



**The College of St. Scholastica
Staff and Faculty
2009 Benefits Summary**

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This summary of the employee benefit program at The College of St. Scholastica was prepared to give employees a better understanding of the fringe benefits available. It does not contain the entire policy. The statements are not to be considered as binding, but merely a brief description of the policy. If there is a discrepancy between this information and the plan document, the plan document prevails.

HR/Benefits is responsible for administering and updating the benefits program. Employees are responsible for selecting and using their benefits prudently and in the most cost-effective manner. Please call 218-723-5954 or email rwakefie@css.edu with any questions you may have.

MEDICAL PLAN

Medical Plan Administrator:

PreferredOne Administrative Services, 1-800-997-1750, www.preferredone.com

Prescription Plan Administrator:

Express Scripts, 1-888-212-9380, www.express-scripts.com

Employee Eligibility:

- Faculty – working at least 67% time (25 or more hours per week) for nine months or more
- Adjunct Faculty – not eligible
- Regular Staff – working at least 75% time (30 or more hours per week)

Coverage for newly eligible employees will be effective on the first of the month following eligibility date (employment start date). Coverage for employees electing coverage during annual open enrollment will be effective January 1st.

Dependent Eligibility:

- Spouse and unmarried dependent children under 19 years of age
- Unmarried dependent children under 25 years of age if a full-time student

Premium Rates:

| <u>Coverage</u> | <u>Bi-Weekly Employee Cost</u> | <u>Bi-weekly College Cost</u> |
|-----------------|---|-------------------------------|
| Single | \$51.50 | 201.00 |
| Family | \$204.00 | 494.00 |
| Waived Coverage | -\$50.00 bi-weekly (\$100/month paid to the employee) | |

Preferred Provider Network (PPO):

PreferredOne, www.preferredone.com

The College of St. Scholastica utilizes the healthcare practitioners networks managed by the PreferredOne administrators. Services under the College's medical plan may be provided by any licensed physician, nurse, hospital or therapist. However, if an out-of-network provider is used, any services covered under this plan are paid at a reduced rate, increasing the employee responsibility. To find an in-network provider, go to www.preferredone.com.

Medical Benefits:

The College's medical benefits include a College funded Health Care Reimbursement Account (HRA) which provides first dollar coverage in conjunction with the Health Plan.

MEDICAL PLAN (Cont'd)

Summary of Benefits

HRA

| | | | |
|---|------------------|---|---|
| Health Reimbursement Account (HRA) | Single coverage: | \$750 (prorated if not enrolled on January 1st) | To help offset the cost of the deductible to employees, the College provides a Health Reimbursement Account (HRA). Your healthcare expenses are first paid from your (College funded) HRA. Any balance remaining in your HRA account at the end of the year may be rolled forward and added to next year's credit, up to a maximum of the deductible. |
| | Family coverage: | \$1,500 (prorated if not enrolled on January 1st) | |

Summary of Benefits

Health Plan

| | | | |
|------------------------------------|------------------|--|--|
| Deductible | Single coverage: | \$1,500 | The deductible is the amount of eligible, non-routine healthcare expenses that must be paid before the benefits of the Health Plan will apply. (Deductible may include amounts paid by HRA) |
| | Family coverage: | \$3,000 | |
| Health plan Co-insurance | | 90% (in-network) 80% (out-of-network) | After the deductible is satisfied, the plan pays eligible expenses at 90%, and the employee pays at 10% when using an in-network provider, until the out-of-pocket maximum (OOP) is met. If you are using an out-of-network provider, the plan pays at 80% and the employee pays at 20%, until the out-of-pocket maximum (OOP) is met. |
| Out-of-pocket maximum (OOP) | Single coverage: | \$2,250 (in-network) \$4,500 (out-of-network) | After the annual out-of-pocket maximum (OOP) is satisfied, the plan pays 100% of eligible expenses. |
| | Family coverage: | \$4,500 (in-network) \$9,000 (out-of-network) | |

MEDICAL PLAN (Cont'd)

| Services: | In-network | Out-of-network |
|---|-------------------------------|-------------------------------|
| Routine (Preventative) Care: | 100% (Deductible waived) | 80% (After deductible is met) |
| Routine physical exams | | |
| Immunizations | | |
| Routine diagnostic tests, lab & x-rays | | |
| Routine mammograms | | |
| Routine pap test and pelvic exams | | |
| Routine PSA test and prostate exams | | |
| Routine colonoscopy, sigmoidoscopy and similar routine surgical procedures done for preventative reasons | | |
| Routine hearing exams | | |
| Routine eye exams and glaucoma testing | | |
| Well baby care | | |
| Prenatal care | | |
| Non-Routine Care: | 90% (After deductible is met) | 80% (After deductible is met) |
| Physician Office Visit | | |
| Hospital services including physician services while in the hospital | | |
| Ambulance and other medically necessary emergency transportation | | |
| Chiropractic services | | |
| Non-routine colonoscopy | | |
| Home health care | | |
| Hospice care | | |
| Durable medical equipment | | |
| Contraceptive devices administered in the doctor's office (maximum 1 device every 5 years) | | |
| Artificial and Intrauterine insemination (\$10,000 maximum) | | |
| Orthotics (1 pair maximum per year) | | |
| Prosthetic bras (for mastectomy) (maximum 2 bras per year) | | |
| Mental health benefits – including inpatient, partial hospitalization, residential treatment, or outpatient | | |
| Substance abuse and chemical dependency benefits – including inpatient, partial hospitalization, residential treatment, or outpatient | | |
| Temporomandibular joint disorder benefits | | |
| Therapy services | | |
| Wigs, toupees, hairpieces due to Alopecia Areata, radiation therapy, or chemotherapy (\$350 and 1 wig, toupee, or hairpiece maximum) | | |
| All other covered expenses | | |
| Transplant services: | 90% (Deductible Waived) | |
| Transplant services at a designated transplant facility | | |
| Travel and housing (for transplant services) at a designated facility (\$5,000 maximum for up to one year) | | |

MEDICAL PLAN (Cont'd)

Pharmacy Benefits:

Pharmacy benefits paid by the employee or the plan are not considered expenses toward the deductible.

| Prescription Benefit Summary: | Participant Cost: |
|--|--|
| Generic 1 month supply, per prescription or refill | 25% Co-pay up to a maximum \$15 |
| Formulary/Preferred 1 month supply, per prescription or refill | 25% Co-pay up to a maximum \$25 |
| Non-Formulary 1 month supply, per prescription or refill | 25% Co-pay up to a maximum \$35 |
| By mail order pharmacy: Express Scripts Home Delivery Service 3 month prescription or up to a 104-day supply, per prescription or refill | 25% - maximums based on generic, formulary, or non-formulary 2 month Co-pay. |
| By non-participating pharmacy | You will need to pay for the prescription up front and submit a written request to Express Scripts for reimbursement. You can be reimbursed for covered prescription products up to the contracted rate of a participating pharmacy. |

DENTAL PLAN

Dental Plan Administrator:

Delta Dental, 1-800-448-3815, www.deltadentalmn.org

Employee Eligibility:

- Faculty – working at least 67% time (25 or more hours per week) for nine months or more
- Adjunct Faculty – not eligible
- Regular Staff – working at least 75% time (30 or more hours per week)

Coverage for newly eligible employees will be effective on the first of the month following eligibility date (employment start date). Coverage for employees electing coverage during annual open enrollment will be effective January 1st.

Dependent Eligibility:

- Spouse and unmarried dependent children under 25 years of age

Premium Rates – Bi-weekly Employee Cost:

| <u>Coverage</u> | <u>Core Plan</u> | <u>High Plan</u> |
|---------------------|------------------|------------------|
| Employee Only | \$13.86 | \$24.80 |
| Employee +1 | \$27.71 | \$51.05 |
| Employee +2 or more | \$45.09 | \$72.90 |

Dental Benefits:

Both plans have a deductible of \$50 per individual, maximum of \$150 per family

| | Core Plan | High Plan |
|--|---------------------|---------------------|
| Annual maximum per covered individual | \$1,000 | \$1,250 |
| Preventative Services | | |
| Emergency palliative treatment | 100% | 100% |
| Oral exam & Teeth cleaning (every 6 months) | (Deductible waived) | (Deductible waived) |
| X-rays (4 bitewing every 12 month, full mouth every 5 years) | | |
| Fluoride treatments for children (every 6 months, children under 14) | | |
| Space maintainers for children (children under 16) | | |
| Topical sealants for unrestored molar teeth for children (1 treatment in a 3 year period, children under 16) | | |
| Basic Services | | |
| Laboratory test | 80% | 80% |
| Diagnostic consultation – (1 every 12 months) | | |
| Fillings: amalgam, silicate, and acrylic | | |
| Crowns: stainless steel (children under 18) | | |
| Repairs of dentures, bridgework, crowns, etc. | | |
| Oral and periodontal surgery | | |
| General anesthesia (surgical purposes only) | | |
| Injectable antibiotics (treatment of a dental condition only) | | |
| Major Services | | |
| Endodontic services/Root canal therapy | 0% | 50% |
| Periodontal services | | |
| Bridges installation (fixed and removable) | | |
| Dentures (full and partial) | | |
| Crowns: acrylic metal, porcelain | | |
| Inlays, Onlays, and Posts | | |

DENTAL PLAN (Cont'd)

- **Pre-determination Review:** Delta Dental will gladly assist you and your dentist by determining what benefits could be payable for services and procedures over \$300.
- **Special Limitation:** A covered person may have one or more missing teeth before he/she becomes insured by this plan. Prosthetic devices which replace such teeth will not be covered unless the device also replaces natural teeth after the person becomes insured under this plan.
- **General Limitations and Exclusions:** Coverage is limited to those that are necessary to prevent, diagnose, or treat dental disease, defect, or injury. The plan does not pay for: oral hygiene services (except as covered under preventative services), orthodontia, cosmetic or experimental treatments, any treatments to the extent benefits are payable by any other payor, and services ancillary to surgical treatment. The plan limits benefits for diagnostic consultations and for preventative, restorative, endodontic, periodontic, and prosthodontic services. The services, exclusions, and limitations listed do not constitute a contract and are a summary only.

FLEXIBLE BENEFIT ACCOUNTS

Flexible Benefits Plan Administrator:

PreferredOne Administrative Services, 1-800-997-1750, www.preferredone.com

Employee Eligibility:

- Faculty – working at least 67% time (25 or more hours per week) for nine months or more
- Adjunct Faculty – not eligible
- Staff – working at least 75% time (30 or more hours per week)

Coverage for newly eligible employees will be effective on the first of the month following eligibility date (employment start date). Coverage for employees electing coverage during annual open enrollment will be effective January 1st.

Flexible Benefits:

Section 125 of the Internal Revenue Code allows employees to make contributions to flexible benefit accounts on a pre-tax basis. Consequently, employees save approximately 30% by avoiding State, Federal, and Social Security tax on these benefits. Because your choices in these plans can accommodate your personal needs, these plans are considered “flexible”.

Medical Spending Account (MSA):

You may elect to set aside an amount out of your paycheck dollars for medical, dental, vision, and qualifying over the counter items. Your maximum annual election is \$5,000. Please see the Determining Your Medical Spending Account Expenses worksheet in your benefits folder to help you estimate the out-of-pocket expenses you expect to incur during the plan year. Expenses that are reimbursed from any other source are not eligible.

If you are enrolled in the PreferredOne medical plan, you are also eligible to participate in Auto Reimbursement from your medical spending account. This allows out of pocket deductibles and coinsurance dollars as determined by PreferredOne medical claims examiners, to be sent to you automatically, without submission of a flexible spending claim form.

Plan Year: The plan year is equal to a calendar year. Please note that there is a 2 ½ month grace period to incur medical expenses. This means you can incur expenses until March 15, 2010. You have until April 30, 2010 to claim the reimbursement. Any unused balance in your Medical Spending Account is forfeited at the end of the plan year grace period.

Dependent Care Account (DCA):

You may elect to set aside an amount out of your paycheck dollars for daycare expenses for children under the age of 13 or for dependent children or adults incapable of self-care. Your maximum annual election is \$5,000. In order to qualify for reimbursement, the expense must be provided to enable you (and spouse, if married) to be employed or to be a student and must not be greater than your income or your spouse's income, whichever is lower. Fees charged for kindergarten or overnight camp are not eligible for reimbursement.

Plan Year: The plan year is equal to a calendar year. There is no grace period allowed per the Internal Revenue Service. Any unused balance in your Dependent Care Account is forfeited at the end of the plan year.

LONG TERM DISABILITY INSURANCE PLAN

Long Term Disability Insurance Plan Administrator:

The Hartford, 1-800-752-9713

Employee Eligibility:

- Faculty – working 100% time (40 or more hours per week) for nine months or more.
- Adjunct Faculty – not eligible
- Staff – working 100% time (40 or more hours per week)

Coverage for newly eligible employees will be effective on the first of the month following eligibility date (employment start date).

Dependent Eligibility:

Not available to dependents

Long Term Disability Benefits:

Long term disability insurance is a benefit the College provides to all eligible employees at no cost to you. This insurance provides you with income protection if you are unable to work due to a disability. Benefits are payable after 90 days of continuous disability. The plan pays 60% of basic monthly earnings to a maximum of \$8,000 per month. Benefits may be reduced by amounts received from Social Security, worker's compensation, and any other government or employer sponsored plan.

Definition of Disability:

During the first 2 years of a period of disability, an injury or sickness requires that you be under the regular care and attendance of a physician, and prevents you from performing all of the material duties of your regular occupation; and unable to generate current earnings which exceed 20% of your basic monthly earnings.

After 2 years of disability, an injury or sickness prevents you from performing all of the material duties of each gainful occupation for which your education, training, and experience qualify you.

Exclusion:

Conditions which have been diagnosed or treated during the three month period immediately prior to the date of coverage are excluded from coverage for 12 consecutive months following the date of coverage.

Duration of Benefits:

Benefits payable on the following schedule or until the employee is no longer disabled, whichever is less.

Age at Disability

Less than age 63

63

64

65

66

67

68

69 and over

Maximum Benefit Period

To normal retirement age, or 48 months, if greater

To normal retirement age, or 42 months, if greater

36 months

30 months

27 months

24 months

21 months

18 months

EMPLOYEE BASIC LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)

Life and AD&D Plan Administrator:

The Hartford, 1-888-563-1124

Employee Eligibility:

- Faculty – working 100% time (40 or more hours per week) for nine months or more
- Adjunct Faculty – not eligible
- Staff – working 100% time (40 or more hours per week)

Coverage for newly eligible employees will be effective on the first of the month following eligibility date (employment start date).

Dependent Eligibility:

Not available to dependents

Basic Life and AD&D Benefits:

Basic Life and Accidental Death & Dismemberment is a benefit the College provides to all eligible employees at no cost to you.

Basic Life Insurance:

Benefit is two times your annual salary (minimum of \$50,000 to a maximum of \$300,000). If your Basic Life benefit exceeds \$50,000, there is a tax on a portion of the premium for this coverage.

AD&D:

Loss of life benefit is two times your annual salary (minimum of \$50,000 to a maximum of \$300,000). This benefit is paid in addition to the Basic Life benefit in the event of an accidental death. Dismemberment benefit is based upon the nature of the loss.

At age 65, the amount of life insurance and accidental death and dismemberment benefits will reduce to 65% of the amount stated above. At age 70, the amount will reduce to 50% of amount stated above.

ELECTIVE LIFE INSURANCE

Elective Life Insurance Plan Administrator:

The Hartford, 1-888-563-1124

Employee Eligibility:

- Faculty – working at least 67% time (25 or more hours per week) for nine months or more
- Adjunct Faculty – not eligible
- Staff – working at least 75% time (30 or more hours per week)

Dependent Eligibility:

- Spouse
- Unmarried dependent children under 19 years of age
- Unmarried dependent children under 25 years of age if a full-time student

Elective Life Insurance Benefits:

This benefit option gives you the ability to purchase additional life insurance coverage at special reduced group rates. If you elect this benefit upon hire or during the 2009 open enrollment period and elect an amount less than or equal to the guaranteed issue amount, you will not need to complete the Evidence of Insurability form. If you want to apply for an amount over the guaranteed issue amount, you will need to complete the Evidence of Insurability form. For coverage requiring evidence of insurability, coverage goes into effect of the first of the month following approval.

Elective Life Benefits:

Employee Life Increments of \$10,000 to a maximum of the lesser of 5 times your earnings or \$300,000 (minimum \$20,000). Guarantee issue up to \$100,000. Rates based on employee age.

Spouse Life Increments of \$5,000 to a maximum of \$150,000 (minimum \$10,000). Guarantee issue up to \$50,000. Rates based on employee age.

Child Life \$5,000 for children ages 15 days to 25 provided they meet eligibility requirements.

| Plan Rates per \$1,000 of coverage, per month: | | |
|---|-----------------------|-------------------|
| Employee Age as of 01/01/2009 | Non-Tobacco Use Rates | Tobacco Use Rates |
| <30 | \$0.04 | \$0.05 |
| 30-34 | \$0.05 | \$0.06 |
| 35-39 | \$0.07 | \$0.09 |
| 40-44 | \$0.11 | \$0.14 |
| 45-49 | \$0.18 | \$0.23 |
| 50-54 | \$0.31 | \$0.39 |
| 55-59 | \$0.49 | \$0.62 |
| 60-64 | \$0.68 | \$0.82 |
| 65-69 | \$1.04 | \$1.32 |
| 70-74 | \$1.85 | \$2.34 |
| 75+ | \$3.17 | \$4.01 |
| Child Life: \$0.92/month regardless of number of children covered | | |

YOUR RIGHTS TO CONTINUE MEDICAL, DENTAL, FLEXIBLE SPENDING, AND/OR LIFE INSURANCE COVERAGE (COBRA)

If you or your dependents' insurance coverage ends for any of the reasons mentioned below, you and your dependents have the right to purchase a temporary extension of your current health, dental, flexible spending, and/or life insurance.

- Death of covered employee.
- Voluntary or involuntary termination of the covered employee's employment (other than gross misconduct).
- A reduction in work hours of the covered employee.
- Divorce or legal separation of the covered employee from the employee's spouse.
- A covered child no longer is a dependent as defined by the plan.

Please note that you are responsible to notify Human Resources within 30 days of changes in your marital status or in your children's student or dependent status that result in your spouse's or children's loss of coverage. Notifying Preferred One, Delta Dental, or any other party does not satisfy this requirement.

Please see the legal notices booklets for more information.

RETIREMENT PLANS

Retirement Plan Administrator:

TIAA-CREF, 1-800-842-2776, <http://enroll.tiaa-cref.org/css>

Mandatory Retirement Plan 403(b) (Defined Contribution Plan):

Employee Eligibility:

Faculty and Regular Staff employees who:

- Have completed one year of service during which he/she has completed 1,000 or more hours of service. Qualifying years of service with any educational organization during the 12-month period immediately preceding your date of employment will be counted to satisfy this requirement.
- Are at least 21 years of age.
- Adjunct Faculty – not eligible

Mandatory Retirement Plan Contributions:

This plan is mandatory and a condition of employment. All eligible staff and faculty are required to participate. The College will contribute 8% of each participant's regular basic annual compensation. Eligible exempt employees must contribute a mandatory 4% and non-exempt employees must contribute a mandatory 3% of basic annual compensation. Contributions will be deducted on a pre-tax basis from employee pay checks. An enrollment form and a Salary Reduction Agreement are required.

Supplemental Retirement Plan 403(b) (Tax Deferred Annuity Plan):

Employee Eligibility:

All employees

Supplemental Retirement Plan Benefits:

There is no waiting period to become eligible to participate and you may start contributing to the Supplemental Retirement Plan the first of the month following employment with the College.

To participate, an application and a Salary Reduction Agreement are required. You may change the amount of your pre-tax contributions by completing a new Salary Reduction Agreement. All supplemental retirement plans are contracts directly between the employee and TIAA-CREF. The College's role is only to deduct pre-tax monies from the individual's pay check and submit it to TIAA-CREF. Loans and/or hardship withdrawals may be available but employees should contact TIAA-CREF for more information.

The Internal Revenue Code (IRC) limits the amount you can contribute to a supplemental retirement plan.

2009 maximum contribution: \$16,500

If age 50 or over, as of December 31, 2009, Catch-up \$5,500 in addition to the \$16,500 supplemental account maximum.

OTHER BENEFITS

US Savings Bonds:

Employees can purchase U.S. Savings Bonds through payroll deduction. Series EE bonds can be purchased through payroll allotments of as little as \$5 per pay period. The interest earned on Series EE bonds is exempt from state income taxes. Federal tax reporting may be deferred until redemption or final maturity (30 years), whichever is first. Please contact Payroll for more information.

Employee Assistance Program (EAP):

Employee Assistance Program Administrator:

Midwest EAP Solutions, 1-800-383-1908, www.midwesteap.com

User Name: SCHOLASTICA Password: Member

Employee Eligibility:

All employees and their family members

Employee Assistance Program (EAP) Benefits:

Your EAP provides you and your family members tools for confronting and overcoming life and/or work challenges such as alcohol or drugs, financial, legal, marital, family, physical or emotional matters. Don't wait until a problem feels too big to handle on your own. EAP is a professional support service that offers free, confidential assistance, 24 hours a day, 365 days a year. You have unlimited telephone support and web services as well as limited face-to-face visits with an EAP professional each calendar year. This program is strictly confidential.

Tuition Remission:

Full-time and part-time employees may take undergraduate and graduate courses. Spouse and dependents may take undergraduate courses only. Staff, their spouse and dependent(s) receive tuition remission at fifty percent (50%) beginning the first full semester following the date of employment and one hundred percent (100%) beginning the first full semester following the one year anniversary date of employment. Faculty, spouse and their dependent(s) receive tuition remission at one hundred percent (100%) beginning the semester immediately following the employment start date. For part-time employees, tuition remission is prorated to the percentage of time of the employee's appointment. Certain limitations in specific programs may apply. The employee and dependent must pay any applicable course fees and/or other assessed charges on the same basis as a full tuition-paying student. The employee and dependent must apply for admission on the same basis as a regular student. The complete Tuition Remission Policy is provided to all employees in the Staff Handbook or on the web. Current College admissions policies will apply. Employee, spouse or dependent must apply through the Financial Aid Office. All other policies contained in the Tuition Remission Policy in effect shall apply. For more information, contact Human Resources.

Worker's Compensation

All full-time and part-time employees are covered by workers' compensation insurance. This coverage is provided at no cost to you. If you experience a work-related injury or illness, notify Human Resources immediately.

Unemployment Compensation

All full-time and part-time employees may be eligible for unemployment insurance. Coverage may be provided for unemployment transpiring through no disqualifying fault of the employee.

Additional information about unemployment can be found at Minnesota Unemployment Insurance web site: <http://www.uimn.org/>

Social Security/Medicare

All Employees of the College participate in the Federal Insurance Contributions Act (FICA or commonly known as Social Security and Medicare). Deductions are mandatory and are made from each paycheck in the amount prescribed by law. Equal amounts are contributed by the College.

2009 taxable wage base limit: \$106,800

The College of St. Scholastica Identification Card Privileges

- 10% discount at the bookstore
- Free access to the Wellness Center
- Free rides on Duluth Transit city buses
- Library privileges
- Dining Dollars can be deposited to your food service account accessed through your ID card. They can be used in both food service locations as well as in vending. When Dining Dollars are used in the Greenview, it is at a discounted faculty/staff rate for yourself.
- Discounted rates as periodically announced, (e.g. Mitchell theater offerings, some special events, etc.)