

## US Long Term Disability (LTD) Changes Frequently Asked Questions

As a regular PayPal employee, working twenty (20) hours per week or more, you are provided with short-term and long-term disability benefits at no cost to you, by PayPal. These disability benefits provide you with salary continuation, should you become disabled.

Short-Term disability (STD) benefit may be paid for up to 180 days, beginning 7 days after the start of your disability (this waiting period is waived in cases with hospitalization). Salary continuation is at 100% of your base pay for up to 6 weeks, then transitions to 80% of your base pay, until STD exhausts at 180 days.

Long-term disability (LTD) benefit applies after 26 weeks of STD, as determined by medical documentation.

During the 2021 US Benefits Annual Enrollment period (Nov 2-16, 2020), you will have the option to enroll in an increased level of long-term disability (LTD) insurance coverage, "LTD Buy Up". Additionally, your current level of coverage will change. Here are some important points regarding this change.

### **1. What is my current LTD benefit amount?**

Your current LTD benefit pays 67% of your base annual earnings. Starting January 1, 2021, the core LTD benefit will pay 60% of your base annual earnings.

### **2. What will this amount change to if I don't elect the LTD buy-up option during Annual Enrollment?**

Your LTD coverage amount, effective 1/1/21 would become 60% and would remain at no cost to you.

### **3. What is my LTD buy-up option?**

You may elect to buy-up to an LTD coverage level of 70%. You will only pay for the difference between 60% (core, company-provided) and 70% (Buy Up, employee-paid).

### **4. How much will the buy-up cost me?**

The calculation for cost of coverage involves your individual base pay amount. When you complete your annual enrollment in YBR, the cost will be calculated for you to see, prior to you confirming your election of the coverage. Can we add the formula here?

### **5. What happens if I make no changes to my LTD coverage during annual enrollment this year?**

Your LTD coverage level will change to 60%, effective 1/1/21.

### **6. If I want to elect the 70% LTD buy-up option, will I have to provide any medical documentation to be eligible?**

Not if you make the election during annual enrollment this year (Nov 2-16). While increases in coverage levels generally require employees to complete evidence of insurability (EOI) documentation, that requirement will be waived during this initial enrollment period for the LTD buy-up plan.

### **7. What if I change my mind after annual enrollment and want to elect the buy-up option?**

Your next opportunity to elect the LTD buy-up option will be during annual enrollment next year, unless you experience a qualifying life event, which would allow you to make a change. However, you would then be subject to evidence of insurability (EOI).

### **8. Will these changes impact the short-term disability (STD) plan?**

No, these changes only impact the LTD plan. For more information on the current STD and LTD plan benefits, visit the [Disability page](#) on the Bridge. The 2021 plan changes will be updated January 1, 2021.

**9. What happens to my LTD if I leave the company?**

Your LTD coverage ends on your last day of employment with PayPal and cannot be continued as an individual policy.

**10. Can I cancel my coverage at any time?**

The core coverage (60%) is provided by PayPal at no cost to you, and therefore cannot be cancelled. The buy-up coverage, however, can be cancelled at any time by contacting YBR. Should you want to re-enroll in the buy-up coverage at a later date, you would need to wait until the next annual enrollment period and complete evidence of insurability.

**11. Can I elect a policy for my spouse/partner?**

LTD Coverage for your spouse/partner is not available.