

NORTHWESTERN UNIVERSITY **BENEFITS 2014**



Choosing Your 2014 Benefits

The benefit plans Northwestern University offers are designed to ensure the affordability of healthcare for our employees, to protect you and your beneficiaries in the event of catastrophic illness or death, to help you save for retirement, and to assist with college expenses.

The University's comprehensive benefits program is competitive with those of other top-tier universities and Chicago-area employers. The Benefits Division of the Office of Human Resources is committed to offering you a choice of cost-effective, high-quality plans so that you can select the options that best meet your personal needs. Your options include

- four healthcare plans
- two dental care plans
- a vision care plan
- tax-advantaged flexible spending/health savings accounts

You may choose to supplement the basic life insurance for which the University pays. You may save for retirement with one or two excellent companies that offer best-in-class investment options. Full-time employees may use educational assistance benefits to help defray educational costs for their own coursework at Northwestern or other US accredited colleges and universities, for their spouse's undergraduate courses at Northwestern, and/or for their dependent child(ren)'s undergraduate coursework at Northwestern or other US accredited colleges and universities.

Please contact the Benefits Division at benefits@northwestern.edu or **847-491-7513** if you have any questions after reviewing this booklet and the Office of Human Resources' Benefits website at www.northwestern.edu/hr/benefits. We are available to help you make the best choices for your circumstances.

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ELIGIBILITY CRITERIA

Regular Staff and Faculty

Eligibility for participation in Northwestern University benefit plans requires the following:

- **Regular staff must be scheduled to work at least 18.75 hours per week (half-time or more).**
- **Faculty must be appointed on a full- or part-time basis (half-time or more) for the entire academic year or on a full-time basis for half of the academic year.**
- **Your University salary must be sufficient to cover payroll deductions.**

Your healthcare, dental, vision care, life insurance, and flexible spending/health savings account benefits will begin on the first day of the month after your hire date. If your hire date is the first of the month, your benefits begin that same day.

Dependent Coverage

Benefits-eligible dependents may be covered by the University’s benefit plans, including healthcare, dental, vision care, and spouse and dependent life insurance. **Enrollment requires documentation, as shown below.**

University Benefits Basics

- Eligible faculty and staff automatically receive basic term life insurance coverage paid for by the University (see page 12). Enrollment in healthcare, dental, and vision care plans is optional.
- For participants in Northwestern’s healthcare and dental care plans, the University pays a significant portion of the costs. The costs to participate in vision care and other optional plans are fully paid by you.
- The amount you pay for optional benefits depends on the coverage you select, whom it covers, your age, and your University salary. Your cost is paid using either pretax or after-tax dollars.
- Benefit plan contributions that are paid with pretax dollars—healthcare, dental, and vision care—are deducted from your paycheck before federal and state income taxes, Medicare, and Social Security taxes are calculated, reducing your taxable income.
- Insurance premiums for supplemental life and long term care insurance are paid on an after-tax basis. Paycheck deductions each month will pay for that month’s coverage.

Benefits-Eligible Dependent	Required Documentation
Spouse —the person to whom you are legally married under the laws of your state of residence	<ul style="list-style-type: none"> ▪ Government-issued marriage certificate ▪ Proof of joint ownership issued in the last six months, or your 2013 Federal Tax Return
Partner —the person to whom you are legally joined in a civil union. Any reference in this guide to a “spouse” also refers to a civil union partner, as well as a domestic partner declared prior to June 1, 2011.	<ul style="list-style-type: none"> ▪ Government-issued civil union certificate ▪ Proof of joint ownership issued in the last six months
Biological children through age 25 , regardless of student or marital status or residence	<ul style="list-style-type: none"> ▪ Government-issued birth certificate
Other qualified children through age 25 , regardless of student or marital status or residence, including foster children, stepchildren, legally adopted children or grandchildren, and any child for whom you are the legal guardian as defined by a court order	See requirements listed at www.northwestern.edu/hr/policies-forms/how-do-i/verify-dependents.html .

ONLINE ENROLLMENT

To make your benefits enrollment selections, go to the FASIS Self Service Portal at <https://nupa.northwestern.edu>, sign in with your NetID and password, expand the "My Benefits" accordion, and select "My Benefits Enrollment." The module is available 24/7 from any computer with Internet access.

After making selections, choose "continue" and your choices will be saved. **To make your selections final, choose "submit."** After enrolling, view and print your confirmation summary. *Please note that your enrollment will not be complete until the Benefits Division has received any documentation required for it to process and finalize your selections.*

Your enrollment choices remain in effect for all of 2014 unless an IRS-qualifying change in family status—marriage, divorce or legal separation, changes in partnership, birth or adoption, or death—or if a change in employment status affects benefits eligibility for you or your spouse. In such a case, you must complete a Benefits Change Form and submit it to the Benefits Division within 31 days of the date of the event. The form is at www.northwestern.edu/hr/policies-forms/forms/benefit-enrollment/benefits-change.pdf.

User Support

IT Help Desk

847-491-4357, consultant@northwestern.edu

FASIS Help Desk

847-467-4800, fasishelp@northwestern.edu

Benefits Division

847-491-7513, benefits@northwestern.edu

If you do not use a computer at work or home and have difficulty getting access to one, you may use the computers at the Human Resources offices on either campus—720 University Place in Evanston or 710 North Lake Shore Drive in Chicago—as well as at University Library and local public libraries.

Terms to Know

Coinsurance—percentage of your healthcare cost that you must pay after meeting the deductible or copayment. For example, a plan may cover 80 percent of the cost of a service and leave you responsible for 20 percent of the cost. That 20 percent is coinsurance.

Copayment—flat fee that you pay at the time you receive healthcare services. For example, you may pay a \$25 copayment for a physician's visit. Healthcare copayments count toward your annual out-of-pocket maximum.

Deductible—amount that you must pay out of pocket before your healthcare plan begins to pay benefits. (Generally, the larger your deductible, the smaller your premium contribution.)

Network—the group of doctors, hospitals, and pharmacies organized by a healthcare plan to provide healthcare services to its members. To get the maximum coverage for the lowest cost, you generally must use the plan's network. (In a PPO, you have the option to use out-of-network providers, but it will cost you more.) You can visit your plan's website to locate participating doctors and facilities.

Out-of-pocket maximum—maximum amount that you pay out of pocket each year for healthcare services. This includes deductibles, coinsurance, and office copayments. Most healthcare plans have a yearly maximum for out-of-pocket expenses. Once you reach the maximum for the period, the plan pays 100 percent of any remaining covered healthcare expenses.

Preventive care—term used for regularly scheduled checkups with your doctor to identify health risks and prevent illnesses.

Primary care physician—the doctor who is intended to be your primary doctor and helps to determine when you need to see a specialist. If you enroll in an HMO, you must select a primary care physician.

HEALTHCARE PLANS

The University offers healthcare plans categorized as either PPO (preferred provider organization) or HMO (health maintenance organization).

- **Premier, Select, and Value PPOs** are administered by BlueCross BlueShield of Illinois (BCBSIL).
- **HMO Illinois** is administered by BCBSIL.

The three PPOs and the HMO differ in how much you pay in monthly premiums and how you and the plan pay for healthcare services. Paying more in premiums usually results in paying less out of pocket, and vice versa. These trade-offs are important to consider. Premiums vary depending on the plan, coverage tier, and salary tier. Even if your salary changes, the monthly premium remains the same for the duration of the plan year unless your employment status changes.

After assessing your needs and those of your family, you can use the charts on page 5 to compare the plans' features and employee contribution rates or use the online resources at www.northwestern.edu/hr/benefits/estimator. Employees covered by a collective bargaining agreement should consult their contract for additional contribution information.

Selecting Healthcare Providers

With a PPO, you have

- the flexibility to receive care from outside the provider network. When you visit an in-network provider, the plan pays a higher level of benefits. When you use an out-of-network provider, you pay higher out-of-pocket costs.
- the opportunity to visit any provider without obtaining referrals.
- separate in- and out-of-network deductibles and out-of-pocket maximums.

For listings of PPO providers in your area, log on to www.bcbsil.com.

With an HMO, you have

- access to an extensive provider network with excellent member satisfaction ratings; you must use in-network providers in order to receive benefits under the plan.
- a primary care physician (PCP) who will help coordinate your care with other network specialists, such as surgeons, cardiologists, dermatologists, and allergists.

When enrolling in an HMO, you must select a primary care physician. To find a PCP in HMO Illinois, go to www.bcbsil.com/providers/index.htm and follow the steps there. Once you obtain the three-digit medical group ID, enter that code on the FASIS Self Service Portal.

Premier PPO	Select PPO	Value PPO
Lowest deductible, highest premiums	Higher deductible, lower premiums than Premier	Highest deductible, lowest premiums; may be paired with an HSA

HMO Illinois
<p>Offers one of Illinois's largest provider networks, with primary care physicians and hospitals that may be affiliated with the following, among others:</p> <ul style="list-style-type: none"> ▪ Advanced Unified Physicians Network ▪ Advocate Lutheran General Hospital ▪ NorthShore University HealthSystem ▪ Ravenswood Physician Associates ▪ Saint Francis Hospital/Presence Health <p>HMO Illinois is not accepted at Northwestern Memorial Hospital, Northwestern Medical Group (formerly Northwestern Medical Faculty Foundation), or Rush University Medical Center.</p>

Comparing Healthcare Plans

		HMO Illinois [◇]	Premier PPO ^{◇*}	Select PPO ^{◇*}	Value PPO ^{◇*†}	
In-Network	Deductible	Not applicable	\$250 individual \$750 family	\$500 individual \$1,500 family	\$1,400 individual \$2,800 family	
	Out-of-Pocket Maximum	\$1,500 individual \$3,000 family	\$2,200 individual \$6,600 family	\$2,650 individual \$7,750 family	\$3,000 individual \$8,000 family	
	Coinsurance	Not applicable	10%	20%		
	Office Visit Copay	\$25 physician / \$35 specialist				20% after deductible
	Emergency Room Copay	\$100 (waived if admitted)	\$100 copay (waived if admitted) + coinsurance			
	Outpatient Event Copay	\$250	Not applicable			
Inpatient Event Copay	\$500					
Out-of-Network	Deductible	Not applicable	\$250 individual \$750 family	\$500 individual \$1,500 family	\$1,400 individual \$2,800 family	
	Out-of-Pocket Maximum		\$4,400 individual \$13,200 family	\$5,300 individual \$15,500 family	\$6,000 individual \$16,000 family	
	Coinsurance		30%		40%	
	Office Visit Copay					
	Emergency Room Copay	\$100 (waived if admitted)	\$100 copay (waived if admitted) + coinsurance		40% after deductible	

[◇]For all plans, all copays apply toward the out-of-pocket maximums.

^{*}For Premier, Select, and Value PPO participants, separate deductibles and out-of-pocket maximums apply for in- and out-of-network provider usage.

[†]For Value PPO participants who have family coverage, only family (not individual) deductible and out-of-pocket rates apply.

Monthly Employee Contributions*

Full-Time Employee Rate

Part-Time Employee Rate

		HMO Illinois		Premier PPO		Select PPO		Value PPO	
Salary	Coverage for You Only								
	\$42,000 and under	\$88	\$216	\$176	\$320	\$36	\$170	\$13	\$138
	\$42,001–75,000	\$115	\$234	\$207	\$340	\$64	\$189	\$27	\$148
	\$75,001–128,000	\$149	\$257	\$250	\$369	\$104	\$216	\$63	\$172
	\$128,001–182,000	\$190	\$284	\$304	\$405	\$151	\$248	\$98	\$195
	\$182,001 and over	\$254	\$327	\$383	\$458	\$219	\$293	\$149	\$229
	You + Spouse								
	\$42,000 and under	\$192	\$472	\$384	\$698	\$78	\$372	\$29	\$302
	\$42,001–75,000	\$252	\$513	\$454	\$745	\$140	\$413	\$60	\$323
	\$75,001–128,000	\$328	\$563	\$547	\$807	\$227	\$472	\$137	\$374
	\$128,001–182,000	\$416	\$622	\$664	\$886	\$331	\$541	\$214	\$426
	\$182,001 and over	\$556	\$716	\$838	\$1,002	\$479	\$641	\$325	\$500
	You + Child(ren)								
	\$42,000 and under	\$166	\$408	\$327	\$594	\$67	\$317	\$26	\$257
	\$42,001–75,000	\$217	\$442	\$386	\$634	\$119	\$351	\$51	\$274
	\$75,001–128,000	\$283	\$486	\$466	\$688	\$193	\$401	\$116	\$317
	\$128,001–182,000	\$359	\$537	\$566	\$755	\$281	\$460	\$181	\$361
	\$182,001 and over	\$480	\$618	\$713	\$853	\$407	\$544	\$276	\$425
	You + Spouse + Child(ren)								
	\$42,000 and under	\$289	\$710	\$577	\$1,049	\$118	\$559	\$44	\$453
\$42,001–75,000	\$378	\$770	\$682	\$1,119	\$211	\$621	\$90	\$484	
\$75,001–128,000	\$493	\$847	\$822	\$1,213	\$341	\$708	\$205	\$561	
\$128,001–182,000	\$626	\$936	\$998	\$1,331	\$497	\$813	\$320	\$638	
\$182,001 and over	\$837	\$1,077	\$1,259	\$1,506	\$719	\$962	\$487	\$750	

*Employees covered by a collective bargaining agreement should consult their contract for additional contribution information.

Pharmacy Benefit Manager: Express Scripts

All of the University's healthcare plans provide coverage for most commonly prescribed medications that, by law, require a written prescription and are approved by the Food and Drug Administration. Express Scripts—in combination with its subsidiary specialty-drug mail-order pharmacy CuraScript—provides coverage for participants in HMO Illinois and all three PPO plans. Learn more about resources for Express Scripts participants at www.express-scripts.com.

Healthcare Plan	Prescription Drug Coverage	
HMO Illinois, Premier PPO, Select PPO	<i>You pay a flat-dollar amount for each drug prescribed (copayment), as indicated below. As protection against catastrophic costs to you, your copayments stop after reaching \$1,500 per family member in a calendar year.</i>	
	<table border="0"> <tr> <td style="vertical-align: top;"> <p>Retail (one-month supply)</p> <ul style="list-style-type: none"> ▪ \$10 generic ▪ \$30 preferred brand ▪ \$60 nonpreferred brand </td> <td style="vertical-align: top; padding-left: 20px;"> <p>Home delivery (three-month supply)</p> <ul style="list-style-type: none"> ▪ \$20 generic ▪ \$60 preferred brand ▪ \$120 nonpreferred brand ▪ \$180 specialty (\$90 for one-month supply) </td> </tr> </table>	<p>Retail (one-month supply)</p> <ul style="list-style-type: none"> ▪ \$10 generic ▪ \$30 preferred brand ▪ \$60 nonpreferred brand
<p>Retail (one-month supply)</p> <ul style="list-style-type: none"> ▪ \$10 generic ▪ \$30 preferred brand ▪ \$60 nonpreferred brand 	<p>Home delivery (three-month supply)</p> <ul style="list-style-type: none"> ▪ \$20 generic ▪ \$60 preferred brand ▪ \$120 nonpreferred brand ▪ \$180 specialty (\$90 for one-month supply) 	
Value PPO	<i>You pay the full cost of your prescription drugs until you reach the annual deductible; then you pay 20 percent of the drug's cost (coinsurance), up to the annual out-of-pocket maximum.</i>	

Generics preferred: When a chemically equivalent generic drug is available but you choose a brand-name drug, an ancillary charge will be added to your generic coinsurance, even if your doctor checked the “dispense as written” box. The ancillary charge is 50 percent of the difference between the brand and its generic, and it does not apply toward the maximum cost per prescription or the annual out-of-pocket maximum. This option allows you to choose your drug but not at an increased cost to the plan and other members.

Prior authorization requests: Please note that when any prescribed medication requires prior authorization, your physician must be consulted before it can be dispensed. Physicians should call Express Scripts at 800-417-1764 to provide prior authorization.

CuraScript mail order: All specialty medications must be filled through CuraScript mail order; they cannot be filled at the retail level. CuraScript, a wholly owned subsidiary of Express Scripts, is a mail-order pharmacy whose sole purpose is specialty medication management. It fills specialty prescriptions for oral, injectable, and infused medications and provides on-call nurse and pharmacist support for patients taking these complex, expensive drugs.

Because many specialty medications require refrigeration, CuraScript takes every precaution to ensure product preservation, including using temperature-controlled packaging and working with patients to arrange for safe and secure package delivery. For example, if you are unable to receive your medications at home, you may request that they be delivered to you at work or to your doctor's office or a family member's home.

For participants in HMO Illinois and Premier and Select PPOs: The University's “stop-loss” provision offers protection against catastrophic prescription drug costs. You will no longer be charged a copayment for drugs once your copayments have reached \$1,500 per family member in a calendar year. Prescription drug costs that exceed the approved dispensing limit in any given month, or that are for medications not covered by the plan, will not count toward the annual out-of-pocket maximum.

For Value PPO participants: All medical expenses—including prescription drugs—apply to the annual deductible and out-of-pocket maximum, as required by federal regulation. You pay the entire cost of prescription drugs and doctors' visits (excluding preventive care) until you reach your deductible.

DENTAL CARE PLANS

Dearborn National Dental PPO

Dental PPO members may receive care from any licensed dentist of their choice, with higher benefits if care is received from an in-network provider.

- The plan pays 100 percent for preventive care, including dental exams. Restorative services are covered at 80 percent. For major services and orthodontics, including bridges, crowns, dental implants, and braces, the plan pays 50 percent. For orthodontic coverage, the patient must be a dependent child under 26 years of age. Claims are processed only if submitted within a year of the date of service.
- The \$50 annual deductible is not applicable to routine and preventive care.
- The plan has an annual maximum benefit of \$3,000 per individual except for orthodontics, for which a lifetime maximum benefit of \$3,000 per individual applies.

To locate Dearborn National Dental Network providers near you, use the “Find a Dentist” tool on the plan’s website: www.dearbornnational.com/products/dental.

First Commonwealth Dental HMO

Dental HMO plan members may receive preventive, restorative, major, and orthodontic dental care for both dependent children and adults from dentists in the First Commonwealth Dental HMO network. Services are subject to specified copayments.

- Routine and preventive services, including dental exams, x-rays, and sealant treatment, are covered at 100 percent.
- Services obtained from an out-of-network dentist are not covered.

To locate in-network dentists near you, use the “Find a Provider” tool on the website for plan members: www.guardiananytime.com.

Comparing Dental Plans: Your Monthly Contribution				
	You Only	You + Spouse	You + Child(ren)	You + Spouse + Child(ren)
Dearborn National Dental PPO				
Full-Time	\$21	\$45	\$51	\$72
Part-Time	\$30	\$64	\$72	\$102
First Commonwealth Dental HMO				
Full-Time	\$7	\$13	\$14	\$20
Part-Time	\$10	\$19	\$20	\$28

VISION CARE PLAN

The University’s vision care plan, EyeMed, provides coverage for an eye exam every 12 months, lenses for glasses or contacts every 12 months, and frames every 24 months. There is a \$10 copayment for the eye exam and a \$130 allowance for a broad assortment of frames and materials. The contact lens allowance is \$200.

EyeMed uses a national network of more than 35,000 retail chains and private practice providers. To locate providers, go to www.eyemedvisioncare.com, choose “Members,” and under “Find a Provider” select the “Insight” network. Local providers are also listed on your EyeMed member ID card.

EyeMed Vision Care Plan: Your Monthly Premium			
You Only	You + Spouse	You + Child(ren)	You + Spouse + Child(ren)
\$7	\$12	\$13	\$17

HEALTHCARE SPENDING AND SAVINGS ACCOUNTS

Flexible Spending Account

The option to open a traditional healthcare flexible spending account (FSA) is available to HMO Illinois and Premier and Select PPO participants and to employees not enrolled in any University-sponsored healthcare benefits plan. As much as \$2,500 may be contributed through payroll deduction to an FSA annually; the minimum annual contribution is \$240.

FSA funds may be used for out-of-pocket expenses—deductibles, coinsurance, and copayments—as well as services that may not be covered by your healthcare, dental, or vision care plans—such as acupuncture, contact lenses, glasses, flu shots, and some prescription drugs—for yourself, your spouse, or dependent child(ren).

You may not use your FSA for over-the-counter expenses for items such as pain relievers, cold and flu remedies, bandages, and the like unless the items were prescribed by a doctor. A full list of eligible FSA expenses is available at www.healthhub.com.

You may use your FSA for eligible expenses incurred through March 15, 2015; the deadline for submitting claims is March 31, 2015. Money left in your FSA after that date will be forfeited per IRS regulations.

Reenrollment during Open Enrollment is required to continue participation in a traditional FSA from one year to the next.

Dependent Care FSA

If you are single or married filing taxes jointly, you may contribute up to \$5,000 per year per household (\$416.66 monthly) to a dependent care FSA to help pay for your dependent care expenses. The minimum annual contribution is \$240.

Eligible dependent care expenses include child daycare, nanny salary and taxes, day camp and camp activities, summer sports camp, and daycare for an elderly or disabled dependent. **You may use your dependent care FSA for eligible expenses incurred by December 31, 2014; the deadline for submitting claims is March 31, 2015.** Money left in your dependent care FSA after that date will be forfeited per IRS regulations.

University Match: Dependent Care FSA

To help you pay for dependent care expenses, the University will match a percentage of your annual contribution based on your combined adjusted gross household income (see table below). To be eligible for the match, you must have full-time status (100 percent full-time appointment or at least 37.5 scheduled hours per week), your spouse must be working or studying full-time, and your gross family income must be \$100,000 or less.

University Match: Dependent Care FSA	
Household Earnings	Match Level/Maximum Amount*
Up to \$50,000	80%—up to \$4,000
\$50,001–60,000	60%—up to \$3,000
\$60,001–80,000	40%—up to \$2,000
\$80,001–100,000	20%—up to \$1,000

*The University's annual match maximum is based on a dependent care FSA annual selection of \$5,000 (\$416.66 monthly) beginning January 1. The match is considered taxable income.

When you enroll, in addition to your completed application form—available at www.northwestern.edu/hr/policies-forms/forms/benefit-enrollment/DepCareMatch.pdf—the Benefits Division must receive a copy of the page showing your tax filing status and adjusted gross income (line 37) from your most recent US income tax Form 1040. **If the application is received after January 1, 2014, the match will be prorated.** Example: An employee whose hire date is August 31, 2014, and whose adjusted gross household income is \$45,000 makes an annual election of \$1,600 in contributions to a dependent care FSA. The employee is eligible for an 80 percent match from the University ($\$1,600 \times 80\% = \$1,280$ for the year, or \$106.67 per month). The prorated match totals \$426.67 ($\106.67×4, for September through December 2014).

When calculating your dependent care FSA annual selection, use your total estimated child care expenses without factoring in the Northwestern matching portion.

Reenrollment in the dependent care FSA plan and resubmission of the dependent care University match application form during Open Enrollment are required to continue participation from one year to the next.

Health Savings Account

The option to open a health savings account (HSA) is available to Value PPO participants only. An HSA allows you to use pretax earnings to pay for qualified healthcare expenses for yourself, your spouse, or your dependent(s). You may use it for out-of-pocket healthcare costs, such as deductibles, copayments, coinsurance, and eligible services that are not covered by the healthcare plan. You may also use your HSA for eligible dental and vision care expenses. An annual limit applies to pretax HSA contributions through payroll deduction (see chart at right). In addition to being restricted to Value PPO participants, the HSA is not available to anyone enrolled in Medicare or claimed as a dependent on someone else’s tax return.

One-Time University Match: HSA

Value PPO participants opening an HSA for the first time may receive matching dollars from Northwestern—up to a maximum of one-half of their Value PPO deductible—to help pay for any eligible healthcare costs incurred before monthly paycheck contributions to the HSA start accruing.

One-Time University Match: HSA (Value PPO Participants)	
You-Only Coverage	You + Spouse +/-or Child(ren)
<p>For example:</p> <p>Your HSA annual contribution through payroll deduction: \$700 (\$58.33 monthly)</p> <p>University match: \$700 (one-time deposit)</p> <p>\$1,400 annual maximum</p>	<p>For example:</p> <p>Your HSA annual contribution through payroll deduction: \$1,400 (\$116.66 monthly)</p> <p>University match: \$1,400 (one-time deposit)</p> <p>\$2,800 annual maximum</p>

Limited-Use FSA

According to IRS rules, once you open an HSA you are not permitted to open a traditional healthcare FSA. Instead, Value PPO participants with an HSA may contribute to a limited-use FSA to pay for eligible dental and vision care expenses year-round and for eligible healthcare expenses after meeting the deductible. Unused funds will be forfeited per IRS regulations.

	HSA (Value PPO Participants)	Limited-Use FSA (Value PPO with an HSA)	Traditional FSA (HMO Illinois, Select and Premier PPOs)
What are the advantages?	<ul style="list-style-type: none"> Allows you to use pretax earnings to pay for eligible healthcare expenses for yourself, spouse, or dependent. One-time University match applies (up to half of Value PPO deductible). 	<ul style="list-style-type: none"> Eligible dental and vision expenses are covered year-round. All eligible healthcare expenses with service dates after deductible is met are covered. 	<ul style="list-style-type: none"> Allows you to use pretax earnings to pay for eligible healthcare expenses.
How much may I contribute annually through payroll deduction?	<ul style="list-style-type: none"> You only—\$1,400* Family—\$2,800* 	<ul style="list-style-type: none"> \$240 minimum \$2,500 maximum 	
What is the annual limit on catch-up contributions through payroll deduction for those 55 or older in 2014?	\$1,000	No catch-up contributions may be made.	
What happens to funds left over at the end of the year?	Funds roll over.	Funds are forfeited.	
Are funds “portable” if I retire or leave Northwestern?	Yes	No	

*Equal to Value PPO deductible

Activate Your HSA

All participants must activate the HSA account once they receive notification from PayFlex. Go to **www.healthhub.com**, click on “Register Now,” and enter your University employee ID number (found on your WildCARD). You will need the Value PPO health plan information: start date of coverage; coverage type (single or family); and deductible amount of either \$1,400 or \$2,800.

PayFlex Debit Card

All participants in a healthcare or limited-use FSA or an HSA receive a PayFlex debit card to use when paying eligible FSA or HSA expenses.

The PayFlex website at **www.healthhub.com** allows you to manage your accounts online. You may

- access your account information, view transactions, and check the status of claims
- submit your healthcare and dependent care claims online through Express Claims
- see a complete listing of eligible healthcare and dependent care expenses
- obtain claim forms, direct-deposit forms, letters of medical necessity, enrollment forms, IRS Form 2441 (for dependent care), and other IRS publications

It is important to keep itemized receipts in case PayFlex requests documentation based on IRS guidelines. PayFlex will suspend your account if documentation is not received in the specified time frame.

Member ID Cards

- New participants in any of the healthcare, dental, or vision care benefits plans will receive member ID cards by US mail two to four weeks after online enrollment.
- If you are opening an FSA or HSA, your PayFlex welcome packet will be mailed to your home after your enrollment is complete.

Filing PayFlex Claims

- 1** Register your account at **www.healthhub.com** using your University employee ID number (found on your WildCARD) and your home zip code. If you are a returning user and previously registered your account, you may log in by entering your username and password.
- 2** Choose “File a Claim.”
- 3** Under “Expense Type” choose one of the items on the pull-down menu (deductible, dental, prescription, etc.). Enter the date on which the expense was incurred, the dependent’s name (if applicable), and the amount of the expense. If you have more than one claim, use the “Add Another Claim” option and repeat this step.
- 4** After confirming your claim information, choose “Upload” to submit the required supporting documentation—such as your receipts or Explanation of Benefits (EOB)—in electronic format. Uploading is recommended, as it will expedite processing. The alternative is to fill out and print the claim form, sign it, and fax it with the supporting documentation to PayFlex at the fax number on the form.

Commuter Benefit Program

Commuter benefits are a federally approved employer-provided incentive for employees to save money on transit and transit parking expenses. Sponsored by the University and administered through PayFlex, the program allows participants to pay for eligible commuting costs through automatic pretax payroll deductions. A quick online order on the PayFlex website at **www.healthhub.com** is all it takes to get a pass reloaded or delivered to your home every month.

EXTENDED SICK TIME

Managed by the Hartford Insurance Company, extended sick time (EST) is a benefit intended to mitigate the financial strain that might result from a non-work-related accident or illness. EST provides 100 percent of an employee’s hourly rate or monthly salary for an approved extended illness or injury for up to 26 weeks after a seven-calendar-day (or five-business-day) elimination period.

Employees must file an EST claim and meet the following criteria before receiving the benefit:

- Be absent from work due to a disability for seven consecutive calendar days or five consecutive business days.
- Be eligible for the EST program based on six months of continuous benefits-eligible service.

Employees automatically qualify for the EST program six months after their original benefits-eligible hire date. No enrollment process is required. Northwestern provides the EST program at no cost to employees.

Filing EST Claims

- 1 Contact the Benefits Division to discuss requesting Family Medical Leave for job protection.
- 2 Call the Hartford at 888-541-7283 up to 30 days in advance of a planned absence or within five days of the start of an unplanned absence.
- 3 The Hartford reviews the claim, contacting your physician as necessary to seek clarification or additional information.
- 4 The Hartford will notify you of the claim decision both by phone and in a mailed letter. If your claim is denied, follow the appeals process outlined in the letter.

LONG TERM DISABILITY

Managed by the Hartford Insurance Company, long term disability (LTD) provides benefits for faculty and staff who have a medically disabling condition lasting longer than six months. The core LTD benefit provides 50 percent of regular base wages/salary—up to a maximum of \$11,500 per month—and is fully paid by the University. Employees are automatically enrolled in core LTD benefit coverage; *prior to applying for LTD, staff members must exhaust extended sick time (see at left).*

Enrollees who opt for the buy-up plan increase their LTD benefit coverage by 10 percent (employee paid, after tax) to 60 percent of regular base wages/salary, up to a maximum of \$13,800 per month. The buy-up plan also allows for a benefit up to 70 percent with all sources, including Social Security disability income. **To calculate your annual premium under the LTD buy-up plan, divide your annual salary by 100, then multiply by the rate for your age bracket as shown below.**

Long Term Disability Buy-Up Plan Annual Premium	
Age	Rate*
Under 30	\$.082
30–34	\$.109
35–39	\$.123
40–44	\$.145
45–49	\$.187
50–54	\$.243
55–59	\$.284
60–64	\$.307
65 and older	\$.287

Long Term Care Insurance

Long term care insurance can provide a degree of financial protection from some of the costs associated with prolonged care for you or your family members. Benefit options and premiums for the University’s CNA-administered long term care plan may be found at www.ltcbenefits.com using the password “northwestern.” You must apply for new coverage by submitting the CNA application to the Benefits Division.

LIFE INSURANCE BENEFITS

Basic Term Life

Sponsored by Dearborn National, **basic term life** insurance coverage is 100 percent paid by the University and includes accidental death and dismemberment insurance. Eligible faculty and staff may elect basic term life coverage (the “coverage amount”) equal to 2½ times their annual University benefits-base salary, up to a maximum coverage of \$250,000. The coverage amount reduces by 35 percent when you reach age 65 and by an additional 15 percent (for a total reduction of 50 percent) when you reach age 70. Basic coverage is based on your University benefits-base salary and your age as of December 31, 2014. Unless you designate beneficiaries, benefits will be payable in the order designated by Dearborn National.

Under IRS regulations, the value of employer-based basic term life insurance coverage in excess of \$50,000 is considered taxable or “imputed” income. It is reported as Code C in Box 12 on W-2 statements and included in “Wages, Tips, and Other Compensation.” If you select or are defaulted into reduced coverage of \$50,000, no imputed income will be reported.

Supplemental, Spouse, or Dependent Child Life

You may apply for **supplemental life** insurance coverage through Dearborn National that is equal to or up to five times your University salary, to a maximum coverage (between basic and supplemental) of \$2 million. Coverage is subject to approval by Dearborn National, which will require completion of the Evidence of Insurability process and possibly submission of copies of medical records, lab tests, and/or a physician’s statement.

Supplemental life insurance coverage may be elected up to three times your University salary without underwriting, up to a maximum of \$1 million.

Spouse term life insurance coverage is available in \$10,000 increments, up to the employee’s total basic life insurance plus supplemental election, up to \$500,000. Spouse coverage may be elected up to \$30,000 without underwriting.

Dependent child life insurance coverage is available in \$5,000 increments, up to a \$25,000 maximum per child. Children are never underwritten

To calculate your monthly premium for supplemental, spouse, or dependent child life insurance coverage, divide the amount of insurance by 1,000, then multiply by the appropriate rate (based on the age of the person to be covered). Rates are shown below.

Supplemental or Spouse Life Insurance Monthly Premium		
	You	Spouse
Under age 25	\$0.021	\$0.021
25–29	\$0.021	\$0.021
30–34	\$0.026	\$0.026
35–39	\$0.039	\$0.040
40–44	\$0.048	\$0.049
45–49	\$0.075	\$0.077
50–54	\$0.114	\$0.117
55–59	\$0.211	\$0.217
60–64	\$0.280	\$0.288
65–69	\$0.432	\$0.445
70 and older	\$0.691	\$0.712

Dependent Child	
Under age 26	\$0.128

RETIREMENT SAVINGS PLANS

403(b) Defined Contribution Plan

Northwestern offers a 403(b) retirement plan—governed by Section 403(b) of the Internal Revenue Code—that allows eligible staff and faculty to save and/or invest a portion of their University pay to provide a source of retirement income on top of Social Security benefits and personal savings.

Under the plan, retirement savings accumulate through a combination of University-provided contributions and optional employee contributions. Your contributions, if any, are deducted from your paycheck before income taxes are withheld—thus lowering your taxable income and reducing the amount of taxes you owe. Your retirement savings, the University’s contributions, and any investment earnings are taxed only when you withdraw funds from the account.

Employees who do not qualify for Northwestern’s retirement plan are still able to save through the University’s Voluntary Savings Plan (VSP), in which retirement savings accumulate through employee contributions alone.

Northwestern’s compliance with the IRS’s “safe harbor” requirements means that the terms of its retirement plan are the same for all eligible faculty and staff regardless of age, salary, or years of experience.

Plan Eligibility Criteria

- You must be 24 or older and have completed at least a year of service to Northwestern; **or** you have submitted documentation to the Benefits Division that 31 or fewer days before your University hire date you were a benefits-eligible employee of a higher education or research institution and received employer contributions to your retirement plan for at least one year.
- The University compensates you via its payroll.
- Your eligible earnings must be sufficient to cover your monthly 403(b) plan contribution (if any).

Eligible Earnings

- Your W-2 pay (base salary, overtime pay, summer salary, and Summer Session pay)
- Pretax deferrals and other pay reductions not included in your W-2 pay
- Supplemental pay and earnings from temporary and additional assignments unless you earn \$115,000 or more

Reimbursements and fringe/welfare benefits are not eligible. For a complete list of eligible earnings, go to www.northwestern.edu/hr/benefits/retirement-plans/eligible-earnings.html.

2014 IRS Limits for Retirement Plans	
Eligible Earnings	Up to \$260,000
Employee Tax-Deferred Contributions	Up to \$17,500
Age 50 Catch-Up Contributions (on top of the \$17,500 limit)	Up to \$5,500
Employee + Employer Aggregate Contributions	Up to \$52,000

Vesting

Participants in the University’s retirement plan are 100 percent vested immediately—that is, you are entitled to all funds in your 403(b) account(s), including Northwestern’s contributions, your own contributions (if any), and any and all earnings on those contributions.

If you leave Northwestern before retirement, you may take your entire account balance with you. Typically, you would roll it over to your new employer’s plan or transfer the funds to an individual retirement account (IRA) or individual retirement annuity.

Retirement Savings Plans

Eligible faculty and staff may choose from three strategies to grow their 403(b) retirement account(s):

Basic unmatched plan: You contribute nothing to your 403(b) account(s). Instead, your retirement savings accumulate through University contributions alone. Amounting to 5 percent of your eligible earnings, the contributions are automatically remitted by the University to your 403(b) account(s) each pay period.

Basic matched plan: You make tax-deferred 403(b) contributions via payroll deduction, and Northwestern makes dollar-for-dollar matching contributions equal to 1, 2, 3, 4, or 5 percent of your eligible earnings for the pay period. You may start, stop, or adjust your contributions at any time.

Basic supplemental/employee-only contributions: You voluntarily contribute to your 403(b) savings either in addition to or in the absence of basic matched contributions. Northwestern does not match these employee-only supplemental contributions. You may start, stop, or adjust your contributions at any time. *Employees who will be at least 50 years old by December 31, 2014, may make an additional “catch-up” contribution.*

University Match for Retirement Contributions			
Basic University Contribution	Employee Tax-Deferred Contribution	Basic University Match (1:1)	Total Retirement Contribution
5% of your eligible earnings each pay period	1%	1%	7%
	2%	2%	9%
	3%	3%	11%
	4%	4%	13%
	5%	5%	15%

Investment Options

You may invest your 403(b) retirement account holdings—comprising the University’s contributions and any you make on your own—in funds offered by Fidelity Investments and Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF). If no selection is made, contributions default to TIAA-CREF.

Getting Started

Even if you have an account with a previous employer, you must open an investment account with Fidelity, TIAA-CREF, or both (if opening two accounts) to receive the University’s 5 percent basic contribution. Both companies’ websites provide tools for account setup, fund allocation, and beneficiary designation.

- To select Fidelity, go to plan.fidelity.com/nu. Enter plan code 56005, set up your account, and make your investment fund selections.
- To select TIAA-CREF, go to www1.tiaa-cref.org/tcm/northwestern. Enter plan ID 101332, set up your account, and make your investment fund selections.

You may use the FASIS Self Service Portal to enroll or change your contribution amount or investment company allocation. Changes are effective the first of the month following the month in which changes are submitted. If you are interested in transferring funds, simply contact the investment company to which you want the funds transferred. You may also change at any time how contributions are allocated among specific funds by consulting advisers at Fidelity Investments and TIAA-CREF.

For complete retirement plan enrollment information and quick links to each investment company’s website and online tools, go to www.northwestern.edu/hr/benefits/retirement-plans.

EDUCATIONAL ASSISTANCE BENEFITS

To be eligible for the University’s Employee Reduced, Employee Portable, or Employee Certificate Tuition benefits, you must be a full-time staff or faculty member as of the first day of the academic term for which the benefit is requested. To apply for the benefit, go to www.northwestern.edu/hr/policies-forms/forms/tuition-benefits. Applications are required for each term, are accepted year-round, and must be approved by the Benefits Division.

The maximum employee educational assistance is \$10,000 per calendar year. Per IRS rules, educational benefits in excess of \$5,250 per year must be included as noncash compensation and added to your taxable wages.

Full-time employees may use the **Employee Reduced Tuition** benefit to help defray the cost of taking School of Continuing Studies courses or non-SCS undergraduate or graduate courses at Northwestern. **Employee Portable Tuition** benefits may be used at other US accredited colleges and universities and are capped at \$3,000 per year. The **Employee Certificate Tuition** benefit may apply toward non-SCS certificate programs at Northwestern and has a \$3,000 yearly limit. All employee tuition benefits count toward the IRS’s annual maximum.

To be eligible for the **Dependent Reduced Tuition** benefit to defray SCS tuition costs for your spouse or dependent

children, you must be a full-time staff or faculty member for at least six months prior to the first day of the term for which the benefit is requested. To use the benefit for a spouse or dependent children taking non-SCS courses at Northwestern, the employee service requirement is five years of continuous full-time service (see the chart below). Benefits are provided for up to 8 semesters (12 quarters) and through age 24 for children. Please complete the Reduced Tuition benefit form and submit it to the Benefits Division before the start of the term for which the benefit is requested.

Northwestern offers a **Dependent Portable Tuition** benefit for dependent children (through age 24) attending US accredited schools other than Northwestern. To be eligible, you must have accumulated five years of continuous full-time service as of the first day of the term for which the benefit is requested. Periods of half-time service or more count as qualifying years and will be prorated. Benefits are provided for up to 8 semesters (12 quarters) and can be used only for the costs of full-time study (billed tuition and mandatory fees minus financial and restricted grants; excluding room, board, and books) in programs leading to a bachelor’s degree or teaching certificate. Please complete the Dependent Portable Tuition benefit form and submit it to the Benefits Division before the start of the term for which the benefit is requested.

Educational Assistance Benefits			
For	Enrolled in	Northwestern Pays	Service Requirement
Full-time faculty and staff	Northwestern School of Continuing Studies (SCS) undergraduate degree or professional development programs	85%*	Full-time employment status as of the start of the program
	Northwestern SCS graduate or non-SCS full-time undergraduate or graduate programs	75%*	
	Northwestern certificate programs or work-related courses at other US accredited colleges or universities	Up to \$3,000* annually	1 year of continuous full-time service
Spouses and dependent children	Northwestern SCS programs	Up to 85%	6 months of continuous full-time service
	Northwestern non-SCS full-time undergraduate or teaching certificate program	40%	5 years of continuous full-time service
Dependent children	Full-time undergraduate or teaching certificate programs at other US accredited colleges or universities	40% of billed tuition and mandatory fees, up to 40% of Northwestern’s tuition	

*Maximum calendar-year benefit of \$10,000

CONTACTS

General Questions		
Benefits Division	847-491-7513	www.northwestern.edu/hr/benefits
Healthcare Plans		
BlueCross BlueShield of Illinois PPOs Premier Group 906161 Select Group 006168 Value Group 006171	800-327-8497	www.bcbsil.com
BlueCross BlueShield of Illinois HMO HMO Illinois Group H56670	800-892-2803	
Prescription Drug Plan		
Express Scripts Group K9EA	800-601-9314	www.express-scripts.com
Vision Plan		
EyeMed Group 9795105	866-804-0982	www.eyemedvisioncare.com
Dental Plans		
Dearborn National Dental PPO Group F019106	800-573-9827	www.dearbornnational.com
First Commonwealth Dental HMO Group 378954	866-494-4542	www.guardiananytime.com
Flexible Spending and Health Savings Accounts		
PayFlex USA	800-284-4885	www.healthhub.com
Extended Sick Time and Long Term Disability		
Hartford Insurance Group 402164	888-541-7283	www.thehartfordatwork.com
Life Insurance		
Dearborn National Group F019106	800-348-4512	www.dearbornnational.com

If you have any questions about one or more of the benefit plans, go to www.northwestern.edu/hr/benefits and search by plan name to find the summary plan description (SPD). This benefits guide is not intended to be an SPD. If there are differences between this guide and the SPD or plan document, the terms of the SPD or plan document should be considered definitive.

Benefit changes other than those indicated in this guide may apply due to ongoing evaluation, interpretation, and guidance related to requirements of the Patient Protection and Affordable Health Care Act (PL 111-148) and the Health Care and Education Reconciliation Act (PL 111-152) enacted March 23, 2010. Please contact the insurance companies directly for complete coverage provisions and limitations.

Provider network directories and descriptive brochures from participating insurance companies are also available. Please contact the insurance companies directly with specific questions.

Northwestern University may amend or terminate its plans at any time by its sole discretion. The description of the program, the plan itself, or participation in the plan is not an employment contract or any type of employment guarantee and should not be construed as such.



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