

# *Self Insured Disability*



## ***The RMSCO Approach to Disability Insurance...***

*Manage your  
Disability Benefits  
Program utilizing  
**RMSCO's** experience  
and aggressive claim  
handling techniques.*

**R**MSCO's experience as a Third Party Administrator for Self Insured group medical benefits enables us to manage short and long-term disability programs that conform to the Employer's Plan Document and any applicable state law. This includes ensuring compliance with the Federal Employee Retirement Income Security Act (ERISA) guidelines and state mandates. Other features of the RMSCO difference:

- User-friendly claims system
- Case-by-case reporting capability; deductions for income taxes and client specific deductions
- Ability to take deductions pre-tax, if applicable
- Ability to reserve claims and assess future exposures
- Administration of all aspects of claims development



### **Achieve Significant Savings.**

As a Self Insurer, the Employer continues to be liable for claims and claim related expenses. However, significant cash savings can be achieved through:

- Better disability management, which includes ensuring that a disability claim is not rejected and placed into the Workers' Compensation system
- Improved cash flow by paying claims when due, as opposed to dealing with monthly premiums
- Notification of claims as they occur, which allows for more active disability management
- Lower administrative costs
- Employers holding the reserve for claim run-out liability
- Miscellaneous expenses being funded on an as-needed basis



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## RMSCO's Disability Claims Management Service.

Our attention to detail with regard to your disability claims far exceeds that of most administrators and carriers. We can help you control disability claims costs by employing technical strategies based on years of experience. These include:

- Obtaining full reimbursement from Workers' Compensation insurance where applicable
- Aggressively pursuing subrogation when a negligent third party caused the disability
- Prorating benefits between both Employers when dual employment occurs
- Potentially stopping payment of disability benefits to claimants after an Employee strike has begun
- Denying benefits to a claimant if he/she is found to have committed an illegal act or brought a disability upon himself/herself



## State-mandated assessments— RMSCO can help.

Every year, Self Insured Employers are required to report statistical data to the Workers' Compensation Board regarding the total number and value of disability benefits claims made during the year.

In addition, all payroll and disability premium contributions made by Employees must be reported. RMSCO compiles all the necessary information for this filing and provides it to the Workers' Compensation Board on your behalf. We will audit your fund requirements and other reporting requirements, assisting you where needed to stay compliant with state disability insurance requirements.

## Claims handled the right way.

The experienced team at RMSCO is knowledgeable in all aspects of Disability claims management. Cost containment is achieved through prompt claims reporting, extensive review, and paying benefits when due. Delay or denial of payments, when it is not clearly warranted, may prompt an employee to file a more costly Workers' Compensation claim to obtain income.

Self Insuring Disability benefits allows you to minimize this risk. When we administer both Workers' Compensation and Disability claims for an Employer, our Disability Claims Examiners work side by side with our Workers' Compensation Claims Examiners. This allows for an ongoing dialogue on proper claims handling.

As a full-service risk management firm as well as a licensed administrator of Disability benefits, RMSCO can conduct a feasibility study to help you determine if Self Insuring Short-Term Disability benefits would be cost effective for your company.



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## Frequently Asked Questions

**If an employee engages in work for remuneration or profit, even if done at home, while disabled, is he/she eligible for Disability Benefits?**

No. As long as he/she is performing any kind of work for remuneration or profit, he/she is ineligible to receive benefits.

**Are the costs of medical care included?**

No. Costs of medical care are not included under the statutory provisions of the Disability Benefits Law. However, where an Employer or a union or association plan has been accepted as complying with the law, the worker is entitled to the benefits as described by the Plan. Contact your Employer to find out if it provides or participates in such a Plan.

**May an Employer/Insurance Carrier have an Employee claiming benefits examined by a health care provider designated by the Employer/Carrier?**

Yes. The Employee must submit him/herself at intervals, but not more than once a week, to such examinations if requested. Exams are not paid for by the Employee and are held at a reasonable time and place. Refusal to submit to an exam may jeopardize a claimant's benefits.

**Can a claimant collect Unemployment Insurance and Disability Benefits for the same period of time?**

No.

**If an employee quits his or her job, may that employee receive Disability Benefits?**

Termination of employment may affect an Employee's right to Disability Benefits.

**Can a claimant collect Disability Benefits for disability caused by pregnancy?**

Yes. If she is disabled because of pregnancy, she may be entitled to up to 26 weeks of benefits. Disability can occur at any time during pregnancy.

**Is there a limit on the number of weeks a claimant can receive benefits?**

Yes. There is a limit of 26 weeks of benefits during a period of 52 consecutive calendar weeks or during any one period of disability. The amount of benefits a claimant receives is dependent upon the length of time he/she is actually disabled as certified by a physician. (If an Employer has a separate Disability Benefits Plan, more than 26 weeks of benefits may be paid, if so specified).

**Is a claimant entitled to Disability Benefits for an injury incurred in an auto accident?**

Yes. However, the amount of the Disability Benefits may reduce any No-Fault insurance benefits the claimant is eligible to receive.

**If a claimant is entitled to or receiving Social Security Retirement Benefits, may he/she still receive Disability Benefits?**

Yes. If he/she is entitled to Disability Benefits, the fact that he/she is eligible for or receiving old-age insurance benefits under the Social Security Act does not affect his/her right to Disability Benefits.