

**CENTRAL MICHIGAN UNIVERSITY
2009-2010 YEAR BENEFIT SUMMARY
FOR POSTDOCTORAL RESEARCH ASSOCIATES APPOINTED FULL-TIME 12-MONTH**

Benefits under CMU Choices, the University's flexible benefit program, are summarized below. Additional information may be obtained by contacting the Benefits and Wellness Office Rowe 108, email us at Benefits@cmich.edu, or phone (989) 774-3661.

Through CMU Choices, postdoctoral research associates (postdoc) who are appointed full time for a minimum of six months are able to participate in five benefit programs: medical/prescription drug insurance, life insurance, dependent life insurance, dental insurance and flexible spending accounts. The University will contribute toward the cost of the medical/prescription drug insurance, dental insurance and life insurance plans. Any dollars not spent on a specific plan will be available to be applied toward the cost of other benefit programs (including flexible spending accounts) or as payment to the individual as earnings. If the cost of the employee's choices exceeds the University contributions, the employee will pay the excess through salary reduction in semi-monthly installments over each of the twenty-four (24) semi-monthly pays of the year.

The plan year for CMU Choices will be July 1 through June 30. New university contribution rates and premium costs are effective July 1, 2009. For new postdoc employees who begin employment on or after July 1, 2009, all benefits are effective as of date of hire. Benefits terminate at date of termination or end of appointment. **You must complete the online benefit enrollment process no later than 30 days from the start date of your employment.** Enroll at http://www.cmich.edu/HR_Home/Benefits_and_Wellness/New_Hire_Benefits.htm. If you fail to enroll by this deadline, you will be automatically enrolled in no health coverage and 1 x life and will be unable to change elections during the plan year unless you have a qualifying status change event. More detailed information about these programs will be available at an enrollment meeting scheduled during Faculty Preparation Week. **University and employee contributions are applied in semi-monthly installments over each of the twenty-four (24) semi-monthly pays of the year.**

Medical Insurance: Postdoc employees are eligible to enroll in one of two medical insurance plans or to elect no coverage. Postdoc employees selecting medical plan coverage will make a choice for both a medical plan and a prescription drug plan. The level of coverage for each plan must be the same. The plans provide coverage for yourself and your qualifying dependents.

There are two different Preferred Provider Organization (PPO) plans available. The PPO 1 and PPO 2 (both are BCBS Community Blue PPO plans) plans utilize an established network of physicians. Out-of-network providers may be used but require higher co-pays and deductibles. For all well care services you must use PPO doctors. Additional information about this plan is available at www.bcbsm.com or visit http://www.cmich.edu/HR_Home/Benefits_and_Wellness/New_Hire_Benefits.htm.

There are two prescription drug plans to choose from. The PD 10/20/30 plan has a 10%, 20%, or 30% co-pay depending on the type of drug purchased with \$0 deductible and a \$25,000 annual plan maximum per person. This plan mandates that generic drugs are used or higher co-pay is charged plus the cost difference between brand and generic. The PD20/50 plan has 20% or 30% co-pay depending on whether or not the prescription is on the preferred Rx list, a \$50 per person and \$150 per family deductible and a \$25,000 annual plan maximum per person. The prescription drug choice must be at the same level of coverage (single, two person, and family) as the medical choice. Prescriptions can be filled on-campus at the University Health Services in Foust Hall. Receive 90 day fills on maintenance medications and free on-campus delivery.

The **2009-2010** monthly premium costs and the university's monthly contributions for the medical plans and the prescription drug plans are listed below.

LEVEL OF COVERAGE			
Hospitalization/Major Medical	<u>Single</u>	<u>Two Person</u>	<u>Family</u>
<u>University Contribution:</u>	\$342.41	\$718.03	\$837.28
<u>Premium Cost:</u>			
PPO1	\$372.18	\$780.46	\$910.08
PPO2	\$350.58	\$737.50	\$867.12
Prescription Drug	<u>Single</u>	<u>Two Person</u>	<u>Family</u>
<u>University Contribution:</u>	\$ 69.43	\$135.24	\$200.16
<u>Premium Cost:</u>			
PD20/50	\$ 76.94	\$149.94	\$224.68
PD10/20/30	\$ 75.46	\$147.00	\$217.56

If you have medical insurance coverage and do not wish to enroll in a University provided medical plan, a payback of \$80.00 per month will be available to cover the cost of other CMU Choices programs or to be paid as earnings to you in semi-monthly installments. Employees selecting "no coverage" will be required to furnish evidence of their medical coverage.

Spouses eligible for coverage from their own employer and any portion of the premium is paid by that employer, then they must elect to take a minimum of self only coverage through their employer if they are going to be covered under CMU's health plan. CMU Choices will serve as a secondary source for working spouses.

Dental Insurance: Eligible to enroll in one of two dental insurance programs which have a plan year of July 1 to June 30. Your dental selection is a two year plan and we are currently in the second year of that plan, which is in effect July 1, 2008 through June 30, 2010. The D100/50/50 plan pays for 100% of Class I Preventative Services (with no deductible), 50% of Class II Basic Services including restorative, endodontic and periodontic services as well as oral surgery and Class III services for bridges, plates and implants after a deductible of \$50 per person up to a family maximum of \$150, with a \$1,000 annual maximum benefit per person per plan year. The D100/75/50/50 plan pays for 100% of Class I Preventative Services and 75% of Class II Basic Services including restorative, endodontic and periodontic services as well as oral surgery, and 50% of Class III services for bridges, plates and implants. There is no deductible with a \$1,500 annual maximum benefit per person per plan year. Class IV orthodontic coverage pays at 50% with a lifetime maximum per child of \$2,000. The orthodontic coverage is for eligible dependents that begin treatment prior to attaining age 19.

The **2009-2010** monthly premium costs and the university's monthly contributions for the dental plans are listed below.

Dental Insurance	<u>Single</u>	<u>Two Person</u>	<u>Family</u>
<u>University Contribution:</u>	\$26.39	\$ 55.46	\$ 65.60
<u>Premium Cost</u>	<u>Single</u>	<u>Two Person</u>	<u>Family</u>
D100/50/50	\$28.68	\$ 60.28	\$ 71.30
D100/75/50/50	\$50.72	\$104.62	\$130.60

If you do not wish to enroll in a dental insurance plan, a payback of \$10/month will be available to cover the costs of other CMU Choices programs or to be paid as earnings to you in semi-monthly installments over the 24 pays for the whole year.

Life Insurance: Postdoc employees are eligible for term life insurance equal to one, one and one-half, two, three or four times one's contracted salary for a minimum of one semester. The University contribution will be \$.165 per month per \$1,000 coverage for one and one-half times the individual's actual salary regardless of what level of coverage is elected. You are required to elect a minimum of one (1) times your base salary. Upon initial employment you can have up to 3 x salary without evidence of insurability. Each coverage option contains an equal amount of additional benefit in the form of Accidental Death and Dismemberment coverage.

Dependent Life Insurance for spouse/OEI and child(ren) may be purchased by the employee through payroll deduction on a post tax basis. Upon initial employment you may purchase up to \$50,000 spousal/OEI life coverage without evidence of insurability. Children's life insurance does not require evidence of insurability. Each coverage option contains an equal amount of additional benefit in the form of Accidental Death and Dismemberment coverage.

Flexible Spending Accounts (FSA): Available are two separate FSA's which allow certain expenses to be paid with pre-tax dollars. The dependent day care FSA affords the opportunity to cover the cost of day care for dependent children (those under age 13) and for eligible elderly or disabled family members. The health care FSA affords the opportunity to cover the cost of IRS eligible health care expenses not covered by medical/prescription drug/dental insurances. The minimum per pay deduction for each of these accounts is \$10. The maximum annual contributions are \$5,000 for dependent day care and \$5,000 for health care. Individuals with only one semester appointments will make their FSA elections based on that semester, not the full benefit plan year. Entire FSA Annual Election will be taken in equal amounts over the one semester's pay period. The operation of these accounts is governed by federal regulations, which will be explained in the enrollment mailing from the Benefits and Wellness Office and at the orientation meeting during Faculty Preparation Week. **All FSA reimbursements are refunded through direct deposit only.**

Note: Each year (in May) is open enrollment for all CMU benefit eligible employees to change their benefits for the next plan year (July 1st – June 30th). Postdoc employees must have an assignment (1/2 time or greater) received by Faculty Personnel Services Office by May 28, 2010 to be eligible to elect a FSA for the next plan year.

OTHER BENEFIT PROGRAMS:

Other Eligible Individual (OEI) benefits: Benefits are available for "other eligible individuals", as designated by university policy found at: <http://www.cmich.edu/x3555.xml>. Employees pay taxes on the full cost of premiums for these benefits. Contact the Benefits & Wellness office for additional information by email: benefits@cmich.edu or phone (989) 774-3661.

Sick Leave: Eligible for an accrual of thirteen days per calendar year, prorated according to percentage of appointment. Up to ten (10) days per year of your sick leave accrual may be used for illness of immediate family members. The maximum accrual is 105 days. Accrual balances are retained until an individual has three (3) consecutive semesters without CMU service.

Retirement Plan: Postdoc employees will be enrolled in a 403(b) University Base Retirement Plan which is a defined contribution plan offering the employee a combination of fixed and variable annuities and mutual funds. The current retirement vendors for the 403(b) Base Retirement Plan are TIAA-CREF or Fidelity Investments. The University will contribute an amount equal to 10% of CMU base salary earnings and will continue to make a retirement contribution for you as long as you continue to be appointed at .25 FTE (half-time) or more for a semester. An exception may apply if you participated in MPERS prior to 1/1/96 through previous employment at one or more of the following universities: Central Michigan, Eastern Michigan, Ferris State, Lake Superior State, Michigan Technological, Northern Michigan, or Western Michigan. If this exception applies to you, please contact the Benefits and Wellness Office. If you previously worked at CMU and were eligible for an irrevocable choice; you must go in the retirement plan that you chose. Employees currently drawing a MPERS pension or a CMU retiree returning to work in a benefit eligible group will be eligible for the 403(b) Base Retirement Plan with a 10% university retirement contribution.

Effective in August 2009, postdoc employees eligible for the 403(b) Base Retirement Plan will be pre-enrolled in TIAA-CREF and the university contribution commences with the date of hire. No employee contribution is required to the University Retirement Plan. The university contribution will be remitted to TIAA-CREF and invested in a life cycle fund which is based on the employee's age. At any time you may change the investment fund option with TIAA-CREF, or you can elect to invest part or all of the university contribution with Fidelity Investments. You are strongly encouraged to discuss your retirement options with a TIAA-CREF and/or Fidelity investments counselor. For additional information, visit <http://www.cmich.edu/x14215.xml>.

Postdoc employees faculty originally hired prior to January 1, 1996 had to make an irrevocable choice between the Michigan Public School Employees Retirement System (MPERS) and the 403(b) Base Retirement Plan. Employees who chose MPERS will remain in the MPERS plan while employed at CMU. For those employees who elected the 403(b) Base Retirement Plan and who have remained in a benefit eligible assignment since January 1, 1996, CMU will contribute 12% of base salary earnings. A postdoc employee with a 12% retirement contribution whose appointment is less than .25 FTE (half-time) for any semester (excluding summer), will not receive university retirement contributions for that semester. If reemployed in a benefit eligible status at a later date, the university contribution will be lowered to a 10% contribution.

Part-time employees enrolled in MPERS who move to a full-time employment status for the first time at CMU must make an irrevocable choice within 90 days to remain in MPERS or to move to the 403(b) Base Retirement Plan. Employees choosing the 403(b) plan will be eligible for a 10% university contribution. Employees who are eligible to make the irrevocable choice must request the paperwork from the Benefit and Wellness Office. If you do not make a choice then you will automatically be left in the MPERS plan and there will be no future opportunity to choose again.

The University participates in the Social Security System.

Supplemental Tax Deferred 403(b) and 457(b) Plans: Postdoc employees in a benefit eligible status are eligible to set aside a portion of salary to increase retirement savings regardless of IRA or other retirement plans they might have. Contributions reduce taxable income and the earnings on the contributions are tax-deferred as well, thus allowing a higher saving rate and faster growing accumulations. Limitations on the amount of contributions and on the withdrawal of funds are set by IRS guidelines. TIAA-CREF and Fidelity Investments are the current vendors for the 403(b) plan and TIAA-CREF for the 457(b) plan. Contributions to the 403(b) plans are tax deferred to various fixed or variable annuities and mutual funds with TIAA-CREF and/or mutual funds with Fidelity Investments. Employees enrolled in either the MPERS or the 403(b) Base Retirement Plans are eligible to participate. Employees may initiate this program at any time during the year, and enrollment becomes effective after the completed forms are filled out and received by Benefit and Wellness Office.

Travel Accident Insurance: Automatically covered under the University plan. Plan provides \$500,000 to the beneficiary for accidental death while traveling on University business.

Parking Permit: You are eligible to purchase a CMU parking permit for a single vehicle. There is no University contribution toward the cost of a permit. Contact the parking bureau through CMU Police for more information at (989)774-3083.

Tuition Remission: Full-time postdoc employees are eligible to receive up to a maximum of twenty-four credit hours per benefit year. Tuition waivers may be used by the employee, spouse/OEI or dependent children at on-campus rates for any CMU course. This remission applies to the hourly tuition rate and does not include registration, special or incidental fees. The employee must be in paid status on the first day of classes to be eligible. Tuition waiver forms are available at http://www.cmich.edu/HR_Home/Benefits_and_Wellness/Tuition_Waiver.htm

Vacation: Postdoc employees hired full-time on a twelve month appointment accrue one and two-thirds days of vacation allowance per month for a maximum of twenty (20) days per year. Maximum accrual is limited to thirty-seven and one-half (37.5) days. Vacations are to be scheduled with your supervisor and vacation time is to be charged for all times when the University is open and you are not performing your regularly assigned duties due to personal reasons. Those who terminate their employment or take a ten-month position will not receive payment for accrued and unused vacation time.

Wellness Program: Postdoc employees have the opportunity to earn up to \$410 for participating in health lifestyle behaviors. See http://www.cmich.edu/HR_Home/Central_Health_Improvement/Wellness.htm for a complete description of the program and learn how to earn the cash incentives.

NOTE: Postdoc employees are not eligible for other employee benefits including long-term and short-term disability, vision insurance or leaves of absence.

This benefits summary is not a contract. The information in this summary is subject to policies, procedures and contracts relating to each benefit plan. These documents are controlling as to the availability and amount of benefit coverage.

REMINDER: All postdoc employees are paid on a semi-monthly payroll cycle. Pay dates will occur twice a month, on the 15th and the last day of the month, or on the last day preceding those dates.