2016-17
Fixed-Term Faculty
Benefits Orientation
CMU Choices Flexible Benefits Plan

- **Health Plans**
  - Medical & Prescription Drug
  - Dental
- **Life/AD&D & Disability**
  - Employee Term Life/AD&D
  - Long Term Disability
  - Spouse/OEI Term Life/AD&D
  - Child Term Life/AD&D
- **Flexible Spending Accounts (FSA)**
  - Health Care Account
  - Dependent Day Care Account
- **Retirement**
  - CMU 403(b) Basic Retirement Plan
  - Michigan Public School Employee Retirement System (MPSERS)
  - 403(b) Supplemental Retirement Plan
  - 457(b) Tax-deferred Retirement Plan
- **Tuition Benefit Program**
  - Pre-Tax Benefit
  - Before-Tax  After-Tax
Benefits Enrollment

• **Benefit Plan Year:** July 1 – June 30
• **New Hire Enrollment Period:** 30 calendar days to enroll in *CMU Choices* plan
  - Changes can be made during new hire enrollment period
• **Benefits Coverage Begins**
  - Full academic year or fall semester only assignment: August 16
  - Spring semester only assignment: January 1
• **Benefits Coverage Ends**
  - Fall semester assignment only: December 31
  - Full academic year or spring semester only assignments: August 15
• **Timing for Benefits Changes**
  - Annual Open Enrollment: Beginning of May, changes made will be effective July 1
Benefits Enrollment

**Default Coverage:** Fail to enroll during new hire enrollment period will result in the following coverage:

- **Employee life Insurance / AD&D:** 1 times salary
- **Health (medical/prescription, dental, vision):** No coverage
- **Disability (STD/LTD):** No coverage
- **Dependent life insurance /AD&D:** No coverage
- **Flexible Spending Account:** No coverage
Qualifying Status Changes

- Status Change Request form must be completed and received by Benefits & Wellness office within **30 calendar days** of the event.

- Qualifying Status Change Events:
  - Retrospective
    - Birth, adoption, or placement of adopted a child
    - Coverage is effective back to the date of event *if* the form is received within 30 calendar days
  - Prospective
    - Marriage, divorce, loss of dependent status, unpaid leave of absence, etc.
    - Coverage is effective as of the next available pay period
  - Additional Status Change Information is available online
Benefit Eligibility

• Spouse / Other Eligible Individual (OEI) – medical / prescription drug, dental and dependent life/AD&D
  • Other Eligible Individual (OEI)
    • Must complete an OEI designation form
    • Will be taxed on the full premium of the OEI (and OEI dependent) coverage
    • Additional OEI information is available online

• Works at CMU? Double Coverage?
  • **Cannot** cover each other and / or children on medical, dental or vision
  • **Can** elect dependent life insurance coverage for each other and / or children

• Works Elsewhere? Health coverage available?
Benefit Eligibility

- Children, step-children and children of OEI
- Birth through 26 years old (end of the calendar year)
- Disabled children – prior to age 19
- Detailed benefits eligibility criteria available online

Benefits Eligibility Criteria

Eligibility for CMU Choices Coverages

As a benefit eligible CMU employee, you may cover the following individuals on your medical, prescription drug, dental, vision, and dependent life insurance plans:

- Legal spouse, unless you are divorced or legally separated under an order of separate maintenance. A spouse by common law marriage is not an eligible spouse.
- University-registered Other Eligible Individual (OEI) as described here.
- Child who meets the eligibility criteria listed here.
Medical: Blue Cross Blue Shield

• **Mandatory Benefit Plan**
  - BCBS PPO 1, BCBS PPO 2 or HDHP w/HSA
    - Preferred Provider Organization (PPO)
    - BCBS Community Blue Network
    - Find in-network providers online at [www.bcbsm.com](http://www.bcbsm.com) – UMV prefix
  - No Coverage – may be selected only if employee has medical / prescription drug coverage elsewhere

• Annual deductible & out-of-pocket maximum accumulate on plan year basis (July 1 – June 30)

• Must elect separate prescription drug plan at same coverage tier (i.e. single, 2 person, family, no coverage)

• ID card from BCBS
Definitions

- **Copay** – flat dollar amount paid for office, urgent care and emergency ER visits.
- **Deductible** – an amount due before the medical plan will pay for approved services.
- **Co-Insurance** – percentage of approved amount the employee owes. Generally applied after deductible is met.
- **Out Of Pocket Maximum (OOPM)** – all copays, deductible and co-insurance are applied to the OOPM. Once met, no other in-network charges will be owed in the plan year. The insurance will pay 100% of approved amount.
# Medical Plan Comparison

<table>
<thead>
<tr>
<th>PLAN OPTIONS</th>
<th>Advantage HDHP/HSA Plan</th>
<th>PPO 2 Plan</th>
<th>PPO 1 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEDICAL PLAN</td>
<td>BCBS</td>
<td>BCBS</td>
<td>BCBS</td>
</tr>
<tr>
<td>Annual Deductible (7/1 - 6/30)</td>
<td>$1,300 Single*</td>
<td>$250 Single</td>
<td>$100 Single</td>
</tr>
<tr>
<td></td>
<td>$2,600 Family*</td>
<td>$500 Family</td>
<td>$200 Family</td>
</tr>
<tr>
<td>Coinsurance (After Deductible)</td>
<td>100% Plan / 0% Member</td>
<td>80% Plan / 20% Member</td>
<td>100% Plan / 0% Member</td>
</tr>
<tr>
<td>Office Visit Copay</td>
<td>$0 after deductible</td>
<td>$20 Copay</td>
<td>$20 Copay</td>
</tr>
<tr>
<td>Urgent Care Copay</td>
<td>$0 after deductible</td>
<td>$20 Copay</td>
<td>$20 Copay</td>
</tr>
<tr>
<td>ER Copay</td>
<td>$0 (Plan pays 100%, no deductible/copay)</td>
<td>$0 (Plan pays 100%, no deductible/copay)</td>
<td>$0 (Plan pays 100%, no deductible/copay)</td>
</tr>
<tr>
<td>Preventive Care</td>
<td>$0 Single</td>
<td>$1,000 Single</td>
<td>$500 Single</td>
</tr>
<tr>
<td></td>
<td>$0 Family</td>
<td>$2,000 Family</td>
<td>$1,000 Family</td>
</tr>
<tr>
<td>Coinsurance / Copay Maximum</td>
<td>$1,300 Single</td>
<td>$1,250 Single</td>
<td>$600 Single</td>
</tr>
<tr>
<td>Medical Out-of-Pocket</td>
<td>$2,600 Family</td>
<td>$2,500 Family</td>
<td>$1,200 Family</td>
</tr>
</tbody>
</table>

*HDHP deductible combines deductible amounts paid under medical and prescription coverage. The full family deductible must be met under a two-person or family contract before benefits are paid for any person on the contract.
## Prescription Plan Comparison

<table>
<thead>
<tr>
<th>MEDICAL PLAN</th>
<th>Advantage HDHP/HSA</th>
<th>PPO2</th>
<th>PPO1</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRESCRIPTION ADMINISTRATOR</td>
<td>BCBS</td>
<td>CVS Caremark</td>
<td>CVS Caremark</td>
</tr>
<tr>
<td>Annual Deductible (7/1-6/30)</td>
<td>Prescription copay applies after annual deductible</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Generic</td>
<td>10% Copay</td>
<td>10% Copay</td>
<td>10% Copay</td>
</tr>
<tr>
<td>Formulary</td>
<td>20% Copay</td>
<td>20% Copay</td>
<td>20% Copay</td>
</tr>
<tr>
<td>Non-Formulary</td>
<td>30% Copay</td>
<td>30% Copay</td>
<td>30% Copay</td>
</tr>
<tr>
<td>Prescription Out-of-Pocket Maximum (7/1 - 6/30)</td>
<td>$2,000 Single (after deductible) $4,000 Family (after deductible)</td>
<td>$2,000 Single $4,000 Family</td>
<td>$2,000 Single $4,000 Family</td>
</tr>
<tr>
<td>TOTAL MEDICAL + PRESCRIPTION ANNUAL OUT-OF-POCKET MAXIMUM (7/1-6/30)</td>
<td>$3,300 Single $6,600 Family</td>
<td>$3,250 Single $6,500 Family</td>
<td>$2,600 Single $5,200 Family</td>
</tr>
</tbody>
</table>
## When do you pay?

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Payroll Deduction</th>
<th>Copays</th>
<th>Deductible</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PPO1:</strong></td>
<td>Payroll Deduction</td>
<td>(Doctor, Urgent Care, ER)</td>
<td>(Surgery, Lab, Hospital, etc.)</td>
</tr>
<tr>
<td><strong>PPO2:</strong></td>
<td>Payroll Deduction</td>
<td>(Doctor, Urgent Care, ER)</td>
<td>(Surgery, Lab, Hospital, etc.)</td>
</tr>
<tr>
<td><strong>HDHP/ HSA:</strong></td>
<td>Payroll Deduction</td>
<td>(Office Calls, Urgent Care, ER, Surgery, Prescriptions, Lab, Hospital, etc.)</td>
<td>(Paycheck plus contribution to HSA)</td>
</tr>
</tbody>
</table>
Health Savings Account (HSA)

- You must be enrolled in a qualified HDHP to be eligible for a HSA
- HSAs are individually-owned bank accounts
- HSAs are used to help pay for both current and/or future health care expenses
- A HSA is triple tax-advantaged
- Who is eligible for an HSA? Anyone who is:
  - Covered by a qualified high deductible health plan (HDHP)
  - Not enrolled in Medicare
  - Not covered under other health insurance coverage, including a spouse’s plan (unless a qualified HDHP)
  - Not another person’s tax dependent
Dental: Meritain Health

• **Voluntary Benefit Plan**
  - D 100/50/50
  - D 100/75/50/50 (with orthodontia coverage)
  - No Coverage

• **Annual deductible and plan year maximum accumulate on plan year basis (July 1 – June 30)**

• **Will receive a separate ID card from Meritain Health**

• **Optional Dentemax network is available** [www.dentemax.com](http://www.dentemax.com)
# Dental Plan Comparison

<table>
<thead>
<tr>
<th>Benefit Details</th>
<th>D 100/50/50</th>
<th>D 100/75/50/50</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Deductible</strong></td>
<td>$50 person / $150 family</td>
<td><strong>None</strong></td>
</tr>
<tr>
<td>Applies to Class II &amp; III only</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Annual Plan Maximum</strong></td>
<td>$1,000 per person</td>
<td>$1,500 per person</td>
</tr>
<tr>
<td>Applies to Class I, II &amp; III only</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Lifetime Maximum</strong></td>
<td>Not Applicable</td>
<td>$2,000 per person</td>
</tr>
<tr>
<td>Applies to Class IV only</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Class I – Preventive Services</strong></td>
<td>100% of Allowed Amount</td>
<td>100% of Allowed Amount</td>
</tr>
<tr>
<td>2 cleanings &amp; 1 set of X-rays/plan year</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Class II – Basic Services</strong></td>
<td>50% of Allowed Amount after Deductible</td>
<td>75% of Allowed Amount</td>
</tr>
<tr>
<td>Fillings, crowns, root canal, oral surgery</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Class III – Major Services</strong></td>
<td>50% of Allowed Amount after Deductible</td>
<td>50% of Allowed Amount</td>
</tr>
<tr>
<td>Dentures, bridges, dental implants</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Class IV – Orthodontics</strong></td>
<td>Not Covered</td>
<td>50% of Allowed Amount</td>
</tr>
<tr>
<td>Child under age 19 when services began</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This benefits summary is intended for use only as a source of reference. Official benefits, conditions, exclusions, and limitations are documented in the certificate and amendments.
CMU Employee Wellness Program

• Nationally recognized employee wellness program developed in February 1999, rebranded in 2014
• Comprehensive wellness program fostering a culture of health and well-being that helps you thrive in everything you do!
• Programs:
  o On-site fitness facilities
  o Wellness screening
  o Annual benefits & wellness picnic
  o CPR and First Aid classes
  o And many more!
Your Health, It’s Central Wellness Rewards Program

- CMU partners with VirginPulse for our web-based Wellness Rewards Program
- Program is available to all staff, fixed-term and CMED faculty and their spouse/OEIs enrolled in a CMU self-funded health plan
- Receive a free activity tracker when you register for the program
- Earn points for activity, getting more sleep, eating healthy foods, knowing your numbers and more
- Earn $400 (employee) / $200 (spouse/OEI) annually for making healthy decisions everyday!
  - Per IRS regulations, these awards must be taxed. When the awards are paid to your account, the amount of the reward will be taxed (~37%) in your paycheck.
Gainsharing Program

• CMU has created a gainsharing incentive that rewards employees collectively for impacting healthcare costs.

• Eligibility Criteria:
  – Be covered by the Blue Cross Blue Shield health plans for the full plan year (July 1 - June 30).
  – Earn 36,000 HealthMiles points in the fiscal year (July 1 - June 30)

When “I” is replaced with “we”, even illness becomes wellness.
Employee Life/AD&D

• Core life insurance / AD&D is provided at no cost to benefit-eligible employees (benefit determined by employee group)
  o Core life insurance / AD&D reduces 50% at age 70
• Life / AD&D coverage options:  1.0 x, 1.5 x, 2.0 x, 3.0 x or 4.0 x salary
  o Maximum coverage amount: $750,000
  o Premium rates are based on employee’s age, annual salary and coverage option
• New hire guaranteed issue amount: Greater of 3x salary or $575,000
• Term life insurance policy and has no cash value
• Coverage ends on date of termination or separation
• Value-added benefits included - visit www.HartfordLifeConversations.com
Long Term Disability

- Fixed term faculty members with Lecturer II and Lecturer III designation only
- Long Term Disability (LTD) benefit: 67% of monthly earnings up to $10,000
- Provided at no cost to benefit-eligible employees
- LTD benefits are payable after 180 calendar days of injury or illness
  - Benefits are coordinated with other benefits such as accrued sick time/vacation time, workers’ compensation, social security disability, etc. (see union’s contract for details)
  - Must be approved by our LTD administrator, The Hartford
- Pre-existing conditions will not be covered for 12 months from the date of coverage
Spouse/OEI Life/AD&D: The Hartford

• **Voluntary Benefit Plan**
  o $10,000
  o $25,000
  o $50,000
  o $75,000
  o $100,000
  o No Coverage

• Evidence of insurability (EOI) is required if you elect coverage greater than $50,000
  o EOI application must be submitted and approved by The Hartford for approval

• Premiums based on spouse/OEI’s age as of July 1\textsuperscript{st}
• Coverage ends at the end of the plan year in which spouse/OEI turns age 70
• A [Detailed Summary](#) is available online
Child Life Insurance: The Hartford

- **Voluntary Benefit Plan**
  - $10,000
  - $25,000
  - No Coverage
- Flat premium rate regardless of number of children covered
- Coverage is available through the end of the calendar year the child turns age 26
- A [Detailed Summary](#) is available online

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Coverage Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Birth to 14 days old</td>
<td>No Coverage</td>
</tr>
<tr>
<td>15 days – 6 months</td>
<td>$1,000</td>
</tr>
<tr>
<td>6 months to age 19</td>
<td>Level of Coverage</td>
</tr>
<tr>
<td>Unmarried dependent children age 19 - 26</td>
<td>Level of Coverage</td>
</tr>
</tbody>
</table>
Healthcare FSA

• You can contribute between $100 - $2,550 pre-tax annually
• Full election is accessible immediately
• Use for:
  - Copays, deductibles, coinsurance for medical, prescription, dental and vision expenses
  - Over-the-counter drugs require a prescription
  - Full list available on Benefits & Wellness website or IRS Publication 502
• All eligible expenses must be incurred by June 30th
• Health Care FSA - carry-over up to $500 in unused amounts into the next plan year
• IRS Eligibility Rules:
  - Spouse
  - Claimed as dependents on your income taxes
    • Children through the end of the calendar year that they turn 26
    • Parents if they reside with you and you are responsible for their expenses
  - OEIs are not eligible
Limited Purpose Healthcare FSA

• Available if enrolled in a HDHP and contributions are being made to an HSA
• Reimburses for dental and vision care expenses ONLY
Dependent Day Care FSA

• You can contribute between $100 - $5,000 pre-tax annually (or $2,500 if married filing separately)
• Reimbursement for dependent day care expenses while you and your spouse work or attend school on a full-time basis
• IRS Eligibility Rules
  o Must be a dependent for federal income tax purposes; and
  o Either:
    - A child under the age of 13; or
    - An individual who is physically or mentally incapable of self care
• Contributions made to date are available for reimbursement
• All eligible expenses must be incurred by June 30th
Administration of FSA Accounts

IRS Rules
• Fund balances are non-transferrable between plans
• To have an account every plan year (7/1 – 6/30), you must elect a new account every year during open enrollment (generally first two weeks in May)

General Agency Company (FSA Vendor)
• Reimbursement Process
  o Debit card option
    - Keep/reuse card (3 years)
    - Keep receipts
  o Paper form option - submit forms with receipts directly to General Agency (GA). Must have separate direct deposit form on file with GA
  o Online member portal (Superadmin) available at www.ga-ins.com
Tools, Resources & Next Steps

- Visit [www.cmich.edu/benefits](http://www.cmich.edu/benefits)
- Review online benefit resources
- Watch the *CMU Choices online enrollment* presentation
- Make your benefits election online
  - Review your benefits election
  - Print your current year benefit summary
  - Confirm payroll deductions
- Insurance cards
  - ID cards
  - Flexible Spending Account & Health Savings Account debit cards
Decision Support Tool

• ALEX is Here To Help You
  – ALEX is our new easy to use on-line decision support tool!
    • Fun and interactive
    • Shows you most likely and worst case cost scenarios
    • Accessible from any internet connect device
    • Includes medical/prescription, dental, vision, life/AD&D, disability and FSA/HSA

Check out ALEX online at

University Retirement Plans

CMU CONTRIBUTION

403(b) Basic Retirement Plan
- Defined Contribution Plan
- Immediate vesting
- Pension based on accrued earnings
- Pre-enrolled in TIAA Life Cycle Fund

Michigan Public Schools Employees Retirement System (MPSERS)
- Defined Benefit Plan
- 10-year vesting period
- Pension based on formula
- Eligible only if worked at certain Michigan Universities prior to 1/1/96

TIAA

FIDELITY
403(b) Basic Retirement Plan

- CMU contributes a percentage of earnings (10%) based on employee group
  - No contribution or matching requirement by employee
- University contributions are effective date of hire
  - Pre-enrollment into TIAA Life Cycle Fund based on employee’s age
  - **At any time you may:**
    - Change the investment fund option with TIAA
    - Elect to invest part or all of the university contribution with Fidelity Investments
- You are strongly encouraged to discuss your retirement investment options with a TIAA and/or Fidelity Investments counselor
Tax-Deferred Investment Plans

**EMPLOYEE CONTRIBUTION**

- **403(b) Supplemental Tax-Deferral Plan**
  - TIAA
  - FIDELITY
  - Voluntary Plan
  - Loan provision with TIAA only
  - Distribution without penalty at age 59 ½, even if still working at CMU
  - Taxes applied at time of withdrawal

- **457(b) Public Deferred Compensation Plan**
  - TIAA
  - Voluntary Plan
  - No loan provision
  - Distribution without penalty after separation from CMU employment
  - Taxes applied at time of withdrawal
Tax-Deferred Investment Plans

• All contributions made by the employee as a % of earnings - minimum $25 per pay on 457(b)

• Salary reduction agreement form must be completed and returned to Benefits & Wellness office
  o Vendor application must also be completed online for TIAA or Fidelity

• Maximum employee deferrals for 2016
  o $18,000 for employees under age 50
  o $24,000 for employees age 50+
  o May defer up to maximum in both 403(b) and 457(b)
Individual Counseling Sessions

- TIAA: 800-732-8353
- Fidelity: 800-642-7131
- StraightLine Advisors: 877-338-4032
  - Independent investment research firm
  - www.myRplan.com/cmu
  - Email: info@myRplan.com
  - Fees based on CMU retirement balance
    - Free if CMU balance under $5,000
Additional Benefits

**Tuition Benefit Plan**
- 24 credits per academic year
- Eligible: employee, spouse, dependents, OEI, dependents of OEI
- Taxation:
  - Graduate and doctoral level classes for spouse and dependents
  - Graduate and doctoral level classes for employee exceeding $5,250
  - All classes for OEI and their dependents

**Discount Programs**
- YouDecide
  - Save on a variety of merchandise/services nationally
- Visit [Discounts Website](#) for more information
Additional Assistance:

HR - Benefits & Wellness Office
108 Rowe Hall
989-774-3661
benefits@cmich.edu
www.cmich.edu/benefits