

Short-term disability insurance



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In November 2021, the U.S. Letter Carriers Mutual Benefit Association (MBA) began selling its new short-term disability insurance—MBA Individual Disability Income (MBA IDI). The MBA had not offered this type of insurance since the early 1990s.

As postal employees, city letter carriers are not provided with disability insurance from the federal government and are not covered by state-run plans. If you are ill or injured and have exhausted all of your sick and annual leave, your only option is leave without pay. You will need an additional source of income.

The MBA IDI helps cover you when the unexpected happens. It helps ensure that you have the money you need and are able to continue living the lifestyle you’ve worked for if you become hurt or too sick to work.

Along with this article, you will find an insert in this edition of *The Postal Record* that includes an application for the MBA IDI and a business reply envelope. If you reside in the states of California, Florida or South Dakota, you will have received an application specifically for use in your state. All other states use the same application. Unfortunately, the MBA sells our products only within the 50 states; they are unavailable in Guam, Puerto Rico or the Virgin Islands.

If you need additional applications, you may download them from the MBA website, www.nalc.org/mba, or call our office at the phone number listed at the end of this article and we will mail them to you.

MBA IDI is available for purchase by all active NALC members between the ages of 18 and 59. Spouses and family members are not eligible. The plan is guaranteed renewable to age 65. As long as the premium is paid on time, we cannot change any benefits or refuse to renew your policy. However, we reserve the right to change premiums.

Premiums will not be changed on an individual basis. Premiums will be based on the table of rates in effect for all people insured under the policy who have the same issue age and policy date and are in the same class as you. Any premium paid after age 65 for a period not covered by your policy will be returned. For the table of rates, please see the insert.

Premiums may be paid through biweekly payroll deduction or directly to the MBA office on a monthly or annual basis. Electronic fund transfer (EFT) is also an option for paying your premiums. For information on paying through EFT,

see my October 2021 *Postal Record* column. To calculate the annual premium, multiply the appropriate biweekly premium amount by 26. For a monthly premium amount, divide the annual premium amount by 12.

The MBA designed this plan specifically for letter carriers. The plan is offered at three monthly benefit levels and two benefit periods. Your options are a benefit level of \$650, \$1,350 or \$2,000 per month, for a period of either six or 12 months.

The MBA IDI contains a 14-day elimination period, as compared to longer periods you will find with other disability products offered by other private insurers. Disability benefits start after the elimination period as defined in the policy. The elimination period begins the day your total disability starts.

Pre-existing conditions

MBA IDI does contain a pre-existing condition limitation. A pre-existing condition is defined as a condition for which symptoms existed that would cause an ordinary prudent person to seek diagnosis, care or treatment within a one-year period preceding the policy date, or for which medical advice or treatment was recommended or received by a physician within a two-year period preceding the policy date.

The pre-existing condition limitation states that if total disability starts within two years from the policy date, and is due to a pre-existing condition, benefits will not be paid unless you have gone for a period of one year while the policy is in force without receiving any medical advice or treatment for that condition.

Recurrent disabilities

For the purpose of determining the benefit period, we will treat a total disability as a recurrence of a prior disability if: (a) it is due to the same or related cause applicable to the prior period of total disability and (b) it occurs within 180 days after the end of the prior total disability. If it is determined that your disability is a recurrence, your payments will be limited to the remaining balance of your purchased term. If your disability does not meet these criteria, it will be treated as a new disability and be payable for your full purchased term.

For more information about the MBA IDI plan or any of the MBA products, please call the MBA office toll-free at 800-424-5184, Tuesdays and Thursdays, 8 a.m. to 3:30 p.m., or call 202-638-4318, Monday through Friday, 8 a.m. to 3:30 p.m. Eastern time. You also may visit our website at nalc.org/mba.