



# NORTHWESTERN UNIVERSITY

Summary of Benefits

For

Staff and Part Time Faculty

2009

**Contents**

Purpose ..... 3  
View Benefit Elections Online ..... 3  
Eligibility ..... 3  
    Health, Vision, Dental, Life and AD&D Plans. .... 3  
    Educational Assistance and Tuition Plans ..... 3  
Enrollment Procedures and Deadlines ..... 4  
    Effective Dates ..... 4  
Health Care Plan ..... 5  
    Purpose ..... 5  
    Choice of Health Care Plans ..... 5  
        PPO Plans. .... 5  
        HMO Plans ..... 6  
    2009 Health Care Plan Premium Rates ..... 7  
    Medicare ..... 7  
Prescription Drug Program ..... 8  
    Prescription Co-Payments For 2009 ..... 8  
    Stop Loss ..... 9  
    Obtaining Medications by Mail ..... 9  
Health Savings Account ..... 10  
Flexible Spending Accounts ..... 10  
    Reimbursement from an FSA Account ..... 10  
    Health Care FSA. .... 11  
    Limited Use FSA ..... 11  
    Dependent Care Account ..... 11  
        Dependent Care Matching ..... 11  
Dental Plan ..... 12  
    Choice of Dental Care Plans ..... 12  
    First Commonwealth DHMO. .... 12  
    BlueCross BlueShield. .... 12  
    2009 Dental Care Plan Premium Rates ..... 12  
Vision Plan ..... 13  
    Benefits through Health Insurance ..... 13  
    UnitedHealthcare Plan ..... 13  
        Premiums ..... 13  
Life Insurance ..... 14  
    Basic Term Life Insurance ..... 14  
        Reduction in Coverage. .... 14  
        Imputed Income Tax. .... 14  
    Supplemental Term Life Insurance ..... 14  
    Spouse Term Life Insurance ..... 15  
    Dependent Child Term Life Insurance ..... 15  
    Changing Beneficiaries ..... 16  
Accidental Death & Dismemberment (AD&D) Plan ..... 16  
Short Term Disability Plan ..... 16  
Long Term Disability Plan ..... 18  
Long Term Care Plan ..... 19

Inflation Protection .....	19
Retirement Savings Plan .....	21
Unmatched Plan .....	21
Basic Matched Plan.....	21
Voluntary .....	22
Age 50 Catch-up .....	22
15 Year Catch-up.....	22
Investment Options .....	22
Tuition Plans .....	23
Educational Assistance Plan .....	23
Reduced Tuition Plan.....	23
Portable Tuition Plan .....	23
Calculating Years of Service.....	24
Sick Time .....	25
Vacation .....	25
Holidays.....	26
Leaves of Absence.....	26
Termination of University Employment.....	26
Other Benefits.....	27
Wildcard - Identification Cards .....	27
Parking.....	27
Credit Union.....	27
Direct Deposit .....	27
Sports and Recreational Facilities.....	27
Faculty and Staff Assistance Program.....	28
NU Childcare Resources Options and Information.....	29
Contact List .....	31
Terms to Know .....	32
Protection of Health Information .....	33

## Purpose

The University's benefit program is designed to provide access to:

- health, dental, disability and long term care coverage as protection from the financial burden of catastrophic illness or injury;
- life insurance to provide financial support to designated beneficiaries in the event of death;
- a tax-savings plan to offset out-of-pocket health, prescription, dental, vision and dependent care expenses;
- accumulate a source of income for retirement years; and
- provide financial support toward college expenses.

## View Benefit Elections Online.

Benefits-eligible staff may view their own health and other benefit plan elections online through HRIS Self-Service. Individuals may view the health plan they've selected, including choice of single or family coverage, or that they have waived coverage. If family coverage was selected, individuals will be able to view covered family members. A valid NetID is required to access HRIS self-service at: <https://nuhr.northwestern.edu>.

## Eligibility

Regular status non-exempt staff must be scheduled to work at least 17.5 hours per week. Exempt staff must be appointed on at least a half-time (50%) basis. Union individuals should consult the latest labor contract. University compensation must be sufficient to cover benefit plan premium deductions and retirement plan contributions.

**Health, Vision, Dental, Life and AD&D Plans.** A spouse must be legally married to and have his or her principal place of residence with the employee. Unmarried dependent children age 26 or younger and the spouse or the same-gender domestic partner of a faculty member are eligible for coverage under the health, vision, dental, ADD and life plans. Reference to spouse throughout this document also means same-gender domestic partner. Coverage is extended to dependent children through age 26 whether or not they are full-time students.

**Educational Assistance and Tuition Plans.** Tuition benefits for a spouse or dependent child taking undergraduate courses necessitate full-time status and a specified number of years of qualifying continuous University service. Unmarried dependent children are eligible for tuition benefits through age 25. Tuition benefits are extended to a same gender domestic partner on an after-tax basis.

### **Enrollment Procedures and Deadlines**

Participation in the University's benefit plans necessitates that an individual completes the online enrollment process and the Benefits Division receives all required supporting documents no later than 31 calendar days from the date of employment or benefits eligibility. Adding coverage for a spouse or for a dependent child requires that an individual notifies the Benefits Division and completes the enrollment process within 31 calendar days from the date of a qualifying change in family or employment status (marriage, birth, adoption, loss of spouse employment, etc.).

Open Enrollment, held each Fall (usually from mid-October to mid-November), is the one time each year when the University announces benefit plan changes and premium contribution rates for the next year. Individuals may change benefit plan selections including:

- change health\* and dental plan coverage from one plan to another
- drop health, dental, vision or STD coverage
- add health, dental and/or vision or AD&D coverage for a spouse or dependent child
- Enroll or re-enroll in the FSA or HSA plan

### **Effective Dates**

Coverage effective dates and commencement of University employer contributions are based on an individual's date of regular status employment. The coverage effective date is the first of the month following the date of employment. An employee, if he or she wishes, may begin coverage from the 1st date of employment by paying the full monthly premium (which includes the Employer paid portion) to the University. The short term disability, long term disability and retirement plans have specified waiting periods, which mean that participation effective dates commence the month after the waiting period is met. In certain situations, the waiting periods may be waived.

---

\* The pre-existing condition waiting period does not apply for individuals who enroll in the PPO plans during Open Enrollment.

## Health Care Plan

**Purpose.** The purpose of the University's health care plan is to provide protection from the financial burden of catastrophic out-of-pocket health expenses for the treatment of an illness or injury.

**Choice of Health Care Plans.** The University offers eligible staff the choice of selecting single, You + Spouse, You+ Child(ren), or family coverage with a Preferred Provider Option (PPO) plan or with one of two health maintenance organization (HMO) plans.

- Premier PPO
- Select PPO
- Value PPO
- HMO Illinois
- UniCare HMO

**PPO Plans.** The three PPO plans are self-insured health care plans. The term "self-insured" refers to plans funded by employee and employer contributions deposited to a trust. Claims and other plan expenses are paid from the trust managed by The Northern Trust Company. Any monies remaining at year-end are retained as plan assets for the payment of future claims and other plan expenses. Self-insured plans are exempt from covering services mandated by state law.

**Choice of Provider.** This plan, in contrast to an HMO, enables members to choose care from any licensed provider including physicians, hospitals and other health care professionals. PPO plans provides a higher benefit if care is received from a network (PPO) provider and a lower benefit if care is received from a non-network provider.

When a member is outside of the local Chicago area and requires medical care, he or she should contact BlueCross at (800) 810-2583 for information on the nearest doctors and hospitals affiliated with the national BlueCross provider network. This program is referred to as BlueCard and is referenced by a "PPO in a suitcase" logo on membership cards issued by BlueCross. Members receive in-network PPO benefits when a BlueCard PPO doctor or hospital treats them.

**Pre-existing Conditions.** PPO plans provide benefits subject to a pre-existing conditions waiting period of 365 days. Under this plan provision, medical care being received or symptoms occurring during the six months prior to University employment will not be covered for one year. This provision does not apply to prescription drugs or maternity services. Newly appointed staff may waive the one year pre-existing condition policy by submitting a Certificate of Credible Coverage or Letter of Coverage from their previous medical carrier, or previous employer. Credit will be given toward the pre-existing conditions waiting period provided there is not a break in coverage of more than 63 days as provided by the Health Insurance and Portability Act (HIPAA).

**Claims.** Because PPO physicians bill BlueCross directly for most services, there generally are no claim forms to complete. When a physician does not bill BlueCross directly, a member must submit a completed claim form within 6 months from the date of service; otherwise, the claim may be denied.

**Premier PPO Plan.** This Plan has an annual deductible of \$250 for an individual and a maximum of \$750 for a family. Once the deductible is met, you pay 10% of customary charges for hospital and physician care and the Plan pays 90%. The Plan pays 100% of the cost of a prescription drugs after you pay specified co-payments.

**Select PPO Plan.** This plan has an annual deductible of \$500 for an individual and a maximum of \$1,500 for a family. Once the deductible is met, you pay 20% of customary charges for hospital and physician care and the Plan pays 80%. The plan pays 100% of the cost of a prescription drugs after you pay specified co-payments.

**Note:** Premier & Select Plans: The deductible is limited to 2 individual deductibles for You + spouse or You + child and up to 3 individual deductibles for You + spouse and child(ren) or You + child(ren). The \$25 physician office visit, the \$35 specialist office visit, prescription drug and \$100 emergency room co-payments are not included in determining an out-of-pocket maximum.

**Value PPO Plan (High Deductible Health Plan).** The Value PPO plan meets Federal guidelines to qualify as a high deductible health plan which is an innovative plan offering the lowest monthly premium, but higher out of pocket expenses. There is an annual deductible of \$1,400 for an individual and \$2,800 for a family. Once the deductible is met, you pay 20% of customary charges for hospital, physician and prescription drugs and the plan pays 80%. This plan does not have co-payments. BlueCross administers the prescription drug program for Value PPO plan members.

**HMO Plans.** The term “HMO” is an abbreviation for health maintenance organization. An HMO plan provides medical care from a network of hospital and physician providers, generally emphasizes preventive services, covers eligible hospital and physician services at 100% after the payment of deductibles and co-payments and generally does not require the completion of claim forms. HMOs only cover health care services which are authorized in advance by an individual’s primary care physician.

HMO plans are generally considered fully insured plans. The term “fully insured” means that the plan is funded by both employee and employer contributions paid directly to the HMO. The HMO pays plan expenses and the HMO retains any remaining monies at year-end. It also means that such plans must provide coverage mandated by state law.

#### **HMO Illinois**

**Guest membership.** Full benefits are provided at a host BlueCross BlueShield HMO in the area in which you spend more than 90 days. This program provides access to a national network of BlueCross BlueShield HMOs while you are out of state. To find out if guest membership is available at your destination or to sign up with a host BlueCross BlueShield HMO, call HMO membership services before you leave town.

**Blue Extras.** This program is administered by American Specialty Health Networks (ASHN) includes discounted fees for services provided by ASHN network chiropractors, acupuncturists and massage therapists. No physician referral is required. Discounted fees are paid directly to the participating provider. Also includes a fitness club directory, fitness club certificates and a product catalog. For further information contact ASHN Member Services at (877) 320-2746.

#### **Unicare**

Individuals must choose a primary care physician (PCP). Family members may each select a different PCP and may be within the same medical groups. Female members may designate an affiliated obstetrician/gynecologist family practitioner as a “women’s principal health care provider.” Once designated, individuals may see the selected physician without a written referral, provided a referral arrangement exists between the woman’s principal health care provider and the member’s PCP.

**2009 Health Care Plan Premium Rates**

The University contributes approximately three-fourths of the total costs for full-time individuals for each of the five health insurance plans. PPO plan premiums for 2009 are based on an individual's University Annual Benefits Base Rate as of September 1, 2008 or as of the month of hire if hired after January 1, 2009. Premiums are deducted on a pre-tax basis and pay for the same month of coverage. Part-time rates are available from our website.

<b>Premier PPO</b>	<b>You</b>	<b>You + spouse</b>	<b>You + child(ren)</b>	<b>You + spouse + child(ren)</b>
\$42,000 and under	\$121	\$265	\$225	\$398
\$42,000.01-\$75,000	\$143	\$313	\$266	\$471
\$75,000.01-\$128,000	\$172	\$376	\$320	\$566
\$128,000.01-\$182,000	\$209	\$457	\$389	\$688
\$182,000.01 and above	\$264	\$578	\$492	\$869
<b>Select PPO</b>	<b>You</b>	<b>You + spouse</b>	<b>You + child(ren)</b>	<b>You + spouse + child(ren)</b>
\$42,000 and under	\$25	\$55	\$46	\$82
\$42,000.01-\$75,000	\$45	\$98	\$84	\$148
\$75,000.01-\$128,000	\$72	\$157	\$134	\$236
\$128,000.01-\$182,000	\$105	\$229	\$195	\$345
\$182,000.01 and above	\$156	\$341	\$290	\$512
<b>Value PPO</b>	<b>You</b>	<b>You + spouse</b>	<b>You + child(ren)</b>	<b>You + spouse + child(ren)</b>
\$42,000 and under	\$10	\$22	\$20	\$33
\$42,000.01-\$75,000	\$20	\$44	\$37	\$66
\$75,000.01-\$128,000	\$45	\$99	\$84	\$148
\$128,000.01-\$182,000	\$71	\$155	\$132	\$234
\$182,000.01 and above	\$108	\$237	\$201	\$355
<b>HMO Illinois</b>	<b>You</b>	<b>You + spouse</b>	<b>You + child(ren)</b>	<b>You + spouse + child(ren)</b>
	\$94	\$220	\$192	\$275
<b>Unicare HMO</b>	<b>You</b>	<b>You + spouse</b>	<b>You + child(ren)</b>	<b>You + spouse + child(ren)</b>
	\$104	\$242	\$215	\$307

**Medicare**

During the period an individual is actively working, the University's health care plans remain the primary payer of claims. Medicare is the secondary payer. There is no need to enroll in Medicare Part B (physician services) until retirement. Similarly, there is no need to enroll in Medicare Part D, the Medicare prescription drug program while actively employed. Further information about Medicare is accessible online at: [www.medicare.gov](http://www.medicare.gov).

**Prescription Drug Program**

**Benefits.** Each University sponsored health care plan provides coverage for prescription drugs. Member benefits are higher if the prescription is filled with a generic drug and at a participating pharmacy. Obtaining a maintenance medication by mail order provides further savings to health plan members. The term "maintenance medication" refers to a drug or drugs a patient receives on an ongoing basis for the treatment of a chronic medical condition such as diabetes, high blood pressure, or asthma.

The University’s health plans do not cover the following medications:

- Over the counter medications
- Vitamins including prenatal vitamins which do not require a prescription
- Drugs used or labeled for investigational or experimental purposes
- Mineral or nutrient supplements
- Growth hormones
- Hair growth stimulants

**Prescription Co-Payments For 2009**

The University’s health care plans (except for the Value PPO plan for which the deductible and co-insurance applies) utilize three levels of co-payment for the payment of covered prescriptions. The co-payment is the portion of the total prescription expense paid by the patient while the insurance plan pays the difference. In order to limit the increase in health insurance premiums paid by plan members, a higher co-payment was established for high expense drugs, often the newer or highly advertised medications. Additionally, the co-payment for a branded drug is paid whenever the branded drug is purchased even if a generic alternative is not available or the physician states “do not substitute” on the prescription.

The following chart details co-payment amounts for each of the health care plans including amounts for prescriptions obtained from a retail pharmacy or from a mail service pharmacy.

		HMO Illinois	Unicare	Premier PPO	Select PPO	Value PPO
Retail (30-day supply)	Generic	\$10	\$10	\$10	\$10	40% after deductible
	Preferred Brand	\$30	\$30	\$30	\$30	
	Non-Preferred Brand	\$60	\$60	\$60	\$60	
Mail (90-day supply)	Generic	\$20	\$20	\$20	\$20	
	Preferred Brand	\$60	\$60	\$60	\$60	
	Non-Preferred Brand	\$120	\$120	\$120	\$120	

**Stop Loss**

To provide protection against catastrophic prescription drug costs, the University has adopted a stop-loss provision for the prescription plans administered by Walgreens Health Initiatives (Premier PPO, Select PPO and HMO Illinois). Plan members will not be charged a co-payment for drugs once co-payments reach \$1,500 during the 2009 calendar year. This limit is per family member.

Prescription drug costs for medications that exceed the dispensing limit established by FDA guidelines in any given month or for medications not covered by the plans will not count toward the annual \$1,500 co-pay out of pocket limit.

**Obtaining Medications by Mail**

Prescription drugs obtained by mail order are generally for medications dispensed on a continuous long-term basis to treat chronic medical conditions such as diabetes, high blood pressure, allergies, etc.

When a member's physician prescribes a maintenance drug, he or she should have the prescription written for up to a 90-day supply with up to 3 refills.

If a medication is needed prior to delivery of the mail order quantity (normally 14 days), the member should ask his or her physician for two prescriptions, one should be submitted to the retail pharmacy and the other enclosed with the completed mail order form and mailed to the mail order pharmacy.

Members of the Premier PPO, Select PPO and HMO Illinois plans may order prescription refills by contacting Walgreens Health Initiatives at (800) 207-2568 or online at [mywhi.com](http://mywhi.com)

**Prior Authorization.** Before a health plan will cover a specific medication, a member's physician may be required to obtain prior authorization from the plan by contacting the Walgreens Health Initiatives Prior Authorization unit at (877) 665-6609, which is staffed by pharmacy technicians and pharmacists. The health care plans have procedures to provide coverage or quantities in certain circumstances higher than the normal dispensing limits.

## Health Savings Account

Value PPO members may enroll in the Health Savings Account (HSA). This plan is administered by Mellon Bank. An HSA account may be used to pay out-of-pocket health care expenses, such as deductibles and co-insurance. The University provides a one-time contribution to help an individual pay for immediate health care costs before paycheck contributions begin accumulating in the HSA. The University will match for first-time HSA participants on a dollar-for-dollar basis up to half of the annual pledge amount. If you sign up for \$700, then NU contributes \$700 to the Annual Maximum of \$1,400 under the You only coverage. If you contribute \$1,400 then NU contributes \$1400 under the You + Spouse, You + Child(ren), and You + Spouse + Child(ren) coverage.

The minimum annual contribution amount is \$240. Contributions, earnings on account balances and payments from the account are not subject to taxes.

## Flexible Spending Accounts

**Purpose.** The purpose of the Flexible Spending Account Plan (FSA) is to provide a tax-free savings plan to help individuals pay for out-of-pocket health, dental, vision and dependent care expenses. Normally, individuals pay for these expenses with after-tax dollars from their net take-home pay. When individuals participate in the FSA Plans, they make deposits to an FSA account with pre-tax payroll deductions.

After paying an eligible out-of-pocket expense, a tax-free reimbursement is issued from the account. The result of paying for eligible health care and dependent care expenditures through the FSA Plan may be lower income taxes and, often, an increase in take-home pay. In providing these tax advantages, the IRS places limits on such programs including the necessity to re-enroll in the plan each year.

**Changing Elections.** IRS rules state that an individual may enroll, change or stop his or her FSA payroll contributions only within 31 days from the date of a qualified change in family status (marriage, birth of a child, etc.). **An individual must re-enroll each year during Open Enrollment to continue participation in the FSA or HSA Plans in the next year.**

## **Reimbursement from an FSA Account**

After an individual has paid for an eligible expense, he or she may submit a claim for reimbursement from his or her FSA account. A claim form is available by download at: <https://mypayflex.com>

PayFlex also offers a Debit card for use for your eligible medical, dental and vision expenses. An individual may use the Debit card issued by PayFlex or may complete a reimbursement claim form and submit the completed form along with receipts or other required documentation to PayFlex. Cancelled checks, if submitted, must be accompanied by a receipt or other documentation showing provider name and date of service. Receipts or other documentation may also be needed to substantiate debit card expenditures.

Individuals participating in the Health Care Account may be reimbursed up to the full annual amount regardless of the account balance at the time the claim is processed. In contrast, Dependent Care Account participants may be reimbursed only up to the balance in his or her account at the time the claim is processed.

The required documentation for reimbursement from the Dependent Care Account includes either the social security number or the federal tax identification number of the childcare provider. In order to claim for reimbursement, you must send in a paper claim via fax/scan to PayFlex.

All eligible 2009 expenses must be for services provided through March 15, 2010. The deadline for submitting your claims is March 31, 2010. Under IRS regulations, any monies not claimed from an FSA account after March 31, 2010 are forfeited and used to offset plan expenses. Therefore, careful planning of projected out-of-pocket expenditures is essential.

**Health Care FSA.** Enables the payment of out-of-pocket expenses on a tax-free basis. Out-of-pocket expenses include expenses not covered by the University's health, dental and vision plans. Such expenses may also include deductibles, co-insurance, office visit co-payments, prescription drug co-payments, costs of purchasing eyeglasses, etc. Expenses associated with certain over-the-counter non-prescription drugs and other over the counter items such as Band Aids, gauze and cotton balls are eligible for reimbursement. Eligible medications include allergy medicines, pain relievers, antacids, cold remedies and flu remedies. All forms of these medications (e.g., tablet, liquid, capsule, drops) are eligible and include generic and store or name brand.

The maximum monthly contribution limit is \$833.33 (\$10,000 per year) or the maximum monthly amount times the number of remaining months in the year.

**Limited Use FSA.** Value PPO members who anticipate dental and vision costs during a year may enroll in the Limited Use Health Care FSA. This FSA may also be used for health care expenses once the annual deductible is reached. The maximum monthly contribution limit is \$833.33 (\$10,000 per year) or the monthly maximum amount times the number of remaining months in the year. The plan is administered by PayFlex in partnership with BlueCross.

**Dependent Care Account**

The Dependent Care Account assists in funding eligible child care expenditures and certain costs associated with the care of a dependent child, spouse or parent. The maximum monthly contribution limit set by the IRS is \$416.66 (\$5,000 per year) for a single individual or for a married individual who files taxes jointly, or \$208.33 per month (\$2,500 annually) for a married individual who files taxes separately. The maximum annual contribution amount is the maximum monthly amount times the number of remaining months in the year.

**Dependent Care Matching.** The University provides non-taxable matching funds of up to \$4,000 annually directly to an individual to assist in meeting a portion of his or her annual dependent care expenses. This program is offered to eligible full time individuals participating in the FSA Dependent Care Account. Such funds take the form of a University match to the employee's FSA contribution. Both the individual's contribution and the University's matching contribution are tax-free.

The match is made in the form of additional taxable pay in each University paycheck to the participating individual and is then deducted as a pre-tax FSA deduction from the individual's paycheck. The total amount deducted includes both the individual's contribution and the University's matching contribution.

Individuals must meet the following eligibility criteria to receive the University's matching contribution:

- Appointment of 100% full-time or scheduled hours of at least 35 hours per week.
- To qualify for University matching contributions, total family income must be below \$100,000. Total family income is determined by an individual's Adjusted Gross Income as reported on line 37 of his or her latest federal income tax return (IRS Form 1040), and his or her spouse's federal income tax return if they file taxes separately.

For an eligible employee, the University will offer a match of up to \$4,000 to your Dependent Care Account based on the following table (based on elections of \$5,000) and with submission of the FSA Dependent Care Match form. The employer match is prorated based on months remaining in the calendar year.

Household Earnings	NU Matching Percent	Maximum Match
Up to \$50,000	80%	\$4,000
\$50,001 to \$60,000	60%	\$3,000
\$60,001 to \$80,000	40%	\$2,000
\$80,001 to \$100,000	20%	\$1,000

**Example:**

Your Adjusted Gross Income was \$60,000 and you anticipate at least \$5,000 in child care expenses for 2009.

\$5,000 times University-provided portion of 60% = \$3,000

\$3,000 / 12 = \$250/month in additional earnings (University Match)

\$5,000 / 12 = \$416.67/month in FSA Dependent Care deductions from your paycheck

## Dental Plan

**Purpose.** The purpose of the dental care plan is to provide protection from the financial cost of dental procedures.

**Choice of Dental Care Plans.** The University offers eligible staff the choice of selecting between two dental care plans:

- PPO plan administered by BlueCross BlueShield
- Dental Health Maintenance Organization (DHMO) plan sponsored by First Commonwealth

**Coverage Effective Date.** Coverage is effective the first of the month following the date of hire. An individual, if he or she wishes, may begin coverage from the 1st date of employment by paying the full monthly premium to the University.

Dental coverage may be added and dropped only during Open Enrollment or within 31 days from the date of a qualifying change in family or employment status.

**First Commonwealth DHMO.** First Commonwealth provides dental care programs to Illinois-based employers, emphasizes preventive care, and provides dental care from a network of dentists. First Commonwealth's Illinois, Wisconsin, and Northwest Indiana dentist networks are comprised of over 900 general and specialty dentists. First Commonwealth is a wholly owned subsidiary of The Guardian.

Under its dental HMO programs, affiliated dentists are compensated on a monthly basis for each First Commonwealth member who selects their office. Each affiliated dental HMO dentist and his or her office participates in First Commonwealth's Quality Assessment program. This program, which oversees the recruitment of all affiliated dentists, includes peer review of the dentists' treatment and assesses the level of patient satisfaction with First Commonwealth and its affiliated dentists. First Commonwealth emphasizes preventive care and only provides dental care from a network of dentists.

**BlueCross BlueShield.** This plan is a self-insured dental plan administered by BlueCross BlueShield of Illinois. Plan members may receive preventive, restorative, major and orthodontic dental care from any licensed dentist of their choice and provides a higher benefit if care is received from a BlueCross network (PPO) dentist. In order to receive dental benefits, a participant or his or her provider must submit a completed claim form to BlueCross within 6 months from the date of service, otherwise benefits will be denied.

### **2009 Dental Care Plan Premium Rates**

The University contributes roughly 55% of the total costs for the two dental care plans for full-time staff during 2009. Premiums deducted pay for the same month of coverage.

<b>BlueCross Dental PPO</b>	<b>You</b>	<b>You + spouse</b>	<b>You + child(ren)</b>	<b>You + spouse + child(ren)</b>
	\$18	\$38	\$43	\$61
<b>First Commonwealth</b>	<b>You</b>	<b>You + spouse</b>	<b>You + child(ren)</b>	<b>You + spouse + child(ren)</b>
	\$7	\$13	\$14	\$20

### Vision Plan

**Benefits through Health Insurance.** Both HMO's provide a vision program including coverage toward the cost of eye examinations and eyeglasses. To receive coverage, members must receive services from a participating optical provider. Benefits may be limited to once every 12 or 24 months. Please contact individual plans for specific coverage and network provider information. The PPO plans provide discounts that are offered by BlueCross BlueShield through Davis Vision, located on the Benefits Division website under the vision plan heading.

**UnitedHealthcare Plan.** A voluntary employee paid vision plan is available to benefits-eligible faculty and staff. Plan benefits include coverage for an eye examination every 12 months, lenses for glasses or contacts every 12 months and frames every 24 months. There is a \$10 co-payment for the eye examination and a \$10 co-payment for a broad assortment of frames and materials. Members receive a discount on the price of other frames. The plan is sponsored by UnitedHealthcare Vision which uses a national network of nearly 18,000 retail chain and private practice providers. Visit <http://www.myuhcvision.com> or call (800) 839-3242 to find a provider.

**Premiums.** Premiums are deducted in the current month on a pre-tax basis and pay for the same month of coverage.

UHC (UnitedHealthcare Vision)	You	You + spouse	You + child(ren)	You + spouse + child(ren)
	\$7	\$14	\$15	\$19

**Life Insurance**

**Basic Term Life Insurance**

**Purpose.** The purpose of the Basic Term Life Insurance Plan is to provide some degree of financial support to designated beneficiaries in the event of an employee’s death.

**Coverage.** The University provides Basic Term Life Insurance coverage to benefits eligible staff. The amount of coverage is equal to 2 ½ times an individual's annual salary up to a maximum salary of \$100,000 and maximum coverage of \$250,000. At the time of hire or initial benefits eligibility, the enrollment process should be completed by selecting or waiving coverage. The amount of coverage is based on the Annual Benefits Base Rate as of September 1<sup>st</sup> of the previous calendar year. The coverage factor is reduced by 8% each year of age when a covered individual reaches age 55 according to the reduction schedule referenced below. The University pays the full cost of this insurance. The Plan is sponsored by the ING Employee Benefits.

***Reduction in Coverage.***

Age	Factor	Age	Factor	Age	Factor	Age	Factor
55	2.300	58	1.791	61	1.394	64	1.086
56	2.116	59	1.648	62	1.283	65	0.999
57	1.947	60	1.516	63	1.180	66	0.919

**Imputed Income Tax.** Under IRS regulations, the cost of employer-paid Basic Term Life Insurance coverage in excess of \$50,000 is considered taxable income and reported as Code C in Box 12 on W-2 statements.

**Supplemental Term Life Insurance**

**Purpose.** The purpose of the Supplemental Term Life Insurance Plan is to provide the opportunity for individuals to purchase term life insurance coverage above that provided by the University. The Plan is sponsored by ING Employee Benefits

**Coverage.** Supplemental life insurance coverage is available in multiples of up to five times an employee’s annual salary up to a coverage maximum of \$1,000,000. The maximum life insurance inclusive of University paid Basic Term Life insurance coverage is \$1,250,000.

**Eligibility.** Regular non-exempt status staff must be scheduled to work at least 17.5 hours per week. Exempt staff must be appointed on at least a half-time (50%) basis.

**Premiums.** Monthly premium rates are deducted on an after-tax basis and pay for the same month of coverage. Monthly premium rates for 2009 are per \$1,000 of coverage and vary by an individual's age. To determine the monthly premium, divide the desired coverage amount by \$1,000 times the applicable rate from the table below:

Age	Rate per \$1,000 of Coverage	Age	Rate per \$1,000 of Coverage	Age	Rate per \$1,000 of Coverage
Under age 25	\$0.025	40 – 44	\$0.058	60 – 64	\$0.339
25 – 29	\$0.025	45 – 49	\$0.091	65 – 69	\$0.524
30 – 34	\$0.033	50 – 54	\$0.137	70 – 74	\$0.837
35 – 39	\$0.047	55 – 59	\$0.255	75 – 79	\$0.837

**Enrollment.** A newly eligible employee may purchase Supplemental life insurance coverage at multiples of up to five times his or her salary up to a coverage maximum of \$1,000,000. Coverage of three times or more requires that the employee provide evidence of good health by completing the Evidence of Insurability application form. Employees should enroll in supplemental life insurance at two times their annual salary in Self Service upon hire; the coverage amount will be automatically increased upon approval of additional coverage.

**Changing Coverage Amount.** After hire, an individual may apply, drop, increase or decrease the amount of coverage by completing the enrollment process during Open Enrollment or within 31 days of a qualifying change in family or employment status. This may include submitting a completed Evidence of Insurability form.

**Spouse Term Life Insurance**

**Purpose.** The purpose of the Spouse Term Life Insurance Plan is to provide the opportunity for individuals to purchase term life insurance protection for his or her spouse.

**Coverage.** Spouse coverage is available in \$10,000 increments up to the employee’s total Basic plus Supplemental coverage not to exceed \$500,000.

**Eligibility.** Regular non-exempt status staff must be scheduled to work at least 17.5 hours per week. Exempt staff must be appointed on at least a half-time (50%) basis.

**Premiums.** Premiums pay for the same month of coverage and are deducted on an after-tax basis. To determine the monthly premium, divide the desired coverage amount by \$1,000 times the applicable rate from the table below.

Age	Rate per \$1,000 of Coverage	Age	Rate per \$1,000 of Coverage
Under age 25	\$0.025	50 – 54	\$0.137
25 – 29	\$0.025	55 – 59	\$0.255
30 – 34	\$0.033	60 – 64	\$0.339
35 – 39	\$0.047	65 – 69	\$0.524
40 – 44	\$0.058	70 – 74	\$0.837
45 – 49	\$0.091	75 – 79	\$0.837

**Enrollment.** At the time of hire or initial benefits eligibility, an individual must complete the online enrollment process and submit any required documentation to the Benefits Division no later than 31 days from the date of benefits eligibility. Coverage amounts above \$30,000 require an Evidence of Insurability application satisfactory to the sponsoring insurance company, ReliaStar. Employees should enroll in spouse life insurance at \$30,000 in Self Service upon hire; the coverage amount will be automatically increased upon approval of additional coverage.

**Changing Coverage Amount.** After initial eligibility, an individual may apply to add coverage or change the amount of coverage for a spouse during Open Enrollment or within 31 days of a qualifying change in family or employment status. Individuals who apply for higher levels of coverage after initial eligibility are required to complete the Evidence of Insurability form, submit to a physical examination, and be approved by the sponsoring insurance company. Individuals may be responsible for the cost of the physical examination and related diagnostic tests.

**Dependent Child Term Life Insurance**

**Purpose.** The purpose of the Dependent Child Term Life Insurance Plan is to provide the opportunity for faculty and staff to purchase term life insurance coverage for their dependent children.

**Coverage.** Coverage is available in \$2,000 increments to a maximum coverage of \$10,000 per child. Evidence of good health is not required.

**Eligibility.** Regular status staff must be scheduled to work at least 17.5 hours per week. Exempt staff must be appointed on at least a half-time (50%) basis.

**Premiums.** The premium rate is \$.30 per \$2,000 of coverage. Premium payments are deducted on an after-tax basis and pay for the same month of coverage.

**Enrollment.** At the time of hire or initial benefits eligibility, the enrollment process should be completed selecting or waiving coverage. After initial eligibility, individuals may apply for participation during Open Enrollment or within 31 days of a change in status. Evidence of Insurability is not required.

**Changing Coverage Amount.** After hire, an individual may apply to change the amount of coverage during Open Enrollment. Evidence of Insurability is not required.

#### **Changing Beneficiaries**

Individuals may change beneficiary designations online at any time using HRIS Self Service.

Should an employee not designate a beneficiary for the Basic and Supplemental Life Insurance plans, benefits will be paid to the first in order of the following: spouse, children, parent and siblings.

### **Accidental Death & Dismemberment (AD&D) Plan**

**Purpose.** The purpose of the Accidental Death and Dismemberment Plan (AD&D) is to provide benefits in the event of the accidental death or dismemberment of a covered employee, his or her covered spouse or covered dependent children. The plan is sponsored by Reliance Standard.

**Eligibility.** Non-exempt staff working at least 17.5 hours per week and exempt staff who, are at least half time, are eligible to participate in the AD & D Plan.

**Coverage.** Faculty and staff may choose single or family coverage in \$10,000 increments up to a maximum coverage of \$1,000,000 not to exceed ten times an employee's annual University salary.

**Premiums.** The premium rate is \$.15 per \$10,000 of coverage for single coverage and \$.30 per \$10,000 of coverage for family coverage. Premiums are deducted on an after-tax basis and pay for the same month of coverage.

**Enrollment.** Individuals may elect AD & D coverage at the time of hire, during Open Enrollment or within 31 days of a qualifying change in family or employment status.

**Changing Coverage Amount.** AD & D Plan may be changed from single to family coverage or vice versa as well as the amount of coverage during Open Enrollment or within 31 days of a qualifying change in family or employment status. Evidence of good health is not required.

### **Short Term Disability Plan**

**Purpose.** The purpose of the Short Term Disability (STD) plan is to help individuals avoid or minimize the financial burdens that may result from an extended non-work related accident or illness. The plan provides continued income after accrued sick, vacation and holiday time is used and prior to the commencement of approved Long Term Disability benefits. The plan is fully employee paid. The Office of Risk Management is the claims administrator.

**Eligibility.** Non-exempt staff working at least 17.5 hours per week, and exempt staff appointed at least half time both with at least one year of University service are eligible to participate in the Short Term Disability Plan. Faculty should refer to the Faculty Handbook.

**Enrollment.** An employee must complete the enrollment process no later than 31 days from the date of hire. STD coverage is guaranteed regardless of health status at the time the enrollment process is completed. Coverage is effective the first of the month following the month one year of continuous service is completed. After initial eligibility, an individual may apply to participate in the STD Plan by submitting a completed application during Open Enrollment showing evidence of good health. Any claims associated with a condition noted on the application or should have been noted, including pregnancy, will not be covered for one year. Participants in the Short Term Disability Plan may drop coverage only at the end of a calendar year or within 31 days from the date of a qualifying change in family or employment status.

**Benefits.** Short Term Disability benefits are paid from the University’s payroll (HRIS) system and begin after an employee has been absent from work due to disability for 14 consecutive calendar days or after the exhaustion of all accrued sick, vacation and holiday time, whichever occurs later. Health, dental and vision premium deductions are made on an after-tax basis and Retirement Plan contributions cease. The Plan pays 60% of an individual's annual salary up to a maximum benefit of \$7,500 per month. The maximum covered salary is \$150,000.

Benefit payments stop when an employee:

- Does not provide satisfactory medical evidence of disability or refuses a medical examination.
- Is no longer under the care of a doctor and in the physician’s judgment, is no longer deemed disabled.
- Does not satisfy the maximum benefit duration defined by the plan.
- Stops making contributions. (Premium contributions are required throughout the 14 day waiting period and during the period benefits are paid).
- Is deceased.

**Premiums.** STD premiums are deducted on an after-tax basis and pay for the same month of coverage. To determine the monthly premium rate for 2009, multiple your annual University salary by the premium rate for the applicable age bracket in the table below.

Age	Rate	Age	Rate	Age	Rate	Age	Rate
Under age 30	\$0.0002667	Ages 40 – 44	\$0.0001917	Ages 55 – 59	\$0.0003333	Ages 65 –69	\$0.0005250
Ages 30 – 34	\$0.0002167	Ages 45 – 49	\$0.0002083	Ages 60 – 64	\$0.0004000	70 and older	\$0.0007250
Ages 35 – 39	\$0.0002167	Ages 50 – 54	\$0.0002667				

**Claim Process.** The following steps should be followed as soon as possible after a disability begins:

1. Use available sick and other time based benefits. After all available sick leave time has been used, an employee uses accrued vacation and personal floating holiday time and then should:
2. Apply for an unpaid leave of absence due to disability. When an employee anticipates that he or she will be absent from work for an extended period, he or she should apply for an unpaid leave of absence by sending a written request to the Human Resources Consulting Services Office, Evanston Campus or to the Human Resources Office, Chicago Campus. After the leave is approved and all sick and vacation time is exhausted, an employee should:
3. Apply for short term disability continued income. An employee should obtain the benefit application form from the Benefits Division. The employee should submit the completed claim form to the Benefits Division.
4. The claim will be reviewed by the Office of Risk Management which will notify the employee of their decision. If approved, benefit payments are issued by the University’s payroll (HRIS) system.

## Long Term Disability Plan

**Purpose.** The Long Term Disability (LTD) Plan provides an eligible individual with continued income in the event he or she becomes totally disabled.

**Eligibility.** Non-exempt staff working at least 17.5 hours per week and exempt staff appointed at least half time, both with at least one year of University service and at least 24 years of age, are eligible to participate in the Long Term Disability Plan.

**Enrollment.** Eligible staff may elect LTD coverage by completing the online enrollment process within 31 days of hire. Coverage will be effective the month after the accumulation of one year of continuous University service and attaining age 24. If an individual provides documentation of comparable group(employer sponsored) LTD coverage immediately prior to University employment, the one-year waiting period will be waived. In such instances, coverage will be effective the first of the month following receipt of the waiver form.

After initial eligibility, an individual may apply for LTD coverage during Open Enrollment or within 31 days of a qualifying change in family or employment status by showing evidence of good health. Changes in status include a change in an Eligible Employee's, or his or her spouse's or dependent's, employment status; marriage, divorce or any other change in his or her marital status; or his or her having or adopting a child. Any claims associated with a condition noted on the application (or that should have been noted), including pregnancy, will not be covered for one year.

**Benefits.** Once an individual is totally disabled for six months, the LTD Plan pays 60% of an individual's last working University salary. Elected health, dental, vision and FSA contributions will continue to be made on a pre-tax basis. The University will contribute 7% of an individual's last working salary to the retirement plan. The maximum covered salary is \$230,000 in 2009 and the maximum monthly benefit is \$11,500. The benefit amount is 70% offset by Social Security disability and other similar income. Applying for LTD benefits is similar to the STD process detailed in the previous section.

**Premiums.** The cost of the LTD Plan is shared equally between the University and a participating employee. Premiums are deducted on an after-tax basis and pay for the same month of coverage. To determine the monthly premium rate for 2009, multiply your annual University salary by the premium rate for the applicable age bracket in the table below.

Age	Rate	Age	Rate
Under age 30	\$0.0001000	Ages 50 – 54	\$0.0002500
Ages 30 – 34	\$0.0001250	Ages 55 – 59	\$0.0003083
Ages 35 – 39	\$0.0001417	Ages 60 – 64	\$0.0003500
Ages 40 – 44	\$0.0001667	Ages 65 –69	\$0.0003333
Ages 45 – 49	\$0.0002167	70 and older	\$0.0003083

**Claim Process.** The following steps should be followed as soon as possible after disability begins:

1. Apply for long term disability continued income. An employee should obtain the benefit application form from the Benefits Division. The employee should submit the completed claim form to the Benefits Division.
2. The claim will be reviewed by the Office of Risk Management which will notify the employee of their decision. If approved, benefit payments are issued by the University's payroll (HRIS) system.

## Long Term Care Plan

**Purpose.** Long term care insurance provides coverage for a variety of services for individuals who are unable to care for themselves. Such needs could be for assistance in the home with day-to-day activities or special attention in a nursing home. The plan is sponsored by CNA.

**Eligibility.** Faculty and staff scheduled to work at least 17.5 hours per week (half-time or greater) are eligible to purchase long term care insurance. Eligibility requires that an individual be actively at work on the effective date of coverage. An employee may also elect to cover his or her spouse.

The employee's parents, parents-in-law, grandparents and grandparents-in-law, and University retirees are also eligible to purchase Long Term Care Insurance directly with CNA. They are billed quarterly directly by CNA.

**Benefits.** Employees may choose a daily maximum benefit amount of \$100, \$150 or \$200. In addition, individuals may choose one of two inflation protection features, guaranteed or automatic. The lifetime benefit maximum translates into total dollars that can be received in benefits. It depends on the maximum daily benefit amount for nursing home care chosen and equates to 5 years of average nursing home benefits.

Since the majority of people receiving long term care benefits are receiving care in a community based setting rather than a nursing home, their daily benefit amount is lower than the daily nursing home maximum amount. This means that they may be able to receive benefits for longer than 5 years.

Benefits for nursing home care and community based care begin after a waiting period of 90 days. Premiums are not charged during the period benefits are received.

CNA will refund the total amount of premiums paid in the event of the death of a covered individual prior to age 65 less any benefits paid. After age 65, the amount of the premium refund will reduce by 10% each year. No premiums will be refunded after age 74. Death must occur while coverage is in effect for a refund to be paid.

At separation of University employment, you may continue Long Term Care insurance. The sponsoring insurance company, CNA, will bill you directly on a quarterly basis. Premiums will remain the same as you were paying while actively employed.

**Inflation Protection.** Premiums charged for the initial benefit amount will always be based on your age upon enrollment in the plan.

**Guarantee Benefit Increase.** At the third anniversary or later of the plan, you will be able to increase your maximum daily benefit amount, which automatically increases your lifetime maximum. Premium increases are based on the attained age at the time of the offer. The amount of the daily benefit increase will be not less than a compounded annual 5 percent rate.

**Automatic Benefit Increase.** Covered individuals can elect to have their benefits level keep pace with inflation. This benefit increase feature will automatically increase the amount of the daily nursing home and home care benefits each year by 5 percent of the prior year's amount for life.

Plan participants may decline any options and will continue to be eligible for automatic approval of the next option. Others can also be automatically approved for an increase as long as one previous offer is not turned down. If one previous offer is turned down, evidence of good health is required.

**Enrollment.** Benefits eligible staff must enroll in the plan no later than 31 days from the date of hire; otherwise, individuals may apply for coverage during Open Enrollment or within 31 days of a qualifying change in family or employment status by showing evidence of good health satisfactory to CNA. Changes in status include a change in an Eligible Employee's, or his or her spouse's or dependent's, employment status; marriage, divorce or any other change in his or her marital status; or his or her having or adopting a child. Individuals must select one daily maximum benefit and one inflation protection feature. Long Term Care coverage may be dropped during Open Enrollment or within 31 days of a qualifying change in family or employment status..

**Premiums.** Premiums for an employee's Long Term Care insurance coverage are deducted from employee paychecks on an after-tax basis. Deductions will be taken from the 1st and 2nd paychecks each month for individuals paid on a bi-weekly basis. Deductions pay for the same month of coverage. Payment of premiums for spouse and or parent coverage is payable directly to CNA.

Premiums are based on a fixed daily benefit and age at the time coverage begins. As a result, premiums are expected to remain level over an individual's lifetime unless he or she selects a higher benefit level when first offered. The premium amount does not increase as an individual gets older unless he or she increases coverage or the insurance company increases the rate due to plan experience or inflation.

An individual may obtain monthly premium information by accessing an on-line premium calculator at [www.LTCbenefits.com](http://www.LTCbenefits.com), password: NWUN or Northwestern.

## Retirement Savings Plan

**Purpose.** The purpose of the University's Retirement Plan is to provide a source of retirement income in addition to Social Security and personal savings. The Plan is a Defined Contribution Plan, governed by Section 403(b) of the Internal Revenue Code.

Your employee contributions are deducted from your paycheck before income taxes are withheld. The Northwestern University Employer contributions are also pre-tax. Taxes are paid at the time the money is withdrawn from the Plan.

**Salary Requirement.** An individual must receive University compensation paid by the University's payroll system and the University salary must be sufficient to cover the amount of the monthly contributions deducted.

**Eligible Pay.** Your 403 (b) retirement contributions are calculated by using your base salary, including overtime, summer salary and summer session pay. Additional Pay for supplemental pay, temporary assignments and additional assignments will also be included for employees who do not meet the IRS limit of highly compensated which in 2009 is \$110,000. To obtain a complete list of all eligible earnings, see: <http://www.northwestern.edu/hr/benefits/plans/retirement/pdf/elig-earnings.pdf>

**Unmatched Plan.** (NU Employer Contribution Only). Northwestern University contributes 5% of your eligible pay to your retirement plan whether or not you contribute to the plan. The minimum age to participate is age 24 and employees must also have at least one year of benefits-eligible University service in order to receive the Northwestern University tax-deferred contributions.

An employee may waive the required one year of service period with completion of the Waiver form. This Waiver form confirms that you were in a "benefits eligible" position for at least one year at a tax-exempt, governmental or non-profit organization immediately prior (within 31 days) to your NU employment.

**Basic Matched Plan** (NU Matched Contributions). The University's Basic Matched Retirement Plan enables benefits-eligible employees who are at least age 24 and who have at least one year of benefits-eligible University service the opportunity to make tax-deferred contributions, which are matched by the University on a dollar-for-dollar basis. The amount which may be contributed is based on a percentage of an individual's annual salary (benefits base salary). The IRS maximum salary to be used for matched contributions for 2009 is \$245,000. The maximum allowable amount under the Matched plan is \$12,250 which is based on the Maximum salary limit of \$245,000.

Employee Contribution	NU Matched Contribution	Total
1%	1%	2%
2%	2%	4%
3%	3%	6%
4%	4%	8%
5%	5%	10%

An employee may also waive the required one year of service period with completion of the Waiver form. This form is available from the website:

<http://www.northwestern.edu/hr/benefits/plans/retirement/pdf/403bwaive.pdf>

NOTE – For both of the above Northwestern University plans, employer contributions are immediately vested at 100% for the employer contributions. This means that when you leave or retire from NU, you may take the entire account balance with you. You may transfer your account to your new employer's plan or to an individual retirement account (IRA).

**Voluntary** (Unmatched Employee Only Contributions). An individual may at any time make voluntary (unmatched) contributions in addition to or in the absence of Basic contributions up to IRS limits (currently \$16,500 or \$22,000 over age 50).

**Age 50 Catch-up.** If you are currently age 50 or older, or you will reach age 50 by December 31, 2009, you can make up to an additional \$5,500 before tax “catch-up” contribution to the 403 (b) Plan for 2009. This would be included in your Voluntary contributions. See the 403 (b) Voluntary Contribution calculator tool.

**15 Year Catch-up.** If you have at least 15 years of service with Northwestern University, you may also contribute another before-tax “catch-up contribution of \$3,000 a year, up to a lifetime maximum of \$15,000 total. This election generally applies to those employees who have not saved enough towards their retirement goals over the last 15 years. Also bear in mind that the amount you contribute over the \$16,500 limit for 2009 must be achieved first, as well as the age 50 catch-up of \$5,500 (if applicable) before you can participate in the special election.

Year	Basic Matched & Voluntary Plans	15 Year Catch-up	Age 50 Catch-up	Combined Contributions
2009	100% of eligible earnings up to \$16,500	\$3,000	\$5,500	\$25,000

**Investment Options.** Contributions may be allocated to any available fund offered to University participants by Fidelity Investments and by the Teachers Insurance and Annuity Association - College Retirement Equities Fund (TIAA-CREF). Both investment companies offer a broad range of conservative to aggressive investment options. An individual should review investment company literature including fund prospectuses prior to making investment decisions. Both Fidelity Investments and TIAA-CREF have information about their company, investment funds and other resources at their respective web sites.

**Retirement Plan Enrollment with vendors**

1. Complete the enrollment process which for new hires is online. If you wish to make changes after initial hire, a Retirement Change Form must be completed.
2. Establish an investment company account which may be done online. This includes instructing the investment company to direct contributions to specified funds and the designation of beneficiaries.

Establish your 403 (b) accounts online with our vendors:

TIAA-CREF  
<http://enroll.tiaa-cref.org/northwestern/>  
 Access Code: NUPLAN B (Staff)

FIDELITY  
<http://enrollonline.fidelity.com>  
 Plan code: 56005

**Changing the Allocation of Contributions.** A participant in the Retirement Plan may change the allocation of contributions among Fidelity Investments and TIAA-CREF at anytime by submitting an NU retirement enrollment and change form or during Open Enrollment by completing the online enrollment process.

**Changing Investment Funds.** A participant in the Retirement Plan may change the allocation of investment funds by contacting Fidelity Investments at (800) 343-0860 and TIAA-CREF at (800) 842-2776 or online.

**Tuition Plans**

**Purpose.** The purpose of the Tuition Plans is to provide financial assistance to full-time University faculty and staff who are taking undergraduate courses at Northwestern University, and to an employee’s spouse or dependent child who are taking undergraduate courses at Northwestern University, or to an employee’s dependent child taking undergraduate courses at other accredited schools.

**Educational Assistance Plan:** full-time University employees taking undergraduate and graduate courses at Northwestern University.

**Applying.** Completed applications for Educational Assistance benefits should be submitted to the Benefits Division. Only one application needs to be submitted for the calendar year of study unless an employee changes the school of study or changes the level of study from undergraduate to graduate courses. Applications are due by December 31<sup>st</sup> for benefits used in that year. The amount of Educational Assistance benefits for faculty and staff is deducted from the full amount of the tuition. School of Continuing Studies students and special Summer Session students must pay the balance due at the time of registration.

**Benefits.** Maximum benefit is \$10,000 per calendar year.

<b>School of Continuing Studies</b>	Undergraduate Study	85% Benefit
	Graduate Study	75% Benefit
<b>Regular Daytime</b>	Undergraduate Degree Program	85% Benefit
	Graduate Degree Program	75% Benefit

**Reduced Tuition Plan:** Spouses or eligible dependent child(ren) of full-time employees, taking courses toward a teaching certificate or an undergraduate degree or courses offered by the School of Continuing Studies at Northwestern University.

**Applying.** Completed applications for the Reduced Tuition benefit should be submitted to the Benefits Division. Only one application needs to be submitted for the calendar year of study unless the spouse or dependent child changes the school of study. Applications are due by December 31<sup>st</sup> for benefits used in that year. The amount of Reduced Tuition benefits for a spouse or eligible dependent child is deducted from the full amount of the tuition.

**Benefits.** Maximum benefit is 8 semesters or 12 quarters.

	<b>Service Requirement</b>	<b>Benefit Amount</b>
<b>School of Continuing Studies</b>	6 Months	85%
<b>Regular Daytime</b>	5 Years	40%
	8 Years <sup>†</sup>	60%
	12 Years	90%

**Portable Tuition Plan:** Eligible dependent children of full-time employees, taking courses toward a teaching certificate or an undergraduate degree at accredited schools other than Northwestern University. Benefits provided are based on full-time employment status and the length of qualifying service as of the time of the first day of class. Dependent children are covered through the end of the term or semester in which he/she turns 25.

**Applying.** The annual Portable Tuition benefit will be made available in segments based upon the calendar year of the institution attended. Upon receipt of the completed application and a bill showing the amount of tuition and fees paid, a Northwestern University check for the Portable Tuition benefit will be made payable to the university or college and forwarded to the employee. An application should be completed for each term of study. Applications are due by December 31<sup>st</sup> for benefits used in that year.

---

<sup>†</sup> Hired prior to 1/1/2000

**Benefits.** The new plan provides a tuition benefit of 40 percent of the billed tuition, up to a maximum of 40 percent of the then current Northwestern tuition. The "billed tuition" includes tuition and mandatory fees at the school attended after being reduced by financial aid but calculated before any loans are taken. It does not apply to room, board, or to books. Maximum benefit is 8 semesters or 12 quarters.

	Service Requirement	Benefit Amount
<b>Regular Daytime</b>	8 Years <sup>‡</sup>	\$2,808 per year
	12 Years	\$5,616 per year
	-OR-	
	5 Years	40% <sup>§</sup>

**Changing Benefits.** Once a child receives benefits from the new plan, that child cannot in the future receive benefits from the current plan, even if the child changes schools. For example, a parent with a child receiving a benefit from the new plan may complete one of the service levels of the old plan (8, or 12 years of service), and the old plan might then provide a higher benefit than the new plan. Changing a child to the old plan is not permitted after the new plan has been selected for that child. However, the old plan can be selected for a second child entering college while the first child continues on the new plan.

**Calculating Years of Service.** Periods of full-time and part-time service will be included in the calculation of years of qualifying service. Years of part-time service will be prorated. If there is a break in employment greater than 31 days, the calculation of qualifying years of service will be based on the most recent date of Northwestern University benefits eligible employment. Individuals must have full-time employment status as of the beginning of the term or semester for which the benefit is being requested. Should an individual terminate University employment, eligibility ceases at the end of the current term or semester of study.

---

<sup>‡</sup> Hired prior to 1/1/2000

<sup>§</sup> Up to 40% of Northwestern University's tuition

### Sick Time

Northwestern University provides paid time for short-term illness or disability as a form of income protection for individuals unable to work because of sickness. Paid sick time is applicable only to absence required by bona fide sickness or disability and related visits to certified caregivers for treatment.

During each year of full-time service, a **nonexempt** employee accrues 10 days of time that may be taken as paid time if a short term disability or illness renders the employee unable to work. Part-time individuals accrue the fraction of 10 days proportionate to the fraction of full-time that they work.

Sick time accrues with additional service and continues to accrue from year to year without limit. Paid sick time is not accrued on hours reported as absent without pay or that are taken as sick time, whether paid or unpaid.

Paid sick time is available to **exempt** staff on the following schedule:

In this year of continuous service	Qualified Service Period (yrs)	Paid Sick Time Available (days)	As this percent of salary
First	0.00 – 0.99	1 per completed month, up to 10	100%
2 <sup>nd</sup> and 3 <sup>rd</sup>	1.00 – 2.99	20	100%
4 <sup>th</sup> and 5 <sup>th</sup>	3.00 – 4.99	42	100%
6 <sup>th</sup> through 10 <sup>th</sup>	5.00 – 9.99	65	100%
		65	60%
11 <sup>th</sup> and after	10.00 or more	130	100%

### Vacation

**Nonexempt staff** earns vacation according to the following schedule.

Service Completed	Qualified Service Period (yrs)	Annual Vacation	Vacation Factor Per Hour
Under 6 months	0.00 – 0.49	1 week after 6 months	.0385
6 – 12 months	0.50 – 0.99	2 weeks after 12 months	.0770
1 – 9 years	1.00 – 9.99	3 weeks	.0575
10 – 19 years	10.00 – 19.99	4 weeks	.0767
20 years	20.00 or more	5 weeks	.0958

The qualified service period is the amount of employment service used as the basis for benefits administration. It consists of the service since the starting date without time off for sickness or leaves of absence. After six months of continuous service, individuals may use one week of vacation time. After completing the first year, individuals may use the remainder of the first year's vacation. During the period of service indicated in the table, vacation is calculated by multiplying the vacation factor by the employee's accrual base hours.

**Exempt staff** earns vacation according to the following schedule.

Service Completed	Annual Allowance	Days Earned Per Month
Under 6 months	1 week	0.83
7 – 12 months	2 weeks	1.67
1 – 9 years	3 weeks	1.25
10 – 19 years	4 weeks	1.67
20 or more years	5 weeks	2.08

Staff, both exempt and nonexempt, do not accumulate more than one and one-half times their annual allowance of vacation time. When this maximum has accumulated, no additional vacation accrues until some of the accumulated time has been used and the accumulation falls below the maximum.

## Holidays

Staff are paid their average daily rate for the nine scheduled holidays observed by the University.

New Year's Day	Labor Day	Christmas Eve
Memorial Day	Thanksgiving Day	Christmas Day
Independence Day	Friday after Thanksgiving Day	New Year's Eve

## Leaves of Absence

For individuals with at least one year of service, the University grants unpaid leaves of absence for family needs such as adoption or foster care of a child, or care of a spouse, child, or parent with a serious health condition. The University may also grant leaves for personal development, research, or travel.

Unpaid leave of absence can be granted after accrued paid time benefits are exhausted. Leave of absence is granted for sufficient reason to eligible faculty and staff who wish to continue University employment but find that they need more time away from work than is available in their accrued vacation and personal floating holidays.

**Leave for Personal Health or Family Care.** An absence of up to 12 weeks is available during which the employee's job or an equivalent job may be held for the employee and benefits can be continued. In order of usage, this period consists of available paid sick time or paid family sick time, accrued vacation and personal floating holiday time, and unpaid leave.

An unpaid medical absence extending beyond two weeks requires that a medical leave of absence be approved prior to the absence if the employee is to retain employment status with the University. Eligibility for leave for the birth or adoption of a child expires 12 months after the birth or adoption. Individuals in a family having more than one member employed by the University can receive up to 12 weeks of leave for each employed family member.

Leave may be granted for the care of family members other than those identified above, but it is a leave at large.

**Leave at Large.** Normally leaves of absence for reasons other than personal medical or family care may be approved for up to three months, staffing and workload permitting. For long-service individuals, this may be extended in up to three-month increments to a maximum of one year, except for leave for active military service as required by law.

**Insurance Benefits Availability.** Leave for family care permits the employee who has worked at least 1,250 hours in the prior 12 months to continue insured benefits for up to 12 weeks, with the University paying the employer share and the employee paying the employee share. During leave of any length for personal medical care, the employee pays only the employee share. For other leaves, the employee pays the entire premium.

## Termination of University Employment

At the time an employee terminates University employment, he or she may elect to temporarily continue to participate in certain University sponsored benefits or convert coverage to an individual policy directly with a sponsoring insurance company. Active coverage ceases at the end of the month of termination. Under federal law, an employee has the right to temporarily continue health, dental, vision and FSA health care account participation. These rights are extended to individuals under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Participants pay the total monthly health and or dental premium plus a 2% administrative fee.

**Other Benefits**

**Wildcard - Identification Cards.** Regular employees are eligible for a picture identification card which provides the following:

- Access and privileges for University Libraries
- Reduced ticket prices for various athletic and cultural events.
- Purchase discount at a number of Evanston area stores and auto dealers
- Access to University recreational facilities. (Daily or other fees may be required)

**Parking.** The cost of a parking permit for the Evanston campus is \$477 for the period October through September 2009 decreasing by \$39.75 every month in conjunction with pre-tax payroll deduction. The Chicago campus is based upon on an individual's salary according to the following schedule:

Salary	Annual Fee
\$0 to \$30,000	\$597 (\$49.75 per month)
\$30,001 to \$46,000	\$720 (\$60 per month)
\$46,001 to \$90,000	\$993 (\$82.75 per month)
\$90,001 to \$125,000	\$1,467 (\$122.25 per month)
\$125,001 to \$150,000	\$2,037 (\$169.75 per month)
\$150,001 to \$200,000	\$2,376 (\$198.00 per month)
\$200,001 and above	\$2,631 (\$219.25 per month)

Additional information may be obtained by contacting University Services at (312) 503-9243 or on-line at [www.univsvcs.northwestern.edu/Parking/](http://www.univsvcs.northwestern.edu/Parking/)

**Credit Union.** Upon hire regular staff is eligible for membership in the First Northern Credit Union and may participate in a systematic savings plan by payroll deduction. Loans are available to qualified members. Competitive dividend and loan rates are offered. For information on membership or current rates contact First Northern at (847) 332-0240 or online at: <http://www.fncu.org/index.php>

**Direct Deposit.** A University payroll check may be deposited directly into a savings or checking account provided the bank is a member of the Automated Clearing House Association. Call the Payroll Division at (847) 491-7362 for information.

**Sports and Recreational Facilities**

**Evanston Campus.** The Henry Crown Sports Pavilion and Norris Aquatics Center on the Evanston campus currently offers faculty a lifestyle enhancement program which includes health and fitness testing, individual consultations, health risk appraisals, nutritional counseling, weight management and stress management. The Center also provides members with the use of the swimming, exercise equipment, indoor track, squash, racquetball and basketball courts and other related facilities. After a \$100 registration fee per household, annual membership fees are \$260 for an individual membership and \$260 for a spouse membership and for each dependent child ages 7 - 22 a membership fee of \$110. Membership fees may be paid by payroll deduction. For additional information, call (847) 491-4300 or access information on-line at: [www.fitrec.northwestern.edu/membership/info.html](http://www.fitrec.northwestern.edu/membership/info.html)

**Chicago Campus.** The Chicago campus offers an outdoor running track and tennis courts.

**Faculty and Staff Assistance Program**

From time to time individuals experience personal problems that can become overwhelming including:

- family problems
- concerns about children or aging parents
- financial or legal issues
- depression
- struggles with an addiction or everyday stress

Northwestern University's Faculty and Staff Assistance Program is designed to offer confidential and professional help without charge to faculty, staff and members of their families who need assistance with personal problems. Confidential evaluation, counseling and referral services are provided at no cost to faculty or staff or their family members. The provider of these services is Perspectives, Ltd. Offices are located near the Evanston and Chicago campuses, and throughout the metropolitan Chicago area and Northwestern Indiana.

Features of the plan include:

- Participation is voluntary
- Counseling is confidential
- Assessment, Referral and Short-term Counseling are available
- Wellness Seminars are offered
- Counseling for family members

Self referrals occur on the initiative of the faculty or staff member experiencing a personal or family problem. This problem may or may not be affecting the individual's job performance in any way. Therefore, it is completely confidential between the individual and the Perspectives' Counselor. No feedback is given to the University.

For additional information or for an appointment, call Perspectives at (800) 456-6327 or online at:  
<http://www.perspectivesltd.com/about.htm>

### **NU Childcare Resources Options and Information**

**Action for Children:** Northwestern University benefits eligible staff have access to childcare resource and referral services through Action for Children. To reach the NU childcare consultant, call (312) 823-1275. All resource and referral services are at no cost and are confidential.

Please Note: Referrals provided by Action for Children are not endorsed by Northwestern University or by Action for Children. It is important that each family screen providers thoroughly. For additional information:

<http://www.northwestern.edu/hr/benefits/childcare/solutions/finding.html>

### **Near-site Childcare Centers:**

#### ***McGaw YMCA Children's Center, Evanston***

Northwestern University has an arrangement which affords the following benefits to Northwestern faculty, staff and students:

- Priority enrollment
- NU funded fine arts enrichment program
- NU funded fee assistance, based on financial need
- Waiver for YMCA youth membership fee for NU children enrolled at the Center

The McGaw Children's Center is located at 1420 Maple Ave in Evanston. The Center provides year-round child care for infants and pre-K children, as well as after-school and summer camp programs for school aged children. As there is no guarantee of availability, it is recommended that families plan ahead and make contact as early as possible if they are interested. To get more information or to arrange for a tour of the center, please call (847) 475-8580. Information is also available on-line at:

<http://www.northwestern.edu/hr/benefits/childcare/solutions/ymca.html>

#### ***University Children's Center, Chicago***

The University Children's Center provides priority enrollment to Northwestern University and the Northwestern Medical Faculty Foundation (NMFF) faculty, staff and students. The Center is owned and operated by the Children's Creative Learning Centers, Inc (CCLC), a national child care provider dedicated to quality employer sponsored early childhood education. The 112-capacity center is located in the Onterie Center at 446 E. Ontario, just two blocks south of Abbott Hall on the Chicago campus. The center serves children ages six weeks to five years. Northwestern receives priority enrollment status. Spaces are awarded in the order that registrations are received. To schedule a tour, contact the Center Director at (312) 867-7056.

Fee assistance is available to families who meet the income eligibility requirements. Applications for fee assistance are available on-line at: <http://www.northwestern.edu/hr/benefits/childcare/solutions/kindercare.html>

For additional information about fee assistance, contact the Office of Work/Life Resources at (847) 491-3612.

### **In-Home Sitters**

#### ***Sittercity***

Eligible NU faculty, staff and students can enjoy free access to a database of thousands of babysitters, nannies, and pet sitters at Sittercity.com. Use the service to help you locate and hire a childcare provider. The service includes an optional national background check, a library of tips and resources for parents, as well as rate calculators. Register for your free account at

<https://nuhr.northwestern.edu>

#### ***Nanny share***

If you are interested in sharing a nanny with another Northwestern family, the Office of Work/Life Resources coordinates a nanny share list so that Northwestern families can network to explore this creative childcare arrangement. To learn more, call the Office of Work/Life Resources at (847) 491-3612 or visit: <http://www.northwestern.edu/hr/benefits/childcare/solutions/nannyshare.html>

### **Back-Up Child Care**

#### ***University Children's Center***

<http://www.northwestern.edu/hr/benefits/childcare/solutions/backup.html>

#### ***McGaw YMCA Children's Center (ages 3-5)***

<http://www.northwestern.edu/hr/benefits/childcare/solutions/backup.html>

#### ***Backup Childcare Match Program***

The University provides non-taxable funds of \$25 per use for a maximum of \$150 per calendar year directly to benefits eligible full-time faculty and staff to assist an individual in meeting a portion of his or her backup childcare expenses at designated center locations. Users must be enrolled in the Dependent Care Flexible Spending Account (FSA) to receive the backup care match. The user must also pre register with the McGaw YMCA or Kindercare if using this program. The match eligibility is not dependant on income.

<http://www.northwestern.edu/hr/benefits/plans//fsa/faqdep.html>

### **Discount or Priority Programs**

***Baker Demonstration School*** provides Progressive Education for toddlers through eighth grade students. Full time benefits eligible faculty and staff receive a 5% tuition discount. For additional information, contact the admissions director at (847) 425-5813 or visit [www.bakerdemschool.org](http://www.bakerdemschool.org)

***Roycemore School*** is an independent, fully accredited, coeducational, college preparatory day school in Evanston, Illinois providing a liberal arts education to students from Junior Kindergarten (3 year olds) through Grade 12. An after-school extended day program and summer camps are also available. Roycemore School offers a 25% tuition discount to all benefits-eligible faculty and staff with children enrolled in Roycemore's educational programs. For additional information, contact the admissions director at (847) 866-6055 or visit [www.roycemoreschool.org](http://www.roycemoreschool.org)

***Harkness House for Children*** provides care for infants through kindergarten children in full and part-day programs. The center is accredited by the National Association for the Education of Young Children (NAEYC). Northwestern University faculty, staff and student families receive priority enrollment at the center. For additional information, call the center director, at (847) 501-2549 or visit [www.harknesshouse.org](http://www.harknesshouse.org)

For additional information on any of these programs, contact the Office of Work/Life Resources: Lori Anne Henderson, Director of Work/Life Resources, [la-henderson@northwestern.edu](mailto:la-henderson@northwestern.edu) or (847) 491-3612.

**Contact List**

**BlueCross BlueShield**

[www.bcbsil.com](http://www.bcbsil.com)  
(800) 327-8497

**Walgreens Health Initiatives (WHI)**

[www.mywhi.com](http://www.mywhi.com)  
(800) 207-2568

**Mellon Bank**

<https://hsamember.com/index.html>  
(877) 472-4200

**PayFlex**

[www.mypayflex.com](http://www.mypayflex.com)  
(800) 284-4885

**HMO Illinois**

[www.bcbsil.com](http://www.bcbsil.com)  
(800) 892-2803

**UniCare HMO**

[www.unicare.com](http://www.unicare.com)  
(312) 234-8855

**First Commonwealth DHMO**

[www.firstcommonwealth.net](http://www.firstcommonwealth.net)  
(866) 494-4542

**TIAA-CREF**

<http://enroll.tiaa-cref.org/northwestern/>  
(800) 842-2776

**Fidelity**

<http://enrollonline.fidelity.com>  
(800) 343-0860

## Terms to Know

**Co-insurance.** The percentage of your health care costs that you must pay after meeting the deductible.

**Co-payment.** The flat dollar amount that you pay at the time you receive health care services.

**Deductible.** The total dollar amount that you need to pay before your health care plan begins to pay benefits.

**Explanation of Benefits (EOB).** Statement telling how much was billed and paid for medical and/or dental services.

**Reasonable and Customary.** Health and dental insurance plans typically provide reimbursement of medical and dental expenses on the basis of what are reasonable and customary charges by health and dental care providers for that service. The claims administrator determines this by comparing the fee charged for that service with the average fee charged for that service by providers in the same geographic area.

**Generic Medication.** A therapeutic equivalent to another drug and is identical in strength, concentration and dosage.

**Brand Name Medication.** A medication prescribed and sold by the trademark name of the drug that appears on the package label. The two levels of co-payment for brand name drugs differentiate the higher priced, newer and more highly advertised drugs from those other brand name medications considered by physicians and pharmacists to be of excellent clinical value and overall cost effectiveness.

**Drug Dispensing Limits.** Certain drugs have coverage limitations based on age, gender, duration or dosage. Listed below are some of the medications with dispensing limits:

AcipHex	Caverject	Maxalt	Prilosec
Ambien	Celebrex	Metaprel	Protonix
Amerge	Combiven	Migranal	Proventil
Anzemet	Diflucan	Muse	Pulicort
Astelin	Edex	Nasacort	Viagra
Atrovern	Flovent	Nasarel	Vioxx
Axert	Foradil	Nasonex	Qvar
Azmacort	Imitrex	Nexium	Zofran
Beclovent	Kytril	Norditropi	Zomig
Beconase	Maxair	Prevacid	

**Protection of Health Information.**

A Federal law, the Health Insurance Portability and Accountability Act (HIPAA), mandates the protection or confidentiality of personal health information. Such information includes an individual's Social Security Number, health plan selected, coverage tier selected, diagnosis and treatment. Northwestern University is committed to maintaining the confidentiality of such information.

**Please Note:**

The information contained in this summary is designed to highlight University benefit plans. It is not intended to contain all of the information an individual may need to understand the provisions of each plan and to make benefit coverage decisions.

Benefit plan selections are binding for the year unless there is a change in family or employment status and unless the Benefits Division receives notification and the individual completes the online enrollment process within 31 calendars from the date of the qualifying change in status (e.g. birth or adoption of a child, marriage, divorce or legal separation, etc.).

As such, certificates of insurance, provider network directories and descriptive brochures issued by participating insurance or investment companies should be reviewed prior to making benefit plan selections. Individuals should contact the insurance or investment companies directly with specific questions.

The University intends to continue these benefit plans indefinitely, but reserves the right to modify or terminate such plans at any time with or without notice. Participation in these plans is provided to eligible individuals and does not constitute a guarantee of employment. Participation also requires continued employment and eligibility and is subject to the terms and conditions of the Plan Documents.

© Copyright 2009 Northwestern University, All Rights Reserved

June 15, 2009