Get to know your short-term and long-term disability insurance options [1]

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In addition to Family and Medical Leave [3], paid sick leave and state sick leave, the University of Colorado offers both short-term and long-term disability insurance [4] to benefits-eligible employees. Each of these benefits can work together to offer financial stability in the event of illness or injury.

Short-term disability insurance provides employees with partial wage replacement in the event they are unable to work due to illness, injury or pregnancy.

Long-term disability insurance also provides employees with partial wage replacement in the event they are unable to work for an extended period due to illness, injury or pregnancy. Coverage typically begins once an employee has exhausted their short-term disability benefit, most commonly if they remain in a qualifying disability status after six months.

The application of these benefits as mandatory or voluntary changes based on employee type. There are also special considerations for Public Employees' Retirement Association (PERA) members.

- Eligible **University Staff and Faculty** are automatically enrolled in long-term disability coverage after one year of eligible employment.
  - They must elect to enroll in short-term disability coverage.
- Eligible **Classified Staff** are automatically enrolled in short-term disability coverage upon hire.
  - They must elect to enroll in long-term disability coverage.

All plan types are administered by The Standard Insurance Company [5]. Learn more about how these coverages impact you.

Disability coverage for University Staff and Faculty

Benefits-eligible University Staff and Faculty [6] are automatically enrolled in long-term disability after one year of eligible employment. The university pays the premiums for this coverage.

- Long-term coverage takes effect **six months** after the qualifying date of disability, or after the employee's **sick leave is exhausted**, whichever is later.
- During the benefit waiting period, employees typically use FAMLI, FMLA, short-term disability, sick and vacation leave, or some combination of these leave types.
  - Periods of long-term disability are not considered job-protected leave if they are

not running concurrently with approved FMLA, FAMLI or parental leave.

- Once activated, the benefit provides 60% of the monthly wage base, not to exceed a benefit of $23,625 per month, less income from other sources (e.g., Social Security).

University Staff and Faculty must **elect to enroll in short-term disability coverage** and pay plan premiums through payroll deductions. They can enroll through the employee portal at the time of hire, or during the annual benefits open enrollment period held each spring.

- Short-term coverage takes effect 14 days after the qualifying date of disability.
- During the benefit waiting period, employees typically use FAMLI, FMLA, sick and vacation leave, or some combination of these leave types. **There is no requirement to exhaust sick leave before the benefit begins.**
  - Periods of short-term disability are not considered job-protected leave if they are not running concurrently with approved FMLA, FAMLI or parental leave.
- Once activated, the benefit provides 60% of an employee’s pre-disability earnings up to $2,500 per week.
  - Employees can supplement this benefit with personal sick or vacation leave to reach full pay.
  - FAMLI is considered deductible income and is the first payer during an employee’s qualifying leave of absence. Any eligible short-term disability benefits will be automatically offset (reduced) by an employee’s FAMLI wage replacement benefit, even if the employee does not apply for FAMLI coverage.

Note: If an employee does not enroll in short-term disability insurance as a new hire or did not enroll during the 2026 open enrollment period, their benefit waiting period may increase to 60 days for claims related to physical disease, pregnancy or mental health, but will remain 14 days for accidental injury.

Disability coverage for Classified Staff

Benefits-eligible Classified Staff [7] are **automatically enrolled in short-term disability** at time of hire. The university pays the premiums for this coverage.

- Short-term disability coverage takes effect 14 days after the qualifying date of disability.
- During the benefit waiting period, employees typically use FAMLI, FMLA, sick and vacation leave, or some combination of these leave types. **There is no requirement to exhaust sick leave before the benefit begins.**
  - Periods of short-term disability are automatically considered job-protected leave for Classified Staff, with or without FAMLI or FMLA status.
- Once activated, the benefit provides 60% of an employee’s pre-disability earnings up to $2,500 per week.
  - Employees can reach full pay using sick and vacation leave to supplement the benefit.
- FAMLI is considered deductible income and is the first payer during an employee’s qualifying leave of absence. Any eligible short-term disability benefits will be automatically offset (reduced) by an employee’s FAMLI wage replacement benefit, even if the employee does not apply for FAMLI coverage.

Classified Staff must **elect to enroll in long-term disability coverage** and pay plan premiums through payroll deductions. They can apply to enroll at any time of year, but enrollment is subject to approval by The Standard.

- Long-term coverage takes effect **six months** after the qualifying date of disability, or after the employee's **sick leave is exhausted**, whichever is later.
- During the benefit waiting period, employees typically use FAMLI, FMLA, short-term disability, sick and vacation leave, or some combination of these leave types.
  - Periods of long-term disability are not considered job-protected leave if it is not running concurrently with approved FMLA, FAMLI or Parental Leave
- Once activated, the benefit provides 60% of the first $16,667 of pre-disability earnings, not to exceed a benefit of $10,000 per month, less income from other sources (e.g., Social Security).

Special considerations for PERA retirement plan enrollees

Employees enrolled in one of PERA's mandatory retirement plan types — Defined Contribution (DC) or Defined Benefit (DB) — should be aware that PERA offers eligible members short-term disability coverage and disability retirement benefits [8]. Typically, these employees are Classified Staff, but University Staff and Faculty with prior PERA-eligible work history may also be PERA retirement plan members.

Disability retirement is intended to provide covered members with monthly benefits if they are unable to resume any regular and substantial gainful employment due to a medical condition. PERA determines the amount of the disability retirement benefit by calculating it in a manner similar to calculations for service retirement benefits.

PERA members cannot receive full disability benefits from The Standard and PERA at the same time. Benefits are offset, and employees must legally report any benefits claimed from PERA plans to CU and The Standard.

PERA members are encouraged to explore disability plan options from CU and PERA to determine which benefits are right for them based on eligibility requirements and benefit structures.

short-term disability [9], long-term disability [10], disability insurance [11], PERA [12], Classified Staff [13], university staff [14], faculty [15], benefits [16]

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