

BENEFITS SUMMARY FOR PROSPECTIVE EMPLOYEES

Twin Cities and Duluth



FACULTY, ACADEMIC, PROFESSIONAL & ADMINISTRATIVE STAFF 75% – 100% TIME APPOINTMENT

The Benefits Summary covers the following benefits:

- **UPlan Health Benefit Options** — Medical, Dental, Life Insurance, and Short-term Disability
- **Faculty Plan Benefits** — Faculty Retirement Plan and Academic Disability Program
- **Additional Benefits** — Voluntary Retirement Plans, Health Care & Dependent Daycare Flexible Spending Accounts, Wellness Program, and New Employee Orientation on Twin Cities campus

UPlan Health Benefit Options

Eligibility and Effective Date

Your appointment must be in an eligible classification, at least three months in duration, and 50 percent time or greater. Medical and dental coverage and basic life insurance are effective on the first day of the month following your first day of employment. You have up to 60 days from your first day of employment to make your online benefit elections.

The UPlan Health Benefits Program offers benefit options for you, your legal spouse/registered same-sex domestic partner and children.

Medical Options

The UPlan offers medical options in formats ranging from limited network, open access, and tiered network plans to a high deductible, consumer-directed plan. The options are:

- Medica Elect & Essential
- Insights by Medica
- Medica Choice National
- Medica HSA

The plans have networks of physicians, specialists and other care providers, clinics, and hospitals. The benefit for in-network preventive care is 100 percent coverage. There is no pre-existing condition clause in the plans. The out-of-network benefit and in-network travel benefit provide even more flexibility when selecting a provider. You are automatically enrolled in the Prime Therapeutics prescription drug program when you elect any of the medical plan options.

Medica Elect & Essential is the base plan for the Twin Cities/Duluth zone, and it is a combination of two care systems with comprehensive networks. This plan offers the lowest copayments for services and the lowest employee and family rate contributions. You and your family members may each choose a primary care clinic from either a Medica Elect or Medica Essential care system. You must select a clinic when you enroll.

Insights by Medica is an open access, tiered network plan in which health care providers, including primary care physicians, specialists, and hospitals are placed into three tiers based on cost and quality measures. Copayments on provider services are different in each of the three tiers. You can go to any provider who is part of the network, in any tier, without a referral. You do not need to select a primary care clinic when you enroll.

Medica Choice National is an open access plan with a large statewide network and a larger national network to use when you are when traveling or working outside the service area. Referrals are not required to see specialists. You do not need to select a primary care clinic when you enroll.

Medica HSA is a high deductible health plan that provides you with greater choice and autonomy to make decisions about how to spend your health care dollars. This plan uses the Medica Choice statewide and national networks. You receive a set dollar allocation from the University to pay for medical expenses, and the plan pays expenses at 90 percent after the deductible. You own the amount in the HSA and can decide whether to use the dollars now or save the money for future expenses. You can also make your own pre-tax contributions in the HSA plan.

Pre-tax rate contributions

The University of Minnesota pays 87 percent of the cost of employee-only coverage and 80.5 percent of the cost on each of the three tiers of family coverage for the base plan. Rates are taken on each biweekly pay period and range from:

- Employee-only coverage — \$34.19 to \$62.58
- Employee and spouse/same-sex domestic partner — \$109.87 to \$170.52
- Employee and child/children — \$88.87 to \$137.82
- Employee and spouse/same-sex domestic partner and child/children — \$147.17 to \$228.55

Pharmacy Benefits

Prime Therapeutics is the pharmacy benefits manager for all UPlan medical options. You are automatically enrolled in the Prime Therapeutics prescription drug program when you elect a medical plan. Fairview Specialty Pharmacy is the exclusive provider of most specialty medications. You will have a separate pharmacy ID card.

For a 30-day supply of prescription medications:

- The copayment is \$10 for all generic drugs as well as certain brands for which there is no generic therapeutic equivalent
- The copayment is \$30 for brand formulary drugs
- The copayment is \$60 for covered non-formulary drugs
- In Medica HSA, prescriptions can be covered first under the account and then at the coinsurance level after the deductible is met.

Another pharmacy benefit is Medication Therapy Management. You can take advantage of this program if you take four or more UPlan-covered medications for chronic conditions. You meet with a specially trained MTM pharmacist who will review all of your medications to be sure that they are appropriate, effective, safe, and convenient. The UPlan covers the full cost of the MTM services, and you are eligible for a one-time, six-month copay reduction on your UPlan formulary medications.

Dental Options

The UPlan offers dental options that range from network-only plans to plan networks with an out-of-network component to a plan with no network. Starting with the base plan, the options are:

- Delta Dental PPO
- Delta Dental Premier
- University Choice
- UPlan HealthPartners Dental
- UPlan HealthPartners Dental Choice

All of the plans provide in-network preventive care at 100 percent coverage and comprehensive coverage for most conditions requiring dental diagnosis and treatment, including orthodontic treatment for children. When you are out of the service area, you can receive in-network benefits by using a provider in the national network for your plan. You may make your choice of dentists at the time of service.

Delta Dental PPO is an affordable, network-only plan. Under this plan you must see a dentist participating in the PPO network to receive benefits. With the exception of out-of-area emergencies, benefits will be denied if dental care is not received from a Delta Dental PPO dentist.

Delta Dental Premier is a flexible plan that offers access to the broad Delta Dental Premier network as well as the more cost-effective Delta Dental PPO network. Out-of-network benefits are also available.

University Choice is administered by Delta Dental and offers freedom to see any provider of your choice. There may be a payment difference between the allowed reimbursement and what the dentist charges for a particular service, which could result in greater out-of-pocket costs. Seeing a dentist in either the Delta Dental PPO or Delta Dental Premier network may reduce your out-of-pocket costs.

UPlan HealthPartners Dental is an affordable, network-only plan. Under this plan you must see a dentist participating in the network to receive benefits. With the exception of out-of-area emergencies, benefits will be denied if dental care is not received from a HealthPartners dentist. There is no out-of-network coverage except for dental emergencies.

UPlan HealthPartners Dental Choice is a broad network plan that also offers out-of-network benefits. Seeing a dentist who participates in the HealthPartners network will help you receive the highest level of benefits.

Pre-tax rate contributions

The University of Minnesota pays 88 percent of the cost of employee-only coverage and 52 percent of the cost on each of the three tiers of family coverage. Rates are taken on each biweekly pay period and range from:

- Employee-only coverage — \$1.90 to \$8.39
- Employee and spouse/same-sex domestic partner — \$15.95 to \$29.52
- Employee and child/children — \$18.15 to \$33.68
- Employee and spouse/same-sex domestic partner and child/children — \$25.424 to \$47.38

Life Insurance

UPlan employee basic term life insurance is provided through Minnesota Life with the cost paid by the University. If your salary is \$75,000 or less you will have life insurance equal to one times annual salary rounded to the next \$5,000, if not already a multiple thereof, plus an additional \$25,000. If your salary is over \$75,000 and up to \$100,000 your life insurance amount is equal to \$100,000. If your salary is over \$100,000 your life insurance is equal to one times annual salary or rounded to the next \$5,000, if not already a multiple thereof.

Additional employee life may be purchased in an amount equal to three times your annual salary up to a maximum amount of \$500,000 or, if greater, five times your annual salary to a maximum of \$1 million. Your spouse/same-sex domestic partner may be covered to a maximum of \$500,000. A \$10,000 child life insurance that covers each eligible dependent child is also available. Except for child life, the amount of life insurance coverage automatically doubles in the event of death by accident.

Short-term Disability Insurance

This benefit is offered as a voluntary coverage through CIGNA. Your cost for short-term disability is based on the amount of coverage you elect. You may apply for coverage in increments of \$100 from a minimum of \$300 to a maximum of \$5,000, but not to exceed 2/3 of your monthly gross salary. Benefits are effective the first day of a disability due to an accident or the eighth day of disability due to sickness or pregnancy and, if certified, can continue for up to 26 weeks (180 days).

Faculty Retirement Plan

In addition to the UPlan Health Benefit Options, employees who hold a 67 percent time or greater appointment for not less than nine months are eligible (with some exceptions) to participate in the Faculty Retirement Plan:

1. Faculty — Job Classification 94XX (excluding visiting, adjunct, or clinical from outside the University)
2. Administrative staff members — Job Classification 9301 through 9399 (excluding staff members filling administrative positions on an acting basis)
3. Professional staff members — Job Classification 9701 through 9799 (excluding research specialist [9755], clinical preceptor [9756], industrial fellow [9757], and staff members filling administrative positions on an acting basis)
4. University of Minnesota Extension Service (MES) academic staff members — Job Classification 9621 through 9640, who **are not** eligible for a federal appointment. MES academic staff who have federal appointments are eligible **only** for the Academic Disability Program.

Faculty Retirement Plan

All faculty members (Class 94XX) meeting the Faculty Retirement Plan eligibility requirements participate in the Faculty Retirement Plan immediately upon hire.

Administrative (Class 93XX), MES Academic (Class 96XX), and Professional (Class 97XX) appointments are subject to a waiting period. The required waiting period is based on the following salary schedule:

Annual Base Salary	12-Month Appointment	9-Month Appointment	Waiting Period
Equal to or more than	\$54,135	\$46,132	None
Equal to or more than	\$45,863	\$37,800	Two years
Less than	\$45,863	\$37,800	Three years

Contributions are tax-deferred and vested immediately. The employee's required contribution is 5.5 percent of covered annual salary. The University contributes 10 percent of covered annual salary.

Covered salary includes the following: basic appointment salary, administrative augmentation, commutation allowance, increment, Regents' Professor Stipend, and nine-month appointee summer research earnings funded by sources other than the State of Minnesota. All other earnings are excluded.

Contributions are directed to Securian Retirement Services, which also offers Vanguard and Fidelity investment alternatives, as well as a broad range of investment options that permit appropriate diversification.

Academic Disability Program

All employees who meet the Faculty Retirement Plan eligibility requirements are also eligible for medical leave that pays 100 percent of salary during the first three months of illness. You need to contact The University's disability carrier, Cigna, within 14 calendar days of illness, even if you are still working part-time. Cigna will certify your disability status based on medical documentation and advise the University on the payment of benefits.

If you remain disabled for more than three months, the University will self-insure your disability benefit from the 91st day through the 365th day of continuous disability, allowing benefits to be paid biweekly through payroll. After 365 days of disability, Life Insurance Company of North America, a Cigna company, will provide an insured long-term disability benefit equal to 66.67 percent of salary, based on an annual covered compensation limit that is indexed annually. Benefits may continue up to Social Security normal retirement age, with continued certification by Cigna. The University pays the full premium for this benefit.

Additional Benefit Opportunities

Voluntary Retirement Plans

The Voluntary Retirement Plans include the Optional Retirement Plan and the Section 457 Deferred Compensation Plan. Both plans are authorized under the Internal Revenue Code and allow University employees to defer income taxes on the portion of salary designated for contribution to the plan through payroll reduction. Annual contributions are limited by IRS regulations. The maximum is 100 percent of reduced salary — gross salary less pre-tax amounts for your required contribution to your basic retirement plan — not to exceed \$17,000 per plan, for a maximum total contribution per year of \$34,000. Income taxes on investment earnings are also tax-deferred. All withdrawals are taxable in the year withdrawn.

Optional Retirement Plan:

Contributions may be invested in any of more than 300 no-load investment options offered by Securian, Fidelity, DWS Investments, and Vanguard. Loans are permitted in this plan; withdrawals are permitted only after an employee attains age 59½, terminates employment, retires, or experiences a severe financial hardship as defined by IRS rules.

Section 457 Deferred Compensation Plan:

Contributions may be invested in any of more than 200 no-load investment options offered by Securian, Fidelity, and Vanguard. Withdrawals are permitted only after an employee attains age 70½, terminates employment, or retires. Under the Section 457 plan, no loans are permitted and withdrawals while employed are restricted to a participant's unforeseeable emergency.

Health Care and Dependent Daycare Flexible Spending Accounts

The University provides employees who have an appointment of at least six months the option of paying for dependent daycare expenses and out-of-pocket medical and dental expenses with before-tax dollars. With this program, you may realize substantial tax savings by electing to have a portion of your wages placed in special reimbursement accounts — up to \$5,000 in each account — for the purpose of paying eligible expenses.

If you have a registered same-sex domestic partner, you may submit claims for your partner and the partner's children under the flexible spending accounts if they meet the definition of a dependent in section 152 of the Internal Revenue Code.

Wellness Program

The Wellness Program designs and delivers programs to support wellness at work and in the home. As UPlan members, you and your covered dependents are invited to take advantage of opportunities to promote health and prevent disease.

When you participate in the Wellness Program, you can earn wellness points for maintain and improving your health. The points earned in 2012 may be used to offset the cost of your UPlan Medical Program rate contribution. When you earn the required number of points for your level of coverage in 2012, your premium can go down by \$300 or \$400 in 2013. The deadline to earn wellness points for the 2013 rate reduction is August 31, 2012.

Discover how to earn points for your Wellness Points Bank chart at www.wellness.umn.edu .

You can also earn rewards for wellness and exercise. Financial incentives are offered to participate in certain programs.

Options include:

- *Fitness Choices* program that reimburses up to \$20 per month when you work out at a participating fitness facility at least eight times each month
- Annual wellness assessment
- Weight Watchers ® at Work on all campuses and the Create Your Weight program on the Twin Cities campus reimburse registration fees when attendance requirements are met
- Web-based, self-paced, Healthy Living programs to lose weight, quit smoking, or reduce stress

The Wellness Program is available to you at no additional cost when you participate in the UPlan Medical Program.

New Employee Orientation on the Twin Cities campus

You are invited to attend an orientation session, sponsored by the Office of Human Resources, to provide you with the tools you need to become part of the University community. Each of the three main events will focus on a different topic. These events will highlight the University culture, our values and goals, and our commitment to improving the world.

Orientation sessions are held monthly and are considered mandatory for all new staff.

Valid March 1, 2012 through December 31, 2012

**Benefits Available for
Faculty and P&A Staff**
75% to 100% time Appointment
Twin Cities and Duluth
2012 Plan Year

**Voluntary Retirement
Program**

(Tax-deferred Salary Reduction)

Optional Retirement Plan
Section 457 Deferred Compensation
Plan

Faculty Retirement Plan

(Tax-deferred Salary Reduction)

Employee: 5.5% of Salary
University: 10% of Salary

UPlan Health Benefits

Basic Benefits

**Employee Medical Coverage
(Pre-tax rate contribution)**

Medica Elect & Essential
Insights by Medica
Medica Choice National
Medica HSA

**Employee Dental Coverage
(Pre-tax rate contribution)**

Delta Dental PPO
Delta Dental Premier
University Choice
UPlan HealthPartners Dental
UPlan HealthPartners Dental Choice

Employee Life Insurance

Equal to employee's annual base salary,
rounded to the next \$5,000, if not already
a multiple thereof

Investment Companies

Annuity Plans

Securian

Mutual Funds

Fidelity
Vanguard
DWS Investments (not available in 457
Plan)

Investment Companies

Securian Retirement Services

Investment Funds

General Account
Money Market Funds
Bond Funds
Stock Funds
Hybrid Funds

Academic Disability Program

Investment Funds

General Account
Money Market Funds
Bond Funds
Stock Funds (Growth, Growth & Income,
International, etc.)
Hybrid Funds

Wellness Program

Wellness Assessment
Health Coaching
Health Screenings
Healthy Living Programs
Weight Management Programs
Fitness Rewards
Walking Program
Farmers Market
Campus Wellness Resources
OptumHealth 24/7 NurseLine

Optional Benefits

Family Medical Coverage (Pre-tax)

Medica Elect & Essential
Insights by Medica
Medica Choice National
Medica HSA

Family Dental Coverage (Pre-tax)

Delta Dental PPO
Delta Dental Premier
University Choice
UPlan HealthPartners Dental
UPlan HealthPartners Dental Choice

Life Insurance

Additional Employee Life
Spouse/Same-sex Domestic Partner Life
Child Life

Short-term Disability

Health Care Flexible Spending Account
**Dependent Daycare Flexible Spending
Account**