

# Benefits

JULY 2007

SUMMARY

# The Benefits of Working at the CSU

As an employee of the California State University (CSU), you have a comprehensive program of benefits available to you and, in many instances, your family. This brochure provides an overview of the benefits generally available to you as a Physician (Unit 1) employee. Please contact the Benefits Representative at your campus for more information about your benefits. Benefit program details are contained in the official plan documents.

## HEALTH CARE BENEFITS

*You have medical, dental and vision plans from which to choose coverage. You may cover yourself and your eligible spouse or domestic partner and children. You are eligible to enroll in coverage if you are appointed at least half-time and for more than six months. If you enroll on a timely basis, coverage begins on the first of the month after your date of hire. You also may enroll during any annual open enrollment period.*

- > **MEDICAL BENEFITS** You have a choice of several Health Maintenance Organizations (HMOs), depending on location, or Preferred Plan Provider (PPO) insurance plans through the California Public Employees' Retirement System (CalPERS). You and the CSU share the cost of coverage, with the CSU paying the greater portion of the monthly premium. You may pay your portion of the cost on a pre-tax basis through the Tax Advantage Premium Plan (TAPP).
- > **DENTAL BENEFITS** You may choose between two dental plans: a traditional indemnity (fee-for-service) plan allowing you to see almost any dental provider, or a "dental HMO" plan offering a network of dentists from which to choose. Currently, the CSU pays the full dental premium for you and your eligible dependents.
- > **VISION BENEFITS** Vision coverage includes an annual eye exam, and glasses or contact lenses every other year. Currently, the CSU pays the full vision premium for you and your eligible dependents.
- > **COBRA BENEFITS** If you lose your eligibility for medical, dental, and vision benefits under specified circumstances (for example, you leave employment with the CSU), the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) and the Omnibus Budget Reconciliation Act of 1989 (OBRA) allow you to continue to receive health care coverage at your expense. You and your dependents can receive COBRA benefits for up to 18, 29 or 36 months, depending on the circumstances.

## FLEXIBLE BENEFITS PLANS

*Flexible benefits plans help you save money by allowing you to pay for certain eligible expenses with pre-tax dollars. The tax savings help offset the impact of these expenses on your disposable income. If you enroll on a timely basis, coverage begins on the first of the month after your date of hire. You also may enroll during any annual open enrollment period.*

- > **TAX ADVANTAGE PREMIUM PLAN (TAPP)** TAPP allows your monthly cost for medical coverage through the CSU to be deducted from your paycheck on a pre-tax basis. This means you are not taxed on your portion of the premium, which reduces your taxable income.
- > **FLEXCASH** If you waive the CSU medical and/or dental coverage because you have other non-CSU coverage, you can receive additional cash in your paycheck each month. You will be taxed on this additional income. Currently, you can receive \$128 FlexCash per month if you waive medical coverage and \$12 FlexCash per month if you waive dental coverage.
- > **HEALTH CARE REIMBURSEMENT ACCOUNT (HCRA) PLAN** With a Health Care Reimbursement Account, you set aside a portion of your pay on a pre-tax basis to reimburse yourself for eligible health care expenses. You may contribute up to \$5,000 each plan year through payroll deduction. Neither contributions nor reimbursements are taxed. You may participate in this plan even if you are not eligible for health care benefits.
- > **DEPENDENT CARE REIMBURSEMENT ACCOUNT (DCRA) PLAN** With a Dependent Care Reimbursement Account, you set aside a portion of your pay on a pre-tax basis to reimburse yourself for eligible dependent care expenses. You may contribute up to \$5,000 each plan year (\$2,500 if married, filing a separate tax return) through payroll deduction. Neither contributions nor reimbursements are taxed. All employees are eligible to participate in the DCRA Plan, regardless of eligibility for other plans.
- > **PRE-TAX PARKING DEDUCTION PLAN** You may pay for parking in CSU-qualified parking facilities with pre-tax dollars. Premiums are automatically deducted from your paycheck unless you choose to opt out of the plan. You may change your election to participate at any time.

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## INCOME PROTECTION BENEFITS

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*The following benefits provide you with a source of income should you become disabled and unable to perform your normal duties at work. To be eligible for NDI and IDL coverage, you must be a CalPERS member. To be eligible for LTD coverage, you must be eligible for health care benefits. If you are eligible, enrollment is automatic and effective on your date of hire. Currently, the CSU pays the full premium for all income protection benefits.*

- > **NON-INDUSTRIAL DISABILITY INSURANCE (NDI)** If you are unable to work for longer than seven days because of a non-work-related injury or illness, and meet other eligibility criteria, Non-Industrial Disability Insurance (NDI)
- > **INDUSTRIAL DISABILITY LEAVE (IDL)** The CSU provides you with Industrial Disability Leave (IDL), which replaces your salary during the first 22 days you are unable to work due to a work-related injury or illness. A three-day waiting period may apply. If you remain disabled, IDL replaces two-thirds of your salary for the next 11 months of your disability.
- > **WORKERS' COMPENSATION (WC)** If you suffer a work-related injury or illness, you may select Workers' Compensation Temporary Disability payments in lieu of IDL payments.
- > **LONG-TERM DISABILITY INSURANCE (LTD)** Long-Term Disability Insurance (LTD) replaces part of your income should you be disabled more than 180 days, regardless of the cause. LTD is designed to supplement other sources of disability benefits, including IDL, Social Security, CalPERS retirement or any other group disability plan. The plan pays 66 2/3 percent of your salary, up to a maximum benefit of \$10,000 per month.

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## SURVIVOR PROTECTION BENEFITS

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*If you should die while employed by the CSU, your surviving beneficiary(ies) will receive benefits from a number of CSU-sponsored plans and, if you enroll, several voluntary plans. To be eligible for life insurance, you must be eligible for health care benefits. To be eligible for CalPERS death benefits, you must be a CalPERS member.*

- > **LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT (AD&D) INSURANCE** The CSU provides you with \$25,000 of basic term life insurance coverage and \$25,000 of basic accidental death and dismemberment (AD&D) insurance coverage. The CSU pays the full cost of this coverage. Coverage is automatic and effective on the first of the month after your date of hire.
- > **VOLUNTARY LIFE INSURANCE** You can purchase up to \$1.5 million of additional life insurance for yourself. You may also purchase life insurance coverage of up to \$750,000 for your spouse/domestic partner and/or \$5,000, \$10,000 or \$20,000 for your children. The CSU offers coverage

at reduced group rates. You pay the full cost on an after-tax basis. If you are a new employee and enroll on a timely basis, you are not required to provide evidence of good health. If you are a current employee, you may enroll or increase coverage at any time but you'll have to provide evidence of good health. Coverage begins on the first of the month after your application is approved.

- > **CALPERS PRE-RETIREMENT DEATH BENEFITS** If you should die before you retire, CalPERS will pay your beneficiary a \$5,000 tax-free death benefit. Depending on your length of service, your beneficiary may receive additional benefits. In addition, CalPERS will pay your beneficiary a lump sum payment equivalent to six months of salary.
- > **SURVIVOR EDUCATION BENEFITS** If you should die because of a work-related accident or injury, your spouse and eligible dependent children can waive or reduce many of the undergraduate and/or graduate enrollment fees at a CSU campus.

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## ADDITIONAL CSU BENEFITS

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- > **CALPERS LONG-TERM CARE (LTC) PLAN** Through CalPERS, you can purchase long-term care (LTC) insurance for yourself, your spouse, parents/in-laws/step-parents, and/or siblings 18 years old or older. The plan provides benefits for assisted living should you (or your covered family members) become unable to care for yourself. You may choose from several coverage options.
- > **CSU FEE WAIVER PROGRAM** If you are a full-time employee, you are eligible each term to waive certain fees at a CSU campus for a maximum of two courses or six units, whichever is greater. You may transfer your fee waiver benefit to your spouse, domestic partner, or child, however, not all of the fees may be waived or reduced for your dependents.
- > **CREDIT UNION** You have a number of credit unions available to you that provide payroll savings programs, as well as standard credit union services.
- > **HOMEOWNERS' AND AUTOMOBILE INSURANCE** You can purchase homeowners' and/or automobile insurance and have your premiums deducted directly from your paycheck on an after-tax basis.
- > **HOUSING PROGRAMS** The CSU and CalPERS offer special housing programs to assist with home purchasing needs.

### Information Regarding Social Security and Medicare

*You and the CSU each pay 6.2% in taxes for Social Security up to the IRS established maximum of \$97,500 for 2007. For Medicare Hospital Insurance, the employee and the CSU pay 1.45% of salary, with no limit. The CSU pays half the cost – employees get all the benefits*

This brochure is intended to provide a summary of the benefits available to Physician (Unit 1) employees. If there are any discrepancies between this summary and the official plan documents, the plan documents will govern. Complete details of all benefit plans are provided in the official plan documents.

## RETIREMENT PLANS

*The CSU provides you with a number of retirement benefits, including retirement income, medical and dental coverage, and several voluntary retirement savings plans.*

### BASIC RETIREMENT PLANS

- > **CALPERS RETIREMENT PLAN** As a full-time employee (or part-time employee working at least half-time), you are automatically enrolled in the CalPERS Retirement Plan. To be eligible, if you are full-time, you must be appointed for at least six months; if you are part-time, you must be appointed for at least one year. Each month, you contribute five percent of your monthly pay in excess of \$513; contributions are not subject to federal or state taxes. After five years of qualified service, you are fully vested in the Plan, and you are eligible for retirement as early as age 50. When you retire, you receive benefits based on your years of service, age, and final compensation at retirement.
- > **PST RETIREMENT PROGRAM** If you are not eligible for CalPERS retirement, you are required to participate in the Part-time, Seasonal and Temporary Retirement Program (PST Program) administered by the Department of Personnel Administration in lieu of Social Security. Employees enrolled in this Program contribute 7.5% of gross wages on a pre-tax basis to a retirement account that is available upon separation of employment.
- > **RETIREE MEDICAL AND DENTAL** You will be eligible for CalPERS retiree medical benefits and CSU retiree dental benefits if:
  - You retire at age 50 or later with at least five years of qualified service,
  - You were eligible for medical and dental benefits while an active employee, and
  - You retire within 120 days of separation.

### VOLUNTARY RETIREMENT SAVINGS PLANS

- > **PRE-TAX SAVINGS PLANS** As a CSU employee, you have three voluntary retirement savings plans available to you, which allow you to invest pre-tax dollars to supplement your CalPERS Retirement Plan benefit. They are:
  - The CSU 403(b) Tax Sheltered Annuity (TSA) Plan
  - The Savings Plus 401(k) Thrift Plan
  - The Savings Plus 457 Deferred Compensation PlanYou may participate in any or all of the plans. Each is governed by a different section of the IRS Code resulting in different rules and provisions.
- > **CALPERS SUPPLEMENTAL CONTRIBUTION PROGRAM** You also can supplement your CalPERS retirement benefit with after-tax contributions through the CalPERS Supplemental Contribution Program. CalPERS invests your contributions in a well-diversified portfolio. All investment earnings from your contributions are tax-deferred.

## TIME-OFF BENEFITS

*The CSU provides you with a variety of paid and unpaid time-off benefits.*

### PAID LEAVE

- > **HOLIDAYS** The CSU offers employees 14 paid holidays each year; 13 scheduled on specific days and one you may take any time during the year.
- > **VACATION** Depending upon your years of service, you earn vacation monthly as follows: 5/6 day up to three years; 11/4 days up to six years; 15/12 days up to 10 years; 17/12 days up to 15 years; 13/4 days up to 20 years; 111/12 days up to 25 years; and two days per month thereafter. If you have less than 10 years of service with the CSU, you can accrue up to a maximum of 272 hours (34 days); if you have more than 10 years, the maximum is 384 hours (48 days). Part-time employees accrue vacation on a prorated basis.
- > **SICK LEAVE** For each month of continuous service, you accumulate eight hours of credit for sick leave with pay. Part-time employees accrue sick leave on a prorated basis.
- > **BEREAVEMENT LEAVE** If you experience the death of a significantly close relative, spouse or domestic partner, the CSU will provide you with five (5) days of bereavement leave with pay.
- > **CATASTROPHIC LEAVE** The catastrophic leave program may provide leave with pay for up to three months for an eligible employee who suffers a catastrophic illness or injury, is unable to work, and has exhausted his/her leave credits. The leave is funded through voluntary donations of leave credits by employees to the injured/ill employee.
- > **MATERNITY/PATERNITY/ADOPTION LEAVE** You are eligible for 20 days of paid maternity/paternity/adoption leave starting with the arrival of your new child.
- > **ORGAN DONOR LEAVE PROGRAM** After exhausting all available sick leave, you are eligible for up to 30 days paid leave if you donate an organ, and up to 5 days paid leave if you donate bone marrow.
- > **JURY DUTY** The CSU will continue your salary while on jury duty, regardless of length of jury service. In order to receive your salary for days served in a state court, you must submit Proof of Service, which will be provided to you as a state of California employee. For days served as a juror in a federal court, you must make your jury duty stipend payable to the CSU. You are entitled to keep any travel expenses (i.e., mileage) associated with jury duty service.

### UNPAID LEAVE

- > **CSU FAMILY MEDICAL LEAVE (FML)** Under the CSU Family Medical Leave Policy (FML), you may take up to 12 weeks of unpaid leave to care for a new child, or care for a seriously ill spouse, domestic partner, child or parent or if you suffer a serious health problem. You must use your sick leave and vacation days first, as approved, before going on unpaid leave.
- > **LEAVES OF ABSENCE** Additional leave programs are available.

Learn more about CSU benefits online at the Systemwide Benefits Portal: [www.calstate.edu/hr/benefitsportal/](http://www.calstate.edu/hr/benefitsportal/)