date of Coverage

If you are absent from work due to injury, sickness, temporary layoff or leave of absence, your coverage will begin on the date you return to active employment.

Questions

If you should have any questions about your coverage or how to enroll, please contact your Plan Administrator.

This plan highlight is a summary provided to help you understand your insurance coverage from Unum. Some provisions may vary or not be available in all states. Please refer to your certificate booklet for your complete plan description. If the terms of this plan highlight summary or your certificate differ from your policy, the policy will govern. For complete details of coverage, please refer to policy form number C.FP-1 CA, et al.

Underwritten by:

Unum Life Insurance Company of America 2211 Congress Street, Portland, Maine 04122, www.unum.com

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