



SCHEDULE OF EMPLOYEE BENEFITS

Human Resource Management Office

http://www.lsuagcenter.com/en/administration/about_us/Human_Resources



TABLE OF CONTENTS

The LSU Agricultural Center offers a wide range of benefits to its employees. The following is a brief, general explanation of the major benefits. Employees wishing to obtain greater detail should contact their unit's administrative office or the AgCenter Human Resource Office for detailed written information and/or applicable brochures. **THE INFORMATION CONTAINED IN THIS GENERAL EXPLANATION IS NOT ALL-INCLUSIVE AND IS SUBJECT TO CHANGE AT ANY TIME.**

INSURANCE	1 - 27
Health Insurance Benefits	1
Voluntary Benefits	12
Life Insurance	13
Accident Insurance	15
Dental Plan	16
Vision Plan	18
Long Term Disability Insurance	20
Long Term Care	21
Summary of Employee Insurances	22
Tax Saver Flexible Benefits Plan	23
Medicare	27
Worker's Compensation	27

RETIREMENT	28 - 36
Retirement Plan Enrollment Options Chart	28
Classified Employee (Civil Service) Retirement Options	29
Unclassified Employee Permanent Retirement Options	31
Unclassified Employee Temporary/Part-time Retirement Options	35

SAVINGS PROGRAMS	37 - 39
Tax-Deferred Supplemental Retirement – 403(b) & 457(b) Plans	37
Student Tuition Assistance and Revenue Trust Program (START)	39

LEAVE	40 - 41
Annual Leave	40
Sick Leave	40
Civil Leave	41
Funeral Leave	41
Military Leave	41
Leave Without Pay	41
Family and Medical Leave	41
Educational Leave for LSU Coursework/Tuition Exemption Program	41

HOLIDAYS	42
-----------------	-----------

PAYDAYS	42
----------------	-----------

STAFF DIRECTORY	43
------------------------	-----------

Insurance

Health Insurance Benefits

Optional medical coverage is provided under the *Louisiana State Employees Office of Group Benefits umbrella*.

Eligibility

Eligible employees are those appointed for more than 120 days and who have an appointment of 75% of full-time or greater.

Effective Date of Coverage

New Hires

For new employees who enroll for medical coverage, such coverage is effective on the first of the month following completion of one full calendar month of service. For example, a person employed on January 1 receives coverage effective February 1. A person employed on January 2 receives coverage effective March 1. New employees have 30 days to either enroll for or waive coverage under this plan.

Late Applicants

Employees who do not enroll for coverage within the first 30 days of employment may later pick up coverage as a late applicant. Enrollment forms must be received by your Benefits Representative no later than the 13th of the month for coverage to be effective the first of the following month.

Pre-Existing Condition Limitation

*New employees and late applicants are subject to pre-existing condition limitations as follow: Coverage excludes benefit payments for one year for expenses incurred in connection with a pre-existing condition. A disease, illness, accident or injury is classified as a Pre-existing condition if, during the 6 month period preceding the effective date of coverage, treatment or services were received or drugs were prescribed for such disease, illness, accident or injury. The term **treatment** shall mean all steps taken to affect the cure of a disease, illness, accident or injury and shall include, but not be limited to consultations, examinations, diagnoses, and any application of remedies. Note: The Insurance Portability Law could possibly reduce or eliminate the one-year pre-existing condition limitation if the employee meets certain criteria. Note: No pre-existing condition limitation for individuals up to age 19.*

Dependents

Eligible Dependents

Eligible Dependents include your legal spouse and your children younger than age 26, regardless of student status, tax dependent status, residence or marital status.

A covered child under age 26 who is or becomes incapable of self-sustaining employment is eligible to continue coverage as an overage dependent if OGB receives required medical documents verifying his or her incapacity before he or she reaches age 26. The definition of incapacity has been broadened to include mental and physical incapacity.

Dependent Certification Requirement for all Health Plans and Group Benefits Life Insurance

To deter fraud and abuse and assure the proper use of public funds and Plan Members' premium dollars, The Office of Group Benefits joins the majority of public and private health benefit programs by requiring proof that the dependents covered are legal dependents of the employee. All active and retired employees are required to provide written proof that each dependent covered under the employee's health plan is his/her actual legal dependent. All employees must present appropriate written verification for all currently covered dependents to Human Resources.

Written Verification Required for Dependents

Active plan members must provide proof of the status of each covered dependent to Human Resources. Failure to comply with these requirements will result in cancellation of your dependents' coverage.

Below is a list of categories of dependents and the proof that must be presented at the time of enrollment to cover these dependent(s).

1. Spouse
 - Certified copy of marriage certificate indicating date and place of marriage.
2. Child under age 26 (natural or legally adopted child of plan member)
 - Certified copy of birth certificate listing plan member as parent or
 - Certified copy of legal acknowledgement of paternity signed by plan member or
 - Certified copy of adoption decree naming plan member as adoptive parent
3. Stepchild
 - Certified copy of marriage certificate to spouse and birth certificate listing spouse as natural or adoptive parent

4. Child placed with your family for adoption by agency adoption or irrevocable act of surrender for private adoption who lives in your household and/or will be included as dependent on your federal income tax return for current or next tax year
 - o Certified copy of adoption placement order showing date of placement or
 - o Copy of signed and dated irrevocable act of surrender

5. Child for whom you have been granted guardianship or legal custody, including provisional custody, who lives in your household and/or will be included as dependent on your federal income tax return for current or next tax year
 - o Certified copy of signed legal judgment granting you legal guardianship or custody

6. Grandchild for whom you do not have legal custody or guardianship but who is dependent upon you for support and whose parent is a covered dependent
 - o Certified birth certificate or adoption decree showing parent of grandchild is dependent child and certified copy of birth certificate showing dependent child is a parent of grandchild

7. Child age 26 or older who is incapable of self-sustaining employment due to mental retardation or physical incapacity who was covered prior to age 26 (natural or legally adopted child of plan member)
 - o Certified copy of birth certificate listing plan member as parent or
 - o Certified copy of legal acknowledgment of paternity signed by plan member or
 - o Certified copy of adoption decree naming plan member as adoptive parent
 - o Must also apply for continued coverage prior to age 26 and provide supporting medical documentation
 - o Must provide additional medical documentation of child's condition periodically upon request by OGB or the insurance company

If you have questions about the dependent verification policy, contact OGB Customer Service toll-free at 1.800.272.8451 or call the Human Resources Office. It may take several months to obtain necessary documents to verify the status of your dependents. For information about recovering copies of lost vital records, visit the OGB website at www.groupbenefits.org

Adding New Dependents

To add newly eligible dependents acquired through marriage, birth or adoption, you must submit a change form to Human Resources within 30 days of the event. Coverage will be effective as of the date of the event when a change form is submitted within 30 days. Failure to submit paperwork within that timeframe will result in a delayed effective date of coverage and the dependent will be considered a Late Applicant.

IMPORTANT NOTE: Newborns are not automatically added to your policy. You must complete a change form in order to effectively add them to your coverage.

Deleting Dependents

In order to delete a dependent, you must submit a change form to Human Resources within 30 days of losing eligibility for any of the following events:

- o Divorced Spouse
- o Over-age children (age 26)
- o Deceased spouse or child

Section 125 Tax Implications

Through the Tax-Saver Premiums Flexible Benefits Plan, if you participate in a health plan through the Office of Group Benefits, your premiums may be deducted on a pre-tax basis, thereby reducing your tax liability. For more information see pages 19 - 22. However, there are some important conditions per Internal Revenue Service Regulations:

1. If you enroll as a Late Applicant in absence of a qualifying event (see page 20), you will not be allowed to tax shelter your healthcare premiums with before-tax payroll deductions through the Premium Only portion of the Tax-Saver Plan.
2. If you enroll for health coverage with premiums paid on a before-tax basis and you later elect to increase your level of coverage (i.e. Single to Family coverage), you will not be allowed to tax shelter the additional healthcare premium amount through the Premium Only portion of the Tax-Saver plan unless the change is in connection with a qualifying event (see page 20).
3. If you enroll for health coverage with premiums paid on a before-tax basis, you may not discontinue or reduce the level of coverage (i.e. Family to Single coverage) during the year unless the change is in connection with a qualifying event (see page 20).

Annual Enrollment

Each year during the month of October, eligible employees have an opportunity to change their health plan elections for an effective date of January 1st.

Termination of Medical Coverage

Your health insurance coverage under any of the plans will end on the earliest of the following dates:

- On the date the program terminates
- On the last day of the month in which your employment terminates*
- On the last day of the month in which your work hours are permanently reduced to less than 30 hours per week or less than 75% of full-time effort
- On the last day of the month in which you elect to cancel coverage
- On the last day of the month of the covered employee's death

**If you are an academic employee who terminates employment at the end of the academic year, your coverage may be extended through September 30th of the same year. See HR for more details.*

Note: If your contributions are paid on a before-tax basis, you may not discontinue or reduce your level of coverage (i.e. Family to Single coverage) during the plan year, unless the change is in connection with a family status change. (See section on Tax-Saver Flexible Benefits Plan.)

Continuation of Medical Coverage

At Termination of Employment or Ineligibility of a Dependent:

Upon termination of employment (either voluntary or involuntary), insurance coverage ends the last day of the month in which you are employed. Premiums that are deducted a month in advance are refunded to the employee after your termination date.

COBRA

COBRA (Consolidated Omnibus Budget Reconciliation Act) is a federal law which requires that group plans offer covered employees and dependents the opportunity to continue health insurance coverage when coverage would normally end for certain specified reasons. The following provisions outline the requirements for continued coverage in accordance with the law:

- You and your covered dependents may continue coverage for up to 18 months if coverage ends because of either a permanent reduction in the number of hours worked or termination of employment for any reason other than gross misconduct. You and/or your covered dependent must apply within 60 days of the date coverage ends or the date you are notified of your continuation rights, whichever is later.
- Your dependents may continue their coverage under the group plan for up to 36 months if their coverage ends for any of the following reasons:
 - Divorce from the employee
 - Death of the employee; or
 - Dependent child reaches the maximum age or otherwise ceases to qualify as a dependent under the plan.

Coverage would be effective the first of the month following the event.

As a Surviving Spouse or Dependent:

Upon your death, your surviving legal spouse may continue his/her health insurance coverage by completing an application within 60 days of your death and paying the applicable monthly premium. Coverage would be effective the first of the month following the event.

Your surviving dependent children may continue coverage until they are no longer eligible as a dependent on health plans offered by the LSU System. If your surviving spouse or dependent later becomes employed through the State of Louisiana and thereby gains eligibility as an employee, they will no longer be eligible for coverage as a surviving spouse or dependent.

At Retirement:

In order to be eligible for medical coverage as a retiree, you must be enrolled for coverage as an employee at the time of retirement. You may continue your medical plan upon retirement if you meet the eligibility requirements for age and years of service under the Teachers' Retirement System of Louisiana (TRSL) or Louisiana State Employees' Retirement System (LASERS). If you are a member of the Optional Retirement Plan, you must meet the eligibility requirements, as defined by the TRSL, to continue coverage.

Employees who had coverage prior to January 1, 2002 and continued coverage into retirement are grandfathered in with the state paying the maximum state subsidy.

If you began participating in or rejoined a health plan through the State of Louisiana on or after January 1, 2002, the state subsidy of your premium after retirement will be based on the number of years you have participated in a Group Benefits program, such as the PPO, HMO, CDHP, or LSU First. If your spouse and/or dependents began participating in a health plan through the State of Louisiana on or after July 1, 2002, the state subsidy of their premium after your retirement (**and** upon your death) will be based on the number of years they have participated in a Group Benefits program. This is called *vesting* and the following schedule is used in determining the state's subsidy of a retiree's premium:

- 10 years or less of participation
...19% of premium paid by the State
- more than 10 but less than 15 years of participation
...38% of premium paid by the State
- more than 15 but less than 20 years of participation
...56% of premium paid by the State
- 20 or more years of participation
...75% of premium paid by the State

** If you elect to cancel medical insurance as a retiree, coverage can only be reinstated under very limited provisions (see plan document for explanation).*

Health Insurance Options

The Office of Group Benefits (OGB) offers five options for health care coverage. Members can choose the **Preferred Provider Organization (PPO) administered by The Office of Group Benefits**, the **Health Maintenance Organization (HMO) administered by BlueCross BlueShield of Louisiana**, the **Consumer Driven – Health Savings Account (CD-HSA) high deductible plan administered by United Healthcare**, the **Medical Home HMO administered by Vantage Health Plan** (available in Region 9 only) or the **Regional HMO also administered by Vantage Health Plan** (available in the Baton Rouge, Monroe, Shreveport and Alexandria areas).

Preferred Provider Organization (PPO)

Under the **PPO** plan, most eligible expenses are subject to a \$500 deductible per person per year (limit of three per family) before being considered for payment at a reimbursement rate of 90%. However, if the plan member chooses not to use an in-network provider and the plan member resides in Louisiana, a reimbursement rate of 70% of customary and reasonable profiles for services is used. If the plan member resides out of state, a 90% reimbursement level will be used for non-PPO services. For in-patient surgery, hospital confinement and some outpatient procedures, the employee must comply with pre-certification procedures. Eligible preventative care benefits (wellness) are paid at 100% if provided by a network provider. Prescriptions are not subject to a deductible, but instead a 50/50 co-insurance arrangement is used for generic drugs. The plan pays 50% of the cost of a drug and the plan member pays 50% up to a maximum of \$50 per prescription. If a brand name drug is chosen for which an FDA-approved generic drug is available, the member will pay the cost difference between the brand name drug and the generic drug, plus the 50% co-insurance amount for the brand-name medication. The cost difference will not be applied to the out-of-pocket maximum.

Health Maintenance Organization (HMO)

Under the HMO, most medical expenses are paid at 100% after a co-payment when plan members use in-network providers. In the event out-of-network providers are used, in most cases the member will be required to pay a large deductible before services will be covered at 70%. Eligible preventative care benefits (wellness) are paid at 100% if provided by a network provider. Prescriptions are not subject to a deductible, but instead a 50/50 co-insurance arrangement is used for generic drugs. The plan pays 50% of the cost of a drug and the plan member pays 50% up to a maximum of \$50 per prescription. If a brand name drug is chosen for which an FDA-approved generic drug is available, the member will pay the cost difference between the brand name drug and the generic drug, plus the 50% co-insurance amount for the brand-name medication. The cost difference will not be applied to the out-of-pocket maximum.

Medical Home HMO Plan

This plan is for all OGB plan members. It is available statewide. However, participants must designate a primary care physician in East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Ouachita, Richland, Union or West Carroll parishes ONLY. All services, except certain wellness benefits, require a co-payment. Eligible preventative care

benefits (wellness) are paid at 100% if provided by a network provider. All services are managed through the primary care physician. In-network services are required. There is no out-of-network benefit. Prescription drugs are covered as follows for a 30-day fill: Generic: \$5 co-payment, Preferred brand: \$25 co-payment, Non-preferred brand: \$50 co-payment, Specialty drugs: 20% co-insurance up to \$100 per prescription. Mail order drugs are as follows: 30-day supply = one co-payment. 60-day supply = two co-payments. 90-day supply = three co-payments.

Regional HMO Plan

This plan is for all OGB plan members. It is available statewide. However, participants must designate an in-network primary care physician in the Baton Rouge, Monroe, Shreveport and Alexandria areas only. All services, except certain wellness benefits, require a co-payment. Eligible preventative care benefits (wellness) are paid at 100% if provided by a network provider. All services are managed through the primary care physician. In-network services are required. There is no out-of-network benefit. Prescription drugs are covered as follows for a 30-day fill: Generic: \$5 co-payment, Preferred brand: \$25 co-payment, Non-preferred brand: \$50 co-payment, Specialty drugs: 20% co-insurance up to \$100 per prescription. Mail order drugs are as follows: 30-day supply = one co-payment. 60-day supply = two co-payments. 90-day supply = three co-payments.

Consumer Driven – Health Savings Account (CD-HSA)

This plan may not be chosen if employee is participating in the Healthcare Flexible Spending Account (Healthcare FSA). The CD-HSA is a high deductible health plan that allows you to open a health savings account (HSA) for eligible health care expenses. The state will deposit \$100 into the account at enrollment and will match contributions dollar for dollar (up to \$400) when made through payroll deductions. Unlike a health care flexible spending account (HCFSA) with a use-or-lose rule, the HSA does not require the employee to spend all annual contributions. Instead, the money remains in the HSA and grows - tax free - from year to year. If the employee changes health plans or jobs, or retires, the HSA is his to keep. And from age 65 on, these HSA dollars can be used for any health care or non-health care expense with no penalty.

The deductible must be met before co-insurance applies. Deductibles are: Employee - \$1,250, Employee plus one (spouse or child) - \$2,500, Family - \$3,000. Co-insurance payments are usually 20% of contracted rates. Wellness Program (baby/child routine exams, scheduled immunizations, adult physical exams, lab, x-rays and 1 annual eye exam) benefits are covered at 100%. Prescription drug benefit –after plan year deductible is met – is listed in levels. Each is for a 31-day supply. Level 1 – Generic, \$10 co-pay. Level 2 – Preferred brand, \$25 co-payment. Level 3 – Non-preferred Brand, \$50 co-payment. Level 4 – Specialty, \$50 co-payment. Maintenance drugs are not subject to deductible. 90-day mail order supply has the same co-pay after deductible has been met for each level. In-network out-of-pocket maximums (after deductible) are: Employee - \$2,000; Employee + 1 - \$4,000; Family - \$6,000 (3 members), \$8,000 (4 members), \$8,900 (5 or more). There is no out-of-pocket maximum and no out-of-network providers.

As an *alternative* to the health portion of the Group Benefits Plan, the **LSU First Plan (LSU System Health Plan)** is offered to employees of the LSU System.

LSU First

The LSU First Plan is a consumer driven healthcare plan. This Plan offers employees a choice of two options. Option 1 has a slightly higher monthly premium, but a lower member portion of the deductible than option 2. The plan has three separate components. The first component is called the health reimbursement account (HRA). This is the first portion of the deductible, which LSU pays. Each year, the employer deposits a set amount of dollars into each employee's HRA. These benefit dollars are then used to pay for the employee's covered medical expenses. The amount deposited into the account depends on the employee's level of coverage (employee only coverage, \$1,000; employee plus

children or employee plus spouse, \$1,500; employee plus family, \$2,000). **Please note that for the 2011 shortened plan year these HRA amounts are reduced by half.** If the funds are not used up during the plan year, the remaining funds rollover to the next plan year (maximum HRA \$4,000/employee, \$6,000/employee + spouse or employee + children, \$8,000/employee + family).

If the employee uses all of the dollars in the HRA during the plan year, the employee then has to meet the member's portion of the deductible, which is the second component of the plan. The deductible is determined by the employee's level of coverage (employee only, employee plus children, employee plus spouse or employee plus family).

The third component of the plan is a co-insurance arrangement to be used if the employee has exhausted their HRA and has met their deductible. If the employee uses in-network providers, benefits will be paid at 90%. If the employee uses out-of-network providers, benefits will be paid at 70% of customary and reasonable profiles for services. The LSU First Plan uses the Cigna network of providers as its main network. It has over 450,000 providers nationwide. Members may also use the Verity Network which is a 2nd network of providers available to members in the event a provider does not participate with Cigna. A 3rd network, LSU First Choice Providers, allows members to have services paid at 100% after the HRA is exhausted. Services that are considered preventive care are paid at 100% (with no annual cap) and do not reduce the health reimbursement account.

For more information on the LSU First Plan, visit the website at www.lsufirst.org.

JANUARY 1 – DECEMBER 31, 2012 HEALTH PLAN SUMMARY

LSU System will have six (6) health plan options from which to choose coverage. We recommend that you review your plan options to ensure you have the coverage that best meets your needs. Below is a summary of benefits for January 1 – December 31, 2012.

	LSU First Administered by LSU (CIGNA - Claims Administrator)	PPO Administered by OGB	HMO Plan Administered by Blue Cross & Blue Shield of LA	Medical Home HMO Plan (PCP must be in Region 9) Administered by Vantage Health Plan	Regional HMO Administered by Vantage Health Plan	CD-HSA Plan (Consumer Driven Plan with Health Savings Account) Administered by UnitedHealthcare		
Network Type	Nationwide	Statewide	Nationwide	Statewide	Regions 6,7,8 &9	Nationwide		
Referral Required	No	No	No	Yes	Yes	No		
Lifetime Maximum	Unlimited							
Health Reimbursement Account (HRA)	Yes	No	No	No	No	No, but HSA Available		
HRA Rollover (maximum)	Up to \$8,000	No	No	No	No	No		
First Choice Provider	Yes	No	No	No	No	No		
Life Insurance and AD&D Included	Yes	No	No	No	No	No		
Critical Illness Benefit	Yes	No	No	No	No	No		
Deductible	You pay \$0 for First Choice Providers and Generic Drugs No Plan copays All Employee and Dependent claims accumulate to meet the Deductible		\$500 active; \$300 retired Family unit maximum: 3 individuals Does not include copays	None Does not include copays	None Does not include copays	None Does not include copays	Must meet deductible before co-insurance applies Employee - \$1,250 Employee plus one (spouse or child) - \$2,500 Family - \$3,000 Does not include copays	
		Option 1						Option 2
	Employee							
	LSU pays	\$1000						\$1000
	You pay	500						1500
	Total	1500						2500
	+ Spouse							
	LSU pays	1500						1500
	You pay	750						2250
	Total	2250						3750
	+ Child(ren)							
	LSU pays	1500						1500
	You pay	750						2250
	Total	2250						3740
Family								
LSU pays	2000	2000						
You pay	1000	1300						
Total	\$3000	\$5000						
(In-Network) Out of Pocket Maximum	<u>Opt1</u> Employee \$1 00 +Spouse +Child(ren) 1500 Family 000	\$1000 per person	\$1000 per person/\$3000 per family	None	\$1000 per person/\$3000 per family	\$2000 per person		
	<u>Opt2</u> Employee \$ +Spouse +Child(ren) 1500 Family 000							
	You pay \$0 for First Choice Providers and Generic Drugs No Plan copays All Employee and Dependent claims accumulate to meet the Out of Pocket Maximum							

¹After deductible is met

²Member also pays the difference between the billed amount and the fee schedule (also known as the Usual and Customary rate)

³Age and/or time restrictions apply

⁴Pre-certification required

	LSU First Administered by LSU (CIGNA - Claims Administrator)	PPO Administered by OGB	HMO Plan Administered by Blue Cross & Blue Shield of LA	Medical Home HMO Plan (PCP must be in Region 9) Administered by Vantage Health Plan	Regional HMO Administered by Vantage Health Plan	CD-HSA Plan (Consumer Driven Plan with Health Savings Account) Administered by UnitedHealthcare
Prescription Drugs						
Generic	\$0 for a 30-day supply	\$0 for a 30-day supply, after \$1,200 per person per year	\$0 for a 30-day supply, after \$1,200 per person per year	\$5 for a 30-day supply	Plan member pays 50%, maximum \$50 per 30-day fill, After \$1200 per person per plan year, generic \$0	Level 1 Generic: 31-day supply; \$10 copay
Brand Name	<p>If a Member chooses a brand name drug when a generic equivalent is available, the Member will be responsible for the difference between the brand name drug and the generic.</p> <p>If a Member chooses a brand name drug when there is no generic equivalent, the Member will be responsible for 10% of the brand name drug cost after the Deductible at In-Network pharmacies.</p> <p>Specialty medications are delivered by CuraScript, an Express Scripts specialty pharmacy.</p> <p>Members may only receive a 30-day supply at retail. Members must utilize home delivery for a 90 day supply. (administered by Express Scripts)</p>	<p>Member pays 50%; maximum \$50 per 30-day fill; after \$1200 per person per plan year, copay \$15 brand</p> <p>NOTE: Plan member who chooses brand name drug for which approved generic version is available, pays cost difference between brand name drug and generic plus 50% copy amount for brand name drug; cost difference will not apply to \$1,200 out of pocket maximum (administered by Catalyst Rx)</p>	<p>Member pays 50%; maximum \$50 per 30-day fill; after \$1200 per person per plan year, copay \$15 brand</p> <p>NOTE: Plan member who chooses brand name drug for which approved generic version is available, pays cost difference between brand name drug and generic plus 50% copy amount for brand name drug; cost difference will not apply to \$1,200 out of pocket maximum (administered by Catalyst Rx)</p>	<p>Preferred brand: \$25 copay per 30-day fill</p> <p>Non-preferred brand: \$50 copay per 30-day fill</p> <p>Specialty drugs: 20% co-insurance up to \$100 per Rx per 30-day fill</p> <p>(administered by VHP's Catalyst Rx)</p>	<p>Brand name drug with approved generic available: plan member pays cost difference between brand name drug and generic, plus 50 percent of brand name drug cost. Costs not applied to \$1200 out of pocket maximum</p> <p>Brand name drug with no generic available: Plan member pays 50%, maximum \$50 per 30-day fill, After \$1200 per person per plan year, copay brand name drug \$15 (administered by VHP's Catalyst Rx)</p>	<p>Level 2 - Preferred Brand: 31-day supply; \$25 copay</p> <p>Level 3 - Non-preferred Brand: 31-day supply; \$50 copay</p> <p>Level 4 - Specialty: 31-day supply; \$50 copay</p> <p>Maintenance drugs: 31-day supply not subject to deductible subject to applicable co-payment levels 1 through 4 above refer to myuhc.com for Maintenance Medication List (administered by UHC's Prescription Solutions)</p>
Drug Formulary	No	No	No	Yes	No	No
Home Delivery (Mail Order)	Same as above with the exception that Members may receive a 90-day supply through home delivery.	Same as above	Same as above	<p>30-day supply for one copay</p> <p>60-day supply for two copays</p> <p>90-day supply for three copays</p>	Same as above	<p>Level 1 - Generic: 90-day supply; \$10 copay</p> <p>Level 2 - Preferred Brand: 90-day supply; \$25 copay</p> <p>Level 3 - Non-preferred Brand: 90-day supply; \$50 copay</p> <p>Level 4 - Specialty: 90-day supply; \$50 copay</p> <p>Maintenance drugs:</p> <ul style="list-style-type: none"> - 90-day supply - not subject to deductible - subject to applicable co-payment levels 1 through 4 above <p>- refer to myuhc.com for Maintenance Medication List (administered by</p>

¹After deductible is met

²Member also pays the difference between the billed amount and the fee schedule (also known as the Usual and Customary rate)

³Age and/or time restrictions apply

⁴Precertification required

	LSU First Administered by LSU (CIGNA - Claims Administrator)	PPO Administered by OGB	HMO Plan Administered by Blue Cross & Blue Shield of LA	Medical Home HMO Plan (PCP must be in Region 9) Administered by Vantage Health Plan	Regional HMO Administered by Vantage Health Plan	UHC's Rx Solutions) CD-HSA Plan (Consumer Driven Plan with Health Savings Account) Administered by UnitedHealthcare
Employee Assistance Program (EAP)	Yes	No	No	No	No	No
Office Visit	First Choice: \$0 after HRA. In-Network: \$10% after Deductible. Out-of-Network: 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge.	In-Network: Member pays 10% of contracted rate ¹ Out-of-Network: Member pays 30% of fee schedule if Member resides in LA ² Member pays 10% of fee schedule if Member resides outside of LA ²	In-Network: \$15 PCP/\$25 Specialist (no referral required) Out-of-Network: Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA ²	In-Network: \$10 PCP/ \$25 Specialist (referral required to all specialists) Out-of-Network: No coverage (emergencies covered worldwide)	In-Network: \$15 PCP/\$25 Specialist (referral required for most specialists) Out-of-Network: Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA ²	In-Network: Member pays 20% of contracted rate ¹ Out-of-Network: Member pays 30% of fee schedule regardless if member resides inside or outside of LA ²
Wellness Benefits	100%	100%	100%	100%	100%	100%
Hospital Services (inpatient)	First Choice: \$0 after HRA. In-Network: \$10% after Deductible. Out-of-Network: 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge	In-Network: Member pays 10% of contracted rate ^{1,4} Out-of-Network: Member pays 30% of fee schedule if Member resides in LA ^{1,2} Member pays 10% of fee schedule if Member resides outside of LA ^{1,2}	In-Network: \$100 per day; Maximum of \$300 per admission ⁴ Out-of-Network: Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA ²	In-Network: \$100 per day; Maximum of \$300 per admission ⁴ Out-of-Network: No coverage (emergencies covered worldwide)	In-Network: \$100 per day; Maximum of \$300 per admission ⁴ Out-of-Network: Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA ²	In-Network: Member pays 20% of contracted rate ^{1,4} Out-of-Network: Member pays 30% of fee schedule regardless if member resides inside or outside of LA ²
Ambulatory Surgery	First Choice: \$0 after HRA. In-Network: \$10% after Deductible. Out-of-Network: 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge.	In-Network: Member pays 10% of contracted rate ¹ Out-of-Network: Member pays 30% of fee schedule if Member resides in LA ² Member pays 10% of fee schedule if Member resides outside of LA ²	In-Network: \$100 copay Out-of-Network: Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA ²	In-Network: Member pays \$100 copay ⁴ Out-of-Network: No coverage	Not available	In-Network: Member pays 20% of contracted rate ^{1,4} Out-of-Network: Member pays 30% of fee schedule regardless if member resides inside or outside of LA ²
Maternity (physician)	First Choice: \$0 after HRA. In-Network: \$10% after Deductible. Out-of-Network: 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge	In-Network: Member pays 10% of contracted rate Out-of-Network: Member pays 30% of fee schedule if Member resides in LA Member pays 10% of fee schedule if Member resides outside of LA	In-Network: \$90 copay (first visit only) Out-of-Network: Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA ²	In-Network: \$10 copay (first visit only) Out-of-Network: no coverage (emergencies covered worldwide)	In-Network: \$90 copay (first visit only, no referral required) Out-of-Network: Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA ²	In-Network: Member pays 20% of contracted rate ¹ Out-of-Network: Member pays 30% of fee schedule regardless if member resides inside or outside of LA ²

¹After deductible is met

²Member also pays the difference between the billed amount and the fee schedule (also known as the Usual and Customary rate)

³Age and/or time restrictions apply

⁴Pre-certification required

	LSU First Administered by LSU (CIGNA - Claims Administrator)	PPO Administered by OGB	HMO Plan Administered by Blue Cross & Blue Shield of LA	Medical Home HMO Plan (PCP must be in Region 9) Administered by Vantage Health Plan	Regional HMO Administered by Vantage Health Plan	CD-HSA Plan (Consumer Driven Plan with Health Savings Account) Administered by UnitedHealthcare
Mental Health and Substance Use Disorder (Inpatient)²	First Choice: \$0 after HRA. In-Network: \$10% after Deductible. Out-of-Network: 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge.	Member pays 10% of contracted rate ¹	\$100 copay per day; \$300 maximum per admit	100% after \$100 copay per day for first 3 days	\$100 copay; \$300 max per admit	Member pays 20% of contracted rate ^{1,4}
Mental Health and Substance Use Disorder (Outpatient)	First Choice: \$0 after HRA. In-Network: \$10% after Deductible. Out-of-Network: 30% of after Deductible + amount over the Maximum Reimbursable Charge	Member pays 10% of contracted rate ¹	\$15 office visit copay	100% after \$25 copay per office visit ⁴	\$25 office visit copay ⁴	Member pays 20% of contracted rate ^{1,4}
Physical, Occupational and Speech Therapy	First Choice: \$0 after HRA. In-Network: \$10% after Deductible. Out-of-Network: 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge.	In-Network: Member pays 10% of contracted rate ¹ Out-of-Network: Member pays 30% of fee schedule if Member resides in LA Member pays 10% of fee schedule if Member resides outside of LA. *Maximum of 50 visits per plan year	In-Network: \$15 copay Out-of-Network: Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA ²	In-Network: 20% co-insurance; combined maximum of 20 visits per plan year ⁴ ¹ Pre-certification only required for OT & Speech Therapy) Out-of-Network: No coverage	Not available	In-Network: Member pays 20% of contracted rate ^{1,4} (Maximum of 50 visits per plan year) Out-of-Network: Member pays 30% of fee schedule regardless if member resides inside or outside of LA ²

This comparison chart is a summary of plan features. For full details of the plan, refer to the official plan documents.

¹After deductible is met

²Member also pays the difference between the billed amount and the fee schedule (also known as the Usual and Customary rate)

³Age and/or time restrictions apply

⁴Pre-certification required

**2012 Premium Rates
LSU First and OGB**

Region 9

(10 northeast LA parishes)

Regions 6, 7, 8 & 9
(Baton Rouge, Alexandria,
Shreveport & Monroe)

ACTIVE	LSU FIRST Option 1 Administered by LSU			LSU FIRST Option 2 Administered by LSU			PPO Administered by OGB			HMIO Administered by Blue Cross Blue Shield			CDHP with HSA Administered by UnitedHealthCare			Medical Home HMIO Insured by Vantage Health Plan			Medical Home HMIO Insured by Vantage Health Plan		
	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL
SINGLE	\$438.12	\$146.04	\$584.16	\$378.82	\$126.28	\$505.10	\$464.46	\$154.82	\$619.28	\$438.82	\$146.26	\$585.08	\$360.54	\$120.18	\$480.72	\$456.82	\$152.26	\$609.08	\$414.96	\$138.32	\$553.28
WITH SPOUSE	\$667.16	\$375.06	\$1,042.22	\$767.84	\$324.28	\$901.12	\$812.50	\$502.86	\$1,315.36	\$767.54	\$474.98	\$1,242.52	\$630.72	\$390.32	\$1,021.04	\$799.16	\$494.56	\$1,293.72	\$717.48	\$440.84	\$1,158.32
WITH CHILDREN	\$504.40	\$212.34	\$716.74	\$466.50	\$193.94	\$660.44	\$552.46	\$222.82	\$775.28	\$503.04	\$210.48	\$713.52	\$413.42	\$173.06	\$586.48	\$523.82	\$219.26	\$743.08	\$474.18	\$197.54	\$671.72
FAMILY	\$769.02	\$476.96	\$1,245.98	\$671.30	\$418.76	\$1,090.06	\$848.46	\$538.82	\$1,387.28	\$801.48	\$508.92	\$1,310.40	\$658.56	\$418.20	\$1,076.76	\$834.46	\$529.90	\$1,364.36	\$748.70	\$472.06	\$1,220.76
RETIRED NO-MEDICARE & RE-EMPLOYED RETIREE																					
SINGLE	\$963.20	\$146.04	\$1,109.24	\$887.60	\$126.28	\$1,013.88	\$997.30	\$154.82	\$1,152.12	\$945.66	\$146.26	\$1,091.92	N/A	N/A	N/A	\$980.62	\$152.26	\$1,132.88	\$877.88	\$138.32	\$1,016.20
WITH SPOUSE	\$1,531.58	\$427.14	\$1,958.72	\$1,465.98	\$324.28	\$1,790.26	\$1,531.58	\$502.86	\$2,034.44	\$1,453.06	\$474.98	\$1,928.04	N/A	N/A	N/A	\$1,506.28	\$494.56	\$2,000.84	\$1,342.40	\$304.52	\$1,783.24
WITH CHILDREN	\$1,023.22	\$212.34	\$1,235.56	\$930.42	\$193.94	\$1,124.36	\$1,060.50	\$222.82	\$1,283.32	\$1,005.84	\$210.48	\$1,216.32	N/A	N/A	N/A	\$1,042.74	\$219.26	\$1,262.00	\$932.78	\$197.54	\$1,130.32
FAMILY	\$1,472.32	\$476.96	\$1,949.28	\$1,358.02	\$418.76	\$1,776.78	\$1,518.42	\$506.14	\$2,024.56	\$1,439.10	\$479.70	\$1,918.80	N/A	N/A	N/A	\$1,493.52	\$497.76	\$1,991.08	\$1,330.98	\$443.66	\$1,774.64
RETIRED WITH 1 MEDICARE																					
SINGLE	\$255.00	\$85.00	\$340.00	\$220.46	\$73.50	\$293.96	\$280.98	\$93.66	\$374.64	\$270.94	\$90.30	\$361.24	N/A	N/A	N/A	\$276.36	\$92.12	\$368.48	\$255.52	\$85.16	\$340.68
WITH SPOUSE	\$880.66	\$293.56	\$1,174.22	\$761.46	\$253.82	\$1,015.28	\$1,038.22	\$346.06	\$1,384.28	\$990.16	\$330.04	\$1,320.20	N/A	N/A	N/A	\$1,020.96	\$340.32	\$1,361.28	\$913.56	\$304.52	\$1,218.08
WITH CHILDREN	\$484.38	\$161.46	\$645.84	\$453.94	\$145.32	\$599.26	\$486.36	\$162.12	\$648.48	\$466.06	\$155.34	\$621.40	N/A	N/A	N/A	\$478.30	\$159.42	\$637.72	\$433.96	\$144.64	\$578.60
FAMILY	\$1,249.54	\$416.52	\$1,666.06	\$1,092.42	\$364.16	\$1,456.58	\$1,383.34	\$461.10	\$1,844.44	\$1,317.96	\$439.32	\$1,757.28	N/A	N/A	N/A	\$1,360.38	\$453.46	\$1,813.84	\$1,213.50	\$404.50	\$1,618.00
RETIRED WITH 2 MEDICARE																					
WITH SPOUSE	\$444.98	\$148.34	\$593.32	\$384.76	\$128.26	\$513.02	\$505.08	\$168.36	\$673.44	\$485.64	\$161.88	\$647.52	N/A	N/A	N/A	\$496.56	\$165.52	\$662.08	\$450.10	\$150.02	\$600.12
FAMILY	\$604.22	\$201.42	\$805.64	\$528.28	\$176.10	\$704.38	\$625.38	\$208.46	\$833.84	\$601.30	\$200.42	\$801.72	N/A	N/A	N/A	\$614.88	\$204.96	\$819.84	\$554.64	\$184.88	\$739.52
COBRA																					
SINGLE	\$0.00	\$595.82	\$595.82	\$0.00	\$515.18	\$515.18	\$0.00	\$631.68	\$631.68	\$0.00	\$596.78	\$596.78	N/A	N/A	N/A	\$0.00	\$621.28	\$621.28	\$0.00	\$564.04	\$564.04
WITH SPOUSE	\$0.00	\$1,063.06	\$1,063.06	\$0.00	\$919.14	\$919.14	\$0.00	\$1,341.68	\$1,341.68	\$0.00	\$1,267.38	\$1,267.38	N/A	N/A	N/A	\$0.00	\$1,319.88	\$1,319.88	\$0.00	\$1,181.46	\$1,181.46
WITH CHILDREN	\$0.00	\$731.08	\$731.08	\$0.00	\$653.26	\$653.26	\$0.00	\$770.40	\$770.40	\$0.00	\$727.80	\$727.80	N/A	N/A	N/A	\$0.00	\$757.72	\$757.72	\$0.00	\$684.62	\$684.62
FAMILY	\$0.00	\$1,270.90	\$1,270.90	\$0.00	\$1,111.84	\$1,111.84	\$0.00	\$1,415.04	\$1,415.04	\$0.00	\$1,336.62	\$1,336.62	N/A	N/A	N/A	\$0.00	\$1,391.76	\$1,391.76	\$0.00	\$1,244.98	\$1,244.98
DISABILITY COBRA																					
SINGLE	\$0.00	\$876.24	\$876.24	\$0.00	\$757.62	\$757.62	\$0.00	\$928.92	\$928.92	\$0.00	\$877.62	\$877.62	N/A	N/A	N/A	\$0.00	\$916.08	\$916.08	\$0.00	\$824.58	\$824.58
WITH SPOUSE	\$0.00	\$1,563.32	\$1,563.32	\$0.00	\$1,351.70	\$1,351.70	\$0.00	\$1,973.04	\$1,973.04	\$0.00	\$1,863.78	\$1,863.78	N/A	N/A	N/A	\$0.00	\$1,940.56	\$1,940.56	\$0.00	\$1,729.96	\$1,729.96
WITH CHILDREN	\$0.00	\$1,075.12	\$1,075.12	\$0.00	\$960.66	\$960.66	\$0.00	\$1,132.92	\$1,132.92	\$0.00	\$1,070.28	\$1,070.28	N/A	N/A	N/A	\$0.00	\$1,114.00	\$1,114.00	\$0.00	\$999.52	\$999.52
FAMILY	\$0.00	\$1,868.96	\$1,868.96	\$0.00	\$1,635.08	\$1,635.08	\$0.00	\$2,080.92	\$2,080.92	\$0.00	\$1,965.60	\$1,965.60	N/A	N/A	N/A	\$0.00	\$2,046.52	\$2,046.52	\$0.00	\$1,823.62	\$1,823.62

Voluntary Benefits

The LSU System offers all eligible employees a number of voluntary benefits including Life insurance, Accidental Death and Dismemberment insurance, Dental and Vision insurance, Long Term Disability income insurance and Long Term Care insurance.

Eligibility

Any active employee of the LSU System is eligible for voluntary benefits provided the following:

- They are employed at 75% of full-time effort per pay period (average of 30 hours/week) or greater and
- Their appointment is for a duration of at least one semester or 121 days or greater

Effective Date of Coverage

Timely Applicant: If you enroll within your first thirty (30) days of employment, your coverage will be effective the first of the month following your first full calendar month of employment

- **Long Term Disability Exception:** If an employee enrolls in Long Term Disability insurance within their first thirty (30) days of employment, their coverage will be effective the first of the month following the date the signed enrollment form is received by their employer.
- **Accidental Death & Dismemberment Exception:** This insurance will take effect on the first day of the month following the date the employee enrolls, provided the required premium has been paid.

Late Applicant: Some of the Voluntary Benefits Plans require you to prove insurability if you do not enroll within your first thirty (30) days of employment. The OGB Group Life Insurance, LSU Supplemental Term Life Insurance, Long Term Disability Insurance, and Long Term Care Insurance will require medical underwriting and approval if you are enrolling as a late applicant. For late applicant guidelines, refer to the section in this booklet for the specific plan that you are interested in.

Who Pays for Voluntary Benefits?

If you choose to participate in any of the Voluntary Benefit Plans, you will pay 100 percent of the premium through payroll deduction. Your vision and dental premiums are eligible for tax sheltering under the Tax-Saver Premium Only Plan. Your monthly premium rate will depend on the number of dependents insured and the type of appointment you have (i.e. 9-month, 12-month, etc.).

When does Coverage for Voluntary Benefits end?

Your coverage under a Voluntary Benefit will end on the earliest of the following dates:

- On the last day of the month in which your employment terminates or your percentage of full-time effort drops below 75% (for academic employees who terminate employment at the end of the academic year, coverage extends through September 30 of the same year)
- When you are no longer eligible for coverage
- When you cease to make the required contribution
- When the LSU System terminates the plan

When does Coverage for Voluntary Benefits end for my dependent(s)? Your dependent's coverage under a Voluntary Benefit will end on the earliest of the following dates:

- When the individual no longer meets the plan's definition of a dependent
- When the employee's coverage terminates
- When the employee ceases to make the required contribution for dependent coverage
- When the LSU System terminates the plan

Life Insurance

OGB Group Life Insurance

A *group life* insurance plan available through the Office of Group Benefits and administered by the Prudential Insurance Company of America is offered to eligible employees. Eligible employees are those appointed for more than 120 days and who have an appointment of 75% of full-time or greater.

Under this plan, half of the premium is paid by the state for the employee's coverage. The employee must pay the entire premium for dependent coverage. The employee may select from two options with a maximum coverage of \$50,000.

New employees have 30 days to either enroll in or waive coverage under this plan. Coverage is effective on the first day of the month after completion of one full calendar month of employment. Employees who do not enroll within the first 30 days but who later wish to enroll must complete an evidence of insurability form and be approved for coverage.

Coverage Levels and Rates for Life Insurance Offered by the Office of Group Benefits	
Basic Plan	
Employee Coverage	\$5,000 Face Amount; Cost is \$.50 per \$1000 per month (= \$2.50)
Dependent Coverage	Option 1: \$1,000 Face Amount for Spouse and \$500 Face Amount for each eligible child Cost is \$.88 per month Option 2: \$2,000 Face Amount for Spouse and \$1,000 Face Amount for each eligible child Cost is \$1.76 per month
Basic Plus Supplemental Plan	
Employee Coverage	To calculate the face amount, multiply annual salary times 1 ½ and round up. If the result is less than \$21,000 add \$1,000. Cost is \$.50 per \$1,000 per month. MAXIMUM COVERAGE IS \$50,000 and cost \$25.00 per month.
Dependent Coverage	Option 1: \$2,000 Face Amount for Spouse and \$1,000 Face Amount for each eligible child Cost is \$1.76 per month Option 2: \$4,000 Face Amount for Spouse and \$2,000 Face Amount for each eligible child Cost is \$3.52 per month

Extension Benevolent and Protective Insurance

This is optional life insurance coverage offered to all Louisiana Cooperative Extension Service (LCES) appointed employees. In addition to life insurance, it also provides Accidental Death and Dismemberment (AD&D) coverage. The effective date of coverage begins on the first day of the month following the date of employment. The face amount of coverage reduces at age 65 and again at age 70 (or upon retirement at any age). The AD&D portion of the coverage cancels at age 70 or upon retirement.

Rates for Extension Benevolent and Protective Insurance		
Age	Coverage Amount	Cost
Under age 65	\$5,000 Life Coverage with \$5000 AD&D Coverage	\$19.05
Ages 65 - 69	\$4,000 Life Coverage with \$4,000 AD&D Coverage	\$15.24
Age 70 & over or upon Retirement at any age	\$3,000 Life Coverage Only	\$11.28

LSU Supplemental Term Life Insurance

A separate group term life insurance plan is underwritten by **The Hartford** and provides Term Life Insurance and Accidental Death and Dismemberment (AD&D) Insurance to eligible employees. Eligible employees are those appointed for more than 120 days and who have an appointment of 75% of full-time or greater.

New employees have 30 days to either enroll in or waive coverage under this plan. Coverage is effective on the first day of the month after completion of one full calendar month of employment. Employees who do not enroll within the first 30 days but who later wish to enroll must complete an evidence of insurability form and be approved for coverage.

Employee Coverage

Under this plan you can purchase Voluntary Life and AD&D Insurance in increments of \$10,000. The premium rates are based on age. The maximum amount you can purchase cannot be more than \$1,000,000. You are guaranteed the lesser of \$500,000 or 5 times your basic annual earnings if you enroll within your first 30 days of employment. Any amounts purchased over \$500,000 will require you to provide evidence of good health that is satisfactory to The Hartford before the excess can become effective. If you chose to elect AD&D coverage, your policy will be equal to the term life insurance amount you have chosen.

Spouse Coverage

If you elect Voluntary Life and AD&D Insurance on yourself, you may choose to purchase Spouse Voluntary Life and AD&D Insurance in increments of \$5,000, to a maximum of \$250,000. Your spouse is guaranteed the lesser of \$100,000 or 50% of the amount elected for your coverage if you enroll him/her within 30 days of your employment or within 30 days from your date of marriage. For any amounts purchased over \$100,000, your spouse will need to provide evidence of good health that is satisfactory to The Hartford before the excess can become effective. If you elected AD&D coverage for your spouse, the benefit amount will be equal to the term life insurance amount elected.

Child(ren) Coverage

Your children are eligible for coverage from 14 days up to age 21; to age 24 providing they are unmarried and a full-time student solely dependent upon you for financial support. You may choose to purchase Voluntary Life Insurance coverage for your children in the amount(s) of \$5,000, \$10,000, or \$20,000 for each child – no medical information is required. You may not elect coverage for your child if your child is an active member of the armed forces of any country or international authority. If your child is between birth and 6 months of age, the maximum amount of coverage he/she will have is \$1,000.

Coverage reduction with Age

If you retire from the LSU System, you may elect to continue your Term Life Insurance and AD&D Insurance. Coverage does not decrease if you are actively employed and are age 70 or older however; retiree coverage is limited to \$100,000 at age 70.

Coverage Portability

If you leave your employer, Portability is an option that allows you to continue your Life Insurance coverage. To be eligible, you must terminate your employment prior to Social Security Normal Retirement Age. This option allows you to continue all or a portion of your Life Insurance coverage under a separate Portability term policy. Portability is subject to a minimum of \$5,000 and a maximum of \$200,000 and includes coverage for your spouse and child(ren). To elect Portability, you must apply and pay the premium within 31 days of the termination of your Life Insurance. Evidence of Insurability will not be required. Dependent Spouse Portability is subject to a maximum of \$50,000. Dependent Child Portability is subject to a maximum of \$10,000.

If you leave employment with the LSU System, you also have the option of converting your group Life coverage to your own individual policy (policies).

Coverage when Disabled

If you become totally disabled before age 60 and your disability lasts for at least 3 months, your Life Insurance premium may be waived.

AD&D Coverage

AD&D provides benefits due to certain injuries or death from an accident. The covered injuries or death can occur up to 365 days after that accident. The Insurance pays:

- 100% of the amount of coverage you purchase in the event of an accidental loss of life, two limbs, the sight of both eyes, one limb and the sight of one eye, or speech and hearing in both ears or quadriplegia.
- 75% for paraplegia or triplegia
- 50% for accidental loss of one limb, sight of one eye, or speech or hearing in both ears or hemiplegia
- 25% for accidental loss of thumb and index finger of the same hand or uniplegia

Living Benefits Option

If you are diagnosed as terminally ill with a 12 month life expectancy, you may be eligible to receive payment of a portion of your Life Insurance. The remaining amount of your Life Insurance would be paid to your beneficiary when you die.

Accidental Death and Dismemberment (AD&D)

The group Accidental Death and Dismemberment (AD&D) policy is underwritten by The Hartford, and is available to all eligible employees (those appointed for more than 120 days and who have an appointment of 75% of full-time or greater). The AD&D policy provides 24 hour, 365-day coverage against accidents at work, at home, and while traveling anywhere in the world.

Although new employees have 30 days to either enroll or waive coverage, employees can pick up or drop coverage for themselves or their dependents at any time. Coverage will take effect on the first day of the month following the date of enrollment, provided the required premium has been paid.

Family Coverage

You may select coverage for yourself only, or for yourself, your spouse and/or children. Your children are eligible for coverage from 14 days up to age 21; to age 24 providing they are unmarried and a full-time student solely dependent upon you for financial support. If you and your spouse are both LSU System employees, only one of you may enroll in Family coverage.

Family members may be insured for a portion of your principal sum. Your spouse is insured for 50% of your principal sum or 40% if you have eligible children. Eligible children are insured for 15% of your principal sum or 10% if your spouse is eligible for coverage.

Reduction in Benefits

Your principal sum will reduce according to the following schedule:

- At age 70, the benefit reduces to 82.5%
- At age 75, the benefit reduces to 57.5%
- At age 80, the benefit reduces to 37.5%
- At age 85 and older, the benefit reduces to 20%

If you elected Family coverage, your spouse and children's benefit will reduce from the principal sum amount of the insured employee.

Your coverage remains in effect as long as the plan is in force, you are an eligible employee, and you pay your premium. Your family members will remain insured as long as they continue to be eligible, you are covered and their premium is paid. Handicapped children shall remain insured, regardless of age, as long as they continue to be handicapped and your coverage remains in force.

Benefits Paid

Benefits will be paid for any of the losses that occur as a result of an injury listed:

- Life 100%
- Both hands or feet 100%
- Entire sight of both eyes 100%
- One hand or one foot 50%
- Entire sight of one eye 50%

Loss must occur within 365 days of the accident. If more than one loss results from any one accident, the one largest applicable benefit amount becomes payable.

Other Benefits:

Air Travel Coverage

Full coverage is provided for air travel as a passenger (but not as a pilot or crew member) while riding in any aircraft used for the transportation of passengers, except an aircraft owned, operated or leased by or on behalf of the LSU System.

Waiver of Premium

If due to injury or illness you are unable to perform each of the material duties of any occupation for 12 consecutive months, coverage will continue without premium charge for you and your insured family members as long as you remain totally disabled. This additional benefit is not applicable once you retire.

Additional Benefits:

- Daycare Benefit
- Conversion Privilege
- HIV Benefit
- World Wide Travel Assistance Benefit
- Permanent Total Disability
- Seatbelt and Airbag Benefit
- Tuition Benefit

For additional information call 1-800-303-9744 or logon to the website at www.thehartfordgroupbenefits.com

Rates for Group Accident Insurance		
Principal Sum	Employee Only	Family Plan
27,500	\$ 1.00	\$ 1.50
55,000	\$ 2.00	\$ 3.00
82,500	\$ 3.00	\$ 4.50
110,000	\$ 4.00	\$ 6.00
165,000	\$ 6.00	\$ 9.00
220,000	\$ 8.00	\$12.00
275,000	\$10.00	\$15.00
300,000	\$10.90	\$16.36

Dental Plan

Two dental plans are offered through Dearborn National for eligible employees. Eligible employees are those appointed for more than 120 days and who have an appointment of 75% of full-time or greater.

New employees have 30 days to either enroll in or waive coverage. Coverage is effective on the first day of the month after completion of one full calendar month of employment. Employees who do not enroll in coverage within the first 30 days may elect to enroll during the annual enrollment period held in October of each year with an effective date of January 1.

You may select coverage for yourself only, or for yourself, your spouse and/or your children. Your children are eligible for coverage from 14 days up to age 26. If you and your spouse are both LSU System employees, only one of you may enroll in Family coverage.

Dental Insurance – Option 1 Enhanced Plan

Under the Enhanced Plan, insurance pays for a percentage of the Maximum Allowance for a particular service. The Maximum Allowance is the amount determined by Dearborn National in which providers have agreed to accept a payment in full for a particular service. For services received from a non-participating provider, you will be liable for any difference between the dentist's charge and your covered benefits. To find a participating provider, visit the Dearborn National website at: www.dearbornnational.com

With the Enhanced Plan there is no annual deductible. The percentage of an expense that is covered by the plan is determined by the Type category that the procedure falls into.

- *Type 1* Procedures are covered at 100% of the Maximum Allowance
- *Type 2* Procedures are covered at 80% of the Maximum Allowance
- *Type 3* Procedures are covered at 50% of the Maximum Allowance
- *Implant Services* are covered at 50% of the Maximum Allowance
- *Orthodontia* is covered at 50% of the Maximum Allowance

A brief list of the procedures which fall under each Type category can be found on the next page.

The Maximum Plan Year Benefit for General Dental Expenses, excluding Orthodontia is \$1,250.

Orthodontia services do not have a Maximum Plan Year Benefit; instead Orthodontia is subject to a Lifetime Maximum of \$1,500.

Implant Services also have a Lifetime Maximum of \$2,000.

Dental Insurance – Option 2 Basic Plan

Under the Basic Plan, insurance pays for a portion of the expense for a particular procedure and the participant pays for the remainder of the expense. The benefit amount that insurance will pay for a procedure is listed in Dearborn's Schedule of Fees. The Schedule of Fees is a complete list of all scheduled amounts for all covered procedures. It is found in the Employee Benefit Booklet which is provided to participating employees.

The Basic Plan will cover *Type 1* Procedures at 100% of Usual and Customary Charges. There is also no deductible for *Type 1* Procedures.

For *Type 2* and *Type 3* Procedures, the participant must first pay a \$100 Lifetime Deductible before the insurance will pay according to the Schedule of Fees. Insurance will not pay more than the provider's actual charges for any procedure.

A brief list of the procedures which fall under each Type category can be found on the next page.

The Maximum Plan Year Benefit for General Dental Expenses under the Basic Plan is \$1,000.

Orthodontia services are not covered under the Basic Plan.

To find a participating provider, visit the Dearborn National website at: www.dearbornnational.com

Dental Services According to Type Category			
Type 1 – Preventive Services Includes:	Type 2 – Basic Services Includes:	Type 3 – Major Services Includes	Type 4 – Orthodontics Includes: (Enhanced Plan Only)
Routine Exams Prophylaxis (cleaning) Bitewing X-rays (2 per benefit period – one complete series per 36 months) Sealants to age 17 Fluoride Treatments to age 19 Space Maintainers to age 13 Emergency Palliative Treatment	Restorations – Resin/Amalgam (fillings) Oral Surgery (extractions & impacted teeth) Endodontics (root canal & pulpal therapy) Periodontics (treatment of gums) Denture and Crown Repair	Major Restorative (inlay/onlay/crowns) Prosthetics (dentures & bridges) Periodontal Surgery Denture Adjustments/Rebase Implants (Enhanced Plan only)	Orthodontia for covered Adults & Children – (orthodontic care for proper alignment of teeth)

Dearborn National Dental Plan Rates		
Coverage Level	Enhanced Plan Monthly Cost	Basic Plan Monthly Cost
Employee Only	\$26.26	\$16.56
Employee + Spouse	\$51.37	\$31.11
Employee + Children	\$62.44	\$43.01
Family	\$87.55	\$57.56

Vision Plan

A vision plan is offered through Davis Vision for eligible employees. Eligible employees are those appointed for more than 120 days and who have an appointment of 75% of full-time or greater.

New employees have 30 days to either enroll in or waive coverage. Coverage is effective on the first day of the month after completion of one full calendar month of employment. Employees who do not enroll in coverage within the first 30 days may elect to enroll during the annual enrollment period held in October of each year with an effective date of January 1.

You may select coverage for yourself only, or for yourself, your spouse and/or your children. Your children are eligible for coverage from 14 days up to age 26. If you and your spouse are both LSU System employees, only one of you may enroll in Family coverage.

The Davis Vision Plan is a primary vision care benefit and is intended to cover an annual eye examination and corrective eyewear. Members receive a vision exam, eyeglass lenses and eyeglass frames every 12 months. As an alternative to eyeglasses, you may choose elective contacts annually.

Employees who participate in the LSU First Health Insurance Plan are provided with a few extra benefits. These benefits include discounts on eye exams, progressive lenses, UV coating, scratch protection and frames; please see benefit summary below.

For more detailed information about the plan or to locate a provider, visit www.davisvision.com or call the member services department at (877) 923-2847 and enter client control # 4884.

Davis Vision Plan Rates	
Coverage Level	Monthly Cost
Employee Only	\$7.66
Employee + Spouse	\$12.90
Employee + Child(ren)	\$13.18
Family	\$21.24

Davis Vision Plan Benefits – Your Costs			
		Non LSU First Member	LSU First Member
		In-Network	In-Network
Benefits			
Eye Exams		\$10	\$0
<ul style="list-style-type: none"> • Exam Frequency 		Once per plan year	Once per plan year
Materials (Lenses And/Or Frames)		\$0	\$0
<ul style="list-style-type: none"> • Lens Frequency 		Once per plan year	Once per plan year
<ul style="list-style-type: none"> • Single 		\$0	\$0
<ul style="list-style-type: none"> • Bifocal 		\$0	\$0
<ul style="list-style-type: none"> • Trifocal 		\$0	\$0
<ul style="list-style-type: none"> • Lenticular Lens 		\$0	\$0
Other Lens Options	Average Retail Cost	Cosmetic options are available at set member prices	Cosmetic options are available at set member prices
<ul style="list-style-type: none"> • All Ranges of prescriptions and sizes 	\$80.00	\$0	\$0
<ul style="list-style-type: none"> • Choice of glass or plastic lenses 	\$35.00	\$0	\$0
<ul style="list-style-type: none"> • Oversized Lenses 	\$20.00	\$0	\$0
<ul style="list-style-type: none"> • Tinted Lenses 	\$20.00	\$0	\$0
<ul style="list-style-type: none"> • Scratch coating 	\$40.00	\$0	\$0
<ul style="list-style-type: none"> • Standard Progressive Lens 	\$180.00	\$50	\$0
<ul style="list-style-type: none"> • Premium Progressive Lens 	\$225.00	\$90	\$0

• Photochromatic Glass Lenses	\$45.00	\$20	\$20
• Polycarbonate for children	\$65.00	\$0	\$0
• Polycarbonate for adults	\$65.00	\$30	\$30
• UV Coating	\$30.00	\$12	\$0
• Plastic Photosensitive Lenses	\$120.00	\$65	\$65
• Standard Anti-reflective Coating	\$60.00	\$35	\$35
• Premium AR Coating	\$75.00	\$48	\$48
• Ultra AR Coating	\$120.00	\$60	\$60
• Intermediate Vision Lens	\$150.00	\$30	\$30
• Blended invisible Lens	\$45.00	\$20	\$20
• Hi-Index (Thinner and lighter) lens	\$125.00	\$55	\$55
• Polarized Lens	\$110.00	\$75	\$75
• Scratch Protection Plan	\$75.00	\$20/\$40	\$0
Frames		Choose from the Davis Designer Frame Collection (retail value or \$125-\$175) OR \$100 allowance + 20% off any overage toward the retail cost of any other frame*	Choose from the Davis Designer Frame Collection (retail value or \$125-\$175) OR \$130 allowance + 20% off any overage toward the retail cost of any other frame*
• Frame Frequency		Once per plan year	Once per plan year
Contact Lens			
• Contact Lens Frequency		Once per plan year	Once per plan year
• Elective Contacts (Formulary)		Up to 4 boxes of disposables	Up to 4 boxes of disposables
• Elective Contacts (Non-Formulary)		Up to \$130 + 15% discount off overage*	Up to \$130 + 15% discount off overage*
• Contact Fitting Fee Included in Allowance		Covered in Full for Formulary Contacts 15% discount for Non-Formulary Contacts*	Covered in Full for Formulary Contacts 15% discount for Non-Formulary Contacts*
• Discount on Additional or Replacement Contact Lenses		All members are enrolled in LENS 1-2-3 Mail Order Program which guarantees the lowest price on contact lenses	All members are enrolled in LENS 1-2-3 Mail Order Program which guarantees the lowest price on contact lenses
• Medically Necessary		Paid in Full with Prior Approval	Paid in Full with Prior Approval
Miscellaneous Items			
• Lasik or PRK Network		25% discount or 5% off any special	25% discount or 5% off any special
• Low Vision		1 comprehensive Low-Vision exam every 5 years; Low Vision Aid Allowance of \$600 with a lifetime max of \$1200; Follow-up Care of 4 visits in a 5 year period	1 comprehensive Low-Vision exam every 5 years; Low Vision Aid Allowance of \$600 with a lifetime max of \$1200; Follow-up Care of 4 visits in a 5 year period
• Warranty on Frames/Lens		1 year unconditional breakage warranty on any Davis Vision Collection Frame or any frame purchased from Wal-Mart or EyeMasters	1 year unconditional breakage warranty on any Davis Vision Collection Frame or any frame purchased from Wal-Mart or EyeMasters
• If purchasing both contacts & eyeglasses		Discount off retail on second materials	Discount off retail on second materials

*At Wal-Mart locations, members will receive the full allowance toward Wal-Mart's everyday low prices. Additional discounts not applicable

Long Term Disability Insurance

A Long Term Disability Income Insurance Plan is offered through The Hartford for eligible employees. Eligible employees are those appointed for more than 120 days and whose appointment is for 75% of full-time or greater.

New employees have 30 days to either enroll in or waive coverage. Coverage is effective on the first day of the month following the date of employment. Employees who do not enroll within the first 30 days of employment may enroll at any time but must complete an Evidence of Insurability Application and be approved by underwriting before coverage will become effective.

Benefits

The Long Term Disability (LTD) Insurance is designed to insure an employee's income if they become disabled. If an employee becomes disabled due to accident or illness, this policy supplements other benefits to bring the employee's income benefit up to 60%* of their monthly base salary (maximum monthly benefit of \$12,000).

** Employees hired prior to January 1, 2001 could have elected a 66.67% benefit. Employees who did so are grandfathered in and may continue this higher benefit amount. Their maximum monthly benefit is \$9,000.*

Benefits are paid after the employee has satisfied a waiting period. This waiting period consists of the employee being totally disabled for 90 consecutive days and the employee having exhausted all of their sick leave. Note that if a disabled employee is receiving other benefits (e.g. Social Security, disability retirement**, Worker's Compensation benefits, etc.) concurrently with monthly Hartford payments, the Hartford benefit is reduced by the amount of the other payments except that the Hartford benefit will not be reduced below \$60 per month.

***Should the employee be approved for a disability retirement benefit, this benefit is reduced by the employer-paid portion of the retirement benefit.*

Premium

The premium for the Long Term Disability insurance is based on the employee's monthly salary. To calculate your premium, use the equation as follows:

$$\frac{\text{Monthly Salary}}{\text{Monthly Cost}} \times 0.005533 = \text{Monthly Cost}$$

Premiums are paid through convenient payroll deduction and are paid with after-tax dollars, which means that the disability benefits you receive from The Hartford will not be reduced for taxes.

How is Disability Defined?

The Hartford uses a dual definition of disability. You are considered disabled and eligible for benefits if either of the following qualifiers is met:

- **Occupation Qualifier** – You are considered disabled if, during the waiting period and the first 24 months thereafter, you are unable to perform the material and substantial duties of your regular occupation due to a disability. After this period, you qualify for benefits if you continue to be unable to perform any occupation for which you are qualified by education, training or experience.
- **Earnings Qualifier** – You are considered disabled if you are working in an occupation for which you are qualified by education, training, or experience, but are unable to earn more than 80% of your pre-disability earnings due to an injury or sickness.

What if I Can Work During My Disability?

Total disability is not required during the waiting period. You can continue to work periodically for up to 45 days without beginning the waiting period again.

How Long Will I Receive Benefits if I Become Disabled?

Benefits will be paid until you are no longer considered disabled, or until you reach the maximum payable period (MPP).

Age at Disability	MPP
• 61 or less	To Social Security Normal Retirement Age
• 62	42 months or to SSNRA
• 63	36 months or to SSNRA
• 64	30 months or to SSNRA
• 65	24 months or to SSNRA
• 66	21 months or to SSNRA
• 67	18 months or to SSNRA
• 68	15 months or to SSNRA
• 69+	12 months

Is There a Benefit for Mental Health or Substance Abuse Disabilities? Upon satisfying the waiting period, benefits are payable for mental health or substance abuse claims for 24 months. Confinement in a hospital or institution licensed to provide care and treatment for mental illness will not be counted as part of the mental health limitation.

Are There Any Exclusions?

LTD benefits are not payable for disabilities resulting from:

- Declared or undeclared acts of war
- Suicide, self-inflicted injury or sickness
- Commission or an attempt to commit a felony
- Pre-existing conditions. If you have a condition for

which you received medical treatment or advice in the 3 months prior to your coverage effective date, it is considered pre-existing and will be excluded in the first 12 months of coverage. Following 12 consecutive months of coverage, such conditions will no longer be considered pre-existing.

Innovative Plan Features to Protect You

To ensure you have the protection you need in the event of a disability, the following benefits and services are included in LTD coverage through The Hartford.

➤ Recurrent Disability

This benefit gives you the ability to return to work without worrying about restrictions should your disability relapse. If you return to work and become disabled again due to the same sickness or injury within 6 months, you will not have to satisfy a new waiting period in order to receive LTD benefits.

➤ Waiver of Premium

If you become totally disabled and are receiving benefits under the policy, your premiums are waived. Keep in mind; you must continue to pay premiums during the waiting period.

➤ Survivor Benefit

If you were to die after satisfying the benefit waiting period or after receiving a disability benefit, the same benefit is paid to your beneficiary for 3 months.

➤ Catastrophic Disability Benefit

If you become disabled to the extent that you cannot take care of yourself (feeding, bathing, toileting, transferring, incontinence, and/or dressing), The Hartford will increase your monthly benefit by 10%. More importantly, this additional benefit will not be adjusted for other sources of income. In addition, The Hartford will provide training and respite services for the family member who is serving as your care provider.

➤ Social Security Assistance

When necessary, The Hartford will provide an advocate to help you apply for and secure Social Security disability benefits. The Hartford will then coordinate benefits with Social Security payments. The maximum amount payable to you in disability payments will be reduced by your family's Social Security benefit. Please note that if you have not paid into Social Security in 5 of the last 10 years, you may not be eligible to receive Social Security Disability benefits.

Long Term Disability Income Premium Rates	
Examples are:	
Monthly Salary	Monthly Premium
\$2,000	\$11.06
\$2,500	\$13.83
\$3,000	\$16.59
\$3,500	\$19.36
\$4,000	\$22.12

Long Term Care Insurance

A Long Term Care insurance plan is offered through UNUM for eligible employees. Eligible employees are those appointed for more than 120 days and whose appointment is for 75% of full-time or greater.

New employees have 30 days to either enroll or waive coverage. Coverage is effective on the first day of the month after completion of one full calendar month of employment. Employees who do not enroll for coverage within the first 30 days of employment may enroll at any time but must complete an Evidence of Insurability Application and be approved by underwriting before coverage will become effective.

Benefits

UNUM Long Term Care Insurance plan provides benefits for the type of care received when someone needs assistance (either at home or in a facility such as a nursing home) with the activities of daily living due to an accident, illness or advancing age. Monthly benefit amounts available range from \$1,000 to \$4,000. The benefit duration is either 3 years or 6 years. **Premiums are based upon age at time of enrollment.**

Who Can I Cover?

An eligible employee may enroll their spouse, parents and/or grandparents into this plan. Coverage for parents or grandparents is contingent upon their completion of an Evidence of Insurability application and approval by underwriting.

Summary of Employee Insurances

Plan	Eligibility Requirements	Enrollment Conditions	Effective Date of Coverage	Termination of Coverage	Included in Flexible Benefits Plan?
Medical Coverage PPO HMO Regional-HMO MH-HMO CD-HSA LSU First	Appointment of more than 120 days and 75% effort or greater	New employees are subject to a 6 month/1 year pre-existing condition clause unless certain criteria are met under the portability law; may change health plans during annual enrollment.	1 st day of month after completion of one full calendar month of employment	Last day of month in which separation occurs *COBRA Applies	Yes
Group Benefits Life Insurance	Appointment of more than 120 days and 75% effort or greater	Enroll within first 30 days of employment; otherwise must provide evidence of insurability and pre-existing conditions may apply	1 st day of month after completion of one full calendar month of employment	Last day of month in which separation occurs **Portability or Conversion Applies	Yes (excluding dependent coverage)
LSU Supplemental Term Life Insurance	Appointment of more than 120 days and 75% effort or greater	Enroll within first 30 days of employment; otherwise enroll at any time and provide evidence of insurability.	1 st day of month after completion of one full calendar month of employment	Last day of month in which separation occurs **Portability or Conversion Applies	No
Accidental Death & Dismemberment	Appointment of more than 120 days and 75% effort or greater	May enroll or drop at any time; for late enrollments, coverage effective on 1 st of month after date of application.	1 st day of month following date of employment	On separation date (also ceases when on extended leave without pay)	No
Dental Plan	Appointment of more than 120 days and 75% effort or greater	Enroll within first 30 days of employment; otherwise may enroll during annual enrollment	1 st day of month after completion of one full calendar month of employment	Last day of month in which separation occurs *COBRA Applies	Yes
Vision Plan	Appointment of more than 120 days and 75% effort or greater	Enroll within first 30 days of employment; otherwise may enroll during annual enrollment	1 st day of month after completion of one full calendar month of employment	Last day of month in which separation occurs *COBRA APPLIES	Yes
Long Term Disability	Appointment of more than 120 days and 75% effort or greater	Enroll within first 30 days of employment; otherwise enroll at any time and provide evidence of insurability.	1 st day of month following date of employment	On separation date (also ceases when on extended leave without pay)	No
Long Term Care	Appointment of more than 120 days and 75% effort or greater	Enroll within first 30 days of employment; otherwise enroll at any time and provide evidence of insurability	1 st day of month after completion of one full calendar month of employment	Last day of month in which separation occurs Portability Applies	No

* **COBRA Rights** - Provides that employees may continue medical coverage after termination provided application is made within prescribed time period and employee pays both employee and employer portion of premiums. Coverage for employee may be extended for up to 18 months. Coverage for dependents may be extended for up to 36 months. Qualifying individuals may be offered a reduced rate. Contact HR for details.

** **Portability or Conversion** – Continuation of coverage is possible; however, benefit coverage and/or premium may change.

Coverage under any plan may be voluntarily terminated provided the employee is not enrolled in the Flexible Benefits Plan. If enrolled in the Flexible Benefits Plan, voluntary termination of coverage is allowed only during the months of October, November and December with an effective date of January 1. **NOTE:** Voluntary terminations do not include legitimate changes in family status. If the employee experiences a legitimate change in family status, they may drop coverage at that time provided the termination of coverage is requested within 30 days of the date of the family status change.

Tax Saver Flexible Benefits Plan

Types of Tax Saver Plans

The Tax Saver Flexible Benefits Plan provides eligible employees the choice of participating in one or more of the options listed below.

Premium Only:

The Premium Only portion of the Tax Saver Plan allows eligible employees to tax-shelter the premiums they pay for medical, dental and vision insurance and employee coverage under the Office of Group Benefits Life insurance. If you enroll in the Premium Only Plan, your premiums for these insurances may automatically be deducted from your paycheck before your taxable income is determined; therefore there is no tax liability on these premiums. There is no cost to participate in this portion of the plan.

If you enroll in the Premium Only portion and want to cancel any of the benefits that are being tax-sheltered under this plan, you may only do so if you experience a qualifying event (see “Changes in Participation During the Year” section). If you do not experience a qualifying event you may only cancel your participation during the months of October, November and December for a January 1st effective date.

You may add or change coverage during the plan year without a qualifying event; however, the change in premium will not be tax-sheltered.

Flexible Spending Accounts (FSA):

This benefit provides employees with the opportunity to set aside tax-exempt dollars for out-of-pocket health care and/or dependent care expenses incurred by the employee or their eligible dependents. Eligible employees may establish either or both the health care spending account and the dependent care spending account. The cost of the plan is \$5.10 per month for one or both accounts.

You must determine an annual amount to be withheld by forecasting your out-of-pocket health care and/or dependent care expenses for the entire plan year. This annual contribution amount is then deducted from your paycheck in equal installments. There is no tax liability on the money put into either the health care or dependent care spending account or on the money reimbursed through these spending accounts. For an example of tax savings, see the chart entitled “How Flexible Spending Accounts Save You Money” on page 22.

The deduction is made before taxes are computed, thus making the spending account dollars tax-free. To access the money in your account, you must file a claim form requesting

reimbursement for eligible, out-of-pocket expenses for which services have been rendered and paid. A list of eligible expenses is available in your Human Resource Management Office.

Eligibility

Any active employee of the LSU System is eligible for participation in the flexible benefits plan provided the following:

- They are employed at 75% of full-time effort or greater (at least 30 hours per week) and
- Their appointment is for a duration of at least one semester or 121 days or greater

Effective Date of Coverage

You must enroll within your first thirty (30) days of employment; your coverage will be effective the first of the following month after your first full calendar month of employment.

For example:

Date of Hire = August 1st; Effective Date = September 1st
Date of Hire = August 20th; Effective Date = October 1st

If you do not enroll within your first thirty (30) days of employment you must wait until Annual Enrollment in October for an effective date of January 1st.

Annual Enrollment

If you enroll in the Premium Only portion, your election automatically rolls over from one year to the next. This election may be canceled during the October annual enrollment period (for an effective date of January 1st) or within 30 days of a qualifying event if cancellation is consistent with the qualifying event.

Since circumstances affecting out-of-pocket expenses are generally subject to change each year, you must reenroll in the Flexible Spending Accounts (FSAs) each year during the October annual enrollment period. Your FSA enrollment will not automatically carry over from year to year. If you choose not to re-enroll during October, your account will automatically cancel on December 31st

Changes in Participation During the Year

Due to the tax advantages you enjoy under this program, the Internal Revenue Service imposes some restrictions on changes you can make during the plan year. Once you have elected to participate in one or more of these accounts, you cannot change or revoke this election except during the October annual enrollment period (effective date of January 1st) or if you experience a qualifying event.

A qualifying event only allows for changes to an existing election. If you did not make an election to participate in the plan during Annual Enrollment or within 30 days of employment, a qualifying event will not allow for enrollment in the plan mid-year. The only exception to this rule is in cases where there is a loss of other coverage.

Qualifying events include:

1. Changes in Family Status:
 - ❖ Change in legal marital status, such as marriage, death of spouse, divorce, legal separation, or annulment; or
 - ❖ Change in number of dependents, such as birth, adoption or death of a dependent; or
 - ❖ Change in employment status of you or your spouse; or
 - ❖ An event that causes a dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; or
 - ❖ A change in place of residence of the employee, spouse, or dependent
2. Changes required by judgment, decree or order resulting from a divorce, legal separation, annulment or change in legal custody
3. Entitlement to or loss of Medicare or Medicaid
4. Significant cost or coverage changes
5. FMLA qualified leaves of absence
6. Changes in a dependent care provider or cost of dependent care

Changes in Health Care FSA elections may be allowed for qualifying events that fall under a change in family status; however, no changes are allowed to Health Care FSAs for other qualifying events. Also, the change in your election must be consistent with your change in family circumstances and must be made within 30 days of the date of change.

Types of Flexible Spending Accounts

HEALTH CARE Spending Account

Qualifications and Eligible Expenses

Many health care expenses, such as co-payments and deductibles, are not fully reimbursed by health, dental or vision insurance and may be eligible for reimbursement through a Health Care FSA. For a detailed list of health care expenses that may qualify for reimbursement under the Health Care Account, contact your Human Resource Department.

Contributions and Monthly Fees

The maximum amount that can be contributed to a Health Care FSA each year is \$4,000. **Please Note: During the 2011 Shortened Plan year, the maximum contribution is reduced by half for a total of \$2,000.** The minimum contribution is \$100 per year. There is a processing fee of \$5.10 per month for enrolling in either or both the Health Care Spending Account or the Dependent Care Spending Account. A debit card comes with the Health Care Spending Account and allows you to pay vendors for health care expenses directly from your account. This allows you to bypass the reimbursement process, but may require receipts to be submitted to the plan administrator (Boon-Chapman) for substantiation.

How to Calculate Your Expenses

Use the worksheet available on page 22 to estimate your unreimbursed health care expenses. But keep this in mind – IRS regulations state that if all the money in the account is not used by the end of the plan year, the remaining balance must be forfeited. This is known as the “Use-It-or-Lose-It Rule.” Therefore, you should be conservative in your estimates. It is better to estimate low rather than high since you will have to forfeit any money left in the account at the end of the plan year. After estimating your total health care expenses for the plan year, divide this amount by the appropriate number of pay periods left in the plan year to calculate your per-pay-period contribution amount. This amount will be deducted from your paycheck on a pre-tax basis.

DEPENDENT CARE Spending Account

There are four conditions surrounding participation in Dependent Care Spending Accounts:

1. If you are married, generally both you and your spouse must be employed in order to use this plan to reimburse eligible dependent daycare expenses.
2. Your contribution may not exceed the lesser of your income or the income of your spouse. For example, if you earn \$30,000 a year and your spouse earns \$2,000 a year, your contribution may be no more than \$2,000 for the year.
3. If you are married and file separate returns, your maximum contribution may be no more than \$2,500 for the year.
4. If your spouse has a Dependent Care Account at work and you file a joint return, your combined total tax shelter for dependent care cannot exceed \$5,000. If your spouse does not have a Dependent Care Account, the maximum you can contribute to your account is \$5,000.

Qualifications

You may receive tax-exempt reimbursement for the care of certain eligible dependents in your household. An eligible dependent must meet both of these requirements: 1) they can be claimed as a dependent for federal tax purposes **and** 2) they are a child under 13 years of age or they are a child over the age of 13, your spouse, or an elderly parent who resides with you, and they are physically or mentally incapable of caring for themselves.

Eligible Expenses

Eligible dependent care expenses are work-related expenses incurred for qualifying individuals. The account is designed to provide a tax saving so that you and your spouse can work. You are required to report on your annual federal income tax return the name(s) and tax identification number(s) of those providers of dependent care expenses whose expenses have been reimbursed to you through your Dependent Care Account.

Eligible Dependent Care Account expenses include:

- Day-care costs for children 12 and younger
- Schooling costs, not including food and clothing, for either private or public schools, for children not yet in kindergarten
- If expenses for food and clothing cannot be separated from the total cost of child care, then they are eligible expenses
- If your child is 12 or younger and you pay for before/after-school care, it is reimbursable
- Babysitting and licensed day-care center costs
- Housekeeping services in your home that include day-care
- Elder care if dependent is claimed on your tax return
- Costs of transportation, overnight camping, nursing care facilities, and the schooling costs of children in Kindergarten or above are generally ineligible expenses.

Federal Income Tax Credit for Dependent Care Expenses

You cannot use both the tax credit and the spending account for the same dependent care expenses. Further, expenses eligible for the tax credit are reduced, on a dollar-for-dollar basis, by the amount you contribute to a Dependent Care spending account. This tax credit is an amount subtracted from the actual tax you owe when you file your annual tax return.

Determining whether it is more advantageous for you to open a spending account or file for the credit at the end of the year will depend on a number of factors and, therefore, must be made on an individual basis. The following principles, however, can be used as a general guide:

- As income rises, the tax credit decreases, whereas the tax savings on payments made through the Dependent Care Account become greater, because you are in a higher taxable income bracket.

- Savings from using the Dependent Care Account include Social Security/Medicare tax savings. These savings do not apply with the tax credit.
- The amount that can be reimbursed through the Dependent Care Account is not lowered when you have only one qualifying dependent, as happens with the tax credit. For example, if you have only one child but more than \$2,400 of dependent care expenses, more expenses are reimbursable through the Dependent Care Account.

How Contributing to a Flexible Spending Account Affects Other Benefits

Benefits received through your Long Term Disability and Life Insurance are not reduced even though participating in the Premiums Only Plan makes it appear that you are making less money. These benefits are calculated on your gross earnings before pre-tax deductions are made. Similarly, your retirement benefit is not affected by your Flexible Benefits participation. If you are one of the few who pay Social Security tax, please note that, under present law, your earnings for the purpose of determining your Social Security benefits would be reduced by contributions made to the spending accounts or premiums withheld through the Premiums Only portion.

If you are contributing to a supplemental retirement account, be aware that your Tax-Saver Flexible Benefits Plan contributions will not reduce the maximum that can be contributed to a tax-sheltered annuity.

What Happens to My Money When...?

It is the End of the Plan Year: IRS regulations state that if all the money in the account is not used by the end of the plan year, the remaining balance must be forfeited. This practice is commonly referred to as the "Use-It-or-Lose-It Rule." Any remaining balances cannot be paid to you in cash, carried over to the next plan year, or made available to you in any other way. By being familiar with your level of expenses and planning carefully, you can minimize this risk.

I Terminate Employment: You can continue to submit claims after employment terminates. However, you may only submit claims for expenses incurred on or before the last day of your employment, unless you choose to make after-tax contributions to your spending account(s) through COBRA FSA. COBRA FSA requires after-tax contributions in order to keep the account active for reimbursements that may occur after the last day of your employment. If you terminate employment mid-year, you must file claims within 120 days of the end of the month in which you terminate or by April 30th following the end of the plan year, whichever is sooner.

Grace Period

There will be a grace period immediately following the end of each plan year for both Health Care and Dependent Care Spending Accounts. This extension will provide participants additional time to incur expenses for reimbursement from the previous year's account. The grace period will be available after the end of the Plan Year (December 31st), from January 1 through March 15. In order to file claims for expenses incurred during the grace period, a reimbursement request form must be submitted to the plan administrator (Boon-Chapman) by May 15th.

If you submit claims that are incurred between January 1 and March 15, they will be reimbursed out of your previous year's account first. For example, you incur a claim on February 15, 2012, this claim will be paid from your 2011 spending account if there is remaining money. Once your balance is exhausted from your previous year's account, and if you have reenrolled in a flexible spending account for the following year, new claims will be reimbursed out of the next Plan Year's account.

Filing FSA Claims

Filing a claim is as easy as completing a claim form and attaching a receipt. Timely filing of a claim will result in a timely reimbursement. All reimbursements are made through the Tax-Saver Plan administrator, Boon-Chapman.

All claims incurred during the plan year and the grace period must be submitted to the plan Administrator (Boon-Chapman) no later than May 15th after the end of the Plan Year in order to be eligible for reimbursement. A participant who terminates employment during the Plan Year will have the earlier of 120 days from the end of the month in which they terminate, or April 30th after the end of the Plan Year to submit any claims incurred during their employment (Unless COBRA is elected).

How Flexible Spending Accounts Save You Money		
Assuming an employee has an Annual Gross Income of \$30,000 and is in a 15% tax bracket:		
	With FSA	Without FSA
Gross Monthly Pay	\$2,500	\$2,500
Minus FSA Contribution	-360	N/A
Taxable Income	\$2,140	\$2,500
Minus Taxes	-321	-375
Net Income	\$1,819	\$2,125
Plus FSA Reimbursement	+360	N/A
Total Monthly Pay	\$2,179	\$2,125
Monthly tax savings = \$54.00; Annual tax savings = \$648.88		

Worksheet for Estimating Your Unreimbursed Health Care Expenses

As part of your benefits program, you can decide to direct part of your salary to the Health Care Spending Account. This account permits you to pay for otherwise unreimbursed health care expenses on a pre-tax basis. This worksheet will help you estimate what expenses you are likely to face in the next plan year.

Remember the Use-It-or-Lose-It Rule. Be conservative in your estimates. It is better to estimate less rather than more since you will have to forfeit any money left in your account at the end of the plan year.

For each of the following categories, estimate the amount of expenses you anticipate to incur in the coming plan year for which you do not expect to be reimbursed by your insurance carrier.

Medical deductible..... (Major medical and/or any per admission deductibles)	\$ _____
Dental deductible.....	\$ _____
Co-payments: (Your share of expenses after any deductibles, up to the out-of-pocket limit)	
Medical.....	\$ _____
Dental.....	\$ _____
Orthodontia.....	\$ _____
Vision Exams.....	\$ _____
Prescription Drugs.....	\$ _____
Routine Physical Exams.....	\$ _____
Other planned uncovered expenses.....	\$ _____
Total Estimated Health Care Expenses.....	\$ _____

The Total Estimated Health Care Expenses figure is the maximum amount you should consider putting in your Health Care Account. This total amount will be divided by the appropriate number of pay periods to reach a per pay period account deposit amount. The deposit amount will be deducted on a pre-tax basis saving you the amount of tax you normally would have paid on the deposit amount.

Medicare

Medicare is a federally mandated insurance program that provides basic protection against the cost of inpatient hospitalization. All employees hired April 1, 1986 or later must pay Medicare tax in the amount of 1.45% of gross earnings. Payment of this tax qualifies you and your family for the hospital portion of Medicare, free of charge, when (1) you meet the appropriate age, which is generally 65, and (2) you have paid in a minimum of 40 quarters.

Worker's Compensation

Worker's compensation insurance is an employer paid insurance program designed to protect employees from loss of income due to injuries sustained in the scope of their employment. Generally the law provides for payment of medical expenses recommended by attending physicians and for compensation payments made when employees are absent from work for more than one week. Once an employee is off 6 weeks, they are then entitled to be paid for the first week off. When employees use sick and/or annual leave (during which time they are paid 100% of their salary), they endorse and return the Worker's Compensation check and two-thirds of their leave is re-credited. Payments are made at the rate of 2/3 of the individual's average weekly wage to a maximum of 75% of the statewide average weekly wage.

Retirement

According to state and federal laws, employees of the LSU System, with few exceptions, must participate in a retirement plan. The following chart outlines the retirement options available to the different employee classifications. Summaries of individual retirement plans follow this chart. If you are eligible for more than one system, you must choose **only one**.

Retirement Plan Enrollment Options		
	Eligibility Requirements	Options
ACADEMIC/NON-CLASSIFIED	Length of appointment exceeds two years AND the appointment is greater than 50% of full-time.	<ul style="list-style-type: none"> • Teachers' Retirement System of LA (TRSL) • Optional Retirement Plan (ORP)
	Length of appointment is two years or less OR the appointment is for 50% or less of full-time	<ul style="list-style-type: none"> • Optional Retirement Plan (ORP) • La. Deferred Compensation Plan (LDCP) • Social Security (SS)
CLASSIFIED	Appointment is <i>regular</i> (i.e., probational or permanent) and is for greater than 50% of full-time	<ul style="list-style-type: none"> • La. State Employees' Ret. System (LASERS)
	Appointment is <i>regular</i> and is for 50% or less full-time	<ul style="list-style-type: none"> • La. Deferred Compensation Plan (LDCP) • Social Security (SS)
	Appointment is <i>temporary</i> (i.e., restricted or job appointment)	<ul style="list-style-type: none"> • Social Security (SS)
	Appointment is <i>regular</i> and is greater than 50% of full-time, and employee is age 60 or older at time of employment OR at least age 55 at time of employment with credit for at least 40 quarters in Social Security	<ul style="list-style-type: none"> • La. State Employees' Ret. System (LASERS) • La. Deferred Compensation Plan (LDCP) • Social Security (SS)
EXCEPTIONS	<ol style="list-style-type: none"> 1) Employees on J-1 or F-1 visas, who are considered non-resident aliens for tax purposes, may not contribute to Social Security or retirement. 2) Any employee who is eligible to enroll in TRSL, but has at least 5 years of creditable service in LASERS, may elect to continue participation in LASERS. 3) Any employee who is eligible to enroll in LASERS, but has at least 5 years of creditable service in TRSL, may elect to continue participation in TRSL. 4) Any employee who is eligible to participate in TRSL or LASERS, but has at least 5 years of creditable service in the La. School Employees Ret. Sys. (LSERS), may elect to continue participation in LSERS (except for dual employment). 5) Any employee who has at least 10 years of creditable service in either TRSL or LASERS, regardless of other factors (i.e., length/type of appt., percent effort, age), may elect to continue as a member of that system. 6) Any employee who has ever participated in the ORP for Louisiana can never enroll in TRSL. 7) New employees whose type of appointment requires that they participate in Social Security may not participate if they have 10 or more years of creditable service in any Louisiana state retirement system. They are required to participate in their current system. 8) Employment of a Louisiana state retiree is governed by the "Return to Service" regulations of the system from which they retired. 	

Participation in Social Security

With few exceptions, the State of Louisiana does not participate in the Social Security program. If you are enrolled in a Louisiana State retirement plan (TRSL, LASERS, ORP, LDCP), you do not pay Social Security tax; however, if you were hired after April 1, 1986, you are required to pay the Medicare portion of the FICA tax (1.45% of your salary).

Employees on Visas

According to state and federal laws, as an employee of the LSU System, you must participate in a retirement plan. However, LSU System employees on a J or F Visa are not eligible to participate in a retirement plan unless "substantial presence" has been met. Under the Internal Revenue Service

Code, the Substantial Presence Test (SPT) is used to determine "tax residency" of an international person. The test is a mathematical test based on the individual's visa status and number of days present in the United States. Once an international person meets the Substantial Presence Test, he/she is subject to the same tax laws as a United States citizen. For more information on the SPT refer to IRS publication 519 "US Tax Guide for Aliens".

If substantial presence is met, an employee on a J or F Visa must choose between Social Security and the Louisiana Deferred Compensation Retirement Plan. You will be notified by the Human Resource Department when you have reached substantial presence and when your retirement election is due.

Retirement Plan Options

Classified (Civil Service) Employee Options

Eligibility

Membership in the Louisiana State Employees' Retirement System (LASERS) is **MANDATORY** for all classified, civil service employees appointed for greater than 50% of full-time effort (more than 20 hours per week) and for a duration of more than two years (except those excluded by law).

LASERS membership is **OPTIONAL** *only* for those employees who are 60 years of age or greater at the time of employment, OR for employees who are 55 years of age or older at the time of employment and who have credit for at least 40 quarters in the Social Security System. These employees also have the option of participating in the Louisiana Deferred Compensation Plan (LDCP) or Social Security (see pages 31-32 for more information about each of these plans).

**Please note the exceptions shown at the bottom of the Retirement Plan Enrollment Options chart on page 24.*

Louisiana State Employees' Retirement System (LASERS)

The Louisiana State Employees' Retirement System (LASERS) is a qualified defined benefit plan and retirement plan under Section 401 (a) of the Internal Revenue Service code. It was first established by an act of the Louisiana Legislature in 1946. A defined benefit plan allows both you and the LSU System to make contributions to a pool of funds from which you receive a retirement income based on a benefit formula. Detailed information on LASERS is provided in the **Retirement Eligibility**

Membership Handbook.

With few exceptions, the State of Louisiana does not participate in the Social Security program. If you are enrolled in a Louisiana State retirement plan, you do not pay Social Security tax; however, if you were hired after April 1, 1986, you are required to pay the Medicare portion of the FICA tax (1.45% of your salary).

Administrators of LASERS

A 12-member Board of Trustees oversees LASERS' operations. The law designates members of the board as follows: six elected trustees, who are active members of LASERS; three elected trustees, who are retired members of LASERS; the chairman of the House Retirement Committee, *ex officio*; the chairman of the Senate Finance Committee, *ex officio*; and the State Treasurer, *ex officio*.

Effective Date of Enrollment

You are automatically enrolled into LASERS at the time of employment (unless you meet one of the optional criteria mentioned previously) and will begin contributions with your first paycheck.

Contributions

Members who joined LASERS on or before June 30, 2006 will contribute 7.5% of earned compensation (base pay) as defined by LASERS. Members who joined LASERS on or after July 1, 2006 will contribute 8% of earned compensation (base pay) as defined by LASERS. The employer contribution is determined each year based on an actuarial formula determined by the State.

Disability Benefits

Your eligibility to retire is based on your age and years of service. One of the requirements below must be met in order to receive a retirement benefit from LASERS:

Any member who joined LASERS on or before June 30, 2006 shall be eligible to retire if he/she has:

- ❖ 30 years of service or more regardless of age
- ❖ 25 years of service or more at age 55 or later
- ❖ 10 years of service or more at age 60 or later
- ❖ At 20 years of service you may retire at any age but your benefit will be reduced on an actuarial basis which is based on your age, length of service and number of years from your regular retirement age.

Any member who joined LASERS on or after July 1, 2006 shall be eligible for retirement if he/she has:

- ❖ 5 years of service or more at age 60
- ❖ 20 years of service at any age, actuarially reduced

Retirement Benefit Calculation

The following formulas are used to determine your maximum retirement benefit:

A member who joined LASERS **on or before** June 30, 2006 will have his/her retirement benefit calculated as follows:

$$[\text{Years of Service}^*] \times [2.5\%] \times [36\text{-month High Average Salary}] = \text{Annual Retirement Benefit}$$

*(*Years of Service is inclusive of any leave credit)*

A member who joined LASERS **on or after** July 1, 2006 will have his/her retirement benefit calculated as follows:

$$[\text{Years of Service}^*] \times [2.5\%] \times [60\text{-month High Average Salary}] = \text{Annual Retirement Benefit}$$

*(*Years of Service is inclusive of any leave credit)*

Members who joined LASERS before July 1, 1986 will receive an additional \$300 per year.

You are eligible to apply for Disability retirement if you are a Regular Member, are unable to perform your work duties, and you meet one of the following criteria:

- 10 years of service at any age if you are an active member
- 10 years of service at any age if you are not in active service and the disability occurred while in active service
- 20 years of service at any age if you are not in active service and the disability did not occur while in active service

Survivor Benefits

Survivor benefits are payable under certain conditions to your spouse, minor children, and totally disabled or mentally handicapped children upon your death. If death occurs while you are in active service, you must have:

- Credit for at least 5 years of service for a benefit to be payable to your surviving minor children
- Credit for at least 10 years of service for a benefit to be payable to your surviving spouse, if you and your surviving spouse were married for at least one year before your death.
- Credit for at least 20 years of service for survivor benefits to be payable if death occurs after you have terminated employment. In order for your surviving spouse to receive a benefit you must have been married for at least one year prior to your death.

If survivor benefits are not payable, your survivors, your beneficiary, or your estate will receive an amount equal to your total employee contributions.

Termination of Employment Before Retirement

If you leave state service before you are eligible to retire, you may qualify for a monthly benefit upon reaching minimum retirement age. The following criteria would allow you to qualify in this manner:

- You must have obtained credit for the minimum number of years of service needed to retire (vested), and
- Reached the required age, and
- Left your contributions on deposit with LASERS

In lieu of leaving your contributions on deposit, you may apply for a refund. For more information on receiving a retirement benefit or applying for a refund of your contributions, please contact LASERS at 1-800-830-0337.

Unclassified Professional/Academic Employee Options (Permanent)

Permanent Employee Eligibility

Membership in a retirement plan is **MANDATORY** for all permanent employees including:

- Faculty members of the LSU System with an appointment exceeding two years at 50% of full-time effort or greater (20 hours or more per week), except those excluded by law; and
- Unclassified staff members of the LSU System with an appointment exceeding two years at 51% of full-time effort or greater (more than 20 hours per week), except those excluded by law.

If your appointment does not fit this description, see page 31 for temporary and part-time employee retirement options. If you are in the United States on a J or F visa, you are not eligible for membership in TRSL or ORP (refer to page 25).

Retirement Options for a Permanent Employee

1. Teachers' Retirement Plan (TRSL)
2. Optional Retirement Plan (ORP)

**Please note the exceptions shown at the bottom of the Retirement Plan Enrollment Options chart on page 24.*

The Teachers' Retirement System of Louisiana, established August 1, 1936, is the largest public retirement system in Louisiana, serving more than 97,000 active and inactive members and providing benefits to more than 34,000 retirees, survivors, and beneficiaries. The retirement system offers you a choice of a defined benefit plan or a defined contribution plan.

The defined benefit plan, referred to as "TRSL", is a plan wherein you, as an employee, and the LSU System make contributions into a pool of funds from which you receive a retirement income based on a benefit formula. The amount of benefit is determined by the years of service and the average salary for the 36 highest successive months of earnings. Detailed information on TRSL is provided in the Membership Handbook.

The defined contribution plan, known as the "Optional Retirement Plan" or "ORP", is a retirement annuity contract funded by employee and employer contributions. Benefits are based on the value of the account when you elect to retire and are paid in the form of a lifetime income.

With few exceptions, the State of Louisiana does not participate in the Social Security program. If you are enrolled in a Louisiana State retirement plan, you do not pay Social Security tax; however, if you were hired after April 1, 1986,

you are required to pay the Medicare portion of the FICA tax (1.45% of your salary).

The Teachers' Retirement Plan (TRSL)

According to state and federal laws, as an employee of the LSU System, you must participate in a retirement plan. As a permanent employee, you are automatically enrolled into TRSL at the time of employment with contributions starting with your first paycheck.

If you elect to participate in the ORP as an alternative to TRSL, you may do so within the first 60 days of employment. If you opt out of TRSL for an Optional Retirement Plan within your first 60 days of employment, both your contributions and the LSU System's contributions may be rolled into your ORP Account.

If you wait past your first 60 days of employment to enroll in the ORP, your effective date will be delayed to the first of the following month and only your contributions will transfer over to your ORP carrier (not those made by the LSU System). Once you have contributed to the TRSL defined benefit plan for greater than five years, you are not eligible to enroll into an Optional Retirement Plan.

Administrators of TRSL

TRSL is governed by a Board of Trustees comprised of 12 elected members and four *ex officio* members. Members include representatives from each of the state's seven congressional districts, two trustees who represent retired teachers, one representative for employees paid with school food service funds, one representative for employees of state colleges and universities, and one representative who is employed as a parish or city superintendent of schools. The four *ex-officio* members include the State Superintendent of Education, the State Treasurer, and the chairmen of the retirement committees of the Louisiana House of Representatives and the Louisiana Senate.

Contributions

Employee contributions are 8.0% of allowable earned compensation. The employer contribution is determined each year based on an actuarial formula determined by the State.

Vesting

You are vested in TRSL once you have contributed for at least 5 years. Being vested allows you to collect a retirement benefit from the retirement system upon meeting the eligibility criteria described below.

Retirement Eligibility

For Regular Plan members, retirement eligibility is determined by the date you joined TRSL and your years of service.

Membership before July 1, 1999

If you joined TRSL **before** July 1, 1999, you may retire with a benefit factor of 2.0 or 2.5 percent based on eligibility described below.

2.0 percent benefit factor formula:

To retire under the 2.0 percent of average compensation factor, a Regular Plan member who joined TRSL before July 1, 1999, must be:

- ❖ Age 60 with at least 5 years of service credit, excluding military service purchased after September 10, 1982; or
- ❖ Any age with 20 years of service credit, excluding military service purchased after September 10, 1982.

2.5 percent benefit factor formula:

To retire under the 2.5 percent of average compensation factor, a Regular Plan member who joined TRSL before July 1, 1999, must be:

- ❖ Age 65 with 20 years of service credit, excluding any military service;
- ❖ Age 55 with 25 years of service credit; or
- ❖ Any age with 30 years of service credit

Membership between July 1, 1999 and December 31, 2010

If you joined TRSL between July 1, 1999 and December 31, 2010, you will retire under the 2.5 percent of average compensation factor after meeting one of the following eligibility requirements:

- ❖ Age 60 with five years of service credit, excluding military service purchased after September 10, 1982;
- ❖ Any age with 20 years of service credit, excluding military service purchased after September 10, 1982. This benefit will be reduced on an actuarial basis which is based on your age, length of service and number of years from your regular retirement age;
- ❖ Age 55 with 25 years of service credit; or
- ❖ Any age with 30 years of service credit

Membership on or after January 1, 2011

If you joined TRSL on or after January 1, 2011, you will retire under the 2.5 percent of average compensation factor after meeting one of the following eligibility requirements:

- ❖ Age 60 with at least 5 years of service credit
- ❖ Any age with 20 years of service credit (actuarially reduced)

Retirement Benefit Calculation

The following formula is used to determine your retirement

benefit:

$$[\text{Years of Service}^*] \times [2.0\% \text{ OR } 2.5\%] \times [3 \text{ or } 5^{**}\text{-Year High Average Salary}] = \text{Annual Retirement Benefit}$$

(Years of Service includes certain provisions for converting unused leave to service credit. **A 5-Year high average salary will be used if hired on or after 1/1/2011.)*

Members who joined TRSL before July 1, 1986 will receive an additional \$300 per year.

Disability Benefits

For individuals who first became members in one of the four state retirement systems prior to January 1, 2011 –

Members are eligible for disability retirement if they have five years of service credit, excluding any service credit earned while on workers' compensation. If you have less than five years of service, you are not eligible for disability benefits; however, you may receive a refund of your contributions to the plan at the time of termination.

For individuals who first became members in one of the four state retirement systems on or after January 1, 2011 –

Members will be eligible for disability retirement if they have 10 years of service credit, excluding service earned while on workers' compensation. If you have less than ten years of service, you are not eligible for disability benefits; however, you may receive a refund of your contributions to the plan at the time of termination.

Survivor Benefits

If you have at least five but less than 10 years of service, limited benefits are available to your minor children. If you have 10 or more years of service, your surviving spouse may receive benefits for life. If you have less than five years of service, your survivors are not eligible for benefits; however, your beneficiary may receive a refund of your contributions to the plan at the time of your death.

Termination of Employment Before Retirement

If you have less than five years of service credit at the time of termination, you may apply for a refund of your contributions to the system. Employees with five years or more service credit will be eligible to receive a benefit at age 60 if contributions are left on deposit with TRSL.

You may obtain a refund of your employee contributions, upon request, at termination of employment. Refunds cannot be processed until 90 days after your termination date. You may obtain a refund application from the Human Resource Management Office.

The Optional Retirement Plan (ORP)

The Optional Retirement Plan (ORP) is an alternative

for academic employees and unclassified staff members of the LSU System.

The ORP is a “defined contribution plan” to which you, as an employee, and the LSU System make contributions to be invested in a retirement annuity contract in your name. ORP benefits are paid in the form of a lifetime income and, except for death benefits, single-sum payments (lump sum) are not permitted.

With few exceptions, the State of Louisiana does not participate in the Social Security program. If you are enrolled in a Louisiana State retirement plan, you do not pay Social Security tax; however, if you were hired after April 1, 1986, you are required to pay the Medicare portion of the FICA tax (1.45% of your salary).

Administrator of the Plan

The Teachers’ Retirement System of Louisiana administers the plan. ORPs, which were first offered in 1990, are offered by:

- ING Financial Services

TIAA-CREF (Teachers’ Insurance and Annuity Association – College Retirement Equity Fund)

- VALIC (Variable Annuity Life Insurance Company)

Effective Date of Enrollment

As a permanent employee you are automatically enrolled into the TRSL defined benefit plan. If you wish to enroll in an ORP, you have 60 days from your date of hire to enroll retroactive to your original hire date.

If you wait past your first 60 days to enroll, your effective date will be delayed to the first of the following month and only your contributions will transfer over to your ORP carrier (not those made by the LSU System). Once you have contributed to the TRSL defined benefit plan for greater than five years, you are not eligible to enroll into an Optional Retirement Plan.

IMPORTANT! The decision to participate in the ORP is **IRREVOCABLE**. You may not enroll in the ORP and then later change to the TRSL defined benefit plan. However, you may elect to change ORP carriers at any time.

Contributions

Your employee contribution is 8% of allowable earned compensation and is tax-sheltered. TRSL Charges you 0.1% to administer the funds. The LSU System currently contributes 5.7029% of your allowable earned compensation for 2010/2011. The contribution rate is subject to change each July 1st.

There are many investment options in the ORP. Each option has varying degrees of financial risk and rates of return. You may contact the ORP representatives for information concerning these options and the best profile for you.

retirement plan to TRSL and is provided by a private carrier
Vesting

Your ORP account is immediately vested. This means that from day one of your participation, your contributions and the employer contributions are yours to keep.

Retirement Eligibility

As an ORP participant, you are eligible to annuitize your ORP account at termination of employment. In order to be eligible to continue group insurance policies after retirement, as an ORP retiree, you must meet the minimum retirement eligibility requirements under the provisions of TRSL (see page 28).

Retirement Benefit Calculation

Under the provisions of Louisiana law (Louisiana R.S. 11:923), you may receive your account only as a lifetime payout. Cash withdrawals from your ORP account are not allowed except under limited provisions at retirement. If you elect to receive the initial benefit payment, all future payments will be reduced. At retirement or termination of employment, the funds in your ORP account are also eligible for a lump-sum IRA rollover, subject to withdrawal provisions of your ORP carrier.

The ORP is a defined contribution retirement plan and the amount of the monthly income payable at retirement is directly related to the balance in your account, your age at retirement, and the income option you select. When you are ready to retire, you will select from several annuity options (the options may differ slightly, depending on the company you have selected as your ORP carrier).

Disability Benefits

Please note that ORP benefits are always based on the value of the ORP account. Therefore, there is no guaranteed or defined disability benefit as a participant in the ORP. However, in the event of a disability, an ORP participant may be able to continue participation in other insurance programs.

If you become disabled, you must have at least five years of service in an ORP to apply for continued participation in the insurance plans at retirement. The LSU System will require a medical examination by an independent physician. The physician must certify that you are mentally or physically incapacitated for further performance of the duties currently being performed, that the incapacity is likely to be total and permanent, and that you should be retired.

If approved, you may continue participation in the insurance plans in effect at the time of your retirement in the ORP.

Survivor Benefits

Your survivor(s) may choose a lump-sum refund or elect to receive a monthly benefit based on the value of your account.

of employment. You retain ownership of your account and you may elect to receive a monthly benefit based on the value of your account. Funds in your ORP account are eligible for a lump-sum IRA rollover, subject to withdrawal provisions of you ORP carrier.

Comparison of TRSL and ORP

TRSL or ORP? That is the question. The answer should be reached only after you have taken a careful look at your career expectations.

If you think that you won't continue in your current position, or don't plan to remain in Louisiana for at least five years, then the ORP may be a good idea because it is portable to most other U.S. colleges and universities. However, if you plan to continue teaching or working in Louisiana – at a public college, university, community college, technical college, school, or at a state or local government agency – TRSL may be the best choice.

Termination of Employment Before Retirement

State law does not permit a lump-sum refund at termination. If you aren't sure where your career will take you, TRSL may still be the best choice. With five years of service credit, you can leave your contributions with TRSL and at age 60 begin receiving a benefit. You also have five years in which to change your mind and transfer the employee portion of your retirement contributions into the ORP. The employer portion of your existing contributions remains with TRSL.

The decision to join the ORP is irrevocable. You cannot change your mind later and join TRSL. If you change to another employer that reports to TRSL, you must stay in the ORP.

Look carefully at the "Comparison of Benefit Features" below. There is also an online calculator at www.trsl.org for comparing ORP and TRSL benefits. These tools are designed to help you make the best choice for you and your family.

Comparison of Benefit Features		
	TRSL	ORP
Plan Type	Defined benefit plan: Monthly pension determined by years of service, highest three-year average annual salary and a benefit factor of 2.0% or 2.5%	Defined contribution plan: Monthly annuity determined by employer and member contributions and investment return on those contributions.
Contributions	Contributions do not determine benefits. Employee payroll contribution is 8% of salary. The employer's contribution has historically been between 5% and 7% of salary.	Contributions and investment earnings determine benefits. Employee payroll contribution is 8% of salary. The employer's contribution has historically been between 5% and 7% of salary.
Duration of Benefit	Lifetime benefit. No matter how long you live, the retirement benefit will continue.	Duration of benefit is based on the amount of accumulated contributions.
When Benefit is Payable	Lifetime benefit payable after five years of service at age 60.	Annuity with or without a partial lump-sum payout possible at time of retirement.
Refund	Refund of employee contributions upon request at termination of employment	Rollover of all ORP funds to an IRA or qualified plan may be done after termination of all covered ORP participation.
Guarantor	Guaranteed by the State of Louisiana	Guaranteed by the solvency of the carrier.
Plan Election	An ORP-eligible member has 5 years after first joining TRSL to decide to change to an ORP.	The decision to join ORP is irrevocable. ORP members can't change their minds and join TRSL.
Survivor Benefits	If you have 5 years of service credit and die, survivor benefits are provided for your spouse and minor children (10 years of service credit in the case of spouse with no minor children).	Upon your death, the balance of the ORP account is paid out in a lump sum or as an annuity.
Disability Benefits	If you have 5 years of service credit and become disabled, you are eligible for disability benefits from TRSL for life.	Benefit based on accumulated contributions; payable at your option, after termination of ORP participation. No other disability benefits are included.
Portability of Benefit	Transferrable to other Louisiana public schools, colleges and universities, vocational/technical institutes, and many state agencies.	Portable to most colleges and universities in the United States.
Investment Decisions	TRSL controls/monitors the plan investments, which include your contributions, and bears the risk. The benefits a retiree receives from the TRSL plan are not dependent upon the investment decisions of TRSL or changes in the investment markets.	You control your own investments and bear the risk. (See ORP carrier's brochure.)

Unclassified Professional/Academic Employee Options (Temporary/Part-time)

Eligibility for Temporary/Part-time

Membership in a retirement plan is **MANDATORY** for the following employees:

- ❖ **Temporary Employees:** Those who have a full-time appointment of two years or less
- ❖ **Part-time Employees:**
 - A faculty member appointed for less than 50% of full-time effort (less than 20 hours per week); or
 - A staff member appointed for less than 51% of full-time effort (20 hours or less per week)

Retirement Options for Temporary and Part-time Employees

1. Social Security
2. Louisiana Deferred Compensation Plan (LDCP)
3. Optional Retirement Plan (ORP)

**Please note the exceptions shown at the bottom of the Retirement Plan Enrollment Options chart on page 24.*

Social Security

According to state and federal laws, as an employee of the LSU System, you must participate in a retirement plan. If your appointment is considered temporary or part-time for retirement purposes, one of your retirement options is Social Security.

Social Security is the nation's basic method of providing a continuing income when family earnings are reduced or stopped because of retirement, disability, or death.

With few exceptions, the State of Louisiana does not participate in the Social Security program. If you are enrolled in a Louisiana State retirement plan, you do not pay Social Security tax; however, if you are hired after April 1, 1986, you are required to pay the Medicare portion of the FICA tax (1.45% of your salary).

Contributions

Your contribution under Social Security is 6.2% of gross salary. The LSU System's share is also 6.2% of your gross salary.

Vesting

Technically, you do not become vested in Social Security. You are only eligible to receive your Social Security benefits once you meet Normal Social Security Retirement Age and

have contributed a minimum of 40 quarters into Social Security. "Forty quarters" is usually equivalent to 10 years of contributing. Full retirement benefits begin between ages 65 and 67 (depending on your year of birth). However, early retirement with reduced benefits is permitted at age 62. For more information, please call the Social Security Administration at 1-800-772-1213.

Termination of Social Security Contributions

Employment Ends

If you leave employment with the LSU System, your Social Security Contributions may not be refunded. You are only eligible to receive benefits once you reach Normal Social Security Retirement Age and have contributed 40 quarters into Social Security.

Eligibility for Permanent Retirement Options

Once your appointment with the LSU System is extended beyond two years, you will be offered permanent retirement options, and your contributions to Social Security will cease. (You can read more about the permanent retirement options that are available on pages 27-30). However, if you are a part-time employee upon continuation, you will continue to participate in Social Security. Once your appointment becomes full-time, you will be offered permanent retirement options.

The effective date of your participation in your new retirement option will be the same as the effective date of the continuation that brings your total appointment over two years. *For example: Your initial appointment was for 1 year. The next year your appointment is continued for another 18 months. This continuation brings your total appointment with LSU over 2 years; therefore you will begin contributing to a permanent retirement system after only one year of contributing to Social Security.*

Other Types of Employees

Please **NOTE** that participation in Social Security is also mandatory for transient employees, as well as for student employees and graduate assistants who are not enrolled as a student on a campus of the LSU System. However, the same exceptions shown at the bottom of the Retirement Plan Enrollment Options chart apply (page 24).

Louisiana Deferred Compensation Plan (LDCP)

In lieu of Social Security, the Louisiana Deferred Compensation Plan (LDCP) is offered as a retirement plan option to part-time or temporary employees.

The Louisiana Deferred Compensation Plan is a tax deferred compensation plan to which you and your employer make contributions directly to the LDCP to be invested in a retirement annuity contract in your name.

Contributions

Your contribution is 7.5% or your allowable earned compensation. The LSU System contributes 6.2% of your allowable earned compensation.

Vesting

Your Louisiana Deferred Compensation account is immediately vested. This means that from day one of your participation, your contributions and the employer contributions are yours to keep.

Retirement Benefit

The amount of your monthly annuity income at retirement is based exclusively on the contributions and their investment earnings, the age at which you begin receiving benefits, and the type of annuity you choose.

Eligibility for Permanent Retirement Options

Once your appointment with the LSU System is extended beyond two years, you will be offered permanent retirement options, and your contributions to LDCP will cease. (You can read more about the permanent retirement options on pages 31-34). However, if you are a part-time employee upon continuation, you will continue to participate in LDCP. Once your appointment becomes full-time, you will be offered permanent retirement options.

The effective date of your participation in your new retirement option will be the same as the effective date of the continuation that brings your total appointment over two years. *For example: Your initial appointment was for 1 year. The next year your appointment is continued for another 18 months. This continuation brings your total appointment with LSU over 2 years; therefore you will begin contributing to a permanent retirement system after only one year of contributing to LDCP.*

Optional Retirement Plan

In lieu of Social Security, the Optional Retirement Plan (ORP) is another alternative offered to temporary and part-time employees. Please see pages 28-30 for detailed information on the Optional Retirement Plan.

Please note that the decision to join the ORP is **IRREVOCABLE**. Once your appointment with the LSU System is extended beyond two years, you will continue to pay into the ORP – you will NOT be eligible to participate in the Teachers' Retirement Plan. If your employment with the LSU System ends and you change to another employer that reports to TRSL, you must stay in the ORP.

If you are in the United States on a J or F visa, you are not eligible for membership in ORP. An employee on a J or F Visa, who has met substantial presence, must choose between Social Security and the Louisiana Deferred Compensation Retirement Plan (please refer to page 28).

Savings Programs

Tax-Deferred Supplemental Retirement Accounts

403(b) & 457(b) Plans

The LSU System provides the opportunity for you to participate in tax-deferred annuities [also referred to as tax-sheltered annuities (TSAs) or supplemental retirement accounts (SRAs)] through payroll deduction. The LSU System, in compliance with the new 403(b) regulations, adopted a formal tax-deferred annuity “plan” or “plan document” effective January 1, 2009. Your participation is totally voluntary and the LSU System does not make any contributions on your behalf.

NOTE: This summary is not intended to advise you on any investment risks or tax issues arising from investing in any of these options. The intent is to answer many of the most commonly asked questions regarding these types of accounts. You may wish to contact your tax advisor or legal counsel for assistance in determining which option is best for you.

Benefits of an SRA

An SRA allows you to set aside a portion of your salary before federal and state income taxes are paid. This deferred salary (before-tax deductions) is placed into an investment account of your choice. Participating in an SRA allows you to delay payment of taxes on the money you invest and any interest that money has earned until later; usually at retirement.

Sample Benefit Calculation:

$$\begin{aligned} [\text{Your Pay}] - [\text{Before-Tax Deductions}] &= \text{Taxable Income} \\ [\text{Taxable Income}] - [\text{Income Tax Withholding and Other} \\ &\text{Deductions}] = \text{Spendable Pay} \end{aligned}$$

Example: Assuming \$100/Month (\$1,200/Year) Savings

	With 403(b)	Without 403(b)
Annual Salary (Gross Pay)	\$30,000	\$30,000
Less 403(b) or 457(b) Savings	-\$1,200	N/A
Less Retirement Contribution (8%)	-\$2,400	-\$2,400
Taxable Income	\$26,400	\$27,600
Less Federal Tax*	-\$3,960	-\$4,140
Less Medicare Tax	-\$435	-\$435
Less After Tax Savings	N/A	-\$1,200
Remaining Spendable Pay	\$22,005	\$21,825

Additional Spendable Pay \$180

*Assumes federal tax bracket of 15%. Savings will be even greater for person in higher tax brackets.

Contributions

The maximum amount that may be tax-sheltered is determined by federal law and is set by the IRS each calendar year. If you are age 50 or older you may be eligible to contribute an additional amount as described in the “Catch-Up Provision”.

Types of SRA Programs

The LSU System cannot guarantee the success of the SRA products or the level of service and we urge you to fully review the product before you participate.

The federal government has made it possible for “not-for-profit” healthcare organizations, educational institutions and charitable agencies to allow their employees to tax-defer income through the Internal Revenue Service Code Section 403(b). They have also allowed for government entities to offer such programs to their employees through the Internal Revenue Service Code Section 457(b). Both types of plans are offered to LSU System employees.

The 403(b) Plan offers LSU System employees several options in terms of who they can invest their money with. Along with the several companies you have to choose from, you also have numerous funds available to you in which you can diversify your retirement portfolio. Termination of employment with the LSU System would allow you to roll your funds over to an IRA or other qualified plan. Early withdrawal penalties will be assessed if you withdraw your money prior to obtaining age 59 ½.

The 457(b) Plan offers LSU System employees one option through the State of Louisiana Deferred Compensation Plan, the exclusive provider. Termination of employment with the LSU System would allow you to roll your contributions over to an IRA or other qualified plan or receive a cash distribution without an early withdrawal penalty.

You are eligible to maximize contributions to both a 403(b) and 457(b) account at the same time. However, you are only allowed to have one 403(b) agreement at one time.

The benefits of a 403(b) and a 457(b) Plan are described below. You:

- ❖ Decide how much to save (subject to the minimum and maximum deposit limitations).

- ❖ Decide the type of investment vehicle to use for your deposits.
- ❖ Increase, decrease, stop or resume deposits any time you choose.
- ❖ Select from a variety of settlement options upon termination. Your policy or contract may include these options and more:
 - An immediate lump-sum cash settlement
 - An annuity settlement
 - Installments for a selected period
 - A survivor annuity
- ❖ Designate a beneficiary for the death benefit related to your SRA. You also have the right to select an installment or annuity settlement for the death benefit. If you do not make such a selection, your beneficiary has the right to make a selection.

Both programs offer annuity contracts and mutual fund investment options.

Annuity Contracts

There are two types of annuity contracts – **fixed annuities** and **variable annuities**.

The **fixed annuities** provide a guarantee of principal and a guaranteed rate of return. Fixed annuities also provide for fixed periodic payments at retirement and a specific rate of return for a certain period of time. At retirement, you can select from several payment options, depending on the investment contract or policy you have chosen.

The **variable annuities** invest mainly in stocks, bonds, and money market funds and do not have a fixed rate of return or a guarantee of principal. The amount of money you receive at retirement or your monthly retirement payments will vary, depending on the investment performance of the fund. This type of investment relies on growth over a period of time to increase the value of the fund. There are no guarantees that your account will grow; the value of your account can go up or down with the investment performance of the fund.

Some of the companies offer a combination of both fixed and variable annuities. You may specify the percent or amount of each deposit that is to be invested in each account.

Mutual Funds

The custodial accounts available through the mutual fund companies are very similar to the variable annuity option described above.

The value of your account can go up or down with the investment performance of the fund.

Withdrawing Money from Your SRA

While Still Employed

The main purpose of the SRA is to help provide you with long-term financial security through current tax-efficient savings. In exchange for the tax breaks the IRS gives you, government regulations limit withdrawals while you are employed. In addition, some investment companies have policy or contract restrictions that may include fees or interest penalties for early withdrawal. Be sure to review the company's policy before making your decision. Withdrawal forms may be requested from your investment company or its representative.

There are instances in which you would be eligible to withdraw this money in the event of a hardship. In order to qualify for a hardship, you must have a verifiable, immediate, and heavy financial need. The withdrawal must be necessary to meet the need; in other words, you are unable to meet the need from any other source. In this case, you can withdraw only your contributions, not the earnings on them.

If you withdraw money from your 403(b) SRA before age 59 ½, you must pay a 10% penalty tax on the amount withdrawn unless the distribution meets one of the following requirements:

- ❖ It is due to termination of employment on or after age 55;
- ❖ It is in the form of substantially equal payments for life or life expectancy, after termination of employment;
- ❖ It is due to disability or death;
- ❖ It is for non-reimbursed medical expenses to the extent allowed to be itemized on your income tax return (more than 7.5% of adjusted gross income);
- ❖ It is a payment to an alternate payee directed by a qualified domestic relations order (QDRO).

After Termination

If you leave the LSU System your deposits to the SRA will stop. The deposits and earnings you have accumulated can be withdrawn and paid to you (or your beneficiary if you die). Contract or policy withdrawal restrictions will apply.

Distributions made that are not part of a series of substantially equal payments made over a period of 10 years or more, or that are not required to be made under the IRS minimum distribution rules, may be rolled over to an IRA. You may also elect not to withdraw your deposits and earnings, allowing you to further defer any tax liability. Any withdrawals that are not directly rolled over to an IRA or another SRA will be subject to tax withholding of 20%.

In addition, if you are not yet 59 ½ and do not meet any of the criteria explained under the governmental restrictions outlined above, your distribution from a 403(b) will be subject to a 10% penalty tax according to IRS regulations. This penalty tax is in addition to any contract or policy withdrawal restrictions that may apply.

In the Event of Your Death

In the event of your death, your beneficiary must contact the investment company or its representative to receive withdrawal information.

When you enroll in an SRA, you will be given a beneficiary designation form that contains all the information for beneficiary election. In the event you want to change your designation of beneficiary, you need to contact the investment company or its representative.

Required Minimum Distributions

All 403(b) and 457(b) SRA Plans must begin by April 1st of the year following the later of these two events – you attain 70 ½ years of age or you retire.

Enrollment

To set up an account, employees must meet directly with the provider. Please visit each provider’s website to get more details on their investment and asset allocation strategy.

Plan	Provider	website
403(b)	VALIC	www.valic.com
	ING	www.ingretirementplans.com/custom/lsutda
	ING EZ Enrollment Ret. Program	*See below for further details
	MetLife Resources	www.metlife.com
	TIAA-CREF	www.tiaa-cref.org
457(b)	La. Deferred Compensation Plan	www.louisianadcp.com

*The ING EZ Enrollment Retirement Program is a 403b product designed for the LSU System and has virtually no fees. The distribution of savings between various types of funds is automatically managed by ING based on the employee’s age and anticipated time of retirement. Details can be found on our website at http://www.lsuagcenter.com/en/administration/about_us/Human_Resources/Benefits/Retirement/ING+EZ+Enrollment+Retirement+Program.htm

Student Tuition Assistance and Revenue Trust Program

The State of Louisiana offers a savings program known as the Student Tuition Assistance and Revenue Trust Program, commonly referred to as the “START Saving Program.” This program was created to help residents save for their children’s postsecondary education. As an incentive to save, the State of Louisiana will allocate funds to an employee’s account at a variable rate, depending upon the amount

employees deposit and their adjusted gross income. The open enrollment period for this program is July 1 through November 1 of each year. Applications for children over the age of one are only accepted during the open enrollment period. The program accepts new applications, for children under the age of one, at any time during the year.

Leave

Eligibility

Eligible employees receive several types of leave which are defined below. The type of appointment on which the individual is employed determines eligibility for the types of leave available.

Academic and unclassified employees on regular appointments of greater than 180 days and greater than 50% effort are eligible for all types of leave. Academic and unclassified employees on temporary appointments of less than 181 days or on appointments for 50% effort or less are not eligible for annual and sick leave, but are eligible for civil, funeral and military leave.

Classified employees on regular appointments are eligible for all types of leave. Classified employees serving on restricted appointments do not earn any type of leave. Accrual methods of both annual and sick leave are determined by the employee's type of appointment.

Types of Leave

Annual Leave

Annual leave is leave with pay granted employees for vacation and transaction of personal affairs. Annual leave may be used at any time after it is earned contingent upon approval of supervisory personnel. Annual leave is credited at the end of the pay period and cannot be advanced to employees.

Eligible **academic and non-classified employees** may choose to accumulate (accrue) their **annual leave** under either the LSU Schedule or the Civil Service Schedule. An employee on an academic year basis (9 month appointment) does not accrue annual leave, but does accrue sick leave. New employees must select one of the schedules within 30 days of their date of employment. The decision made is **irrevocable**.

ACADEMIC/NON-CLASSIFIED EMPLOYEES		
Years of Service	Option 1: LSU Schedule	Option 2: Civil Service Schedule
Less than 3 years	14 hrs/month*	8 hrs/month
3, but less than 5	14 hrs/month*	10 hrs/month
5, but less than 10	14 hrs/month*	12 hrs/month
10, but less than 15	14 hrs/month**	14 hrs/month
15 years and up	16 hrs/month**	16 hrs/month
*Total accumulation limited to 176 hours **No limit on total accumulation		

Eligible **classified employees** accumulate (accrue) **sick leave**

Eligible **classified employees** accumulate (accrue) **annual leave** according to the following schedule with no limit on total accumulation:

CLASSIFIED EMPLOYEES		
Years of Service	Amount Accrued Per Hour	Approximate Amount Accrued Per Month
Less than 3 years	.0461/hour	8 hours/month
3, but less than 5	.0576/hour	10 hours/month
5, but less than 10	.0692/hour	12 hours/month
10, but less than 15	.0807/hour	14 hours/month
15 years and up	.0923/hour	16 hours/month

Note: Upon resignation, employees are paid for up to 300 hours of accumulated, unused annual leave.

Sick Leave

Sick leave is leave with pay granted employees who are suffering with disabilities as a result of accident, illness or child bearing which prevent them from performing their usual duties and responsibilities or who require medical, dental or optical consultation or treatment. Sick leave may be used at any time after it is earned. Absences covered by sick leave must immediately be reported to supervisory personnel. Sick leave is credited at the end of the pay period and cannot be advanced to employees.

Eligible **academic and non-classified employees** accumulate (accrue) **sick leave** according to the following schedule with no limit on total accumulation:

ACADEMIC/NON-CLASSIFIED EMPLOYEES	
Years of Service	Amount Accrued
Less than 3 years	8 hours/month
3, but less than 5	10 hours/month
5, but less than 10	12 hours/month
10, but less than 15	14 hours/month
15 years and up	16 hours/month

according to the following schedule with no limit on total accumulation:

CLASSIFIED EMPLOYEES		
Years of Service	Amount Accrued Per Hour	Approximate Amount Accrued Per Month
Less than 3 years	.0461/hour	8 hours/month
3, but less than 5	.0576/hour	10 hours/month
5, but less than 10	.0692/hour	12 hours/month
10, but less than 15	.0807/hour	14 hours/month
15 years and up	.0923/hour	16 hours/month

Civil Leave

Eligible employees may receive civil leave with pay while performing jury duty or when subpoenaed to appear as a witness before a court or public body. Employees may also receive leave for voting purposes, limited to 2 hours of leave to vote in the parish where employed and not more than 1 day to vote in a parish outside the one where employed.

Funeral Leave

A maximum of two days funeral leave may be granted an eligible employee to attend the funeral or burial rites of a parent, step-parent, child, step-child, brother, step-brother, sister, step-sister, spouse, mother-in-law, father-in-law, grandparent or grandchild.

Military Leave

Military leave of up to 15 days paid leave may be granted to employees who are members of a reserve component of the Armed Forces of the U.S. or of the National Guard when they are ordered to active training duty.

Leave Without Pay

Leave granted to employees for good cause under stipulated conditions.

Family and Medical Leave

The Family and Medical Leave Act of 1993 (FMLA) guarantees that covered employees will be allowed to use a total of up to 12 weeks of annual leave, sick leave, or leave without pay, as appropriate, within a 12 month period, for any of the following reasons: (1) to care for the employee's child after birth, or placement for adoption or foster care; (2) to care for the employee's spouse, child or parent, who has a serious health condition; or (3) for a serious health condition which makes the employee unable to perform his/her job. Covered employees are those who have been employed by the State of Louisiana for at least 12 months and who have worked at least 1250 hours during the 12-month period immediately preceding the commencement of the leave. An employee may apply for leave under the FMLA by completing the appropriate spaces on a leave request form. The employee ordinarily must provide 30 days advance notice when the leave is foreseeable. Additionally, medical certification to support the request is required. AgCenter PS-12 provides additional details.

Educational Leave for LSU System Coursework & Tuition Exemption Program

Eligible employees may register for job-related courses at participating institutions in the LSU System, for up to six college credit hours per regular semester and receive tuition exemption. *(Note: The exemption is typically for tuition only and does not apply to most fees. Also, the value of the exemption may be considered taxable income to the employee in accordance with Internal Revenue Service regulations.)* An employee must meet all of the following criteria to be eligible for tuition exemption: (1) must be employed full-time for at least one year in an eligible position; (2) must be a full-time non-academic or other academic employee – excludes faculty (instructors, professorial ranks, etc.) and faculty equivalent ranks (agents, etc.); (3) the college credit course(s) must be job-related, and must be approved by the immediate supervisor and unit head; and (4) only three hours per week of job-related courses may be taken during work time without charge to leave or making up time. Continued participation in this program is based on satisfactory academic progress. During the first year of employment, employees are eligible for time off, but not for tuition exemption. Applications are distributed to all unit heads prior to each semester. Educational leave is governed by AgCenter PS-25.

Holidays

Full-time, fiscal (12 month) employees receive 14 holidays. Because the University calendar is intended to serve the operational needs of the University community, it does not necessarily follow the state's holiday schedule.

Holidays include Independence Day, Labor Day, Thanksgiving, Christmas, New Years, Mardi Gras, Easter, and other holidays as announced by the University each fiscal year.

Paydays

Except as noted below, for academic/unclassified employees, payday is the last workday of the month. Classified employees are paid on a bi-weekly basis with payday occurring every other Friday. Paydays are adjusted accordingly when the regularly scheduled payday falls on a holiday. All employee paychecks are distributed by electronic direct deposit to the bank of the employee's

choice. Employees may review their deposit stubs each payday through their online PAWS account and are strongly encouraged to review their gross pay and payroll deductions. Any discrepancies should be promptly reported to the AgCenter Human Resource Management Office.

Staff Directory

For additional information, please visit the Human Resource Management website at http://www.lsuagcenter.com/en/administration/about_us/Human_Resources or contact the appropriate staff member listed below.

Ann Coulon, Director
General HRM Policies, Employee Relations
Email: ACoulon@agcenter.lsu.edu
Phone: (225) 578-6787

Katie Hay, HR Analyst
Academic Appointments, Employee Benefits, Classified PPR, Immigration (H Visas), New Employee Orientation
Email: KHay@agcenter.lsu.edu
Phone: (225) 578-4631

Kristen Manes, HR Analyst
Academic Appointments, Employee Benefits, Employment, Classified Employees
Email: KManes@agcenter.lsu.edu
Phone: (225) 578-4629

Linda Denicola, HR Analyst
Classified Employees, Transient Processing, Payroll, Immigration (J Visas)
Email: LDenicola@agcenter.lsu.edu
Phone: (225) 578-8223

Elaine Henderson, HR Analyst
Academic, Unclassified and Graduate Assistant Processing
Email: EHenderson@agcenter.lsu.edu
Phone: (225) 578-4641

Sharon Salzer, Assistant Director
Compensation, Information Systems, EEO Reporting, Training
Email: SSalzer@agcenter.lsu.edu
Phone: (225) 578-4643

Torii Freeman, Assistant Director
Employee Relations, Immigration (H Visas), EEO, Diversity
Email: TFreeman@agcenter.lsu.edu
Phone: (225) 578-4640

Kathy Loyd, HR Manager
Employee Benefits, Wellness
Email: KLoyd@agcenter.lsu.edu
Phone: (225) 578-8229

Stephen Smith, HR Analyst
Employment, Academic Processing, Student Processing, Leave Processing
Email: SMSmith@agcenter.lsu.edu
Phone: (225) 578-0324

Address:
LSU AgCenter
Human Resource Management
103 J. Norman Efferson Hall
Baton Rouge, LA 70803

HRM Main Phone:
(225) 578-2258

FAX:
(225) 578-8284