

FRINGE BENEFITS PROGRAM

Valparaiso University's benefit program is designed to protect faculty and staff members and their families from those risks that are most threatening to their health and financial security. We offer eligible, full-time faculty and staff an optional benefit package on a shared-cost basis.

MEDICAL, DENTAL AND VISION BENEFITS

Medical coverage is optional for eligible faculty and staff members of Valparaiso University and their legal dependents. On the first day of the month following employment, full-time faculty and staff members may choose one of two plans:

1. A Preferred Provider Organization (PPO)
2. A Health Reimbursement Account (HRA) Plan

The Preferred Provider Organization, through The Anthem Blue Access PPO, provides coverage for hospital and physician services, prescription drugs, and preventive care. Out-of-network services and in-network hospital admissions are subject to an annual deductible, of which members must pay 100 percent. Once the deductible is satisfied, covered services are subject to co-insurance shared by the plan and the member up to an annual maximum. The co-insurance is shared at 80/20 when choosing a participating Blue Cross PPO Provider or 60/40 when choosing a non-participating Blue Cross PPO Provider. Once the maximum is satisfied, the plan pays 100 percent. There is a \$20 co-pay for in-network doctor office visits. Prescription drugs are covered through the Anthem health plan as follows: Tier 1 drugs at the greater of \$6 or 10%, Tier 2 drugs at the greater of \$20 or 20%, and Tier 3 drugs at the greater of \$30 or 30%. Mail order service is also available. A brief outline follows:

	Employee Only Coverage		Employee + One Coverage	Family Coverage
Deductible	\$1,000		\$2,000	\$2,000
Bi-weekly Premium (January 01, 2010)	\$38.00*	\$64.00**	\$121.00	\$172.00
Annual Maximum	\$5,000		\$10,000	\$10,000

** Active single employees earning \$30,000 per year or less ** Active single employees earning over \$30,000 per year*

The Health Reimbursement Account (HRA) through Anthem/Lumenos covers 100% of the cost for nationally recommended preventive care services with no out-of-pocket costs for you when you see an in-network provider. For covered medical care and prescriptions, you will have funds as noted below (HRA account) available to pay for these services. Then if you spend all of your HRA funds, you'll

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pay a limited amount of out-of-pocket, called a bridge, before traditional health coverage begins. Unused dollars left in your HRA account at the end of the year roll into the next year up to a maximum of \$3,000, single, \$6,000 family.

	Employee Only Coverage		Employee + One Coverage	Family Coverage
HRA Account	\$1,000		\$2,000	\$2,000
Bridge	\$1,500		\$3,000	\$3,000
Annual Maximum	\$3,000		\$6,000	\$6,000
Bi-weekly Premium (January 01, 2010)	\$26.00*	\$42.00**	\$81.00	\$114.00

* Active single employees earning \$30,000 per year or less ** Active single employees earning over \$30,000 per year

Dental and vision benefits are also provided to eligible faculty and staff members through Anthem. The cost is included in the medical insurance premium.

GROUP LIFE INSURANCE

Group life insurance is optional for full-time faculty and staff members of Valparaiso University. Basic term life and accidental death and dismemberment coverage is offered in the amount of \$50,000. The employee bi-weekly contribution is \$1.00 for this coverage. Additional optional term life insurance coverage is also available to eligible faculty and staff members in the amount of three times the employee's salary or \$100,000, whichever is less. The cost varies depending upon the amount of coverage selected and the age of the employee. Dependent life insurance is also available for an eligible employee's spouse and children.

Employee premium contributions for Medical, Dental, Vision and Group Life Insurance are deducted through the University payroll system on a pre-tax basis.

LONG TERM DISABILITY INSURANCE

Valparaiso University provides eligible full-time faculty and staff members with income protection in the event of long-term or permanent, total disability through long-term disability insurance. The University pays the full cost.

All full-time faculty and staff members are eligible to participate in the plan after one year of continuous service. New faculty and staff members, insured under a previous employer's group total disability program, may be eligible for coverage on the first day of the month following the date of full-time employment. The one-year eligibility waiting period may be waived if the prior employer's policy provided income benefits for five or more years of total disability and the new faculty or staff member was enrolled in the previous plan within three months prior to the date of full-time employment at Valparaiso University. Written verification of the above

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two conditions must be given to the Office of Human Resources for the waiver of eligibility to become effective.

SHORT TERM DISABILITY

Valparaiso University offers full time faculty and salaried staff members continuation of at least a portion of their salary, based on years of service, during a period of disability not covered under the long-term disability plan or worker's compensation insurance.

RETIREMENT PLAN

The University participates in the Teachers Insurance and Annuity Association and the College Retirement Equities Fund (TIAA-CREF). All eligible full-time faculty and staff members can participate in the retirement plan on the first day of the month following employment. Faculty and staff have the option to designate the investment of funds to:

1. TIAA, a fixed dollar annuity plan
2. CREF, a variable annuity plan

The University contributes seven and one-half percent of the employee's annual salary. The employee is required to contribute a minimum of one percent, but can contribute up to the maximum amount allowed by the Internal Revenue Service.

DEATH BENEFIT

Upon the death of a full-time University faculty or staff member, the University will pay the equivalent of the next four regular bi-weekly checks to the beneficiary named by the deceased.

TUITION REMISSION

Tuition charges, which are not covered by outside scholarships or grants, are remitted for the eligible faculty or staff member, the current spouse, and the unmarried dependent children of the employee. The University belongs to Tuition Exchange, an association of colleges and universities which subscribe to a program of reciprocal remission of tuition charges for children of faculty and staff members of the participating schools. Eligibility requirements are available from the Office of Human Resources.

SOCIAL SECURITY AND MEDICARE BENEFITS

The University remits payments to Social Security and Medicare on behalf of its employees. Social security is matched at 6.2 percent up to an annual maximum of \$97,500. Medicare is matched at 1.45 percent with no annual maximum.