



## Summary of Material Modifications to the Banner Health Long-Term Disability Plan Effective July 1, 2011

Following is an important update to the Banner Health Long-Term Disability Plan (the Plan).

Effective July 1, 2011, the Health and Welfare Committee for Banner Health approved the modification of the definition of **Disability** or **Disabled** under the Plan to mean *“an injury or sickness of permanent or extended duration which, directly and independently of all other causes, completely prevents you from engaging in your regular occupation for up to 24 months. Following these 24 months, in order to continue on the Banner Health Long-Term Disability Plan, your injury or sickness must prevent you from engaging in any occupation or employment without regard to your skill, experience, training or education.”*

These changes modify pages 4 and 19 of the published 2011 Long-Term Disability Plan Summary Plan Description. The new language is as follows.:

### **Benefit Provisions – Page 4; first two paragraphs**

The LTD Plan benefit provides income protection that extends beyond STD. LTD payments may begin only if the Claims Administrator or Appeals Administrator, as applicable, determines that you suffer an injury or sickness of permanent or extended duration that, directly and independently of all other causes, completely prevents you from engaging in your **regular** occupation for up to 24 months. Following 24 months of LTD, in order to continue on the Banner Health Long-Term Disability Plan, your injury or sickness must prevent you from engaging in **any** occupation or employment without regard to your skill, experience, training or education.

*Example:* Carol worked for Banner as a Registered Nurse prior to qualifying for STD benefits. After Carol’s initial 24 months of long-term disability under the Plan, in determining whether Carol is Disabled for purposes of LTD benefits, the Plan Administrator does not take into account Carol’s job position, or her skill, experience, training or education. If Carol is able to engage in any employment (*e.g.*, retail clerk, or dishwasher), she would not qualify for LTD benefits under the Plan.

### **Glossary/Definitions – Page 19**

**“Disability” or “Disabled”** means an injury or sickness of permanent or extended duration which, directly and independently of all other causes, completely prevents you from engaging in your **regular** occupation for up to 24 months. Following 24 months of LTD, in order to continue on the Banner Health Long-Term Disability Plan, your injury or sickness must prevent you from engaging in **any** occupation or employment without regard to your skill, experience, training or education. For LTD eligibility, you must have qualified for short-term disability benefits or workers’ compensation benefits for the first 182 consecutive days of your disability.

This notice will also be posted at [www.BannerBenefits.com](http://www.BannerBenefits.com) under the tab “Resources” – Summary Plan Descriptions and Benefit Summaries as: Summary of Material Modifications to the Banner Health LTD Plan effective July 1, 2011.

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