

Overview of Benefits for Merit Supervisory

The following is a brief description of our complete benefit package. The type of appointment, percentage of time worked, and length of appointment determine the benefits for which each employee is eligible. See program booklets for specific details of coverage.

Health Insurance

Eligible employees may choose between two optional health insurance programs. The UNI Health Plan is an indemnity program which is administered by Wellmark Blue Cross/Blue Shield of Iowa. Insured individuals may access any licensed provider. If the selected provider "participates" in Wellmark that provider has agreed to file claims directly with Wellmark and has also agreed to accept payment from Wellmark and the employee is liable for only the deductible and co-insurance. UNI Blue Advantage is a HMO which requires the designation of a Primary Care Physician (PCP) who is part of the Blue Advantage network.

UNI Health Plan

Inpatient Coverage:

Wellmark pays 90% of all covered hospital-related services after a deductible of the first two days of the semi-private room charges in a hospital or skilled nursing facility.

Outpatient Coverage:

Wellmark pays 90% of Usual, Customary and Reasonable (URC) services with no deductible for:

- Routine annual physical (one per year)
- Office calls to treat or diagnose
- Surgery
- Diagnostic x-ray and lab services
- Second opinion (as outpatient)
- Allergy testing and treatment
- Immunizations
- Emergency care
- Accident care, fracture, dislocations, lacerations, burn

Maternity Coverage:

Wellmark pays 90% of UCR services for obstetrical care and delivery after satisfying the inpatient deductible.

Nervous/Mental, Drug/Alcohol Abuse Services:

Outpatient treatment is paid at 90%. Inpatient services are paid at 90% of UCR. Inpatient coverage includes room and board and physician care.

Other Covered Services:

Wellmark pays 90% after employee satisfies a \$100 deductible, for:

- Prescription drugs, dressings and insulin
- Blood, blood plasma, blood serum
- Physical therapy
- Ambulance service
- Medical equipment rental and oxygen
- Care by RN (private duty)
- Home health care
- Artificial body parts and braces to correct a physical condition

Out of Pocket Maximum:

After employee has paid \$500 per contract per calendar year for covered charges, Wellmark pays covered charges for the remainder of the year at 100%.

Premium Cost:

Single Plan: UNI pays full cost

Family Plan: Employee pays a portion of the premium.

UNI Blue Advantage

Inpatient Coverage:

Blue Advantage pays 90% of UCR services.

Outpatient Coverage

- Preventative care generally covered at 100%
- Office visits covered at 100% after \$10 copayment.
- Routine eye exams covered at 100% after \$10 copayment, must use network provider.
- Chiropractic care: 100% coverage after \$10 copayment, limit of twelve visits per person per year, must use network
- Allergy testing and shots (\$10 copayment) Blue Advantage pays 90% of serum costs.

Maternity Coverage:

Blue Advantage covers pre- and postnatal care and physician services in full; inpatient hospital care paid at 90%.

Nervous/Mental, Drug/Alcohol Abuse Services:

Requires pretreatment review. Outpatient treatment is paid at 100% after \$10 copayment. Inpatient services are paid at 90%.

Prescriptions:

\$5 copayment for generic prescriptions; \$10 copayment for others.

Other Covered Services:

Wellmark pays 90% for the following:

- Ambulance
- Blood Transfusions
- Home Health
- Prosthetics
- Home Infusion Therapy
- Medical Equipment Rental
- Oxygen and Equipment
- Skilled Nursing
- Physical Therapy

Out of Pocket Maximum:

After employee has paid \$500 for covered services (single plan) or \$1,000 (family plan) in a calendar year, Blue Advantage pays 100% of charges after copayment amount. Copayments do not apply toward the out of pocket maximum and will continue for the entire year.

Maximum Lifetime Benefits:

\$2 million per person

Premium Cost:

Single Plan: UNI pays full cost

Family Plan: Employee pays a portion of the premium.

Dental Insurance

Participation is optional for eligible employees. The plan is administered by Delta Dental of Iowa.

Preventive Maintenance Care:

Delta Dental pays 100% up to a maximum annual benefit.

Routine Restorative Care and Surgical Care:

Delta Dental pays 50% up to a maximum annual benefit.

Major Restorative Care and Dental Prostheses:

Delta Dental pays 50% after \$50 deductible up to a maximum annual benefit.

Maximum Annual Benefit:

\$600 per person per calendar year for Preventive Maintenance Care, Routine Restorative Care and Surgical Care and Major Restorative Care and Dental Prostheses combined.

Orthodontic Care:

Delta Dental pays 50% after a \$100 deductible to a maximum annual benefit of \$500 per member. Orthodontic care is available only to dependent children up to age 19.

Premium Cost:

Single Plan: UNI pays full cost

Family Plan: Employee pays a portion of the premium.

Life/Accidental Death & Dismemberment Insurance

Life Insurance:

Full premium cost is paid by UNI. Coverage is 2 ½ time the employee's annual budgeted salary up to a maximum benefit of \$250,000 for staff members under 65 years of age. Benefit reduces by 35% at age 65.

Accidental Death and Dismemberment (AD&D) Insurance:

UNI pays the full premium cost. The employee's beneficiary will be paid an amount equal to 2 ½ times the annual budgeted salary up to a maximum benefit of \$250,000 in the event of accidental death. The employee will be paid for loss of limbs or eyesight as the result of injury due to accident. Benefit reduces by 35% at age 65.

Long-Term Disability Insurance/Retirement Protection Insurance

Long Term Disability Insurance:

Provides salary replacement if an employee is totally disabled. Coverage begins after one year of service. Coverage is increased for every year of service to a maximum of 70% of monthly compensation up to a maximum monthly benefit of \$5,833. See schedule of coverage below. Participation is automatic for eligible faculty and UNI pays the full premium. Benefits begin the later of a 90 working day waiting period or expiration of all accrued sick leave.

| | |
|---------------------------|--|
| After 1st year of service | Benefit equals 30% of monthly compensation |
| After 2nd year of service | Benefit equals 40% of monthly compensation |
| After 3rd year of service | Benefit equals 50% of monthly compensation |
| After 4th year of service | Benefit equals 60% of monthly compensation |
| After 5th year of service | Benefit equals 70% of monthly compensation |

Supplemental Long Term Disability Coverage:

Eligible employees may apply for immediate Long Term Disability coverage. Application must be approved by the carrier before coverage can begin. Employee pays the full premium through payroll deduction. Supplemental coverage is reduced each year as the UNI provided coverage increases.

Retirement Protection Insurance Plan:

This plan continues TIAA/CREF contributions for faculty who qualify for disability benefits and who are enrolled in TIAA/CREF. Coverage is automatic and the premium cost is paid in full by UNI.

Retirement Programs

The State of Iowa requires all state employees to participate in an approved retirement program. The only exceptions are foreign nationals who are in the United States as exchange scholars, trainees, professors, teachers, research assistants and specialist. If an employee does not choose a retirement program he or she will default to IPERS participation. Participation election, either by election or by default, is irrevocable or cannot be changed at any time during an employee's employment with University of Northern Iowa.

Iowa Public Employees Retirement System (IPERS):

A defined benefit program administered by the State of Iowa. UNI contributes 6.65% of paid salary. Employee contributes 4.30% of paid salary. Effective July 2010, UNI will contribute 6.95% and employees will contribute 4.50% of paid salary.

Teachers Insurance and Annuity Association:

College Retirement Equities Fund (TIAA/CREF) defined contribution program administered by TIAA/CREF. Employee may allocate monthly contributions between a number of different accounts. UNI contributes 6 2/3% of the first \$4,800 of earnings; 10% of all earnings over \$4,800. Employee contributes 3 1/3% of the first \$4,800 of earnings; 5% of all earnings over \$4,800. Contributions increase to 10% for UNI, 5% for employees, following five years of participation.

Tax Sheltered Annuity:

Employees may set aside additional tax sheltered contributions to a TIAA/CREF Supplemental Retirement Annuity or to a number of other approved Tax Sheltered Annuities subject to IRS guidelines for maximum exclusion amounts. UNI does not contribute matching funds.

Pre-Tax Premium Plan

Allows employees to elect to pay family health and/or dental insurance premiums with pre-tax dollars. Premium is deducted before federal and state income tax, FICA and Medicare taxes are calculated.

Example: An employee with family health and dental coverage pays \$289 (\$244 plus \$45) per month or \$3,468 per year. If the combined federal and state tax withholding is 28% and FICA and Medicare withholding is 7.65%, the total savings is 35.65% of \$3,468 or \$1,236.34 per year.

Participation in Pre-tax Premium Plan limits the changes that can be made to medical and dental plans during the plan year and may slightly reduce Social Security benefits but the benefits of participation generally outweigh the disadvantages.

Pre-Tax Spending Accounts

Employees may elect to make pre-tax contributions to a Spending Account to be reimbursed for Dependent Care expenses and/or Non-Covered Medical and Dental expenses. To be eligible for reimbursement, expenses must be incurred by December 31 of the plan year for the Dependent Care Account or by the March 15 following the end of the calendar year for the Medical/Dental Account. Reimbursement requests must be received by March 31 following the end of the plan year. Funds not used will be forfeited. Contribution elections may not be changed during the calendar year unless there is an approved family status change. New employees electing to participate in a spending account enroll from date of eligibility until December 31 only for the initial year of participation.

Example: An employee elects to contribute \$50 per month to the Medical/Dental Spending Account and \$400 per month to the Dependent Care Spending Account. If the combined federal and state tax withholding is 28% and FICA and Medicare withholding is 7.65%, the total tax savings on the \$450.00 per month contribution is \$160.42 or \$1,925.04 per year.

Dependent Care Account:

This account is used to reimburse dependent care expenses incurred by employees. The maximum contribution is \$5,000 per year per family or the salary of the lower paid spouse, whichever is lower. Spouses who are full time students have an assumed income of \$200 per month. The minimum contribution is \$20 per month. Eligible expenses are limited to those allowed by the IRS for the Dependent Care Tax Credit. Every dollar contributed to a Dependent Care Account reduces the allowable tax credit (on the tax return) by a dollar. Generally if family income is \$30,000 or more the Dependent Care Account is more advantageous than the tax credit. Expenses are reimbursed as funds accrue in the account.

Medical/Dental Account:

This account is used to reimburse medical and dental expenses that are not covered by medical or dental insurance plans. Expenses are limited to those allowed as deductions by the IRS. Some examples are; deductibles, copayments, co-insurance amounts, and expenses not covered such as eyeglasses. The IRS publishes a separate listing of deductible expenses. The maximum contribution is \$5,000 per year. The minimum contribution is \$20 per month. Expenses are reimbursed when they are incurred up to the annual contribution level.

Long-Term Care Insurance

UNI has contracted with John Hancock Insurance Company to provide Long Term Care Insurance to UNI employees and retirees. Long Term Care Insurance covers the cost of long term care either at home or in a facility. These are costs that are generally not covered by Health Insurance Plans. Participation is optional and the employee pays the entire cost of the premium. You will have 30 days in which to enroll without answering health questions and receive automatic enrollment. After the 30 days, you will be required to complete a health questionnaire and participation will be subject to the approval of the company. Spouses, domestic partners, parents, parents-in-law, grandparents, grandparents-in-law, siblings and children of UNI employees may also apply for coverage. Premium rates vary with the age of the applicant and the coverage options chosen. Enrollment packets are available in the Human Resources Services office or by calling John Hancock Company at 1-888-383-2700.

Social Security and Medicare

Participation is mandatory for all employees. The employee and UNI each make a contribution. Social Security contribution is 6.20% of all earnings up to a maximum defined each year by Social Security. Medicare contribution is 1.45% of all earnings.

Iowa Workers' Compensation

Pays medical bills and salary replacement for employees injured on the job or who suffer from job related illnesses. The program is administered by Sedgwick CMS of Des Moines, Iowa.

Sick Leave

Full time employees accrue sick leave at 12 hours (1 ½ days) per month. Employees who are employed for 20 or more hours but less than 40 hours per week for at least an academic year accrue sick leave on a pro rata basis. Employees hired on a temporary appointment do not accrue sick leave. Sick leave may be used for the employee's illness. Other uses of sick leave with limitations are emergency leave for the care of ill or injured family members, funeral leave, pallbearer leave and adoption leave. Accumulation of sick leave is unlimited.

Once an employee has accumulated a minimum of 240 hours of sick leave, he or she may elect to convert the monthly accrual of 12 hours into 4 hours of vacation. Conversion is done on a monthly basis not on a retrospective basis. Conversion is not allowed any month that an employee uses sick leave or any month in which the balance of accrued sick leave falls below 240 hours. Note: the waiting period for Long Term Disability benefits is 90 working days or 720 hours.

Vacation and Personal Holidays

Eligible employees begin earning vacation on their first day in pay status and receive accruals for all hours in pay status. Employees who are employed for 20 or more hours but less than 40 hours per week on a continuing basis will accrue vacation and personal days on a pro rata basis. Maximum accrual is twice the annual accrual.

Following is the schedule for vacation accrual:

| Years of Service | Monthly Vacation Accrual | Monthly Personal Day Accrual | Monthly Total | Annual Accrual Hours | Annual Accrual Days |
|------------------|--------------------------|------------------------------|---------------|----------------------|---------------------|
| 0 – 4 | 6.67 | 1.33 | 8.00 | 96 Hours | 12 Days |
| 4 – 11 | 10.00 | 1.33 | 11.33 | 136 Hours | 17 Days |
| 11 – 19 | 13.33 | 1.33 | 14.66 | 176 Hours | 22 Days |
| 19 – 24 | 14.67 | 1.33 | 16.00 | 192 Hours | 24 Days |
| 25+ | 16.67 | 1.33 | 18.00 | 216 Hours | 27 Days |

Paid Holidays

- New Year’s Day
- Martin Luther King’s Birthday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Friday After Thanksgiving
- Christmas Day
- 1 additional holiday per year designated by administration

Employee Assistance Program (EAP)

UNI contracts with Allen Hospital in Waterloo to provide these services. This service offers initial assessment/referral and short-term counseling for employees and their immediate family members to address problems affecting personal relationships, health and work performance. For additional information call 235-3550 or 1-800-303-9996 or visit the Human Resource Services’ EAP website at <http://www.vpaf.uni.edu/hrs/eap/index.shtml>.

COBRA

Employees and their dependents that are covered by health and dental plans may be eligible to elect continued coverage for up to 18 or 36 months if there is a qualifying event such as termination of employment, divorce or a child losing eligibility status because of age, marriage or student status.