

**CENTRAL MICHIGAN UNIVERSITY
2005-2006 BENEFIT PROGRAMS
FOR POSTDOCTORAL RESEARCH ASSOCIATES APPOINTED FULL TIME**

Benefits under CMU Choices, the University's flexible benefit program, are summarized below. More detailed information about these programs will be available in a mailing from the Benefits & Wellness Office and during faculty orientation at an enrollment meeting scheduled during faculty preparation week. Additional information may be obtained by contacting the Benefits & Wellness Office (989-774-3661) or at www.hrs.cmich.edu.

Under CMU Choices, Postdoctoral Research Associates who are appointed full time for at least one semester 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 the first eighteen (18) pays of the academic year for those on academic year appointments, regardless of the pay plan selected. For twelve-month faculty university and employee contributions/paybacks are applied in semi-monthly installments over each of the (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 go into effect on July 1. For new Postdoctoral Research Associates appointed for Fall semester, dental and life insurance coverages are effective September 1, 2005 and all other benefits under CMU Choices are effective August 22, 2005. For those appointed for Spring semester only, dental and life insurance coverages are effective February 1, 2006 and all other benefits under CMU Choices are effective January 5, 2006. All coverages will end December 31, 2005 for those who do not have a Spring semester appointment with benefit entitlement. All Postdoctoral Research Associates in CMU Choices at the end of the Spring semester will be entitled to benefit coverage through August 15, 2006. If employment ends during the semester, all benefit coverage ends on the last day worked unless the individual exercises COBRA rights.

Medical Insurance: Eligible to enroll in one of three medical insurance plans or no coverage. Postdoctoral Research Associate members selecting medical plan coverage will make a choice for both hospitalization/major medical plan and a prescription drug plan. The level of coverage for each plan must be the same.

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 www.hrs.cmich.edu/medical-choices-plan-description.htm.

As of 7/1/05, the BM 100/200 plan is a grandfathered plan and will no longer be taking new enrollees. If you are enrolled in the BM 100/200 plan on 6/30/05, you may elect to remain in the plan. The plan is a basic master medical plan which has annual deductibles per person and per family on the master medical portions only. The basic portion is covered at 100% of reasonable and customary charges. The first number in the plan title is the single person deductible and the second is the family deductible for the calendar year. Same sex domestic partner medical benefits are available.

There are three prescription drug plans to choose from. The PD10/30 plan has 10% or 30% co-pay depending on whether or not the prescription is on the preferred Rx list with \$0 deductible and a \$10,000 annual maximum per person. 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 \$10,000 annual 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 \$5,000 annual maximum per person. Each plan has an additional \$5,000 annual coverage with a 30% co-pay once the original annual maximum is reached. The prescription drug choice must be at the same level of coverage (single, two person, family) as the hospitalization/major medical choice. Same sex domestic partner prescription drug benefits are available.

The 2005-2006 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>	<u>University Contribution</u>	<u>University Contribution</u>
<u>Premium Cost</u>			
PPO1	\$359.75	\$755.00	\$880.25
PPO2	\$339.00	\$713.25	\$838.75
BM100/200	\$521.50	\$1,094.50	\$1,276.25
Prescription Drug	<u>Single</u>	<u>Two Person</u>	<u>Family</u>
	<u>University Contribution</u>	<u>University Contribution</u>	<u>University Contribution</u>
<u>Premium Cost</u>			
PD20/50	\$ 71.00	\$138.75	\$208.00
PD10/20/30	\$ 69.50	\$136.00	\$201.25
PD10/30	\$197.00	\$397.75	\$583.00

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 over the first eighteen (18) pays of the academic year for those on academic year appointments, regardless of the pay plan selected. Employees selecting "no plan" will be required to furnish evidence of their medical coverage. Spouses eligible for coverage from their own employers must elect to take that coverage for self only if they are going to be covered under CMU health plan. CMU Choices may 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 that is in effect from 2004-06. 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 Major Prosthodontic Services after satisfying a \$50 per person deductible up to a family maximum of \$150 with a \$1,000 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, and 50% of Class III, with no deductibles and a \$1,500 maximum benefit per person per plan year. Class IV orthodontic coverages pays at 50% with a lifetime maximum per child of \$1,500. The orthodontic coverage is for eligible dependents that begin treatment prior to attaining age 19. Same sex domestic partner dental benefits available.

The 2005-2006 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>	<u>University Contribution</u>	<u>University Contribution</u>
<u>Premium Cost</u>			
D100/50/50	\$30.75	\$64.50	\$ 76.50
D100/75/50/50	\$51.75	\$106.75	\$133.25

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 first eighteen (18) pays of the academic year.

Life Insurance: 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 2005-2006 premium cost is \$.245 per month per \$1,000 of coverage. The University contribution will be equal to \$.266 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. Individuals are required to elect one level of coverage. Upon initial employment you can have up to 3x salary without evidence of insurability.

Dependent Life Insurance for spouse and child(ren) also may be purchased by the employee through payroll deduction. Upon initial employment you may purchase up to \$50,000 spousal life coverage without evidence of insurability. Children's life insurance does not need evidence of insurability.

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 or those physically unable to care for themselves) and dependent parents. 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 \$3,000 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 & Wellness Office and at the orientation meeting during faculty preparation week.

All FSA reimbursement checks are refunded through direct deposit only.

OTHER BENEFIT PROGRAMS:

Sick Leave: Eligible for coverage under an accrual sick leave plan, providing for an accrual of ten days per year for ten-month contracts (thirteen if on twelve-month contract) prorated according to percentage of appointment. The maximum accrual is 105 days. Accrual balances are retained until an individual has three (3) consecutive semesters without CMU service.

Retirement Plan: Postdoctoral Research Associate newly hired on or after January 1, 1996 will be enrolled in the Optional Retirement Plan (ORP) which is a defined contribution plan offering the employee a combination of fixed and variable annuities and mutual funds. The University will contribute an amount equal to 10% of CMU base salary earnings to your investment choices and will continue to make a retirement contribution for you as long as you continue to be appointed at .25 FTE or more for a semester. An exception may apply if you participated in MPSERS 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 & Wellness Office. **Employees drawing a MPSERS pension or a CMU retiree will be eligible for the ORP 10% university retirement contribution.**

Postdoctoral Research Associate originally hired prior to January 1, 1996 will participate in the same retirement plan as when previously employed. Those plans are the Michigan Public School Employees Retirement System (MPSERS) or the Optional Retirement Program (ORP) with a 12% university contribution. Several exceptions may apply: 1) If you were in MPSERS and this is your first semester of full-time employment, you must make an irrevocable choice. You must choose to remain in MPSERS or enroll in the ORP within ninety (90) days from the beginning of your contract 2) If you have an appointment of less than .25 FTE for any semester (excluding summer), the university will not make retirement contributions for that semester. Furthermore, should you subsequently resume retirement eligibility status, you will be moved to a 10% university contribution.

TIAA-CREF and Fidelity are the current program vendors for the ORP retirement plan. **Regardless of retirement plan eligibility, Postdoctoral Research Associates who need to exercise a retirement choice will have sixty (60) days from the beginning of their contracts in which to complete the necessary enrollment forms or they will forfeit all retirement contributions until completion of enrollment forms.** Those Postdoctoral Research Associates who wish to make the irrevocable choice to switch from MPSERS to the ORP must request the application paperwork from the Benefit Office, Rowe 108 or call 3661, within ninety (90) days of commencement of their contract or the default election, by law, will be MPSERS. There will be no future opportunity to choose again.

The University also participates in the Social Security System.

Tax Deferred 403(b) Annuities: You may set aside a portion of salary to increase retirement savings regardless of IRA or other retirement plans you may have. Contributions reduce taxable income, and the earnings on the contributions are tax deferred as well. Saving with pre-tax dollars allows a higher saving rate and thus accumulations grow faster. 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. To get more information and to complete an agreement to participate, contact the Benefits Office in Rowe 108 or phone (989) 774-3661.

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

Parking Permit: Eligible to purchase a CMU parking permit for a single vehicle. There is no University contribution toward the cost of a parking permit.

Tuition Remission: Full time postdoctoral research associate with a one semester or academic year appointment are eligible to receive up to twelve credit hours of tuition remission per semester appointed. Up to a maximum of twenty-four credit hours are available per year to be used between August 16 and August 15 (academic) of any one year. Tuition waivers may be used by the faculty member, spouse 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 faculty member must be in full time status on the first day of classes to be eligible and is limited to six credit hours in any one semester or session.

NOTE: Postdoctoral Research Associates 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 FACULTY ARE PAID ON A SEMI-MONTHLY PAYROLL CYCLE. PAY DATES WILL OCCUR TWICE A MONTH, ON THE 15TH AND LAST DAY OF THE MONTH, OR ON THE LAST WORK DAY PRECEDING THOSE DATES.

Faculty Personnel Services -4/05(pd)