

# THE UNIVERSITY OF SOUTHERN MISSISSIPPI



## Fringe Benefits Summary

Created and Maintained by the Department of Human Resources  
Revised October 2009

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## **QUICK REFERENCE LIST**

**State Health Insurance Plan:** <http://knowyourbenefits.dfa.state.ms.us>

|   |               |
|---|---------------|
| Claims Administrator .....  | (800)709-7881 |
| Provider Network.....   | (800)294-6307 |
| Utilization Review Program.....   | (800)523-8739 |
| Wellness/Preventive Services HRA <a href="http://www.webmdhealth.com/mississippi">www.webmdhealth.com/mississippi</a> ..... | (866)789-4594 |
| Plan Administrator.....   | (866)586-2781 |
| In the Jackson area (Plan Administrator).....   | (601)359-3411 |

**Pharmacy Benefits:** <http://knowyourbenefits.dfa.state.ms.us>

**Catalyst Rx**

|                                   |               |
|-----------------------------------|---------------|
| Pharmacy Benefits Manager.....    | (866)757-7839 |
| Pharmacy Mail Order Program ..... | (866)827-9480 |

**Group Life Insurance:** [www.lifebenefits.com](http://www.lifebenefits.com)

|  |               |
|--|---------------|
| Minnesota Life Insurance Company ..... | (866)293-6047 |
|--|---------------|

**Dental Insurance:** [www.ucci.com](http://www.ucci.com)

|                        |               |
|------------------------|---------------|
| United Concordia ..... | (800)332-0366 |
|------------------------|---------------|

**Cancer Insurance:**

|                |               |
|----------------|---------------|
| Colonial ..... | (800)325-4368 |
|----------------|---------------|

**Vision Insurance:** [www.superiorvision.com](http://www.superiorvision.com)

|                      |               |
|----------------------|---------------|
| Superior Vision..... | (800)507-3800 |
|----------------------|---------------|

**Flexible Spending Accounts:**

|                             |               |
|-----------------------------|---------------|
| Coggins and Associates..... | (800)844-1760 |
|-----------------------------|---------------|

**Worker's Compensation:** [www.fara.com](http://www.fara.com)

|           |               |
|-----------|---------------|
| FARA..... | (877)561-3272 |
|-----------|---------------|

**Mississippi Deferred Compensation:**

[www6.ingretirementplans.com/SponsorExtranet/MDCPT/index.html](http://www6.ingretirementplans.com/SponsorExtranet/MDCPT/index.html)

|                       |               |
|-----------------------|---------------|
| Customer Service..... | (800)846-4551 |
|-----------------------|---------------|

**PERS (Public Employees' Retirement System):** [www.pers.state.ms.us](http://www.pers.state.ms.us)

|                       |               |
|-----------------------|---------------|
| Customer Service..... | (800)444-7377 |
|-----------------------|---------------|

## **INTRODUCTION**

The Department of Human Resources at The University of Southern Mississippi created this booklet as a way to inform you of all of the benefits available to you as an employee. The information contained in this booklet is subject to change, without notice, at any time and is not meant to serve as a master policy/contract or a guarantee of benefits. The booklet will be updated as needed, based on changes in our benefits. Please use this information to determine which benefits you are interested in as a new employee. Current employees can also use this information to determine if they would like to make changes during Open Enrollment or have cause to make changes throughout the year based on a life status change.

You will find the names and numbers of individuals you can contact with questions regarding your benefits at the back of this booklet. We are pleased to have you whether you are considering joining the Southern Miss community or have been with us for awhile!

## **RETIREMENT**

### **Public Employees' Retirement System (PERS)**

#### **Membership: Mandatory**

- If you are employed 20 hours or more per week or 80 hours per month, membership in the retirement system is mandatory
- If you are currently a member of PERS with another organization

#### **Contribution Requirements (before tax):**

- Employee – **7.25%**
- University – **12.00%**

#### **Eligibility: Four ways to retire**

- Age 60 and vested
- 25 years of service, regardless of age
- If you become disabled before age 60 and you are vested
- Or from the first day of a work-related disability

#### **Vested:**

- Prior to July 1, 2007 4 years of service required for vesting
- On or after July 1, 2007 8 years of service required for vesting
- This means that after the appropriate number of service years, you can retire when you meet other eligibility requirements.

#### **Options on leaving University:**

- Refund of Contribution (You may withdraw your funds when you leave the university; however, you will receive only your contributions and interest on your contributions less 20% taxes and a 10% early withdrawal penalty)
- Rollover (Move your money directly to another qualified retirement account)
- Leave Contribution with PERS (You may leave your contribution with PERS in anticipation of returning to covered employment. If you go to work for another state agency – you must leave your money in PERS until retirement)

## Optional Retirement Program (ORP)

### Eligibility:

- Teaching Faculty
- Administrative Faculty
- Coaches
- Librarians with Academic Rank
- Administrative Directors of Recognized Departments
- Research Scientist
- Post Doctoral Fellows

### Vendors:

- **ING Financial Services (Formally Aetna)**
- **TIAA-CREF**
- **VALIC**

### Type of Plan:

- Defined Contribution

### Contribution:

- Employee – **7.25%**
- University – **12.00% (9.405%** to individual's fund & **2.595%** goes to PERS to fund the unfunded accrued liability and is never a benefit to the employee)

### Vested:

- Immediate – no vesting requirement

### Options on Leaving University:

- Portable

### Time Frame:

- **30 days to make a decision**
- **If no decision is made, PERS will automatically take effect**
- **Decision is irrevocable**

## Optional Retirement Plan (ORP) Versus Public Employees' Retirement System (PERS)

As an employee eligible to participate in the Optional Retirement Plan (ORP) for the Institutions of Higher Learning (IHL), you will be asked to decide within your first (30) thirty days of employment if you wish to participate in the ORP or in the Public Employees' Retirement System (PERS). If you do not decide which plan to join within 30 days, you will automatically be enrolled in PERS effective from your date of employment. Mississippi law requires all full-time employees of IHL to be members of PERS, but does offer new teachers and administrative faculty an opportunity to select an optional retirement plan within 30 days of employment. Keep in mind that this is an irrevocable decision.

Prior to July 1, 1990, all IHL employees were covered under PERS; however, in the 1990 Legislative session, the IHL was instrumental in getting House Bill 1070 passed which made the ORP available. There are several differences in ORP and PERS benefits based on the fact that the ORP is a defined contribution plan, and PERS is a defined benefit plan. This makes comparison extremely difficult. With ORP, your contribution is 7.25% and the employer contributes 11.85% (9.405% to individuals fund and 2.595% goes to PERS to fund the unfunded accrued liability and is never a benefit to the employee). With PERS your contribution is 7.25% of wages, and the employer contributes 12.00%. If you elect to participate in the ORP, your retirement benefits will be determined by the amount of cash value you have at the time of retirement with which to purchase an annuity. PERS benefits are based upon the benefit formula, years of service and the average of your four highest years of compensation. Each of these plans has advantages and disadvantages, which are discussed below in order to better inform you of your choice. **Remember that you must act within 30 days of employment. If you take no action, you will automatically become a member of PERS.**

If you choose to enroll in the ORP, your member account will consist of your contributions of 7.25% and employer contributions of 12.00% (9.405% to individuals fund and 2.595% goes to PERS to fund the unfunded accrued liability and is never a benefit to the employee). Your account will be 100% vested. If you relocate to another state, which has a similar plan, you may be eligible to transfer your account balance to your new employer's plan. The unfunded accrued liability portion remains with PERS and will never be of benefit to you. If you resign or discontinue teaching, then you may draw retirement benefits immediately. You choose the investment vehicles in which your contributions are deposited and can make limited transfers of your account based on your annuity contract with the vendors. Plan contributions are a liability of the company with which you invest and are not subject to attachment.

The PERS benefits are payable if 1) you are age 60 and vested in the system, or 2) you have accumulated at least 25 years of service credit, regardless of age. Benefits are based on the average of your (4) four highest years' salary. The retirement calculation is 2.0 % for each year through 25 years, and 2.50% for each year in excess of 25 years.

PERS has several additional provisions which allow for (1) disability income if you are vested in the system; (2) death or disability benefits in the line of duty without vesting requirements; (3) survivor/dependent child income protection if you are vested in the system; (4) service credit for unused personal leave; and (5) military service credit. PERS also provides an annual benefit adjustment (or 13<sup>th</sup> check) each year after the member has been retired one full fiscal year and periodically the Legislature provides an across-the-board-increase in retirement benefits. If you terminate as a member of PERS you may elect to receive a refund of your contributions with interest; however, you cannot receive any of the employer contributions.

## Advantages and Disadvantages of the ORP versus PERS

### Advantages of PERS

- Disability Income Protection
- Military Service Credit
- Unused Leave Credit
- Death Benefits in Line of Duty
- Annual Benefit Adjustment (13<sup>th</sup> check)
- Stability of System
- Can purchase Professional Leave Credit
- Can purchase Out-of-State Service
- Minimum monthly payments at retirement
- Spousal and dependent child benefits available after 4 years of service

### Disadvantages of PERS

- Limited Portability
- Vesting period
- Employee does not have access to employer contributions if he/she terminates prior to eligibility for monthly benefits

### Advantages of ORP

- Immediate Vesting
- Portability
- Control over investment
- Access to both employee and employer contributions upon termination

### Disadvantages of ORP

- Disability benefits based on account value\*
- Survivor benefits based on account value\*
- No additional credit for unused or military leave
- No guaranteed benefit or annual adjustment

**\*This means that if a person has recently begun participating in the ORP and has a small account balance, benefits are based solely on the value of the account with no minimum guarantee.**

## Tax Sheltered Annuities

Under provisions of Section 403 (b) of the Internal Revenue Service Code 1954, as amended, employees are offered certain tax advantages when they exclude part of their gross income to purchase an annuity for retirement benefits. Annuity investments are taxed at the time the annuity matures and payment is made to the individual.

Employees interested in the purchase of tax-sheltered annuities should secure competent advice from a representative approved by the University to market annuities on campus. Salary deductions may be authorized for the purchase of annuities, but the University does not contribute to the purchase. The following is a list of approved companies.

| <b>Company</b>   | <b>Representative</b>                                 | <b>Phone Number(s)</b>                 | <b>Website</b>   |
|--|---|--|--|
| ING Financial Services (ORP)   | Lynn deMedicis  | 601.918.8244                           | <a href="http://www.ing-usa.com">www.ing-usa.com</a>           |
| TIAA-CREF (ORP)  | Kathy Golden  | 800.842.2003<br>770.512.3507           | <a href="http://www.tiaa-cref.org">www.tiaa-cref.org</a>       |
| VALIC (ORP)  | Chris Logan(Hattiesburg)<br>Brian Milner (Gulf Coast) | 601.310.4006<br>228.216.0707           | <a href="http://www.valic.com">www.valic.com</a>               |
| Lincoln Financial  | Kay Candelora   | 601-366-7500                           | <a href="http://www.lfg.com">www.lfg.com</a>                   |
| Primerica  | Mike Landrum  | 601.268.0805                           | <a href="http://www.primerica.com">www.primerica.com</a>       |
| State Deferred Compensation Plan   | Shannon Anderson                                      | 601.969.2064<br>(x401)<br>800.846.4551 | <a href="http://www.pers.state.ms.us">www.pers.state.ms.us</a> |
| <b>The University is not recommending any particular vendor or investment and is not accountable for losses you may incur as a result of your investment choice.</b> |   |  |  |

## U.S. Savings Bonds

Employees are eligible to purchase U.S. Savings Bonds through payroll deductions in denominations of \$100.00, \$250.00 and \$500.00. These bonds mature to the full amount of face value 18 years from the date of purchase.

For additional information concerning how to begin payroll deductions, contact the Department of Human Resources.

## **CAFETERIA PLAN – IRS SECTION 125**

The University of Southern Mississippi offers a pre-tax program called a cafeteria plan that is permitted under Section 125 of the Internal Revenue Service Code. It is referred to as a cafeteria plan because the employee may select from a variety of benefits available. This program allows certain benefits to be paid with before-tax dollars rather than with after tax dollars, increasing the amount of take-home pay and lowering tax liability.

The program does not affect the state retirement contributions nor in any way changes benefits available to the employee when they retire. However, the employee may incur a slightly reduced social security benefit at the time of retirement. But research shows that the resulting difference in social security benefits at retirement is insignificant, especially when compared with the savings available during employee careers.

Once you select a benefit in the Cafeteria Plan, you must stay in the plan until **Open Enrollment**, which is in **October** of each year with an effective date of **January 1<sup>st</sup>** unless you have a qualifying life event change such as:

- Marriage
- Death of a spouse or dependent child
- Termination of employment of spouse
- Divorce
- Birth or adoption of a child
- Leave of absence without pay

**What is it?** Section 125 allows certain benefits to be deducted prior to taxes being calculated.

**Result:** More take home pay

### **EXAMPLE**

|  |                  |                  |
|--|------------------|------------------|
| <b>Gross Pay (monthly)</b>                 | \$1,000.00       | \$1,000.00       |
| <b>Pre-tax Health Insurance</b>            | -\$0.00          | -\$378.00        |
| <b>Taxable Gross</b>                       | =\$1,000.00      | =\$622.00        |
| <b>FICA, Fed, and State Taxes (14.55%)</b> | -\$145.50        | -\$90.50         |
| <b>Post-tax Health Insurance</b>           | -\$378.00        | -\$0.00          |
| <b>Net Pay</b>                             | <b>=\$476.50</b> | <b>=\$513.50</b> |
| <b>ADDITIONAL TAKE HOME PAY: \$55.00</b>   |                  |                  |

#### **Benefits included in cafeteria plan (deducted pre-tax):**

- Health Insurance
- Dental Insurance
- Vision Insurance
- Cancer Insurance – Colonial
- Medical Reimbursement Plan
- Dependent Child Care Reimbursement Plan

#### **Benefits not included in cafeteria plan (not deducted pre-tax)**

- Group Life Insurance – Minnesota Life
- AFLAC – Short term disability

## State Health Insurance Plan

**Legacy Employees:** Current employees and any employees hired on or after January 1, 2006 who have ever been employed by any State of Mississippi agency such as a community/junior college, public library, public school district, other State agency or university on a full time basis.

**Horizon Employee:** Any employees initially hired by any State agency on or after January 1, 2006.

**Premium Payment:** Premiums for health insurance coverage are payable one month in advance of the coverage period. Those employees electing spousal and/or dependent coverage should note that as of their hire date premiums are in arrears by either a full or half month's premium. If hired on or after the 15<sup>th</sup> of the month, a full month's premium is in arrears, and for hire dates after the 15<sup>th</sup> of the month a half month's premium arrears. Payment will come out of the first paycheck.

**Well-Child Care:** Plan pays 100% of allowable charge of six well-child care physician office visits from birth to age two. The benefit is subject to the yearly deductible and you MUST use a network provider.

|   | <u>In-Network</u> | <u>Out of Network</u> |
|---|-------------------|-----------------------|
| • Well-Newborn Nursery Care                     | 100%              | Not covered           |
| • Well-Child Physician Office Visits            | 100%              | Not covered           |
| • Specified Routine Tests (See SPD for details) | 100%              | Not covered           |
| • Childhood Routine Immunizations               | 80 %              | Not covered           |

**Wellness/Preventive Coverage:** Benefits for wellness and preventive services are available for participants ages 18 and older. Benefits include office visits and certain diagnostic tests as defined by the plan. This coverage is limited to a maximum benefit of \$1,000 per year and is not subject to the calendar year deductible. You must complete the online Health Risk Assessment to receive any benefits. For a listing of covered examinations and tests, please see the Summary Plan Description or <http://knowyourbenefits.dfa.state.ms.us>.

**Pre-Existing Condition:** 1 year waiting period from initial employment if previously uninsured or if there is more than a 63 day break in service for new employees and 18 month waiting period for late entrants.

**Pre-Certification Requirements:**

- Must call 5 days prior to non-emergency hospitalization and outpatient surgeries and diagnostic tests
- Within 48 hours following emergency admission
- Within first trimester of pregnancy, then within 48 hours of admission

## Health Insurance Rates and Network Information

To check whether your physician or the facility that is providing your medical services is part of the AHS State Network you may call or check the AHS website:

**Provider Network:**           **AHS State Network**  
   **P.O. Box 23070**  
   **Jackson, MS 39225**  
   **1-800-294-6307**

**Website:** [www.dfa.state.ms.us](http://www.dfa.state.ms.us)

### Select Coverage

#### In-AHS Network:

- \$500.00 Individual Deductible
- \$1,000.00 Family Deductible
- 80% / 20% cost sharing, allowable charges
- Annual Stop Loss - \$2,000.00 (in addition to deductibles)

**Note: One person cannot meet more than \$500 of the \$1,000 family deductible**

#### Out-of-Network:

- \$ 1,000.00 Individual Deductible
- \$ 2,000.00 Family Deductible
- 60% / 40% cost sharing, allowable charges
- Annual Stop Loss - \$3,000.00 (in addition to deductibles)

#### Emergency out-of-network:

- If you are out of the area and need of emergency medical care, Network rules still apply.

| Select Coverage/Legacy Participant Monthly Premium – Employee Cost |                        |                  |
|--|------------------------|------------------|
| Premium Class  | 12-Month Staff/Faculty | 9-Month* Faculty |
| Employee Only  | \$0.00                 | \$0.00           |
| Employee + Spouse  | \$385.00               | \$513.33         |
| Employee + Spouse + Children                                       | \$563.00               | \$750.67         |
| Employee + Child   | \$135.00               | \$180.00         |
| Employee + Children  | \$271.00               | \$361.33         |

| Select Coverage/Horizon Participant Monthly Premium – Employee Cost |                        |                  |
|---|------------------------|------------------|
| Premium Class   | 12-Month Staff/Faculty | 9-Month* Faculty |
| Employee Only   | \$18.00                | \$24.00          |
| Employee + Spouse   | \$403.00               | \$537.33         |
| Employee + Spouse + Children  | \$581.00               | \$774.67         |
| Employee + Child  | \$153.00               | \$204.00         |
| Employee + Children   | \$289.00               | \$385.33         |

**\*Note: For faculty on a 9-month pay plan an additional amount is deducted from your paycheck each month and escrowed for the 3 months of summer coverage.**

**Base Coverage**

**NOTE: Prescription deductible is included with medical deductible under this plan.**

**In AHS Network:**

- \$1,200.00 Individual Deductible
- \$2,400.00 Family Deductible
- 80% / 20% cost sharing, allowable charges
- Annual Stop Loss (in addition to deductibles) - \$2,450.00 (individual); \$4,900.00 (family)

**Out-of-Network:**

- \$ 1,20.00 Individual Deductible
- \$ 2,400.00 Family Deductible
- 60% / 40% cost sharing, allowable charges
- Annual Stop Loss - (in addition to deductibles)-- \$3,950.00 (individual); \$7,900.00 (family)

**Emergency out-of-network:**

- If you are out of the area and need of emergency medical care, Network rules still apply.

| <b>Base Coverage/Horizon Participant Monthly Premium – Employee Cost</b> |                               |                         |
|--|-------------------------------|-------------------------|
| <b>Premium Class</b>   | <b>12-Month Staff/Faculty</b> | <b>9-Month* Faculty</b> |
| Employee Only  | \$0.00                        | \$0.00                  |
| Employee + Spouse  | \$339.00                      | \$452.00                |
| Employee + Spouse + Children   | \$517.00                      | \$689.33                |
| Employee + Child   | \$89.00                       | \$118.67                |
| Employee + Children  | \$225.00                      | \$300.00                |

**NOTE: Selection of the base plan makes you eligible for a Health Savings Account (HSA). Please contact your financial institution for more information.**

## Prescription Drug Plan

Provider: **Catalyst Rx** (Prescription Card Service)  
Toll Free: 866-757-7839  
<mailto:rxsinfo@catalystrx.com>

Annual Deductible: \$ 75.00/individual (select plan)  
\$1,200.00/individual (base plan)

**Benefits (retail pharmacy):** **30 day supply**  
Generic: \$ 12.00  
Preferred Brand: \$ 40.00 (listed on Preferred Drug List-PDL)  
Non-Preferred/Other Brand: \$ 65.00 (no generic equivalent)

When you purchase a prescription drug at a retail pharmacy, a generic differential is applied when a brand name drug (Non-preferred brand drug with generic equivalent) is dispensed and a generic is available. When a generic drug is available and you receive a brand name drug, you will pay the difference in the cost of the brand name drug and the generic drug (generic differential) plus the generic co-payment amount.

**Benefits (Mail Order):** **90 day supply**  
Generic: \$ 24.00  
Preferred Brand: \$ 80.00 (listed on Preferred Drug List-PDL)  
Non-Preferred/Other Brand: \$130.00 (no generic equivalent)

For a complete drug listing contact Catalyst Rx or go to <http://knowyourbenefits.state.ms.us>.

## Group Dental Insurance

**Insurer:** United Concordia  
[www.ucci.com](http://www.ucci.com)

**Effective Date:** 1<sup>st</sup> of the month following a payroll deduction

**Deductible:** \$50 per calendar year. Maximum 3 per family. Deductible does not apply to Preventative (Class I) Services.

**Premiums:** **Employee Only- \$34.02**      **Family- \$82.85 (12 month employees)**  
**Employee Only- \$45.36**      **Family- \$110.47 (9 month employees)**

**Providers:** For a list of network providers visit [www.ucci.com](http://www.ucci.com) and search under Advantage Plus. A dentist in the network is not mandatory.

**Maximum Benefits:** \$1,200 per calendar year (Class 1,2 and 3)  
\$ 500 per calendar year (Class 4; \$1,000 lifetime)

**Preventative Services (Class 1):**      **No waiting period.**      **100%**

- Routine exams (1 per 6 months)
- Bitewing x-rays (1 per 6 months)
- Full mouth / Panoramic x-rays (1 per 24 months)
- Fluoride treatment for children up to age 16 (1 per 12 months)
- Sealants for children up to age 16

**Basic Services (Class 2):**      **No waiting period.**      **80%**

- Simple restorative services
- Simple extractions
- Denture and crown repair (dentures 1 per 24 months)
- Injections
- Complex Oral Surgery

**Major Services (Class 3):**      **6 month waiting period**      **50%**

- Endodontics (root canal)
- Periododontics (gum treatment)
- Gold in-lays and crowns

**Orthodontics (Class 4):**      **12 month waiting period**      **50%**

- Dependent Children only
- Maximum annual benefit: \$ 500
- Maximum lifetime benefit: \$1,000

## Group Vision Insurance

**Insurer:** Superior  
**Phone:** 800-507-3800  
**Website:** [www.superiorvision.com](http://www.superiorvision.com)

### Cost:

12-month employees:  
Employee Only \$5.90 - Employee & Spouse \$10.80 - Employee & Family \$18.22

9-month employees:  
Employee Only \$7.87 - Employee & Spouse \$14.40 - Employee & Family \$24.29

**Effective Date:** 1<sup>st</sup> of month following a payroll deduction

### How Vision Network Works

- Provider Locator – 1-800-507-3800
- Schedule an appointment with your Vision Provider
- No paperwork is involved; you pay your co-payment and any expenses that are not covered.

### For Out-of-Network claims you will need:

- The itemized bill
- Name, date of birth, and Social Security #
- Write your daytime phone number on bill

| <u>Benefits</u>                           | <u>Network</u> | <u>Out-of-Network</u> |
|---|----------------|-----------------------|
| <b>Eye Examination (every 12 months)</b>  | 100%           | up to \$34            |
| <b>Spectacle Lenses (every 12 months)</b> |                |                       |
| Single Vision                             | 100%           | up to \$26            |
| Bifocal                                   | 100%           | up to \$39            |
| Trifocal                                  | 100%           | up to \$49            |
| Lenticular                                | 100%           | up to \$78            |
| <b>Frames (every 24 months)</b>           | 100%           | up to \$46            |
| <b>Elective Contact Lenses</b>            |                |                       |
| All other elective contacts               | up to \$120    | up to \$100           |
| <b>Necessary Contact Lenses</b>           | 100%           | up to \$210           |
| \$10 copay – Exam                         |                |                       |
| \$15 copay – Materials                    |                |                       |

## Cancer Insurance

**Insurer:** Colonial Life & Accident Insurance  
**Address:** P.O. Box 100195  
Columbia, SC 29202-3195  
[www.coloniallife.com](http://www.coloniallife.com)  
**Phone:** 800-325-4368  
**Fax:** 800-880-9325  
**Group#:** E9738238

- Coverage goes into effective the first of the month following a payroll deduction.
- Employee pays full cost of premiums

The cancer plan offers coverage for employees and their dependents. The premiums are:

|            | <u>12 month</u> | <u>9 month</u> |
|------------|-----------------|----------------|
| Individual | \$25.20         | \$33.60        |
| One Parent | \$27.75         | \$37.00        |
| Family     | \$41.75         | \$55.67        |

Some of the benefits offered are diagnosis of skin cancer, anesthesia, reconstructive surgery, experimental treatment, blood/plasma/platelets, attending physician, private nurse, inpatient medication, prosthesis/artificial limb, hospice, ambulance, transportation, or lodging. There are no lifetime limits in any areas. Employee pays all premiums. More information can be obtained from the company representative. The policy includes a \$75 a year wellness benefit that pays for annual cancer screening test such as PSA, PAP, mammogram, colonoscopy, chest x-ray, etc. The plan carries a \$3,000 initial diagnosis rider which means that if a covered individual is diagnosed with cancer, Colonial will send them a check for \$3,000 for immediate expenses. Also, if an employee becomes disabled due to cancer for longer than three continuous months, the employee's premium is waived.

## Medical Reimbursement Plan

The United States congress created code Section 125 as part of the Revenue Act of 1978 to make benefits ore affordable for employees. The Medical Reimbursement Plan is a result of that law. The plan is designed to allow an employee to set aside pre-taxed dollars to cover out-of-pocket medical expenses, not paid by group health insurance benefits that occur during the plan year. The employee elects to have a specific number of pre-tax dollars deducted from the paycheck each period. These dollars are contributed to a reimbursement account and subtracted from the gross earnings before taxes are taken out. The maximum annual election amount is \$5,000. To comply with the IRS requirements, the employee may only make a change in elections at the beginning of each year. The plan is administered through Coggins & Associates.

**Plan Administrator:** Coggins & Associates

**Plan Year:** January 1<sup>st</sup> through December 31<sup>st</sup>  
(grace period through March 15<sup>th</sup> of the following year)

**Effective Date:** 1<sup>st</sup> of the month after hire date (i.e., hired 3/1/01 effective 4/1/01)

**Purpose:** To set aside dollars to cover out-of-pocket medical expenses not paid by group health such as dental, eye, deductibles, and amounts in excess of usual, customary and reasonable charges.

**Benefits:** Paid with Un-Taxed Dollars!

This is equivalent to taking an itemized deduction on your Tax return – but realizing the tax benefit on your paycheck.

**Caveat:** **Be Conservative, if you don't use it, you lose it.**

**Annual Limit:** \$5,000 per year

**Annual Enrollment:** October of each year (does not automatically roll-over)

## Dependent Child Care Reimbursement Plan

The Dependent Child Care Reimbursement plan is designed to allow an employee to elect to have a specified number of pre-tax dollars deducted from your pay check each pay period. These dollars are then contributed to a reimbursement account. The employee submits a receipt for a qualified dependent care expense and is reimbursed from that account. The Internal Revenue Service has set the maximum allowable contributions for a dependent care reimbursement plan at \$5,000 per family for a married couple filing jointly or a single parent filing head of household. Any monies not recovered are retained by the state. Once enrolled, changes in the election can only be made at the beginning of each plan year. The plan is administered through Coggins & Associates.

**Plan Administrator:** Coggins & Associates

**Effective Date:** 1<sup>st</sup> of the month after hire date (i.e., hired 3/1/01 effective 4/1/01)

**Plan Year:** January 1<sup>st</sup> through December 31<sup>st</sup>  
(grace period through March 15<sup>th</sup> of the following year)

**Purpose:** To set aside dollars to cover out-of-pocket dependent care expenses.

**Benefits:** You must have a receipt to be reimbursed.

You must have contributed at least the amount of the requested reimbursement to be reimbursed.

This is equivalent to taking a tax credit on your tax return – but realizing the tax benefit on your paycheck.

**Family Limit:** \$5,000 per year

**Caveat:** **Be conservative, if you don't use it, you lose it.**

**Annual Enrollment:** October of each year (does not automatically roll-over)

### **Minnesota Life – Group Life Insurance (Not Cafeteria)**

Employees are offered a life and accidental insurance in an amount equal to double the insured's salary, at a minimum of \$30,000 and a maximum of \$100,000 (double in case of an accident). The University pays 50% and the employees 50% of the premium. The 50% is \$0.12 each \$1,000 for the employee and for the employer. Employees interested in obtaining coverage will be enrolled on their first day of employment and provide with a booklet outlining policy coverage and provisions.

Retired employees may be insured for life insurance in increments of \$5,000, \$10,000, or \$20,000. This policy is through Minnesota Life Insurance Company.

**Effective Date of Coverage:** Date of Hire

**Coverage:**

- Employee only – no spouse or dependent coverage
- Active employee
- Disabled employee
- Retired employee

**Life Insurance:** double salary with limitations listed below. **(2x salary)**

Minimum: \$30,000

Maximum: \$100,000

**Accidental Death Benefits (ADB):** Pays in addition to the Life Insurance coverage, which means it pays double in the case of accidental death.

**Premiums:** \$0.12 per \$1,000 of coverage (employee's portion)

## LEAVE TIME

### Major Medical Leave

Full-time faculty and staff are entitled to major medical leave benefits beginning from their first effective date of employment with the University. The following chart shows the accrual rates for faculty and staff earning major medical leave.

| <b>Major Medical Leave Accrual</b> |                                   |                        |
|------------------------------------|-----------------------------------|------------------------|
| <b>Service Time</b>                | <b>Hours Per Month</b>            |                        |
|                                    | <b>12-Month<br/>Staff/Faculty</b> | <b>9-Month Faculty</b> |
| <b>1 month to 3 years</b>          | <b>8</b>                          | <b>13.33</b>           |
| <b>37 months to 8 years</b>        | <b>7</b>                          | <b>14.20</b>           |
| <b>97 months to 15 years</b>       | <b>6</b>                          | <b>15.40</b>           |
| <b>Over 15 years</b>               | <b>5</b>                          | <b>16</b>              |

Except for nine-month faculty, the first eight (8) hours of absence due to illness will be charged to personal leave. Absence requiring routine visits to a doctor's office or hospital for treatment of a chronic illness, in excess of eight (8), will be charged directly to major medical leave. These do not have to be consecutive days. Nonconsecutive days should be noted on the monthly time sheets.

Major medical leave may be used for absences due to illness of the employee's immediate family after the first eight (8) hours is charged as personal leave. The requirement for eight (8) hours of personal leave is waived for nine-month faculty. The immediate family is defined as spouse, parent, step-parent, sibling, child, step-child, grandchild, grandparent, son- or daughter-in-law, mother-or father-in-law, or brother-or sister-in-law. For each absence due to illness of thirty-two (32) consecutive working hours (combined personal leave and major medical leave), major medical leave shall be authorized only when certified by the attending physician.

**Faculty** may be paid for up to 240 hours of major medical leave upon retirement when they meet PERS retirement rules. All employees may use unused leave to earn additional retirement credit if they are members of the state retirement system (PERS).

### Personal Leave

Regular 12-month **staff/12 month faculty** employees are entitled to personal leave benefits beginning on their first effective day of employment with the University. Part-time employees accrue on a pro-rate basis depending on the number of hours worked.

**Nine-month faculty earn only major medical leave, not personal leave.**

| <b>Personal Leave Accrual</b> |                        |                      |
|-------------------------------|------------------------|----------------------|
| <b>Service Time</b>           | <b>Hours Per Month</b> | <b>Days per year</b> |
| <b>1 month to 3 years</b>     | <b>12</b>              | <b>18</b>            |
| <b>37 months to 8 years</b>   | <b>14</b>              | <b>21</b>            |
| <b>97 months to 15 years</b>  | <b>16</b>              | <b>24</b>            |
| <b>Over 15 years</b>          | <b>18</b>              | <b>27</b>            |

## **Holiday Leave**

The University recognizes the following days as holidays:

- Martin Luther King Jr
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving (Thursday and Friday)
- Christmas Day and Christmas leave period, to include the last seven working days of December as designated by the University President

## **ADDITIONAL INFORMATION**

### **Faculty / Staff Academic Policy**

A full time employee may take up to six (6) semester hours per term, but only one course may be taken during normal working hours. Employees taking week-long intensive courses must take annual leave while they are away from the office taking these courses. All part-time University employees on University benefits are eligible for one-half benefit up to three semester hours. Part-time employees will not be eligible to take their free course during their normal work schedule. All employees must maintain a 2.0 GPA.

Unmarried dependent children of benefit eligible employees and retirees are allowed to enroll as undergraduates at ½ tuition as long as at least ½ of a full course load is attempted.

### **The Payne Center**

The Payne Center offers a variety of fitness and recreational programs in a 133,000 square foot, fully air-conditioned building. The facility includes a swimming pool, fitness center with free weights and strength resistance equipment, aerobics, indoor volleyball, basketball, squash, racquetball courts and locker rooms. Membership fees can be paid by payroll deduction. For more information call the Payne Center at 266-5405.

### **USM Credit Union**

Employees of the University and their families may join the Credit Union; the membership fee is \$10. Services include checking accounts, saving accounts with dividend paid quarterly and loans available to member upon approval of the Credit Committee. Other services are also available. The Credit Union is located at 3205 Hardy Street. The telephone number is 601-450-4114.

## **Jury Duty and Elections**

Jury Duty is recognized as a civic responsibility. A regular employee who is called for jury duty or summoned to appear as a witness on the behalf of any town, city, county, state or federal government shall be granted special leave with pay. The employee may retain the payment granted to an employee for serving on a jury. Special leave is not granted for court attendance when the employee is the defendant or is engaged in personal litigation.

Most employees live or work close enough to the polls to vote before or after working hours. Should this not be possible, the employee may have time off to vote in the county, state, or federal elections with the prior approval of his or her immediate supervisor.

## **Probationary Period**

All staff employees are required to serve on a probationary basis, which consists of ninety (90) days of employment. If the employee's performance is not acceptable, they may be terminated without the normal 2 weeks notice. The Director of Human Resources is authorized to extend the ninety- (90) day probationary period up to (180) days upon the recommendation of the department manager.

An employee successfully completing the 90-day period remains employed at-will, but is entitled to two weeks notification prior to termination or dismissal.

## **CONTACT INFORMATION**

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### **Gulf Coast Student Services Center and Stennis**

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