

# Cost of Coverage for the UNC Supplemental Disability Plan

## For Employees of North Carolina State University (NCSU)

### I. For NCSU Employees Enrolled in The Standard Plan for ORP Participants

Under this plan, there are two primary benefits, with a different premium cost calculation for each:

- **Monthly income benefit:** This is the portion of the plan that provides you with a current monthly income while you are disabled. The maximum salary that is considered in calculating this benefit and premiums is \$270,000 per year (or \$22,500 per month).
- **Monthly annuity premium benefit:** This is the portion of the plan that contributes 12.84% of your salary to your ORP Account while you are disabled. The maximum salary that is considered in calculating this benefit and premiums depends on your hire/appointment date. If your hire/appointment date was on or after July 1, 1996, the maximum salary is \$350,000. If your hire/appointment date was prior to July 1, 1996, the maximum salary is \$520,000. These salary amounts are effective January 1, 2025 and are adjusted annually by the Internal Revenue Code.

This is how you calculate your monthly premium cost for each benefit:

Monthly Income Benefit	Example
1. Take your annual salary.	\$48,000
2. Divide by 12 to get your monthly wage base.	$\$48,000 \div 12 = \$4,000$
2a. If your monthly salary exceeds \$22,500 per month, use \$22,500 for calculation purposes in line 2.	N/A
3. Multiply the amount on line 2 by the current cost factor of 0.00178.	$\$4,000 \times 0.00178 = \$7.12$
4. The result is your monthly premium cost for the monthly income benefit.	\$7.12
Monthly Annuity Premium Benefit*	Example
5. Multiply the amount on line 2 by the current cost factor of 0.00099.	$\$4,000 \times 0.00099 = \$3.96$
6. The result is your monthly premium cost for the monthly annual premium benefit.	\$3.96
<b>Total Monthly Premium Costs</b>	<b>\$7.12 + \$3.96 = \$11.08</b>

The UNC System provides an online calculator to help you figure out your monthly premium cost. To use this calculator, go to <https://myapps.northcarolina.edu/hr/benefits-leave/income-protection-benefits/calculate-standard-disability-premium/>.

\* As noted, for higher-paid employees, certain limits apply to the salary that is considered in this calculation, depending on your hire/appointment date. This is accounted for in the online calculator.

## II. For NCSU Employees Enrolled in the Lincoln Financial Plan for TSERS, FERS or CSRS Participants

Your monthly premium for supplemental disability coverage depends on your age and your years of creditable service in TSERS, FERS or CSRS, as shown in this table. The maximum salary that is considered in calculating this benefit and premiums is \$180,000 per year (\$15,000 per month).

Your Age	Monthly Premium Cost = Your Monthly Salary X This Number	
	If You Have Less Than 5 Years of Creditable Service as a Participant in TSERS, FERS or CSRS	If You Have 5 or More Years of Creditable Service as a Participant in TSERS, FERS or CSRS
Under 30	0.00109	0.00024
30 – 34	0.00144	0.00034
35 – 39	0.00205	0.00045
40 – 44	0.00325	0.00081
45 – 49	0.00470	0.00121
50 – 54	0.00907	0.00201
55 – 59	0.01136	0.00284
60 – 64	0.01086	0.00272
65+	0.01174	0.00247

### EXAMPLE 1

**If you are age 45, your monthly salary is \$4,000 and you have less than five years of creditable service:**

$\$4,000 \times 0.00470 = \$18.80$  monthly premium cost

### EXAMPLE 2

**If you are age 45, your monthly salary is \$4,000 and you have five or more years of creditable service:**

$\$4,000 \times 0.00121 = \$4.84$  monthly premium cost

The University of North Carolina System (UNC System) provides an online calculator to help you figure out your monthly premium cost. To use this calculator, go to <https://myapps.northcarolina.edu/hr/benefits-leave/income-protection-benefits/calculate-lincoln-financial-premium/>.

## When Deductions Start and Stop

If you elect coverage, deductions will be calculated retroactive to your eligibility date (for new hires that is your hire/appointment date; for late enrollees it is the date you are approved for coverage by the disability insurance company). This may result in retroactive deductions being held from your pay depending on when your enrollment form is completed.

Your deductions will cease under these plans in the month you either elect to terminate your coverage or you end your employment with your institution.