Employee Benefits
Overview
2012

The Office of Human Resources
Employee Benefits Services
New Employees

- Benefits Eligible
  - Appointed 50% or more for at least 4 ½ months

- Retirement Programs
  - All benefits eligible staff and faculty must participate in one of two state mandated retirement plans except for GTAs and GRAs
  - Voluntary programs

- Insurance Programs
  - Insurance coverage(s) are available immediately
New Employees

Transfers/Retirees/COBRA participants

- Notify HR representative if you are a direct transfer from another Texas university or state agency
- Notify HR representative if you are a Texas university or public school retiree
- Notify HR representative if you are an UT System COBRA participant
Retirement Plans

- Social Security (OASI)
- State of Texas Retirement Programs
  - Teacher Retirement System (TRS)
  - Optional Retirement Program (ORP)
- Voluntary Retirement Plans
  - Tax Sheltered Annuity 403(b) Plan (TSA)
  - Deferred Compensation 457(b) Plan (DCP)
Social Security (OASI)

- 5.65% Employee Contribution
  - 4.20% OASI (up to $106,800)
  - 1.45% Medicare
- Retirement
- Disability
- Survivor Benefits
- Social Security Exemption
  - International exemption
  - Check with the Payroll Office at campus extension 2-5426 for information
Teacher Retirement System (TRS)

- 6.4% Employee
- 6.0% State
- Must be in a benefits eligible position 50% time or more for 4 ½ months
TRS

- DEFINED BENEFIT PLAN
- Internal Revenue Code 401(a)
- TRS is the state’s default plan
- Participation begins on day one of employment
- TRS controls/monitors investments
- Benefits based on years of service, salary, and actuarial factor
- Vesting period—five years
- Portability not a feature
TRS Information

- 1-800-223-8778 Customer Line
- 1-888-877-0123 InfoLine
- www.trs.state.tx.us
  - Enroll in MyTRS
- Address: 1000 Red River Street
  Austin, Texas 78701
Optional Retirement Program (ORP)

- 6.65% Employee
- 8.5% Employer
- Available for qualified executive level administrators, faculty, coaches, librarians
- Must be in an eligible position 100% time for 4 ½ months or more
ORP

- No waiting period
- 90 day election period
  - Vesting requirement determined by election date
  - Enrolled in TRS until ORP election is made
    - Will lose employer match for months in TRS
- Irrevocable decision
  - State wide decision
ORP

- DEFINED CONTRIBUTION PLAN
- Internal Revenue Code 403(b)
- Choose from 6 companies
- Self managed investments or advisor services
- Account growth based on performance of investments
- Vesting period-one year and one day
ORP

Five ORP vendors
- VALIC Retirement
- Fidelity Investments
- ING
- Lincoln Financial Group
- TIAA-CREF
- Must complete an new ORP application
## TRS vs. ORP

<table>
<thead>
<tr>
<th></th>
<th>TRS</th>
<th>ORP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee Contribution</strong></td>
<td>6.4%</td>
<td>6.65%</td>
</tr>
<tr>
<td><strong>Employer Contribution</strong></td>
<td>6.0%</td>
<td>8.5%</td>
</tr>
<tr>
<td><strong>IRS Code</strong></td>
<td>401(a)</td>
<td>403(b)</td>
</tr>
<tr>
<td><strong>Vesting period</strong></td>
<td>5 years</td>
<td>1 year and 1 day</td>
</tr>
<tr>
<td><strong>Investment control</strong></td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>
UTSaver
Voluntary Retirement Plans

- Tax Sheltered Annuity (TSA) 403(b) Plan
  - Traditional
  - Roth
- Deferred Compensation (DCP) 457(b) Plan
- Same vendors as ORP (VALIC Retirement, Fidelity Investments, ING, Lincoln Financial Group, TIAA-CREF)
- Must complete an TSA/DCP application
Tax Sheltered Annuity & Deferred Compensation Plans

- Pretax salary deferral for Traditional TSA and DCP
- Post tax salary deferral for Roth TSA
- Payroll deduction
  - Begin with $25 deduction
- Different investment choices
- Employee sets contribution amount; no employer match
- Deferred taxes on interest/earnings
Tax Sheltered Annuity & Deferred Compensation Plans

- **Annual Maximums**
  - **TSA (combined Traditional and Roth)**
    - $17,000 for 2012
    - $5,500 Over age 50, catch-up
    - $3,000 15 year service, catch-up
  - **DCP**
    - $17,000 for 2012
    - $5,500 Over age 50, catch-up
Insurance Benefits

- Health
- Dental
- Vision
- Group Term Life
- Accidental Death & Dismemberment
- Short Term Disability
- Long Term Disability
- Long Term Care
- UTFlex Flexible Spending Accounts
- “Group Benefits Handbook”
Premium Sharing

- State’s contribution = $$
- Amount is based on appointment
  - Full Time = 100%
  - Part Time = >50% but <100%
## Premium Sharing Value

Depending on your level of participation, Annual Premium Sharing amounts are as follows:

<table>
<thead>
<tr>
<th>Coverage Level</th>
<th>Annualized Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>$5,547.12</td>
</tr>
<tr>
<td>Employee/Spouse</td>
<td>$8,454.96</td>
</tr>
<tr>
<td>Employee/Child(ren)</td>
<td>$7,407.60</td>
</tr>
<tr>
<td>Employee/Family</td>
<td>$10,332.84</td>
</tr>
</tbody>
</table>
Premium Sharing for Subscribers who Waive Medical

- Waive medical coverage and use premium sharing for optional coverages
  - Must show proof of other group medical coverage
- Full-time subscribers $231.13
- Part-time subscribers $115.57
Basic Coverage

- UT Select subscriber only coverage
- Medco Health subscriber only coverage
- $20,000 Term Life Insurance
- $20,000 Accidental Death & Dismemberment
- Full time (100%) employees only
UT Select PPO

Office Visit Copayments
- $30 – Family Care Physician
- $35 – Specialist
- 100% covered after copay

Annual Deductible
- $350/$1,050 Network
- $750/$2,250 Non-Network
- $350/$1,050 Out-of-Area
UT Select PPO

- **Coinsurance**
  - Network: 80%/20%
  - Non-Network: 60%/40%
  - Out-of-Area: 75%/25%

- **Maximum Out-of-Pocket**
  - $2,500/Person
    - ($350 deductible + $2,150 coinsurance)
    - Does not include copays

- **No Life Time Maximum**
Pharmacy Benefits

- Medco Health

- Annual Deductible
  - $100/person/year

- Retail Pharmacy Copayment
  - $10 Generic
  - $35 Preferred Drug
  - $50 Non-Preferred Drug
Pharmacy Benefits

- Mail Order Pharmacy Copayment
  - 90 day supply per prescription
  - $20 Generic (2 times retail)
  - $87.50 Preferred Drug (2 1/2 times retail)
  - $125 Non-Preferred Drug (2 1/2 times retail)
Dental Plans

- UT Dental Select/Delta Dental
- Assurant Dental Plan
$25 Deductible per Person
- Preventive & Diagnostic Services
  - 100%
- Basic Services
  - 80% plan/20% member
- Major Services
  - 50% plan/50% member
- $1,250 Lifetime Orthodontics Benefit
- $1,250 Maximum Annual Benefit
- Network Dentists
  - Preferred and Premier
- Out of network Dentists
Assurant Dental

- Care provided by or through PCD
- No Deductible
- No annual benefit maximum
- Copays vary by services
  - Office visit, X-ray, child cleaning and adult cleaning no charge
  - Fillings $10-$110
  - Extractions $15-$135
  - Orthodontics 25% discount off Network Dentist retail fees and no lifetime maximum
Superior Vision Plan

- Comprehensive eye exam
  - Covered in full after $35 Copay

- Frames
  - Covered up to $140

- Lenses
  - Standard lenses covered in full
    - Plastic, clear, uncoated

- Standard Contact Lenses Fitting
  - Covered in full after $35 Copay (separate from comprehensive eye exam copay)
## Group Term Life

<table>
<thead>
<tr>
<th>Employee Basic Term Life</th>
<th>Employee Voluntary Term Life Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>$20,000 Basic</td>
<td>1x Annual Salary</td>
</tr>
<tr>
<td></td>
<td>2x Annual Salary</td>
</tr>
<tr>
<td></td>
<td>3x Annual Salary</td>
</tr>
<tr>
<td></td>
<td>4x Annual Salary*</td>
</tr>
<tr>
<td></td>
<td>5x Annual Salary*</td>
</tr>
<tr>
<td></td>
<td>6x Annual Salary*</td>
</tr>
</tbody>
</table>

Basic Term Life is provided only to employees who are enrolled in a UT medical plan

Rate based on age and salary

These amounts are in addition to the Basic $20,000 provided to employees enrolled in a UT medical plan

*Requires evidence of insurability (EOI)
# Group Term Life

<table>
<thead>
<tr>
<th>Dependent Term Life Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees must have at least coverage of 1x Salary and $10,000 Dependent Life to request additional Voluntary Spousal amounts</td>
</tr>
<tr>
<td>$10,000 Dependent Life (Spouse and/or child(ren))</td>
</tr>
<tr>
<td>$25,000 Voluntary – Spousal Life ($10,000 + $15,000 = $25,000)*</td>
</tr>
<tr>
<td>$50,000 Voluntary – Spousal Life ($10,000 + $40,000 = $50,000)*</td>
</tr>
<tr>
<td>*Requires evidence of insurability</td>
</tr>
</tbody>
</table>
## Accidental Death & Dismemberment

<table>
<thead>
<tr>
<th>Employee Basic AD&amp;D</th>
<th>Employee Voluntary AD&amp;D Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>$20,000 Basic AD&amp;D</td>
<td>Up to 10x Annual Salary or $1,000,000, whichever is less</td>
</tr>
<tr>
<td>Basic AD&amp;D is provided only to employees who are enrolled in a UT medical plan</td>
<td>These amounts are in addition to the Basic AD&amp;D of $20,000 provided to employees enrolled in a UT medical plan</td>
</tr>
</tbody>
</table>
## Accidental Death & Dismemberment

<table>
<thead>
<tr>
<th>Employees must have at least $20,000 Voluntary AD&amp;D coverage to be eligible for Voluntary Spouse AD&amp;D coverage or Voluntary Dependent AD&amp;D</th>
<th>Dependent Voluntary AD&amp;D Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spouse - The lesser of $500,000 or 50% of the employee’s voluntary coverage. Coverage is purchased in increments of $10,000</td>
<td></td>
</tr>
<tr>
<td>Dependent - $10,000</td>
<td></td>
</tr>
</tbody>
</table>
Short Term Disability

- **Weekly Benefit of 60%**
  - Maximum benefit of $693.00 per week

- **Elimination Period**
  - Illness and Accident: 14 days

- **Maximum Period Payable**
  - 22 Weeks; 4 weeks for pre-existing conditions

- **Must exhaust all of your sick leave before benefits are payable**

- **Pre-Existing Condition**
  - 3 months prior to STD effective date

- **After initial opportunity, EOI is required**
Long Term Disability

- Up to 60% of income when you become disabled
  - Maximum benefit of $12,025 per month
- 90 day elimination period
- After initial opportunity, EOI is required
Long Term Care

- LTC insurance provides funds for necessary services when an individual becomes incapable of caring for themselves
- Choice of daily benefit levels: $100, $125, $150, and $200 per day
- Premium based on fixed daily benefit and on your age at time coverage starts
- Waiting period 90 calendar days starting on the first day of chronic illness
UTFLEX
Flexible Spending Accounts

Provides tax savings on health, dependent care, and insurance related expenses

- You save FIT and FICA taxes
  - Federal Income Tax = 15% to 33%
  - FICA (Social Security Tax) = 5.65%
UTFLEX
Flexible Spending Accounts

- Medical Reimbursement Account
- Dependent Day Care Reimbursement Account
- Annual Administrative Fee $12
  - Fee per account
- Elect by completing the Insurance Enrollment Form
UTFLEX
Medical Reimbursement Account

- $5,000 Maximum per plan year (Sept. 1 – Aug. 31)

- Monthly minimum and maximum
  - $15 monthly minimum
  - $416 monthly maximum for 12 months
  - $555 monthly maximum for 9 months

- Covers eligible out of pocket expenses for medical, dental, and vision

- Covers any expenses allowed by IRS for itemized deductions

- Covers any member in your family even those not covered by your insurance
UTFLEX
Medical Reimbursement Account

Eligible expenses
- Deductibles, co-pays, coinsurance
- Prescription drugs
- Chiropractor treatments
- Dental services
- Eye exams and prescription eyeglasses
- Contact lenses
UTFLEX Benefits Card

- Works like a “debit card” and is pre-loaded with annual election amount; may be used anywhere a Mastercard is accepted.
- For Medical Reimbursement Account only.
- Improves personal cash flow and it’s easy to use.
- Annual charge of $9 for the card deducted from account balance after first deposit.
  - Prorated during the year.
- Save receipts.
- Respond to Payflex correspondence.
UTFLEX

Grace Period

- This grace period allows for an additional 2 ½ months from the end of the plan year (November 15) to incur medical expenses and be reimbursed from the prior plan years account balance.

- Grace period claims may be submitted to Payflex via debit card or express claims.

- Grace period does not apply to the Dependent Day Care Reimbursement Account.

- Deadline of November 30 to submit medical expenses for reimbursement.
UTFLEX
Dependent Day Care Reimbursement Account

- $5,000 Maximum per plan year (Sept. 1 – Aug. 31)
- $5,000 Maximum per calendar year (Jan. 1 – Dec. 31)
  - $15 monthly minimum
  - $416 monthly maximum for 12 months
  - $555 monthly maximum for 9 months

- Eligible expenses
  - Expenses incurred to enable you to be gainfully employed
  - Expenses incurred for a qualifying individual
    - Dependent under the age of 13
    - Spouse or other dependent (physically or mentally incapable, and take IRS exemption)
  - Service must be provided by eligible provider of care
    - Licensed day care; and any individual who is not a tax dependent or a child of yours 19 years of age or older
UTFLEX

Getting Reimbursed

- Flex Benefits Card (medical reimbursements only)
  - Keep receipts, claim form is not required
- File claim form for Medical Reimbursement Account for participants that did not elect the debit card
  - Express claim may be used
  - Direct Deposit option available

- File claim form for Dependent Day Care Reimbursement Account
  - Express claim may be used
  - Direct Deposit option available
UTFLEX Reminders

- **Use it!!** Any amounts not used by the end of plan year grace period (11/15) will be forfeited
- Estimate expenses conservatively
- Information, claim forms, and helpful planning calculators are available at [www.utflex.com](http://www.utflex.com)
- Toll Free 1-866-UTS-FLEX
Insurance Enrollment

- Complete an Insurance Enrollment Form within 31 days of hire date

Dependent Coverage
- Adding dependents to insurance requires their date of birth and social security numbers
- Dependent relationship documents required ie marriage certificate and birth certificate
- Special dependent form available for step-children and other qualified dependents
Salary Spread and Quadruple Deduction

Salary Spread

- From 9 months to 12 months
- Eligible Faculty
  - Must be appointed 100% for 9 months
  - One time opportunity in September
  - Complete a Salary Spread form

Quadruple Deduction

- 9 month appointment Faculty
- Insurance premiums are quadruple deducted (for May, June, July, and August) in May 2013
- Complete a Summer Insurance Notice form
Benefits and Records Reminders

- Elect Insurance coverage within 31 days
- Enroll today or make an appointment via email at benefits@uta.edu or contact us at campus extension 2-5558
- Make sure your Records and Benefits paperwork is complete i.e. Enrollment forms, I-9 Form, W-4, Direct Deposit form and State Service Verification form (if necessary)
- For Records assistance, hrrecords@uta.edu or campus extension 2-5554
My UT Benefits

- Online enrollment and education website provided by UT System
  - Learn about your insurance and retirement programs
  - Logon to enroll, update and review benefits coverage
  - Enroll in and make changes to your retirement programs
  - View a summary of your UT retirement program balances
  - Read helpful articles on a range of financial planning topics

- https://utdirect.utexas.edu/nlogon/sgwww/myUTBenefits/index.wb
University of Texas Electronic Identifier (UT EID)

UT EID is an electronic identifier that will allow you to access UT Direct, which is a secure web-based employee system. The UT EID allows you direct access to your UT Arlington information.
UT EID

- Use UT EID instead of SSN for records and payroll purposes
  - View paycheck statement, update your address, change your W-4, and access My UT Benefits for annual enrollment
- Upgrade security status for access through UT Direct
- Obtain UT EID and password resets from
  - Office of Human Resources
  - Payroll Services
  - DEFINE Education
Discussion

- Required Forms
- Rates
- Questions