

**MISSOURI STATE UNIVERSITY
OFFICE OF HUMAN RESOURCES**

**FRINGE BENEFITS SUMMARY
FACULTY ORIENTATION
February 2009**

The following information summarizes the University's fringe benefit programs, including group health insurance, life insurance, and retirement. Employees are encouraged to read the benefit booklets for each of the programs which are included with the packet. Employees who have questions about the University's fringe benefit programs, should contact the Office of Human Resources (ext. 65102) for assistance. Additional information regarding benefits is also available on the Human Resources web site at <http://www.missouristate.edu/human/benefits/benefits.htm>.

I. INSURANCE PROGRAMS

PLEASE NOTE: INSURANCE COVERAGES FOR NEW FACULTY HIRED IN AUGUST WILL BECOME EFFECTIVE ON SEPTEMBER 1ST. FACULTY WHO ELECT TO PURCHASE ADDITIONAL OPTIONAL COVERAGES WILL HAVE THE PREMIUMS FOR THOSE COVERAGES DOUBLE DEDUCTED FROM THE SEPTEMBER PAYCHECK. THE DOUBLE DEDUCTION IS NECESSARY SINCE NO PREMIUMS WILL BE DEDUCTED FROM THE AUGUST PAYCHECK AND THE DOUBLE DEDUCTION IN SEPTEMBER PAYS FOR SEPTEMBER'S AND OCTOBER'S COVERAGE. FACULTY MEMBERS HIRED AT ANY OTHER TIME DURING THE YEAR (e.g., JANUARY) WILL HAVE THEIR INSURANCE COVERAGES BEGIN THE FIRST OF THE MONTH FOLLOWING THEIR DATE OF EMPLOYMENT.

INSURANCE COVERAGES (i.e., MEDICAL, DENTAL, LIFE, ACCIDENTAL DEATH AND DISMEMBERMENT, AND LONG TERM DISABILITY) WILL REMAIN IN EFFECT THROUGH THE SALARY PAYMENT PERIOD.

A. Hospital, Medical, and Surgical Benefits

The University's medical plan is a self-insured Preferred Provider Organization (PPO) with St. John's Health System. A list of network providers is available on the Human Resources web page under the *St. John's Health System Provider Listing* at <http://www.missouristate.edu/human/3876.htm>. A third party administrator, Med-Pay, Inc., administers the medical plan and pays claims. Employees pay a \$30.00 monthly premium for their own insurance which is about 7.5% of the total cost of insurance coverage. This premium is waived with participation in the wellness activities. Employees beginning employment after July 1st will have the employee premium waived for the remainder of the calendar year and the following calendar year in order to provide an opportunity for participation in the wellness activities. Family medical coverage is available for spouses and eligible dependents. Employees who elect family medical coverage pay the full cost for the coverage. If family coverage is elected, the premium is paid through payroll deduction. Premiums are as follows:

Employee	Spouse	Child or Children	Spouse, Child or Children
\$30.00/monthly	\$290.91/monthly	\$222.89/monthly	\$333.20/monthly

The University's medical insurance has an annual deductible which must be paid before the insurance pays. Once the deductible has been paid, the percentage of payment by the medical plan is based upon which health care provider provided the services. Services received from a network provider are reimbursed at 80% for the first \$10,000 of covered charges (\$20,000 for employees with family coverage) and then are reimbursed at 100% for the remainder of that calendar year. Services received from a non-network provider are reimbursed at 60% for the first \$10,000 of covered charges (\$20,000 for employees with family coverage) and then are reimbursed at 100% for the remainder of the calendar year. If health care services are only received from a network provider, the maximum out-of-pocket expense for covered charges in a calendar year is \$2,800 per individual or \$5,600 per family. If health care services are only received from a non-network provider, the maximum out-of-pocket expense for covered charges in a calendar year is \$5,600 per individual or \$11,200 per family.

Health Care Provider	Deductible	Insurance Pays:	Employee Pays:	Annual Out-of-Pocket Limit*
St. John's Hospitals and Providers	\$800 per person; \$1,600 per family	80% of covered expenses after deductible is paid	20% of covered expenses after deductible is paid	\$2,800 per person; \$5,600 per family
Provider Other Than St. John's Hospital and Providers	\$1,600 per person; \$3,200 per family	60% of covered expenses after deductible is paid	40% of covered expenses after deductible is paid	\$5,600 per person; \$11,200 per family

***Note:** Annual out-of-pocket amount is the deductible plus the coinsurance amount.

The lifetime maximum under the plan is \$1,000,000. The Medical Plan benefit booklet describes the details of the plan. **Pre-certification is required prior to hospital admission.**

Employees may decline the University's insurance coverage by completing a Declination of Coverage form. Employees who decline the University's insurance coverage for themselves are also declining coverage for their family members. Employees who decline health insurance coverage offered by the University will not receive any payment or increase in salary in lieu of the coverage.

B. Annual Preventive Care Benefit

The University provides an annual physical examination benefit, (e.g., pap smear, PSA test, mammogram, urinalysis, blood test, office visit) capped at \$400 per person. Employees have a choice of options in receiving an annual physical exam:

1. If the annual physical is at Taylor Health & Wellness Center on campus, the deductible is waived and the insurance pays 100% of the cost up to the allowed \$400.
2. If the annual physical is at a St. John’s facility, the deductible is waived and the patient’s responsibility is 20% up to the allowed \$400.
3. If the annual physical is at a non-network facility, the deductible must be paid and the patient’s responsibility is 40% up to the allowed \$400.
4. For employees on the West Plains campus, the deductible is waived and the insurance pays 100% of the cost up to the allowed \$400 when they receive care from a network provider in the West Plains area.

C. Prescription Plan

The University's medical insurance plan includes coverage for prescription medications. The medical/dental identification card issued to full-time employees (and those families who have Missouri State University insurance) also serves as a prescription drug discount card and should be shown to the pharmacist when filling a prescription. The University’s pharmacy benefits manager (PBM) is MedTrak Services, who offers both retail and mail-order pharmacy services at reduced costs to employees, retirees, and family members. The prescription drug benefit requires the payment of a 30% co-pay at the time the prescription is filled. The 30% co-pay is paid each time a prescription is filled throughout the year until the total amount of the co-pays paid for the year is \$1,500. Once the \$1,500 has been paid by the person, all prescriptions filled for the remainder of that year are paid at 100% by the insurance plan. The annual co-pay amount for families is capped at \$3,000. The co-pay amount increases to 50% when the prescription is filled with a brand name drug and a generic equivalent drug was available and substitutable, as determined by the prescribing physician. A list of pharmacies honoring the MedTrak prescription drug card is included with the orientation packet and is available online at <http://www.missouristate.edu/human/Pharmacies.htm>.

D. Dental Benefits

The University’s dental plan is also self-insured and administered by Med-Pay, Inc. The University pays the full cost for employee coverage. Employees may purchase family dental insurance for spouses and eligible dependents. The cost for family dental insurance is paid by the employee through payroll deduction. Premiums are as follows:

Employee	Spouse	Child or Children	Spouse, Child or Children
No Charge	\$27.25/monthly	\$21.22/monthly	\$42.78/monthly

Covered charges are based on usual, customary, and reasonable billed rates and

consist of four types of service;

Type I, Preventative Services, are paid at 80% with no deductible.

Type II, Basic Restorative Services, are paid at 80% with a \$50.00 deductible.

Type III, Major Restorative and Prosthodontics Services, are paid at 50% with a \$50.00 deductible.

Type IV, Temporomandibular Joint Dysfunction (TMJ), are paid at 50% with a \$50.00 deductible.

The maximum annual deductible paid for employee coverage in a calendar year is a total of \$50 for Type II, Type III, and Type IV services combined. The maximum annual deductible for family coverage in a calendar year is a total of \$150 for Type II, Type III, and Type IV services combined. The University's dental insurance plan will pay a maximum of \$1,000 per covered person in a calendar year for Types I, II, III, and IV coverages. **Orthodontia is not covered.**

Employees may decline the University's insurance coverage by completing a Declination of Coverage form. Employees who decline the University's insurance coverage for themselves are also declining coverage for their family members. Employees who decline dental insurance coverage offered by the University will not receive any payment or increase in salary in lieu of the coverage.

E. Life Insurance

Life insurance coverage is underwritten by Hartford Life Insurance Company and is available for the employee as well as the employee's spouse and children. The University provides each faculty member with basic term life insurance coverage equal to his/her annual salary or at least \$50,000 of coverage if the annual salary is less than \$50,000. For faculty members who are enrolled in the College and University Retirement Plan (CURP), the University provides an additional basic term life insurance amount which is equal to twice the faculty member's annual salary. Accidental death and dismemberment (AD&D) coverage, in an amount equal to the employee's basic term life insurance, is also provided by the University at no cost to the faculty member. For faculty members who are enrolled in the College and University Retirement Plan (CURP), the amount of AD&D coverage provided by the University, at no cost to the faculty member, includes the amount of additional basic term life insurance.

Faculty members may purchase additional term life insurance on themselves (called supplemental life) in increments of one, two, or three times their annual salary rounded to the next \$1,000. The rates for this optional coverage are based upon the faculty member's age as shown in the table below.

EMPLOYEE SUPPLEMENTAL LIFE INSURANCE RATES	
Age Brackets	Monthly Cost per \$1,000 of Coverage
Less than age 30	\$0.04
30-34	\$0.05
35-39	\$0.07
40-44	\$0.09
45-49	\$0.14
50-54	\$0.22
55-59	\$0.42
60-64	\$0.65
65-69	\$1.26
Age 70 and older*	\$1.83
*Basic and supplemental coverage reduces to 65% at age 70; to 50% at age 75; and to 30% at age 80.	

Faculty members may also purchase dependent life insurance coverage for their spouses and/or eligible children. The dependent life insurance coverage is available in the options shown below. The one monthly rate is the same regardless of whether the coverage is just on a spouse, or just on children, or both.

DEPENDENT LIFE INSURANCE RATES			
Options	Coverage		Monthly Cost
Option 1	Spouse: \$10,000	Child(ren): \$ 5,000	\$ 1.15
Option 2	Spouse: \$20,000	Child(ren): \$10,000	\$ 2.30
Option 3	Spouse: \$30,000	Child(ren): \$20,000	\$ 3.90
Option 4	Spouse: \$40,000	Child(ren): \$20,000	\$ 8.70
Option 5	Spouse: \$50,000	Child(ren): \$20,000	\$13.70

F. Long Term Disability

This coverage is underwritten by Hartford Life Insurance Company and is paid in full by the University. The policy provides a monthly income if an employee is totally disabled from work for an extended period as a result of an accident or illness. Benefits equal to 60 percent of regular monthly earnings (up to a maximum amount of \$10,000 per month) are payable after a waiting period of 180 calendar days, and continue as long as the employee remains disabled, or until age 65 (or later if disability occurs after age 60).

G. Long Term Care Insurance

Faculty members are eligible to apply for long-term care insurance and have the premiums paid through payroll deduction. Because the University does not contribute towards the cost of an employee's Long-Term Care insurance policy, purchasing a policy is completely voluntary. Long-Term Care insurance provides coverage for a wide range of personal care, health care and social services for people of all ages who can no longer care for themselves due to chronic illness, long-lasting disability, or the effects of aging. Most health care plans do not cover the costs associated with such care and Medicare provides very limited coverage. Employees who elect to purchase a Long-Term Care policy within 31 days of employment are not required to answer questions about their health. Employees who apply for coverage after 31 days of employment must answer questions about their health before being eligible to apply for a policy.

H. Workers' Compensation Insurance

Workers' Compensation Insurance provides for the payment of medical expenses and compensation to an employee who suffers the effects of an injury or who incurs an occupational disease arising out of and in the course of employment with the University. Compensability under Workers' Compensation is prescribed by State statutes and not by the University. Employees injured in a work-related accident should contact the Office of Human Resources. Additional information regarding the Workers' Compensation policy and procedures is included in this orientation packet.

II. CAFETERIA PLAN

Faculty members may participate in the Missouri State Employees' Cafeteria Plan which provides the option of contributing to certain benefit plans on a before-tax basis. The Plan allows employee contributions for insurance coverage and flexible spending accounts for non-reimbursable health care expenses and child/dependent care expenses to be taken out of each paycheck before taxes are calculated. Under current tax law, any before-tax benefit payments made through the Plan will not be subject to federal income tax, state income tax, or social security taxes. As a result, the taxes withheld from an employee's paycheck are less.

It is important to understand how the Plan works, its restrictions and limitations, before choosing to participate. As an example, participation in the flexible spending accounts requires employees to carefully estimate their allowable expenses for the Plan year. Funds remaining in the account past the filing deadline, April 15th, will be forfeited. Additional

guidelines, the enrollment agreement form for participation, and other important information concerning this plan are included in the benefits packet. Participation in the Plan is voluntary.

III. RETIREMENT

All faculty on full-time, regular appointment are enrolled in the College and University Retirement Plan (CURP). CURP is a non-contributory 401(a) defined contribution retirement plan which uses TIAA-CREF as its third party administrator. The University contributes 7.88% of the participant's salary to CURP each month. CURP provides a retirement program which offers interstate portability, immediate vesting, and no minimum service requirement. Contributions made by the University are self-directed by participants into their selected individual accounts.

After participating in CURP for at least six years, a faculty member may elect to become a member of the Missouri State Employees' Retirement System (MOSERS). MOSERS is a non-contributory defined benefit retirement plan. The requirements for becoming a participant in MOSERS as well as information regarding MOSERS' retirement plan can be obtained from the Office of Human Resources, or by contacting MOSERS' directly at (800) 827-1063, or by accessing the MOSERS' web page at www.mosers.org.

IV. SOCIAL SECURITY (OASDI)

All employees are required to participate in the Federal Social Security Program. Employee contributions are made through payroll deduction with the University contributing an equal portion. For 2009, the employee and the University will each contribute 7.65 percent on earnings up to \$106,800. On earnings over \$106,800 the employee and University will each contribute 1.45 percent.

V. SECTION 403(b) PLAN

Faculty members on full-time regular appointments with the University may participate in a tax-sheltered investment program under Section 403(b) of the Internal Revenue Code. The list of companies approved by the University to offer tax-sheltered investment programs includes insurance companies and mutual fund companies. A list of the approved companies is included with this packet and is also available on the Human Resources Tax Sheltered Investment Program web page at <http://www.missouristate.edu/human/approv.html>. Employees interested in participating in a tax-sheltered investment program must contact an agent from one of the approved companies to discuss the suitability of their program(s). The decision regarding which company, agent, policy provisions, and amount of salary reduction is entirely the employee's. The University **does not match** nor contribute to any tax sheltered investment programs. Employees who decide to participate in a tax sheltered investment program must complete a salary reduction agreement, which must be submitted to the Payroll Office prior to the first of the month for which the salary reduction is to be made.

VI. SECTION 457 PLAN

Faculty members may participate in a 403(b) plan as well as the State of Missouri 457 Deferred Compensation Plan, which is administered by ING. Contributions to a 457 plan are limited by the Internal Revenue Service (IRS) to the lesser of \$15,500 or 100% of gross annual salary. ING is responsible for calculating and monitoring contributions that exceed the General Limit. The rules for exceeding the deferral on the 457 plan differ from a 403(b) plan. Employees must contact the ING office in Jefferson City, Missouri at (800) 392-0925 (Option #2) to speak with our service area representative, Ms. Deborah Taylor. The ING Representative will assist the employee in completing the appropriate forms and will forward the forms to Jefferson City for processing. ING will forward documentation to the University's Payroll Office indicating the amount and the date to start the salary deferral. Additional information is available on the Human Resources web page at <http://www.missouristate.edu/human/approv.html>.

VII. SECTION 529 PLAN

Faculty members may participate in a Section 529 savings program designed to provide a method for faculty members to save for the cost of postsecondary school education. The University participates in the State of Missouri Section 529 Plan, which is called MOST (Missouri Saving for Tuition). The MOST Program allows faculty members to set aside money for qualified higher education expenses such as tuition, fees and the cost of books, supplies and equipment, and with some limitations, the cost of room and board. Eligible educational institutions are accredited, postsecondary educational institutions offering credit towards a bachelor's degree, an associate's degree, a graduate level or professional degree or other recognized postsecondary credential, including certain proprietary institutions and post-secondary vocational schools and certain institutions in foreign countries. Information about the MOST Program can be found online at: <http://www.missouristate.edu/human/MOST.htm>.

VIII. EDUCATIONAL BENEFITS - COURSE ENROLLMENT FEE WAIVERS

A. Credit Course Fees

Faculty members on full-time regular appointments are entitled to have the required student fees for up to twelve (12) credit hours of college courses at Missouri State University paid by the University in an academic year (Fall, Spring, Summer, Intersession). Employees who enroll in more than 12 credit hours in a year must pay the required student fees for all courses over twelve (12) credit hours per year. This benefit is not applicable to out-of-state fees, non-credit courses, book costs, or any special fee pertaining to a specific class or private instruction. Participation in courses must be on non-working time and must not interfere with the employee's normal work responsibilities. Effective Fall 2009 the credit hour benefit will increase to fifteen (15) hours in an academic year.

Faculty members may assign part or all of the 12-hour benefit to a spouse and/or eligible dependents. For purpose of assigning this benefit to an eligible dependent child, such a child is defined as an employee's son, stepson, daughter, stepdaughter. The child must be a dependent of the employee and must not have attained the age of

24 years. A child of divorced or separated parents is treated as a dependent of both parents where (1) the parents are divorced, legally separated, or separated under a written separation agreement; and (2) the child receives over half of his/her support from his/her parents. To receive this educational benefit, the individual must have been admitted to Missouri State University or qualify for the high school senior early admission program and meet all academic requirements stipulated in the *Missouri State University Catalog*.

To apply for this benefit, an employee must submit to the Office of Human Resources a completed ***Request for Credit Course Fee Waiver*** which is available on the web at <http://www.missouristate.edu/human/education.htm>.

B. Noncredit Course Fees

Faculty members on full-time regular appointments may receive assistance with course fees to enroll in noncredit courses offered by one of the following Missouri State University departments:

- The Extended Campus
- Management Development Institute in the Center for Business and Economic Development.
- Small Business Development Center in the Center for Business and Economic Development
- Campus Recreation Fitness and Wellness Program
- Faculty Center for Teaching and Learning sponsored courses and seminars
- Human Resources Training and Development sponsored courses and seminars

The University will pay up to \$150 per employee, per fiscal year (July 1 through June 30). The fee benefit will be for course fees only and will not be applicable to special book fees, lab fees, or other special fees other than the course fees. The course enrollment must be on non-work time and must not interfere with the employee's normal work responsibilities. Noncredit course fee assistance is for the employee only and cannot be used by members of the employee's family.

To receive the enrollment benefit, the employee must register for the class through the offering department and submit to the Office of Human Resources a completed ***Noncredit Courses Request for Assistance*** form which is available on the web at <http://www.missouristate.edu/human/education.htm>.

IX. PAY PROCEDURE - DIRECT DEPOSIT AVAILABLE

Pay is issued on the last banking day of the month for work performed that month. Employees will have their pay deposited directly to a financial institution of their choice. A direct deposit of payroll authorized form must be completed and submitted to the Payroll Office by the end of the month in order to take effect the following month. A list of questions and answers regarding direct deposit is included in the orientation packet. The following salary payment schedule is summarized according to type of appointment.

Nine-month, Academic Year Appointment

Salary is payable in twelve payments beginning the last banking day of August through the last banking day of the following July.

One Semester (Fall Semester) Appointments

Salary is payable in four payments beginning the last banking day of September through the last banking day of December.

One Semester (Spring Semester) Appointments

Salary is payable in four payments beginning the last banking day of February through the last banking day of May.

One Semester (Spring Semester) Appointments – If Expected to be Reappointed for the Following School Year.

Salary is payable in seven equal payments beginning on the last banking day of January through the last banking day of July.

X. MISSOURI STATE UNIVERSITY IDENTIFICATION CARD (ZipCard)

Every employee on full-time regular appointment is issued a picture identification card. Employees may use their ZipCard for use of the Library, Bookstore, University's Taylor Health & Wellness Center, recreational facilities, check cashing, a long distance calling card and other benefits. The ZipCard can also be used as a debit card for purchases from vending machines on campus. Information will be provided during orientation as to the time and place that ZipCard pictures will be taken.

XI. PERSONNEL FILES

The Office of Human Resources maintains the personnel files for all employees. We hope employees make every effort to supply all of the information that was requested during the employment process. Please contact the Office of Human Resources to report changes or to provide appropriate updates. Listed below are some of the changes that should be reported.

<u>Nature of Change</u>	<u>Records That Need To Be Changed</u>
Name, Address, Marital Status, Dependents for Tax Withholding	Personnel Files, W-4, Retirement System Record, Insurance Records, Cafeteria Plan
Attainment of Additional Degree (furnish transcript)	Department Records, Personnel File
Home Telephone, Spouse's Name, Campus Address	Personnel File
Change in Life Insurance Beneficiary Information	Life Insurance Records

XII. OTHER UNIVERSITY FACILITIES AND SERVICES

- A. ATM's
- B. Athletic Events
- C. Bookstore Discounts (10 percent)
- D. Campus Communications
- E. Campus Recreation
- F. Check Cashing (Bursar's Office)
- G. Copy This
- H. Counseling & Testing Services
- I. Credit Union
- J. Deferred Payment
- K. Designated Performing Arts Activities (Juanita K. Hall for Performing Arts, Coger Theater, Ellis Recital Hall, Ozarks Celebration)
- L. Food Service
- M. Library
- N. Missouri State University Child Development Center
- O. Notary Public (Financial Services, Admissions, Student Affairs, Purchasing)
- P. Physical Therapy Clinic
- Q. Plaster Student Union Facilities
- R. Postal Services
- S. Recreational Facilities (tennis courts, gymnasium, Hammons Student Center, Plaster Sports Complex)
- T. Safety & Transportation
- U. Savings Bond Purchase Through Payroll Deduction (Payroll Office)
- V. Shuttle Bus Service
- W. Spouse Zip Card
- X. Taylor Health & Wellness Center (On Campus Clinic and Pharmacy)
- Y. University Sponsored Events