

# **WELCOME TO THE BLUEFIELD STATE COLLEGE EMPLOYEE BENEFITS SEMINAR**

Department of Human Resources  
Bluefield State College  
219 Rock Street  
Bluefield, WV 24701  
304-327-4049 Fax: 304-327-7747

# Benefit Coordinators

- New Employees: Leah Taylor, Director Human Resources 327-4049
- Current Employees: Jane Miller, Payroll, 327-4046

# Policies & Procedures

- ◆ Arrears Payroll
- ◆ Handbook
- ◆ Web Resources
- ◆ Parking Permit
- ◆ Computer Usage Policy

# Identification Card

## ◆ Employee Identification Card

Your photo ID allows the use of certain recreation facilities, library, athletic and campus discounts. Cards may be obtained from Campus Safety.

# Years of Service

- Information required for correct placement on:
  - Salary schedules
  - Recording experience within your profession,
  - Longevity increment pay
  - Annual/sick leave accrual rates
  - Service awards
  - Other seniority related issues.

# Transfer of Sick Leave

- **Transfer of Sick Leave**

Accumulated sick leave may be transferred with an employee from other agencies of WV State Government to a Board of Trustees institution. A written request for transfer must be made within **one year** from the last day of employment with another state agency.

- **Reinstatement of Sick Leave Upon Reemployment**

When an employee terminates employment for reasons other than retirement, all sick leave credited to that employee shall be considered ended as of the last working day with the institution, and no reimbursement shall be provided for unused sick leave. An employee who resigns in good standing, and is later reemployed, may request in writing to have his/her accumulated sick leave reinstated if the date of termination is less than one year from reemployment.

# 401(a) Qualified Retirement Plan

## Two Fund Sponsors

### 1. **TIAA-CREF**

- ◆ (Teachers' Insurance & Annuity Association / College Retirement Equities Fund)

### 2. **Great-West**

- ◆ (Educator\$Money, Service of BenefitsCorp, owned by Great-West Life & Annuity Insurance Company)

# TIAA-CREF

- ◆ World's Largest Private Pension Plan-over 274 Billion Dollars
- ◆ Over 3 Million Participants Investing for Retirement
- ◆ Established in 1918 to provide pensions to Higher Education employees
- ◆ Offers 10 core funds of stocks, bonds, real estate, and the TIAA Guaranteed Account, plus 9 new mutual funds
- ◆ Administrative costs less than 1/2 percent; AAA ratings
- ◆ On campus, One-on-one counseling available by request.

# Great-West / Educator\$Money

- ◆ For more than 100 years, Great-West has provided services to government and corporate pension and defined contribution clients.
- ◆ Great-West serves almost 2 million Americans through retirement plan services
- ◆ Added by HEPC as a second fund sponsor for WV Higher Ed Jan. 1, 2003
- ◆ HEPC specified categories for 13 mutual funds
- ◆ Large provider of services for Public School System, 457(b) plans
- ◆ Costs relatively low AA bond ratings

# TIAA-CREF or Great-West?

- ◆ Choose One!
- ◆ Enrollment required before pay can begin!
- ◆ Contributions of 6% plus 6% state matching money to the plan; all tax deferred; vested immediately
- ◆ Both provide quarterly and annual reports/ phone and internet services.
- ◆ Loans

# Choosing Your Allocation

- ◆ Determine Acceptable Level of Risk
  - Number of Years to Retirement Age
  - Other Sources of Retirement Income
  - Personal Acceptable Risk Level
  - *Rule of Thumb:* May use age as percent to allocate conservatively

# Developing an Investment Strategy within the Plan

- Manage risk by diversifying your holdings among different asset classes

*...Professionals recommend  
a mix of 3 or more asset classes*

# TIAA-CREF Pension System

TIAA-CREF investment accounts represent four essential asset classes:

- Guaranteed
- Fixed Income
- Real Estate
- Equities

# Transferring Accumulations

**10 Annual Installments**

**TIAA  
Traditional**

**TIAA Real  
Estate &  
CREF Funds**



# Great-West / Educator\$Money

- International Stock Fund
- Specialty Stock Fund
- Small Cap Fund
- Mid-Sized Fund
- Large Cap Fund
- Bonds
- Profile Investing

# Some Possible Portfolios

- TIAA-CREF (Page 7)
  - Conservative
  - Moderately Conservative
  - Moderately Aggressive
  - Aggressive
- Great West Investment Planning Guide (Page 3)
  - Conservative
  - Moderately Conservative
  - Moderate
  - Moderately Aggressive
  - Aggressive

# Supplemental Retirement Annuities (SRAs) 403(b) and 457(b)

- Additional Retirement Savings
- Tax-Deferred Contributions-Non-Matched
- Convenience of Payroll Deductions
- Limits: \$13,000 403(b); \$13,000 457(b) Loans
- Additional \$3,000, each, if Over Age 50
- Loans / Withdrawal Restrictions
- Vendors: TIAA-CREF or Great-West

Questions?

Break!-5 Minutes

# PEIA HEALTH INSURANCE PLANS

- The Preferred Provider Benefits Plan (PPB)
  - Includes benefits for hospital, surgical, prescription drug, and other medical expenses.
- Managed Care Plans
  - Offer their commercial benefit plans which are VERY different.
  - All managed care plans offer HMO's.

# PEIA COVERAGE

- Employee may elect single, single with children, family, or life insurance only (no health). Dependents are your spouse and/or eligible children.
- Initial enrollment period: month of hire and following two months
- Employee and/or dependent is effective the month following the month enrolled.
- The Preferred Provider Benefit Plan: One year pre-existing condition clause for each new enrollee.
  - Summary Plan Description Booklet-pg 12
- Managed Care Plans: No pre-existing condition clause.

# PEIA COVERAGE

- Dependent children are covered to age 19; or age 25 if a full-time student.
- Children may be covered after age 19 if incapacitated and cannot support themselves due to a physical or mental disability which began before age 19 ( or age 25 if a full-time student).
- New dependents will not be covered unless a PEIA Change-in-Status form is completed to add them to the plan (including newborns).

# PEIA & OTHER INSURANCE PLANS?

- ◆ BSC and New River Community and Technical College active employees:
  - ◆ PEIA Plan is *usually* primary plan.
- ◆ Employee spouse covered by his/her employer:
  - ◆ That plan is usually the primary plan for the employee spouse.
- ◆ For dependent children of parents not separated or divorced, if PEIA and another plan covers the child as a dependent:
  - ◆ plan of parent whose birthday falls earlier in the year will be primary; or
  - ◆ if the other plan uses the parent's gender to determine benefits, then the gender rule will determine the order of benefits.
- ◆ *Primary plan pays benefits without regard to any other plans.*
- ◆ Secondary plan pays its benefits adjusting for benefit(s) paid by the primary plan.
  - ◆ PEIA PPB Plan uses the "*carve out*" method.
  - ◆ For information on restrictions by Managed Care please contact them.

# PEIA Limited Services

- ◆ Out-patient physical therapy
- ◆ Out-patient mental health and chemical dependency services
- ◆ Out-patient speech therapy
- ◆ Out-patient occupational therapy
- ◆ Chiropractic services
- ◆ Refer to the PEIA Plan Summary and Shopper's Guide for details

# PEIA PPB & Managed Care Premiums

- Based on your base salary
- Based on level of coverage:
  - single, family, employee and child(ren) or family with employee spouse
- Premium is deducted once per month (first pay cycle)
- Monthly Premium quoted in the PEIA Shopper's Guide:
  - Pages 26 to 27 for Region II rates

# PEIA PPB Preferred Premiums

- ◆ Premiums based on tobacco use status
- ◆ Tobacco-free members will receive discounts of \$15 for single coverage or \$30 for family coverage
- ◆ Tobacco-free members must sign an affidavit stating that neither they or their insured family members, ***uses or has used any form of tobacco during the last five months.***

# PEIA PPB PLANS A & B

- ◆ Members may choose care from any health care provider
- ◆ Benefit level will depend on where you receive services
- ◆ The Network includes PPB WV Providers, PPB Providers in States bordering WV, and Accordia's PPO Providers for out-of-state care
- ◆ Use of Non-Network providers without prior authorization results in reduced benefit payment
- ◆ Deductibles and Out-of-Pocket maximums are based on your salary
- ◆ Plan includes prescription drug coverage

# PPB Plans A & B cont..

## Deductible

- ◆ Based on Annual Base Salary - See pages 24 - 27 of the PEIA Shopper's Guide
- ◆ Out-of-Network deductibles are twice the amount of the in-network deductible & are accumulated separately

## Co-Insurance

- ◆ For most In-Network services the plan pays 80% of the allowed expense and the member pays 20%.
- ◆ For Out-of Network services the co-insurance is higher

## Co-Payment

- ◆ Physician office visits for preventive care - \$10 co-pay
- ◆ Physician office visits for illness - \$15 co-pay

## Out-of-Pocket Maximum

- ◆ This is the most you pay in co-insurance in a Plan Year
- ◆ Out-of-Network Services have higher Out-of-Pocket Maximums which are twice the amount of the in-network Out-Of-Pocket Max. & are accumulated separately

# PPB Plan PRESCRIPTION BENEFITS

	PPB Plan A	PPB Plan B
<b>Deductible</b>	-\$75 Single -\$125 Family	-\$150 Single -\$300 Family
<b>Generic Co-pay</b>	\$5	\$5
<b>Preferred Brand</b>	\$15	\$20
<b>Non-Preferred Brand</b>	\$30	\$50
<ul style="list-style-type: none"><li>◆ Preferred formulary contains hundreds of the most popular drugs.</li><li>◆ Participating pharmacies file claims on-line</li><li>◆ 90-day supply available at discounted co-pay through mail order or Network Pharmacies. The Maintenance drug list is available on PEIA's web site at <a href="http://www.wvpeia.com">www.wvpeia.com</a></li></ul>		

# PEIA MANAGED CARE PLANS

- ◆ Managed Care Plans consist of a network of doctors, hospitals and other health care providers that provide the necessary medical care for plan members.
- ◆ At the time you join, each member of the family selects a primary care physician (who can be a family physician, internist, pediatrician or obstetrician/gynecologist).
- ◆ Primary Care Physician (PCP) coordinates all of your health care needs.
- ◆ **Carelink** offers two HMO Options: Plan 1 and Plan 2, which also include vision coverage. Carelink also offers a PPO option.

# HEALTH MAINTENANCE ORGANIZATION (HMO)

- ◆ Contract with select hospitals, physicians, pharmacies and other health care providers in a community who agree to be part of the plan's "Network".
- ◆ No medical deductible
- ◆ Except in medical emergencies, HMO members must obtain all medical care from network providers
- ◆ The cost for in-network services is a predetermined co-pay or co-insurance amount
- ◆ The plan does not pay non-network services, unless a member is referred by the Plan
- ◆ The plans have out-of-pocket maximums which vary by HMO.

# Managed Care Prescriptions-Health Plan

<b>Benefit Description</b>	<b>Health Plan A</b>	<b>Health Plan B</b>
Deductible	None	None
Generic co-pay	\$10	\$5
Formulary brand necessary	Not covered if generic is available. 50% coinsurance if generic is not available	Not Covered
Formulary brand necessary requested by patient	Not covered if generic is available. 50% coinsurance if generic is not available	Not Covered
Non-formulary brand	Not Covered	Not Covered
Maintenance Medication Discount	Mail order program available	Mail order program available
Annual Benefit Maximum per member/year	\$5000	\$5000

# Managed Care Prescriptions-Carelink

<b>Benefit Description</b>	<b>Plan 1 and Plan 2</b>
Deductible	None
Generic co-pay	\$10
Formulary brand necessary	\$20
Formulary brand necessary requested by patient	\$20+ full cost difference between generic and brand
Non-formulary brand	\$50
Maintenance Medication Discount	90 day supply for one months copay through mail order program. Limited to medications on Mail-Order List
Annual Benefit Maximum per member/year	None

# Benefit Plan Change Restrictions

For participants in Section 125, Section 125 of the IRS code restricts benefit plan changes. Changes are allowed *only* during a yearly open enrollment period, except for certain qualifying events:

- ◆ Marriage/Divorce
- ◆ Death of a spouse or dependent
- ◆ Birth or adoption of a child
- ◆ Termination of employment
- ◆ Leave of absence
- ◆ Employment status change i.e., loss of spouses employment

# Open Enrollment

- ◆ End of March to beginning of May. (Plan year July-June)
- ◆ All additions, changes or termination of benefits are effective July 1.
- ◆ PEIA PPB participants who are tobacco-free must sign a new tobacco affidavit to receive the Health and/or Life insurance premium discount for the new plan year.

# COBRA

- ◆ Employees, dependents and/or spouse can temporarily continue Health, Dental and Vision coverage due to certain qualifying events.
- ◆ The entire premium cost is paid by the COBRA participant.
- ◆ Qualifying Events:
  - ◆ Termination of employment
  - ◆ Death or divorce
  - ◆ Dependent child loses eligibility due to age, marriage, or loss of full-time student status
- ◆ The enrollment period is 60 days from the Qualifying event. *Contact PEIA for enrollment instructions.*

# PEIA LIFE INSURANCE PLANS

- Bluefield State College and New River Community & Technical College provides employees with a Basic \$10,000 decreasing Term Life insurance policy at no cost to the employee.
- Employees may increase this coverage by electing to enroll in an Optional Life insurance plan.
- Employees may also elect to enroll dependents in a Dependent Life insurance policy.

# PEIA Basic Life Insurance

Life Amount \$10,000

## Dismemberment:

- ◆ (one body member) \$ 5,000
- ◆ (two or more body members) \$10,000

Accidental Death \$10,000 (+ basic \$10,000)

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- ◆ The life insurance is a reducing term policy. It has no cash value.
- ◆ The policy can be converted to a private policy within 30 days of termination of employment. Contact PEIA for details.

# PEIA Optional Life Insurance

- Employees may increase coverage:
  - Amount of Coverage-\$5000 to \$500,000.
  - Increase at any time with "Evidence of Insurability" form.
  - Receive up to \$100,000 coverage without completing an "Evidence of Insurability" form.
  - Premiums determined by age/tobacco use status.

# PEIA DEPENDENT LIFE INSURANCE

	Who is Covered?	Amount of Coverage	Total Monthly Premium
Plan 1	Spouse	\$5,000	\$1.97
	Each Child	\$2,000	
Plan 2	Spouse	\$10,000	\$3.94
	Each Child	\$4,000	
Plan 3	Spouse	\$15,000	\$5.91
	Each Child	\$7,000	
Plan 4	Spouse	\$20,000	\$7.88
	Each Child	\$10,000	

# MOUNTAINEER FLEXIBLE BENEFITS

- ◆ Administered by Fringe Benefits Management Co.
- ◆ Coverage becomes effective on the first day of the month following enrollment
  
- ◆ **Benefit Choices:**
  - ◆ Dental Insurance
  - ◆ Vision Insurance
  - ◆ Medical Flexible Spending Account
  - ◆ Dependent Day Care Flexible Spending Account
  - ◆ Disability Insurance (Short Term and Long Term)
  - ◆ Legal Plan

# MOUNTAINEER FLEXIBLE BENEFITS

## DELTA DENTAL PLAN

- ◆ **Basic Plan:**
  - ◆ Covers 80% Preventive and Basic services
  - ◆ \$25.00 deductible each for 1-3 plan members
  
- ◆ **Enhanced Plan:**
  - ◆ Covers Preventive, Basic and Major Services \*
  - ◆ \$50.00 deductible each for 1-3 plan members
  - ◆ Deductible waived for Diagnostic/Preventive
  
- ◆ **Dental Assistance Plan**
  - ◆ \$25 deductible
  - ◆ Covers 50% of preventive and basic services
  
- ◆ Choosing dentists from the Participating Provider Network will save money.

\* *Major Services and Orthodontia are covered after one year of participation*

# **MOUNTAINEER FLEXIBLE BENEFITS**

## **VISION SERVICE PLAN**

### **◆ Full Service Plan:**

- ◆ Allows use of member or non-member doctors
- ◆ Vision exams covered every 12 months
- ◆ Contact lenses or glasses lenses covered every 12 months
- ◆ Eye glass frames covered every 24 months

### **◆ Exam Plus Plan:**

- ◆ Requires a member doctor
- ◆ Vision Exams and discounts on materials covered every 12 months

# Flexible Spending Accounts (FSA)

- IRS-approved, tax-free account that saves an employee money on eligible medical & dependent expenses and certain over-the-counter medications.
- Employee authorizes per-pay-period deductions.
- As eligible expenses occur, an employee may reimburse themselves by requesting tax-free withdrawals from the account.
- Two Options: Medical FSA or Dependent FSA.
- Contributed money does not “rollover” each year. Changes may only be made during PEIA Open Enrollment.

# MOUNTAINEER FLEXIBLE BENEFITS

## MEDICAL FSA

- ◆ Minimum Annual Contribution                      \$150.00
- ◆ Maximum Annual Contribution                      \$3,000.00
  
- ◆ Covers eligible expenses for the employee, spouse and dependents.
  
- ◆ Eligible expenses are those typically not covered by health insurance:
  - ◆ Deductibles
  - ◆ Approved over-the-counter, non-prescription drugs
  - ◆ Dental expenses
  - ◆ Vision expenses
  - ◆ Outpatient therapies over \$1,000/maximum

# MOUNTAINEER FLEXIBLE BENEFITS

## Dependent FSA

- ◆ Minimum Annual Contribution      \$150.00
- ◆ Maximum Annual Contribution      \$2,400 - \$5,000\*
- ◆ Covers child, adult and eldercare expenses that allow the employee to work
  
- ◆ Eligible expenses:
  - ◆ Day care facility expenses
  - ◆ Local day camp fees
  - ◆ Babysitting fees for at-home care

*\*Based on tax filing status*

# **MOUNTAINEER FLEXIBLE BENEFITS**

- Short Term Disability
- Long Term Disability
- Group Legal Plan (Post-tax)

# STANDARD INSURANCE LONG TERM DISABILITY PLAN

- Provides monthly income benefit from all sources equal to 60% of monthly base salary up to a maximum monthly benefit of \$2,500. (*Less any offsets*).
- Provides a Monthly Annuity Benefit which continues retirement plan contributions to a TIAA-CREF Pension plan while disabled.
- Premium based on annual base salary and age.
- Premiums deducted on after-tax basis; benefits are tax-free.
- Benefits begin after six months of total disability.

# STANDARD INSURANCE LONG TERM DISABILITY PLAN

- Benefits for those disabled prior to age 60 can continue to age 65; (Exception: Mental disorder, drug and alcohol abuse, benefit duration limited to 24 Mo.)
- Annual benefit adjustment equals the lesser of the percentage in the Consumer Price Index or 3% beginning 36 months after your benefits began
- One year pre-existing condition clause applies
- Statement of Health required after initial enrollment period (One year employment anniversary)
- Cost is .6167% of salary – approximation) Deducted from the end of the month check.

**Questions?**

Thank you.