

Overview of Employee Benefits

Welcome

Welcome to the University of Maine. We are proud of the generous benefits offered by the University of Maine System and the following presentation is designed to give you an overview of our employee benefits program. Your employee benefits along with your salary make up your total compensation and we urge you to give careful attention to the information presented here and available on our web site. You may want to ask your spouse or significant other to join you in reviewing these materials and considering these important personal choices. Please contact Kathleen Bell, Assistant Director for Employee Health and Benefits and Payroll, at (207) 581-2360 or Kathleen.Bell@umit.maine.edu if you need any reasonable accommodation in accessing this information.

Benefits Worksheet/New Employee Orientation

We encourage you to use the Benefits Worksheet to mark your choices and to make notes of any questions you may have. Once you have watched this presentation and completed the worksheet, you will be well prepared to attend the monthly New Employee Orientation program. If your date of hire falls too far from the month's Orientation program, once you have completed your Benefits Worksheet, you may request an appointment with a member of our Benefits staff to complete the paperwork for your benefit choices. Appointments are available in 30 minute blocks. Our insurance carriers require that your signed enrollment packets are submitted to the Benefits Office within 30 days of your hire. If you do not enroll at that time or later wish to make a change in your benefits programs, you may do so during Open Enrollment which typically begins in November. Please remember that while you have the applicable level of coverage beginning with your first day of work, you will not be registered with Anthem or have an insurance card until they have received your completed enrollment materials.

Who is eligible Part 1

Generally, you must be considered to be a 'regular' employee to receive University employee benefits. 'Regular' status means a job offer of seven months or more. Other distinctions include 'full-time', or a work schedule of 40 hours; and part-time, a work schedule of less than 40 hours. An employee's work year, academic, fiscal or other variation, has no impact on their level of benefit coverage. Benefits for our part-time, temporary faculty are based on service and teaching assignments and are not addressed within this presentation.

Who is eligible Part 2

Regular employees who work at least half-time or more are eligible to enroll in the health insurance program. Depending on coverage, full-time employees and part-time employees who work half-time or more and who have the equivalent of 5 years of full-time service pay approximately 12-14% of the health premium. Employees who work half-time or more, are eligible for coverage by paying 50% of the full premium.

Part-time employees who work half-time or more and who have the equivalent of 5 years of full-time service, and full-time employees are eligible for coverage by paying a small portion of the full premium. The remainder of the premiums in all cases is paid by the University.

Health Plans

There are two basic health plans available: Under the Comprehensive plan, you are responsible for a deductible and coinsurance payments. There is an out-of-pocket limit each calendar year and \$1 million in lifetime maximum benefits. Claims are usually filed by the provider. Under the HMO Choice—Point of Service Plan, for services authorized by your Primary Care Physician, you are generally responsible only for a \$20 co-pay. There is no deductible and no calendar year or lifetime maximum. Under the Point of Service plan, you may also choose to self refer to a provider outside the Anthem network. In this case, a deductible and coinsurance payment will apply. Regardless of which plan you choose, most scheduled hospitalizations require a preadmission review or authorization. Anthem's maximum allowance is the most they will pay for a particular service. A list of providers can be found at www.anthem.com.

Prescriptions

The prescription drug coverage is organized into three tiers beginning with a \$10 co-payment for a 30 day supply of a Tier I (generic) drug. Tier 2 (brand preferred drugs) is \$25 for a 30 day supply. Tier 3 (brand, non-preferred drug) is \$40 for a 30 day supply. A 90 day supply at a 60 day co-payment cost is available using the mail order option or through local participating pharmacies.

Retirement

The University's retirement plan is mandatory for full-time hourly paid employees and for full-time salaried employees who are over age 30. Employees are required to contribute a small portion of their salary and the University provides a matching amount. The amounts of these contributions are determined by your bargaining unit and length of service. This is shown on the Personalized Benefit Outline included with your appointment letter. You may also make additional voluntary contributions to a tax-deferred annuity. Many different vendors and programs are available. The names appear on your Benefits Worksheet and at <http://www.umaine.edu/hr/newemployees/benefitsworksheet.pdf>

Life Insurance

Several different term life insurance options are available for full-time employees. The basic life insurance benefit is equal to your annual salary rounded up to the nearest \$1,000. The premium for this coverage is paid by the University. Optional, additional term insurance is available. The premium for this additional coverage is paid by the employee and is dependent on your age and salary. Evidence of insurability is required for coverage four or five times your annual salary or for maximum coverage of above \$300,000. Life insurance for dependent children is available for \$5,000 or \$10,000 per child at very reasonable rates. Again, specific premium information and eligibility information appears in your Worksheet.

Disability Insurance

Disability insurance includes short and long-term disability programs. The premium for long-term disability is paid by the University. This program pays 60% of an your salary, up to a monthly maximum of \$10,000 when you have been unable to work for 26 weeks due to a disability, illness, or injury. The short-term disability program provides up to 60% of your salary up to a weekly maximum of \$1,000 when you have been unable to work for 14 days due to a non-work related illness or injury. The premium level is set by the amount of coverage requested. A pre-existing condition clause applies to both programs.

Dental

Other insurance programs include a Dental plan through CIGNA. The University pays 100% of the premium for the employee. The employee is required to pay the premium for any enrolled dependents. The Accidental Death and Dismemberment (AD&D) Insurance provides protection against death or a life changing injury such as loss of limb, sight or paralysis. The basic level of coverage, paid in full by the University, provides coverage equal to your salary rounded up to nearest \$1,000. In addition, you can purchase additional insurance in \$10,000 increments up to \$350,000, not to exceed 10 times your salary. Both individual and family coverage is available.

Sick and Disability Leave

All regular University employees earn disability, or sick, leave which may be used for those times when you are physically unable to perform your normal duties. Disability leave may also be used for your appointments with health care providers or dental appointments. Other appropriate situations for disability leave are described in your employee handbook/collective bargaining agreement. Accrual rates and carry forward limits are also specified in these documents. When possible, please make sure to alert your supervisor ahead of time. Employees are urged to schedule routine appointments so that they do not unduly disrupt the workday.

Vacation

All regular hourly paid employees earn annual, or vacation, leave. Salaried employees with 9, 10, 11 or 12 month work years also earn vacation. Salaried employees with academic or student calendar year work schedules do not earn vacation. Vacation is to be scheduled with supervisory approval. The applicable employee handbook or collective bargaining agreement includes information about accrual rates, carry forward limits, and the maximum amount of leave that can be paid at termination.

Holidays

The University has designated 12 holidays per year. These holidays are considered as 'family' holidays and the rest as 'non-family' holidays. Holidays that fall on a weekend are observed on a Monday or Friday. An employee is eligible for holiday leave and/or pay benefits depending on their job responsibilities and work schedule or

work year. Again, specific details about eligibility for holidays can be found in the applicable handbook or agreement.

Tuition waiver

The University of Maine offers its regular employees a tuition waiver program for themselves as well as eligible dependents. Full-time employees may receive a waiver for 2 courses, or 8 credit hours, per semester or summer session. Their dependents who are matriculated students receive a waiver of one half the tuition. Part-time employees receive a waiver for 1 course or 4 credit hours per semester or summer session. Their dependents who are matriculated students receive a waiver of one fourth the tuition. Fees associated with the course, such as lab or technology fees, are not waived. Per federal statute the value of a tuition waiver for master's level courses is taxable to the employee. An employee wishing to use the tuition waiver benefit for his or her own courses, must request supervisory approval.

Advantage Account

All employees who work at least half-time may enroll in the Health Care and/or Dependent Day Care Advantage Account. These accounts are also known as Flexible Spending Accounts. The IRS sets the annual minimum and maximum amounts. The annual amount you elect will be deducted from your pay over the course of the year in before tax dollars. As you pay eligible expenses, you can request reimbursement from the amount that is being withheld. Funds paid to you through an Advantage Account are not subject to federal or state income or social security taxes. You may submit calendar year expenses until April 15 of the following year. If you enroll in an Advantage Account, plan carefully, as any money that is not reimbursed to you based on the IRS schedule is forfeited. Advantage accounts must be renewed annually during Open Enrollment.

Conclusion

We hope this information and the suggested resources will be useful to you in making decisions about your University of Maine benefits. Now that you have completed this presentation and prepared your worksheet, please arrange to pick up your benefits enrollment packet. Our Benefits Staff will be happy to assist you in finalizing the enrollment paperwork or answering your questions.