

FACULTY BENEFIT SUMMARY

This summary highlights the Pennsylvania State System of Higher Education Health Program, Health and Welfare Fund, Annuitant Health Care Program, and leave entitlements for State System faculty members covered by the Association of Pennsylvania State College and University Faculties (APSCUF) collective bargaining agreement. The benefits described are available to most faculty; however, certain eligibility requirements must be met.

This summary is provided for general purposes only. Legal Plan Documents will govern any discrepancies that may arise. For additional information concerning these benefits, contact your human resource office. Questions on health and welfare fund benefits should be addressed to the Faculty Health and Welfare Fund. Benefits, benefit levels, and eligibility rules are subject to change.

Basic Health Care and Health and Welfare Fund Benefits

Coverage

Faculty members who reside in a Health Maintenance Organization (HMO) service area may choose between Preferred Provider Organization (PPO) or HMO Plan coverage and are entitled to Health and Welfare Benefits regardless of selection of basic health care plan.

Indemnity Plan

**(EFFECTIVE 7/1/07, CLOSED TO NEW ENROLLMENTS –
AVAILABLE ONLY FOR EMPLOYEES CURRENTLY ENROLLED IN THE PLAN)**

Highmark Blue Shield facility and provider charges are paid at 100% of the usual, customary and reasonable charges. Participating providers must accept payment as payment in full. Non-participating providers may balance bill.

ClassicBlue Inpatient Facility Services

- 365 days
- Semi-private room
- 60 days/12-month period for mental and nervous disorders
- Substance abuse rehabilitation (30 days/year)

ClassicBlue Outpatient Facility Services

- Emergency accident and medical
- Surgery
- Diagnostic studies
- Home care (60 visits/90 day period)
- Mental illness
- Substance abuse rehabilitation (30 visits/year)

ClassicBlue Medical/Surgical Services

- Surgery
- Diagnostic testing
- Treatment of mental illness (up to \$25/visit)
- Limited preventive services and immunizations

ClassicBlueMajor Medical

- \$500 individual/\$1,500 family deductible annually
- 80% employer coinsurance on first \$2,000, 100% thereafter up to \$1,075,000 lifetime maximum for general medical and mental expenses
- \$50 outpatient mental visit allowance payable at 50% (\$25)

Preferred Provider Organization (PPO) Plan

Most covered services paid in full if care provided by in-network provider with no annual deductible or co-insurance; care not provided by in-network provider is paid at 80% after a \$250 individual/\$500 family annual deductible.

Inpatient Facility Services

- 365 days
- 30 days per calendar year for mental and nervous disorders
- 30 days per calendar year for substance abuse rehabilitation

Outpatient Facility Services

- Emergency accident and medical (\$50 co-payment unless admitted)
- Home health care (60 visits/year)
- Mental health or substance abuse rehabilitation (\$15 co-payment – 60 visits per calendar year)

Medical/Surgical Services

- Diagnostic studies
- Surgery
- Treatment of mental illness (\$15 co-payment)
- Office visits (\$15 co-payment)

Preventive Services and Immunizations

- Well-baby care, including testing and childhood immunizations
- Adult routine physical examination, including testing
- Specific vaccinations

Health Maintenance Organization (HMO) Plan

Most covered services paid in full if care is coordinated by primary care physician; care not coordinated by primary care physician is not covered.

- Inpatient facility services
- Outpatient facility services
- Medical/surgical services
- Preventive services and immunizations
- Office visits
- Copayments for certain services may vary
- Benefits may vary by HMO

Prescription Drug Plan

- No deductible
- Retail dispensing up to a 30-day supply
 - \$0 for generic drugs
 - \$15 for brand name formulary
 - \$30 for brand name non-formulary
- Mail service pharmacy dispensing up to a 90-day supply at twice the retail co-payment (\$0, \$30, or \$60)
- If brand drug that has a generic equivalent is dispensed, employee responsible for brand drug co-payment plus difference in cost between generic and brand drug unless physician requests brand drug be dispensed (“No Substitution”)

Health and Welfare Fund Benefits Program

- Dental Plan
- Vision Plan
- Hearing Aid Plan
- Wellness Examination Plan
- Mammography Examination Plan
- Educational Leave Health Benefits Continuation Plan

Eligibility/Contribution for Active Employees

Indemnity Plan/PPO Plan/HMO Plan (Includes Prescription Drug Plan)

- Permanent full-time employees contribute a percentage of premiums (see chart below) for medical and prescription plan on a pre-tax basis
- Effective July 1, 2008, faculty members who are enrolled in the Indemnity or PPO Plans will be required to participate in the Health Care Management Program (Wellness Program) to receive a reduced premium contribution for January 1, 2009 (see chart below.) Failure to participate and/or complete the requirements of the Wellness Program on a timely basis will result in premium contributions at the higher level.
- Faculty members enrolled in an HMO are not required to participate in the Wellness Program to receive the reduction of premium contribution.
- Contributions will be based on selected plan and contract size (single, two-party or family)

Effective Date	Full-Time Employees Percent of Premium Contribution	
	Non-participant in Wellness Program	Participant in Wellness Program
July 1, 2007	10%	10%
January 1, 2009	15%	10%
July 1, 2009	20%	10%
July 1, 2010	25%	15%

- Wellness Program participation requirements will be provided by July 1, 2008 or upon health plan enrollment for an effective date of January 1, 2009.

- Permanent part-time employees who work at least 50% time, contribute a percentage of premium (see chart below) for medical and prescription plan on a pre-tax basis
- Part-time employees are not eligible for the HMO Plan
- Effective July 1, 2008, faculty members who are enrolled in the Indemnity or PPO Plans will be required to participate in the Health Care Management Program (Wellness Program) to receive a reduced premium contribution for January 1, 2009 (see chart below.) Failure to participate and/or complete the requirements of the Wellness Program on a timely basis will result in premium contributions at the higher level.
- Contributions will be based on selected plan and contract size (single, two-party or family)

Effective Date	Part-Time Employees Percent of Premium Contribution	
	Non-participant in Wellness Program	Participant in Wellness Program
July 1, 2007	55%	55%
January 1, 2009	57.5%	55%
July 1, 2009	60%	55%
July 1, 2010	62.5%	57.5%

- Wellness Program participation requirements will be provided by July 1, 2008 or upon health plan enrollment for an effective date of January 1, 2009.
- Full-time and part-time employees in the Indemnity Plan contribute as outlined above plus any increase in annual premiums over 12%

Health and Welfare Fund Benefits Program

- 100% paid for full-time faculty members and their dependents
- Faculty members working at least 25% time should contact the Health and Welfare Fund for eligibility and benefits coverage

Annuitant Health Care Program

- For annuitants retired on or after 1/1/08 and prior to 7/1/08
 - Annuitants under age 65 – choice of ClassicBlue/Major Medical coverage (if enrolled at time of retirement) (\$500 deductible) with prescription drug card; PPO coverage with prescription drug card; or HMO coverage with prescription drug card
 - Annuitant pays same dollar amount as he/she paid as an active employee until he/she reaches age 65 – if annuitant, subsequent to retirement, changes plans or adds or deletes dependents, the dollar amount of contribution will change to conform to the dollar amount of contribution for the most comparable plan and size of contract that was in effect on the date the annuitant retired
 - Annuitants age 65 and over - Signature-65 and Major Medical coverage (\$500 deductible) to supplement Medicare Part A and B and prescription drug discount card
 - Annuitant pays same flat percentage amount of Signature-65 premiums paid by active employees who are enrolled in the PPO Plan

- For annuitants retired on or after 7/1/08 and prior to 6/30/09
 - Annuitants under age 65 – choice of ClassicBlue/Major Medical coverage (if enrolled at time of retirement) (\$500 deductible) with prescription drug card; PPO coverage with prescription drug card; or HMO coverage with prescription drug card
 - Annuitant pays same percentage (applied to cost of plan in effect at retirement) as he/she paid as an active employee until he/she reaches age 65 – if annuitant, subsequent to retirement, changes plans or adds or deletes dependents, the dollar amount of contribution will change to conform to the dollar amount of contribution for the most comparable plan and size of contract that was in effect on the date the annuitant retired.
 - Annuitants age 65 and over – Signature-65 and Major Medical coverage (\$500 deductible) to supplement Medicare Part A and B and prescription drug discount card
 - Annuitant pays same percentage amount (applied to cost of plan in effect at retirement) paid by active employees for the same type of contract and choice of plan
- For annuitants retired 7/1/09 and after
 - Annuitants under age 65 –choice of PPO coverage with prescription drug card, or HMO coverage with prescription drug card
 - Annuitant pays same percentage (applied to cost of plan in effect at retirement) as he/she paid as an active employee until he/she reaches age 65 – if annuitant, subsequent to retirement, changes plans or adds or deletes dependents, the dollar amount of contribution will change to conform to the dollar amount of contribution for the most comparable plan and size of contract that was in effect on the date the annuitant retired.
 - Annuitants age 65 and over – Signature-65 and Major Medical coverage (\$500 deductible) to supplement Medicare Part A and B and prescription drug discount card
 - Annuitant pays same percentage amount (applied to cost of plan in effect at retirement) paid by active employees for the same type of contract and choice of plan
- Annuitant benefits continue to include coverage for dependents
- The Wellness Program and non-participant contribution increases do not apply to annuitants
- State System pays \$5 toward cost of coverage for annuitants not qualifying under eligibility requirements listed below

Eligibility

- For employees hired prior to the Fall Semester 1997, when covered employees retire
 - at age 60 with at least 10 years of credited service (may include purchased service)
 - at any age with at least 25 years of credited service (may include purchased service)
 - on approved disability with at least 5 years of credited service (may include purchased service)
- For employees hired after the Fall Semester 1997 to June 30, 2004, when covered employees retire
 - at age 60 with at least 15 years of Commonwealth/State System service only
 - at any age with at least 25 years of Commonwealth/State System service only
 - on approved disability with at least 5 years of Commonwealth/State System service only

- For employees hired on or after July 1, 2004, when covered employees retire
 - at age 60 with at least 20 years of Commonwealth/State System service only
 - at any age with at least 25 years of Commonwealth/State System service only
 - on approved disability with at least 5 years of Commonwealth/State System service only

Flexible Spending Accounts

Reduces the amount of taxes paid by designating a portion of salary to an account for eventual reimbursement of certain medical and dependent care expenses. Account balances not used are forfeited.

Medical Reimbursement Account

- Maximum annual contribution is \$3,500
- Eligible expenses for reimbursement include Major Medical deductibles and amounts in excess of plan allowances or maximums, prescription drug co-payments, PPO, and HMO doctor office visit charges, lasik eye surgery, chiropractic services, most over-the-counter medications and supplies, etc.

Dependent Care Reimbursement

- Maximum annual contribution is \$5,000 (\$2,500 if you are married and filing a separate income tax return)
- Dependent care must be necessary so that you, and if you are married, your spouse can work or look for work
- Eligible expenses for reimbursement include child care centers that care for six or more children and that meet the IRS definition of a qualified day care center, caregivers for a disabled spouse or dependent who lives with you, babysitters, nursery schools, household expenses provided that a portion of these expenses are incurred to ensure a dependent's well-being and protection

Eligibility/Contribution

- Permanent full-time faculty members and temporary full-time faculty members who are employed for one academic year and their dependents
- Permanent part-time faculty members and dependents, if faculty member works at least 50% time
- 100% employee-paid

Premium Conversion Plan

Allows employees to pay health care contributions on pre-tax basis, resulting in higher take-home pay

Eligibility/Contribution

- All employees enrolled in a health care plan and contributing toward the cost of that plan

Group Life Insurance

Coverage

- Term life insurance equal to nearest \$1,000 of annual salary
- Minimum coverage \$2,500; maximum coverage \$50,000
- \$20,000 additional work-related accidental death
- Three-month waiting period
- Right to convert upon termination/retirement

Eligibility/Contribution

- State System pays 100% for permanent faculty members
- Dependents ineligible

Voluntary Group Life and Personal Accident Insurance

Coverage

- Employee term life and personal accident insurance in increments of \$10,000; maximum coverage \$500,000
- Spouse term life and personal accident insurance in increments of \$10,000; maximum coverage \$100,000
- Children term life and personal accident insurance in amounts of \$5,000 or \$10,000

Eligibility/Contribution

- Permanent full-time faculty members and temporary full-time faculty members who are employed for one academic year and their dependents
- Permanent part-time faculty members and dependents, if faculty member works at least 50% time
- 100% employee-paid

Voluntary Long-Term Disability Insurance

Coverage

- Income protection equal up to 60% of gross annual base salary
- Amount offset by retirement benefits, workers' compensation, social security, and paid leave with a guarantee of 10% of long-term disability benefit amount or \$100/month, whichever is greater
- Employee may elect either a 90-day or 180-day elimination period
- Cost of living adjustments

Eligibility/Contribution

- Permanent full-time faculty members and temporary full-time faculty members who are employed for one academic year
- Permanent part-time faculty members working at least 50% time
- 100% employee-paid

Annual, Sick, and Personal Leaves

Annual Leave

- 12-month administrative faculty members earn leave based on service as follows:

Less than 12 months of service	10 days/yr.
12 months to 180 months of service	15 days/yr.
181 months to 299 months of service	20 days/yr.
300 months of service or more	25 days/yr.

- Unused leave may be carried from one year to the next
- 45 days maximum accumulation
- Payment for unused leave at termination/retirement
- 9-month faculty members ineligible for leave

Sick Leave (Includes Bereavement and Sick Family Leave)

- Permanent faculty members accrue 15 days leave for each academic year of service
- Permanent part-time faculty members accrue leave on a pro-rated basis
- Temporary faculty members appointed full-time for one academic year accrue and may use 15 days leave during the academic year
- Temporary faculty members appointed full-time for one academic semester accrue and may use 7.5 days leave during the semester
- Temporary part-time faculty members accrue one day of leave per semester
- Use limited to 90 days per calendar year
- Unused leave may be carried from one year to the next
- Unlimited accumulation
- Faculty members may be absent for up to 3 days for death of immediate family and no leave will be charged; faculty members may use up to an additional 2 days of sick leave for this purpose
- 5 days of leave may be used for sickness in immediate family
- Faculty members with 315 accumulated sick days must contribute 1 day annually to sick leave bank
- Payment in accordance with the following schedule for accumulated leave at retirement or death if certain eligibility is met:

<u>Days Accumulated</u>	<u>Maximum Days Paid</u>
10 – 74	10
75 – 149	20
150 – 224	30
225 – 299	40
300 and over	50

- Maximum 50 days of leave paid to survivor for work-related death

Personal Leave

- 12-month faculty members earn 5 days per calendar year
- 9-month faculty members earn 2 days per calendar year
- No carry-over from previous year
- Payment for unused accrued leave at termination/retirement

Holidays

- 12-month administrative faculty earn 10 paid holidays per year
- Observation of holidays may vary by university

Retirement

- Choice of:
 - State Employees' Retirement System (SERS)
 - 6.25% employee contribution to SERS
 - Public School Employees' Retirement System (PSERS)
 - 7.5% employee contribution to PSERS
 - Alternative Retirement Plan (ARP)
 - 5.0% employee contribution to ARP
 - Participating ARP companies
 - AIG VALIC
 - ING
 - Met-Life
 - TIAA-CREF
 - Employee may participate in one or more of the ARP companies at one time
- Employer contribution and benefits vary by plan (view the **Retirement Comparison Chart** by visiting the State System's website at www.passhe.edu keywords "Benefits, "Retirement Plans")
- Selection of retirement plan must be made within 30 days of date of hire; if no choice is made, employee will automatically default to SERS

Other Benefits

- Civil Leave With Pay
- Educational Leave With or Without Pay
- Family Care Leave Without Pay
- Military Leave With or Without Pay
- Parental Leave Without Pay
- Sabbatical Leave With Pay
- Work-Related Disability Leave
- Deferred Compensation/Tax Deferral of Leave Payouts
- Direct Deposit of Pay
- PA State Employees Credit Union (1-800-435-6500)
- Savings Bonds Through Payroll Deduction
- State Employee Assistance Program (1-800-692-7459)
- Social Security
- Tax-Sheltered Annuities
- Tuition Waiver
 - Employee (total waiver at any State System university)

- Spouse/Same-sex Domestic Partner (total waiver at university where employed to first undergraduate degree)
- Children including children of Same-sex Domestic Partner (total waiver at university where employed to first undergraduate degree or until they reach age 25; 50% waiver at State System universities other than university where faculty member is employed)
- The above provisions may be altered if the tuition waiver policy of individual university is greater than those listed
- Unemployment Compensation
- Workers' Compensation

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