



# YOUR EMPLOYEE BENEFITS

Health Insurance ■ Voluntary Benefits ■ Flexible Benefits ■ Retirement Plans

July 1, 2010 – June 30, 2011



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# EMPLOYEE BENEFITS

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## OFFERED THROUGH THE LSU SYSTEM

In recognition of the diverse needs of its employees, the Louisiana State University System offers a variety of employee benefit programs, allowing you to select a level of protection and security best suited to your personal situation. This booklet provides an overview of the following Benefit Plans:

- ◆ Medical Plans
- ◆ Flexible Benefit Programs
- ◆ Retirement Plan Options
- ◆ Voluntary Benefits

Your Human Resource/Benefits Department has additional Plan information and enrollment forms available in their office. In an effort to keep you informed of your benefit options, they will also provide benefit information periodically using other methods of communication, including memoranda, meetings, and newsletters. You can also find this information, and more, on the LSU System website:

[www.lsusystem.edu/faculty\\_staff/employeebenefits/](http://www.lsusystem.edu/faculty_staff/employeebenefits/).

Although the LSU System hopes to offer participation in these Plans indefinitely, it has the right to amend or terminate any Benefit Plan.

Each Plan described in this booklet is governed by a legal document called the Plan Document. The LSU System has taken care to accurately present the information contained in each Plan Document in a way that is easily understood. The following descriptions and information are not intended to be all-inclusive or supersede the individual Plan Documents, rules or policies. Therefore, in the event of a discrepancy between this booklet and the Plan Documents, the Plan Documents will be followed.

It is important for you to have a good understanding of each Benefit Plan that is offered. Please review this booklet carefully, and if you have any questions, please contact your local Human Resource/Benefits Department.

# HEALTH INSURANCE BENEFITS

## Eligibility

Any active employee of the LSU System is eligible for health insurance provided the following:

- ◆ Employed at 75% of full-time effort per pay period (avg. of 30 hours/week) or greater
- ◆ Appointed for a duration of at least one semester or 120 days or greater

Effective Date of Coverage

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

- ◆ For example: Date of Hire = August 20<sup>th</sup>, Effective Date = October 1<sup>st</sup>

**Late Applicant\*:** If you enroll yourself and/or your dependents into a Health Plan after your first thirty (30) days of employment, you are considered a late applicant. Enrollment forms must be received by your Benefits Representative and the Office of Group Benefits no later than the 14th of the month for coverage to be effective the first of the following month.

- ◆ For example: For coverage effective October 1<sup>st</sup>, applications are due by September 14<sup>th</sup>

\* *Whether you are a Timely Applicant or a Late Applicant, proof of prior creditable coverage as defined by HIPAA must be submitted in order to remove the 12-month pre-existing condition exclusion from your policy. A HIPAA Certificate of Coverage must be obtained from your prior Health Plan to verify the 12 months of previous, creditable coverage in order to remove the pre-existing condition exclusion. Do not delay submission of your enrollment paperwork for this Certificate.*

## Dependents

Eligible Dependents include your legal spouse and your never-married children younger than age 21. Children age 21 or older are eligible for coverage if they meet one of the following requirements:

- ◆ They are a never-married, full-time student between the ages of 21 and 24 enrolled in an accredited school and dependent on you or your spouse for principal support (NOTE: Full-time students are no longer eligible for coverage upon turning 24 years of age.)
- ◆ They are a never-married dependent child that is incapable of self-sustaining employment by reason of mental retardation or physical incapacity who became incapable prior to the termination age for children, as defined above, and is dependent on the covered employee for support. The Health Plan must receive satisfactory proof

of mental retardation or physical incapacity prior to attainment of age 21. Coverage will continue for as long as such incapacity continues. Mental illness shall not constitute mental retardation.

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

To deter fraud, abuse, and assure the proper use of public funds and Plan Members' premium dollars, The Office of Group Benefits and LSU First joins the majority of public and private health benefit programs by requiring proof that the dependents covered are legal dependents of the Employee.

All active and retired employees are required to provide written proof that each dependent covered under the Employee's Health Plan is his/her actual legal dependent. All employees must present appropriate written verification for all currently covered dependents to their Human Resources (HR) /Benefits Department on his/her campus.

## Written Verification Required for Dependents:

Active Plan Members must provide proof of the status of each covered dependent to your HR/Benefits Department on your campus.

Failure to comply with these requirements will result in cancellation of your dependents' coverage.

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

1. Spouse
  - ◆ Certified copy of marriage license indicating date and place of marriage
2. Never-married child under age 21 who is dependent on Employee for support (natural or legally adopted child of Plan Member)
  - ◆ Certified copy of birth certificate listing Plan Member as parent or
  - ◆ Certified copy of legal acknowledgment of paternity signed by Plan Member or
  - ◆ Certified copy of adoption decree naming Plan Member as adoptive parent
3. Stepchild
  - ◆ Certified copy of marriage license to spouse and birth certificate listing spouse as natural or adoptive parent
4. Child placed with your family for adoption by agency adoption or irrevocable act of surrender for private adoption who lives in your household and/or will be included as dependent on your federal income tax return for current or next tax year

- ◆ Certified copy of adoption placement order showing date of placement or
  - ◆ Copy of signed and dated irrevocable act of surrender
5. Child for whom you have been granted guardianship or legal custody, including provisional custody, who lives in your household and/or will be included as dependent on your federal income tax return for current or next tax year
- ◆ Certified copy of signed legal judgment granting you legal guardianship or custody
6. Grandchild for whom you do not have legal custody or guardianship but who is dependent on you for support and whose parent is a covered dependent
- ◆ Certified birth certificate or adoption decree showing parent of grandchild is a dependent child and certified copy of birth certificate showing dependent child is a parent of grandchild
7. Never-married child over age 21 but under age 24 years of age, who is enrolled and attending classes as a full-time student and is dependent on you for support (natural or legally adopted child of Plan Member)
- ◆ Certified copy of birth certificate listing Plan member as parent or
  - ◆ Certified copy of legal acknowledgment of paternity signed by Plan Member or
  - ◆ Certified copy of adoption decree naming Plan Member as adoptive parent
  - ◆ Must also submit letter from registrar as proof of full-time student status within 30 days of start date each semester/quarter
8. Never-married child age 21 or older who is incapable of self-sustaining employment due to mental retardation or physical incapacity who was covered prior to age 21 (natural or legally adopted child of Plan Member)
- ◆ Certified copy of birth certificate listing Plan Member as parent or
  - ◆ Certified copy of legal acknowledgment of paternity signed by Plan Member or
  - ◆ Certified copy of adoption decree naming Plan Member as adoptive parent
  - ◆ Must also apply for continued coverage prior to age 21 and provide supporting medical documentation
  - ◆ Must provide additional medical documentation of child's condition periodically upon request by OGB or LSU First

If you have questions about the dependent verification policy, contact OGB Customer Service toll-free at 1-800-272-8451 or call or visit your local HR/Benefits Department.

It may take several months to obtain necessary documents to verify the status of your dependents. For information about recovering copies of lost vital records, visit the OGB website at [www.groupbenefits.org](http://www.groupbenefits.org).

### Adding New Dependents

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

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

### Deleting Dependents:

In order to delete a dependent, you must submit a change form to your HR/Benefits Department within 30 days of losing eligibility for any of the following events:

- ◆ Divorced spouse
- ◆ Over-age children (age 21 if not in school full-time or age 24 regardless of school status)
- ◆ Children no longer dependent on you or your spouse for support
- ◆ Deceased spouse or child

### Section 125 Tax Implications

Through the Tax-Saver Premiums Flexible Benefits Plan, if you participate in a Health Plan through The Office of Group Benefits, your premiums may be deducted on a pre-tax basis, thereby reducing your tax liability. For more information, see pages 17-21. However, there are some important conditions per Internal Revenue Service regulations:

1. If you enroll as a Late Applicant in absence of a qualifying event (see page 17), you will not be allowed to tax shelter your healthcare premiums with before-tax payroll deductions through the Tax-Saver Premiums Only Plan.
2. If you enroll for health coverage with premiums paid on a before-tax basis and you later elect to increase your level of coverage (i.e. Single to Family coverage), you will not be allowed to tax shelter the additional healthcare premium amount through the Tax-Saver Premiums Only Plan unless the change is in connection with a qualifying event (see page 17).
3. If you enroll for health coverage with premiums paid on a before-tax basis, you may not discontinue or reduce the level of coverage (i.e. Family to Single coverage) during the year unless the change is in connection with a qualifying event (see page 17).

## Annual Enrollment

Each year during the month of April, eligible employees have an opportunity to change their Health Plan elections or elect new health coverage for an effective date of July 1st.

## Termination of Medical Coverage

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

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

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

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

## Continuation of Medical Coverage

### At Termination of Employment or Ineligibility of a Dependent:

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

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

- ◆ Death of the employee, or
- ◆ Dependent child reaches the maximum age or otherwise ceases to qualify as a dependent under the Plan.

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

### As a Surviving Spouse or Dependent

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

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

### At Retirement:

You may continue your medical plan upon retirement if you meet the eligibility requirements for age and years of service under the Teachers' Retirement System of Louisiana (TRSL) or Louisiana State Employees' Retirement System (LASERS). If you are a Member of TRSL's Optional Retirement Plan, you must meet the eligibility requirements, as defined by the TRSL, to continue coverage.

If you began participating in a Health Plan through the State of Louisiana on or after January 1, 2002, the state subsidy of your premium after retirement will be based on the number of years you have participated in a Group Benefits program. If your spouse and/or dependents began participating in a Health Plan through the State of Louisiana on or after July 1, 2002, the state subsidy of their premium after your retirement (**and** upon your death) will be based on the number of years they have participated in a Group Benefits program. The following schedule is used in determining the state's subsidy of a retiree's premium:

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

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

# HEALTH INSURANCE PLANS

The LSU System offers employees and their eligible dependents financial protection against a wide range of health care expenses resulting from illness or injury. As part of our continuing effort to provide benefits to meet the varying needs of our employees, the System offers you a choice of health insurance plans. The premiums are eligible for tax sheltering under the Tax-Saver Premiums Only Flexible Benefits Plan.

This section summarizes the main points of the Health Plans offered to employees of the LSU System, each of which is governed by a legal document called a Plan Document. In the event of a conflict between this summary and the Plan Document, the terms of the Plan Document will be the governing document that the LSU System will follow.

## Types of Health Insurance Plans

1. **Consumer Directed Health Plan (CDHP)** - The LSU System Health Plan (LSU First) is a fully-funded self-insured plan. Utilizing CIGNA as the Claims Administrator, Express Scripts as the Pharmacy Benefits Manager, Managed Care Concepts as the Medical Management Group, and Verity Health Net for local and First Choice Provider network administration (see pages 8 & 9 for more details), *Nationwide*

◆ Consumer-driven health plans give you choice and control on how to spend your healthcare dollars. LSU First includes up-front benefit dollars in a Health Reimbursement Account (HRA), online and phone-based tools to support decision-making, and no copayments. You can also see a specialist without a referral.

◆ Option 1 vs. Option 2: The difference between Option 1 and Option 2 in LSU First is the Remaining Deductible is higher under Option 2. The monthly premium is lower as a result of the higher out-of-pocket responsibility of the Member under Option 2. Option 2 may be a good option if you have rollover dollars from a previous Plan Year or if you know you will have minimal healthcare costs during the Plan Year.

2. **Preferred Provider Organization (PPO)** - administered by The Office of Group Benefits (OGB) (see page 11 for more details), *Statewide*

The PPO Plan provides a network of Louisiana providers. There are no referrals required to see a specialist. The Member pays an up-front deductible, and coverage is based on in-network versus out-of-network care, with in-network benefits being greater.

3. **Health Maintenance Organization (HMO)** - administered by Blue Cross and Blue Shield of LA (see page 11 for more details), *Nationwide*

The OGB HMO Benefit Plan for the State of Louisiana Employees and Retirees is a comprehensive Group Health Plan with Benefits similar to a Point-of-Service Plan. It has Copayment, Deductible and Co-Insurance Benefits. A Member may choose to receive Benefits from a Network Provider or a Provider outside the Network (Non-Network Provider). A Member will usually pay a Copayment when seeking care from a Network Provider, and will pay Deductible and Co-Insurance for services received from a Non-Network Provider. The Member's choice of a Provider usually determines whether a Copayment or Deductible/Co-Insurance applies.

4. **Region 9 Medical Home HMO Plan** - insured by Vantage Health Plan

*(for all active employees and retirees; available statewide; must designate primary care physician in East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Ouachita, Richland, Union or West Carroll parishes only)*

The Patient Centered Medical Home (PCMH) is an approach to providing cost effective and comprehensive primary health care for children, youth and adults. The PCMH creates partnerships between individual patients and their personal physicians, and when appropriate, the patient's family. Rather than being a "gatekeeper" who restricts patient access to services, a personal physician leverages the key attributes of the Patient Centered Medical Home model to coordinate and facilitate the care of patients and is directly accountable to each patient.

### Medical Home Primary Care Physician (MH-PCP)

Each Vantage member has an ongoing relationship with a personal physician trained to provide first contact and assist the patient in obtaining access to ongoing and comprehensive health care. The MH-PCP is your personal physician and will work with you to coordinate all of your health care.

### All Vantage members are required to select a MH-PCP upon enrollment in the Vantage Patient Centered

**Medical Home HMO plan.** Your personal physician, or MH-PCP, leads a team of clinical health care professionals who collectively take responsibility for your immediate and ongoing health care needs. Medical Home health care professionals may also include a variety of other clinical professionals such as nurses, social workers, dietitians and nutritionists. Your MH-PCP will also be responsible for arranging appropriate care with other qualified health care professionals, specialists or facilities, such as radiologists, laboratories, surgeons and hospitals.

Your MH-PCP will assist you in providing or arranging

for all of your health care needs, including acute care, chronic care and preventive services across all elements of the complex health care system (e.g., subspecialty care, hospitals, home health agencies, nursing homes) and the patient's community (e.g., family, public and private community-based services). Care is facilitated by the Vantage Medical Management Department which will work closely with your MH-PCP to facilitate communication among the various Participating Providers involved in your health care.

**5. Consumer Driven Plan (CD-HSA)** - administered by UnitedHealthcare, *Nationwide*

Plan members who enroll in the Consumer Driven Health Plan can also choose to open a Health Savings Account (HSA) and use pre-tax dollars to make contributions to the HSA. The HSA can be used to pay eligible medical and pharmacy expenses for you and your family until you meet your deductible for the plan year. It can also help you save for future health care expenses.

If you choose to utilize the HSA option, the state will contribute \$100 per plan year to help jump-start your savings—and will match your tax-free contributions made through payroll deduction dollar for dollar, up to an additional \$400 per plan year. For the 2010 calendar year, the U.S. Internal Revenue Service limits total tax-free HSA contributions to \$3,050 for employee coverage and \$6,150 for family coverage—plus an additional \$1,000 if you are age 55 or older. To receive these matching dollars, however, you must set up an HSA with OptumHealth Bank, which is affiliated with UnitedHealthcare, the CD-HSA plan administrator.

The following table is a brief summary of the Health Plans that are offered by the LSU System. For more detailed information and to search for providers in each Plan, you may contact the Health Plans directly.

**For more information on the Health Plans and/or a list of providers:**

Provider	Customer Service Phone Number	Website Provider Search
LSU First Health Plan	1-866-929-5781	<a href="http://www.lsufirst.org">www.lsufirst.org</a>
Group Benefits PPO	1-800-272-8451	<a href="http://www.groupbenefits.org">www.groupbenefits.org</a>
Blue Cross and Blue Shield of LA HMO Plan	1-800-392-4089	<a href="http://www.bcbsla.com/ogb">www.bcbsla.com/ogb</a>
Vantage Health Plan Region 9 Medical Home HMO Plan	1-888-823-1910	<a href="http://employees.vhp-stategroup.com">http://employees.vhp-stategroup.com</a>
UnitedHealthcare CD-HSA Plan	1-866-336-9374	<a href="http://www.myuhc.com">www.myuhc.com</a>



## LSU System Health Plan Benefit Snapshot (7/1/10-6/30/11)

### Putting You First – No Expected Rate Increase for 2010-2011!

- Term-Life Insurance in the amount of \$25,000 (increased from \$20,000) for Employees/Retirees at no additional cost
- NEW! Accidental Death and Dismemberment (AD&D) Insurance in the amount of \$25,000 added to the Term-Life Insurance for Employees/Retirees at no additional cost
- Fertility drug lifetime maximum \$10,000 (increased from \$5,000)
- Mental Health Parity Addition and Equity Act – Mental Health and Substance Use Disorder are treated as any other illness
- \$5,000 Critical Illness Direct Cash Benefit
- Free Employee Assistance Program (EAP)

### Preventive Care:

#### Well-child care:

- 6 visits the first year
- 3 visits the second year
- Annual visits from 24 months through age 18
- Immunizations

#### Adult Preventive Care:

- Routine exams
- Immunizations
- Annual Pap Smear
- Age-appropriate cancer screenings (mammogram, colonoscopy, prostate, etc.)
- Annual vision exam for Employees and all Dependents

For full details, check online, [www.lsufirst.org](http://www.lsufirst.org), or call customer service at 1.866.929.5781.

### LSU First Plan Features

Generic Drugs are paid 100% after HRA dollars are exhausted

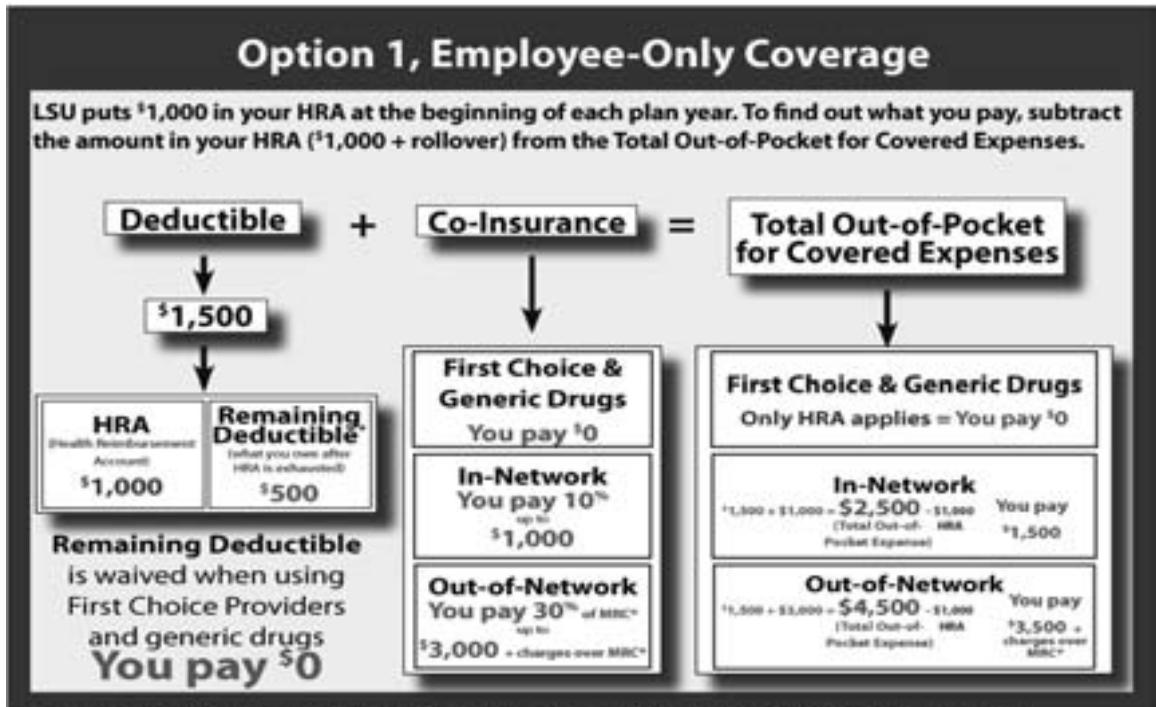
First Choice Providers are paid 100% after HRA dollars are exhausted

Preventive Care covered 100% without using HRA dollars

100% coverage for medical care and pharmacy after you reach the out-of-pocket maximum

### How LSU First Works:

Please visit [www.lsufirst.org](http://www.lsufirst.org) to see the chart for your option and level of coverage.



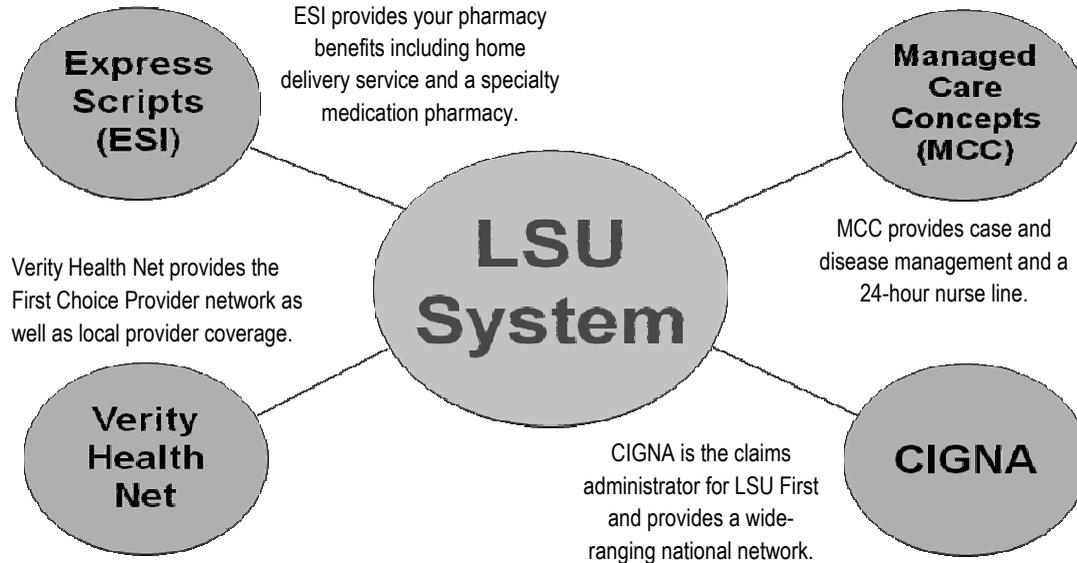
\*Maximum Reimbursable Charge. || Note: If you have HRA rollover dollars they will automatically be applied to the LSU First plan co-insurance.



## LSU System Health Plan Benefit Snapshot (7/1/10-6/30/11)

### Other Important Features of LSU First -- No Expected Rate Increase for 2010-2011!

#### 1. The LSU First Team



#### 2. Nationwide Provider and Pharmacy Networks

CIGNA Open Access Plus provides a local and nationwide network. In the event a provider doesn't participate with CIGNA Open Access Plus, Verity providers can be utilized for in-network benefits. Verity also provides your First Choice Provider network.

Express Scripts offers a large, nationwide pharmacy network including the vast majority of retail pharmacies.

#### 3. Critical Illness Direct Cash Benefit

This benefit is available to all Employees as part of LSU First, which includes the following:

- Heart Attack
- Renal Failure (End Stage)
- Stroke
- Invasive Cancer
- Major Organ Transplant
- Coronary Artery Bypass Surgery

Employees impacted by one of these critical illnesses and meeting benefit criteria may receive a direct cash payment upon submitting necessary claim forms. See the Summary Plan Description (online) for additional details. If you collect Critical Illness Benefits from LSU First and later have one of the remaining covered illnesses, the full benefit amount will be paid for any additional illness that takes place. If you are diagnosed twice with the same condition, the full benefit will be paid again in the event the reoccurrence is at least 12 months after the previous illness.

#### 4. Transplant Expenses

LSU First will reimburse any Employee up to \$10,000 for transportation, lodging and food if you are the recipient of a preapproved organ/tissue transplant from a designated Center of Excellence. Such expenses will also be reimbursed for one dependent.

#### 5. Mental Health Parity Addiction and Equity Act

The Mental Health Parity Addiction and Equity Act will be in effect for LSU First, which provides that Mental Health and Substance Use Disorder benefits will coincide with all medical and surgical benefits.

**LSU FIRST HEALTH PLAN  
 PLAN YEAR DEDUCTIBLE AMOUNTS (HRA + REMAINING DEDUCTIBLE)  
 ACCORDING TO EFFECTIVE DATE**

OPTION 1						
EFFECTIVE DATE	EMPLOYEE ONLY		EMPLOYEE + SPOUSE EMPLOYEE + CHILDREN		EMPLOYEE + FAMILY	
	HRA	Remaining Deductible	HRA	Remaining Deductible	HRA	Remaining Deductible
July 1st	\$1,000.00	\$500.00	\$1,500.00	\$750.00	\$2,000.00	\$1,000.00
August 1st	\$916.67	\$458.33	\$1,375.00	\$687.50	\$1,833.00	\$916.67
September 1st	\$833.33	\$416.67	\$1,250.00	\$625.00	\$1,666.67	\$833.33
October 1st	\$750.00	\$375.00	\$1,125.00	\$562.50	\$1,500.00	\$750.00
November 1st	\$666.67	\$333.33	\$1,000.00	\$500.00	\$1,333.33	\$666.67
December 1st	\$583.33	\$291.67	\$875.00	\$437.50	\$1,166.67	\$583.33
January 1st	\$500.00	\$250.00	\$750.00	\$375.00	\$1,000.00	\$500.00
February 1st	\$416.67	\$208.33	\$625.00	\$312.50	\$833.33	\$416.67
March 1st	\$333.33	\$166.67	\$500.00	\$250.00	\$666.67	\$333.33
April 1st	\$250.00	\$125.00	\$375.00	\$187.50	\$500.00	\$250.00
May 1st	\$166.67	\$83.33	\$250.00	\$125.00	\$333.33	\$166.67
June 1st	\$83.33	\$41.67	\$125.00	\$62.50	\$166.67	\$83.33

OPTION 2						
EFFECTIVE DATE	EMPLOYEE ONLY		EMPLOYEE + SPOUSE EMPLOYEE + CHILDREN		EMPLOYEE + FAMILY	
	HRA	Remaining Deductible	HRA	Remaining Deductible	HRA	Remaining Deductible
July 1st	\$1,000.00	\$1,500.00	\$1,500.00	\$2,250.00	\$2,000.00	\$3,000.00
August 1st	\$916.67	\$1,375.00	\$1,375.00	\$2,062.50	\$1,833.00	\$2,750.00
September 1st	\$833.33	\$1,250.00	\$1,250.00	\$1,875.00	\$1,666.67	\$2,500.00
October 1st	\$750.00	\$1,125.00	\$1,125.00	\$1,687.50	\$1,500.00	\$2,250.00
November 1st	\$666.67	\$1,000.00	\$1,000.00	\$1,500.00	\$1,333.33	\$2,000.00
December 1st	\$583.33	\$875.00	\$875.00	\$1,312.50	\$1,166.67	\$1,750.00
January 1st	\$500.00	\$750.00	\$750.00	\$1,125.00	\$1,000.00	\$1,500.00
February 1st	\$416.67	\$625.00	\$625.00	\$937.50	\$833.33	\$1,250.00
March 1st	\$333.33	\$500.00	\$500.00	\$750.00	\$666.67	\$1,000.00
April 1st	\$250.00	\$375.00	\$375.00	\$562.50	\$500.00	\$750.00
May 1st	\$166.67	\$250.00	\$250.00	\$375.00	\$333.33	\$500.00
June 1st	\$83.33	\$125.00	\$125.00	\$187.50	\$166.67	\$250.00

## 2010-2011 HEALTH PLAN SUMMARY

For the 2010-2011 Plan Year, employees of the LSU System will have five (5) health plan options from which to choose coverage. We recommend that you review your plan options to ensure you have the coverage that best meets your needs. Below is a summary of benefits for the 2010-2011 Plan Year.

	LSU First Administered by LSU (CIGNA - Claims Administrator)	PPO Administered by OGB	HMO Plan Administered by Blue Cross & Blue Shield of LA	Medical Home HMO Plan (PCP must be in Region 9) Administered by Vantage Health Plan	CD-HSA Plan (Consumer Driven Plan with Health Savings Account) Administered by UnitedHealthcare																																																				
<b>Network Type</b>	Nationwide	Statewide	Nationwide	Statewide	Nationwide																																																				
<b>Referral Required</b>	No	No	No	Yes	No																																																				
<b>Lifetime Maximum</b>	\$5 Million per person																																																								
<b>Health Reimbursement Account (HRA)</b>	Yes	No	No	No	No, but HSA Available																																																				
<b>HRA Rollover (maximum)</b>	Up to \$8,000	No	No	No	No																																																				
<b>First Choice Provider</b>	Yes	No	No	No	No																																																				
<b>Life Insurance and AD&amp;D Included</b>	Yes	No	No	No	No																																																				
<b>Critical Illness Benefit</b>	Yes	No	No	No	No																																																				
<b>Deductible</b>	<p><b>You pay \$0 for First Choice Providers and Generic Drugs</b>  <b>No Plan copays</b>  <b>All Employee and Dependent claims accumulate to meet the Deductible</b></p> <table border="1"> <thead> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> </tr> </thead> <tbody> <tr> <td><b>Employee</b></td> <td></td> <td></td> </tr> <tr> <td>LSU pays</td> <td>\$1,000</td> <td>\$1,000</td> </tr> <tr> <td><b>You pay</b></td> <td><b>500</b></td> <td><b>1,500</b></td> </tr> <tr> <td><b>Total</b></td> <td><b>1,500</b></td> <td><b>2,500</b></td> </tr> <tr> <td><b>+ Spouse</b></td> <td></td> <td></td> </tr> <tr> <td>LSU pays</td> <td>1,500</td> <td>1,500</td> </tr> <tr> <td><b>You pay</b></td> <td><b>750</b></td> <td><b>2,250</b></td> </tr> <tr> <td><b>Total</b></td> <td><b>2,250</b></td> <td><b>3,750</b></td> </tr> <tr> <td><b>+ Child(ren)</b></td> <td></td> <td></td> </tr> <tr> <td>LSU pays</td> <td>1,500</td> <td>1,500</td> </tr> <tr> <td><b>You pay</b></td> <td><b>750</b></td> <td><b>2,250</b></td> </tr> <tr> <td><b>Total</b></td> <td><b>2,250</b></td> <td><b>3,740</b></td> </tr> <tr> <td><b>Family</b></td> <td></td> <td></td> </tr> <tr> <td>LSU pays</td> <td>2,000</td> <td>2,000</td> </tr> <tr> <td><b>You pay</b></td> <td><b>1,000</b></td> <td><b>3,000</b></td> </tr> <tr> <td><b>Total</b></td> <td><b>\$3,000</b></td> <td><b>\$5,000</b></td> </tr> </tbody> </table>			Option 1	Option 2	<b>Employee</b>			LSU pays	\$1,000	\$1,000	<b>You pay</b>	<b>500</b>	<b>1,500</b>	<b>Total</b>	<b>1,500</b>	<b>2,500</b>	<b>+ Spouse</b>			LSU pays	1,500	1,500	<b>You pay</b>	<b>750</b>	<b>2,250</b>	<b>Total</b>	<b>2,250</b>	<b>3,750</b>	<b>+ Child(ren)</b>			LSU pays	1,500	1,500	<b>You pay</b>	<b>750</b>	<b>2,250</b>	<b>Total</b>	<b>2,250</b>	<b>3,740</b>	<b>Family</b>			LSU pays	2,000	2,000	<b>You pay</b>	<b>1,000</b>	<b>3,000</b>	<b>Total</b>	<b>\$3,000</b>	<b>\$5,000</b>	<p>\$500 active; \$300 retired            Family unit maximum:            3 individuals            Does not include copays</p>	None Does not include copays	None Does not include copays	<p>Must meet deductible before co-insurance applies            Employee - \$1,250            Employee plus one (spouse or child) - \$2,500            Family - \$3,000            Does not include copays</p>
		Option 1	Option 2																																																						
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<b>Out of Pocket Maximum</b>	<p><u>Opt1</u>    <u>Opt 2</u>            Employee    \$1,000    \$1,000            +Spouse    1,500    1,500            +Child(ren) 1,500    1,500            Family    2,000    2,000</p>	\$1000 per person	\$1000 per person/\$3000 per family	None	<p><b>Employee</b> - \$3,250; including deductible  <b>Employee plus one</b> (spouse or child) - \$6,500; including deductible  <b>Family</b> - \$9,000 for 3 members; \$11,000 for 4 members; \$11,900 for 5 or more due to statutory maximum; including deductible</p>																																																				
	<p><b>You pay \$0 for First Choice Providers and Generic Drugs</b>  <b>No Plan copays</b>  <b>All Employee and Dependent claims accumulate to meet the Out of Pocket Maximum</b></p>																																																								

1 After deductible is met

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

3 Age and/or time restrictions apply

4 Precertification required

	<b>LSU First Administered by LSU (CIGNA - Claims Administrator)</b>	<b>PPO Administered by OGB</b>	<b>HMO Plan Administered by Blue Cross &amp; Blue Shield of LA</b>	<b>Medical Home HMO Plan (PCP must be in Region 9) Administered by Vantage Health Plan</b>	<b>CD-HSA Plan (Consumer Driven Plan with Health Savings Account) Administered by UnitedHealthcare</b>
<b>Prescription Drugs</b>					
Generic	\$0 for a 30-day supply	\$0 for a 30-day supply, after \$1,200 per person per year	\$0 for a 30-day supply, after \$1,200 per person per year	\$5 for a 30-day supply	<b>Level 1</b> Generic: 31- day supply; \$10 copay
Brand Name	If a Member chooses a brand name drug when a generic equivalent is available, the Member will be responsible for the difference between the brand name drug and the generic. If a Member chooses a brand name drug when there is no generic equivalent, the Member will be responsible for 10% of the brand name drug cost after the Deductible at In-Network pharmacies. Specialty medications are delivered by CuraScript, an Express Scripts specialty pharmacy. <b>Members may only receive a 30-day supply at retail. Members must utilize home delivery for a 90 day supply.</b> (administered by Express Scripts)	Member pays 50%; maximum \$50 per 30-day fill; after \$1200 per person per plan year, copay \$15 brand  <b>NOTE: Plan member who chooses brand name drug for which approved generic version is available, pays cost difference between brand name drug and generic plus 50% copy amount for brand name drug; cost difference will not apply to \$1,200 out of pocket maximum</b> (administered by Catalyst Rx)	Member pays 50%; maximum \$50 per 30-day fill; after \$1200 per person per plan year, copay \$15 brand  <b>NOTE: Plan member who chooses brand name drug for which approved generic version is available, pays cost difference between brand name drug and generic plus 50% copy amount for brand name drug; cost difference will not apply to \$1,200 out of pocket maximum</b> (administered by Catalyst Rx)	<b>Preferred brand:</b> \$25 copay per 30-day fill  <b>Non-preferred brand:</b> \$50 copay per 30-day fill  <b>Specialty drugs:</b> 20% co-insurance up to \$100 per Rx per 30-day fill  (administered by VHP's Catalyst Rx)	<b>Level 2</b> - Preferred Brand: 31-day supply; \$25 copay <b>Level 3</b> - Non-preferred Brand: 31-day supply; \$50 copay <b>Level 4</b> - Specialty: 31-day supply; \$50 copay <b>Maintenance drugs:</b> 31-day supply not subject to deductible subject to applicable co-payment levels 1 through 4 above refer to myuhc.com for Maintenance Medication List (administered by UHC's Prescription Solutions)
<b>Drug Formulary</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
<b>Home Delivery (Mail Order)</b>	Same as above with the exception that Members may receive a 90-day supply through home delivery.	Same as above	Same as above	30-day supply for one copay  60-day supply for two copays  90-day supply for three copays	<b>Level 1</b> - Generic: 90-day supply; \$10 copay <b>Level 2</b> - Preferred Brand: 90-day supply; \$25 copay <b>Level 3</b> - Non-preferred Brand: 90-day supply; \$50 copay <b>Level 4</b> - Specialty: 90-day supply; \$50 copay <b>Maintenance drugs:</b> - 90-day supply - not subject to deductible - subject to applicable co-payment levels 1 through 4 above - refer to myuhc.com for Maintenance Medication List (administered by UHC's Prescription Solutions)
<b>Employee Assistance Program (EAP)</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>

1 After deductible is met  
 2 Member also pays the difference between the billed amount and the fee schedule (also known as the Usual and Customary rate)  
 3 Age and/or time restrictions apply  
 4 Precertification required

	<b>LSU First Administered by LSU (CIGNA - Claims Administrator)</b>	<b>PPO Administered by OGB</b>	<b>HMO Plan Administered by Blue Cross &amp; Blue Shield of LA</b>	<b>Medical Home HMO Plan (PCP must be in Region 9) Administered by Vantage Health Plan</b>	<b>CD-HSA Plan (Consumer Driven Plan with Health Savings Account) Administered by UnitedHealthcare</b>
<b>Office Visit</b>	<b>First Choice:</b> \$0 after HRA. <b>In-Network:</b> \$10% after Deductible. <b>Out-of-Network:</b> 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge.	<b>In-Network:</b> Member pays 10% of contracted rate <sup>1</sup> <b>Out-of-Network:</b> Member pays 30% of fee schedule if Member resides in LA <sup>2</sup> Member pays 10% of fee schedule if Member resides outside of LA <sup>2</sup>	<b>In-Network:</b> \$15 PCP/\$25 Specialist (no referral required) <b>Out-of-Network:</b> Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA <sup>2</sup>	<b>In-Network:</b> \$10 PCP/\$25 Specialist (referral required to all specialists) <b>Out-of-Network:</b> No coverage	Member pays 20% of contracted rate <sup>1</sup>
<b>Wellness Benefits</b>	<b>All Baby/Child routine exams, Adult physical exams, and routine eye exams will be paid 100% without using HRA funds for First Choice and In-Network Providers.</b> <b>Out-of-Network</b> wellness benefits will be paid 100% up to the Maximum Reimbursable Charge without using HRA funds. Members will be responsible for any amount over the Maximum Reimbursable Charge.	<b>In-Network:</b> Routine Exams, Baby/Child Care - Member pays 10% of contracted rate. <sup>1</sup> Adult Physical Exam - Member pays 0% of eligible expenses to \$500. <sup>3</sup> Annual Eye Exam - Not Covered. <b>Out-of-Network:</b> Member pays 30% of fee schedule if Member resides in LA <sup>1,2</sup> Member pays 10% of fee schedule if Member resides outside of LA <sup>1,2</sup>	<b>In-Network:</b> Adult Physical Exam, Baby/Child Care, Annual Eye Exam - \$15/\$25 copay <b>Out-of-Network:</b> Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA <sup>2</sup>	<b>In-Network:</b> Adult Physical Exam - \$10 medical home PCP office visit copay <sup>2</sup> Baby/Child Care - \$10 medical home PCP office visit copay <sup>3</sup> Annual Eye Exam - \$25 specialist office visit copay; one visit every 2 plan years <sup>3</sup> <b>Out-of-Network:</b> No coverage	<b>Routine Exams, Adult Physical Exam, Baby/Child Care, Annual Eye Exam</b> - Member pays 0%, deductible does not apply <sup>3</sup>
<b>Hospital Services (inpatient)</b>	<b>First Choice:</b> \$0 after HRA. <b>In-Network:</b> \$10% after Deductible. <b>Out-of-Network:</b> 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge	<b>In-Network:</b> Member pays 10% of contracted rate <sup>1,4</sup> <b>Out-of-Network:</b> Member pays 30% of fee schedule if Member resides in LA <sup>1,2</sup> Member pays 10% of fee schedule if Member resides outside of LA <sup>1,2</sup>	<b>In-Network:</b> \$100 per day; Maximum of \$300 per admission <b>Out-of-Network:</b> Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA <sup>2</sup>	<b>In-Network:</b> \$100 per day; Maximum of \$300 per admission <sup>4</sup> <b>Out-of-Network:</b> No coverage	Member pays 20% of contracted rate <sup>1,4</sup>
<b>Ambulatory Surgery</b>	<b>First Choice:</b> \$0 after HRA. <b>In-Network:</b> \$10% after Deductible. <b>Out-of-Network:</b> 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge.	<b>In-Network:</b> Member pays 10% of contracted rate <sup>1</sup> <b>Out-of-Network:</b> Member pays 30% of fee schedule if Member resides in LA <sup>2</sup> Member pays 10% of fee schedule if Member resides outside of LA <sup>2</sup>	<b>In-Network:</b> \$100 copay <b>Out-of-Network:</b> Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA <sup>2</sup>	<b>In-Network:</b> Member pays \$100 copay <sup>4</sup> <b>Out-of-Network:</b> No coverage	Member pays 20% of contracted rate <sup>1,4</sup>
<b>Maternity (physician)</b>	<b>First Choice:</b> \$0 after HRA. <b>In-Network:</b> \$10% after Deductible. <b>Out-of-Network:</b> 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge	<b>In-Network:</b> Member pays 10% of contracted rate <b>Out-of-Network:</b> Member pays 30% of fee schedule if Member resides in LA Member pays 10% of fee schedule if Member resides outside of LA	<b>In-Network:</b> \$90 copay. <b>Out-of-Network:</b> Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA <sup>2</sup>	<b>In-Network:</b> \$10 copay, first visit (no referral required). <b>Out-of-Network:</b> no coverage	Member pays 20% of contracted rate <sup>1</sup>

	<b>LSU First Administered by LSU (CIGNA - Claims Administrator)</b>	<b>PPO Administered by OGB</b>	<b>HMO Plan Administered by Blue Cross &amp; Blue Shield of LA</b>	<b>Medical Home HMO Plan (PCP must be in Region 9) Administered by Vantage Health Plan</b>	<b>CD-HSA Plan (Consumer Driven Plan with Health Savings Account) Administered by UnitedHealthcare</b>
<b>Mental Health and Substance Use Disorder (Inpatient)</b>	<b>First Choice:</b> \$0 after HRA. <b>In-Network:</b> \$10% after Deductible. <b>Out-of-Network:</b> 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge.	<b>In-Network:</b> \$100 copay per day; \$300 maximum per admit. <b>Out-of-Network:</b> Member pays 30% of fee schedule if Member resides in LA <sup>2</sup> Member pays 10% of fee schedule if Member resides outside of LA <sup>2</sup> (administered by ValueOptions)	<b>In-Network:</b> \$100 copay per day; \$300 maximum per admit. <b>Out-of-Network:</b> Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA <sup>2</sup>	<b>In-Network:</b> \$100 copay per day; \$300 maximum per admit. <b>Out-of-Network:</b> No coverage	Member pays 20% of contracted rate <sup>1,4</sup>
<b>Mental Health and Substance Use Disorder (Outpatient)</b>	<b>First Choice:</b> \$0 after HRA. <b>In-Network:</b> \$10% after Deductible. <b>Out-of-Network:</b> 30% of after Deductible + amount over the Maximum Reimbursable Charge	<b>In-Network:</b> \$25 office visit copay. <b>Out-of-Network:</b> Member pays 30% of fee schedule if Member resides in LA <sup>2,4</sup> Member pays 10% of fee schedule if Member resides outside of LA <sup>2,4</sup> (administered by ValueOptions)	<b>In-Network:</b> \$25 office visit copay. <b>Out-of-Network:</b> Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA <sup>2,4</sup> (administered by ValueOptions)	<b>In-Network:</b> 100% after \$25 copay per office visit. <b>Out-of-Network:</b> None (administered by Vantage Health)	Member pays 20% of contracted rate <sup>1,4</sup> (administered by Optum Health)
<b>Physical, Occupational and Speech Therapy</b>	<b>First Choice:</b> \$0 after HRA. <b>In-Network:</b> \$10% after Deductible. <b>Out-of-Network:</b> 30% of the Maximum Reimbursable Charge after Deductible + amount over the Maximum Reimbursable Charge.	<b>In-Network:</b> Member pays 10% of contracted rate <sup>1</sup> <b>Out-of-Network:</b> Member pays 30% of fee schedule if Member resides in LA Member pays 10% of fee schedule if Member resides outside of LA. *Maximum of 50 visits per plan year	<b>In-Network:</b> \$15 copay <b>Out-of-Network:</b> Member pays 30% of fee schedule and has a separate \$1000 deductible regardless if member resides inside or outside of LA <sup>2</sup>	<b>In-Network:</b> 20% co-insurance; combined maximum of 20 visits per plan year <sup>4</sup> (Pre-certification only required for OT & Speech Therapy) <b>Out-of-Network:</b> No coverage	Member pays 20% of contracted rate <sup>1,4</sup> (Maximum of 50 visits per plan year)

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

1 After deductible is met

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

3 Age and/or time restrictions apply

4 Precertification required

## MONTHLY MEDICAL INSURANCE PREMIUMS FOR ACTIVE EMPLOYEES

Effective July 1, 2010 through June 30, 2011

	LSU First Option 1 <i>Nationwide</i>	LSU First Option 2 <i>Nationwide</i>	PPO Group Benefits <i>Statewide</i>	HMO Blue Cross Blue Shield of LA <i>Nationwide</i>	CDHP-HSA Plan United Healthcare <i>Nationwide</i>	Region-9 Medical Home Health Plan Vantage <i>Statewide</i>
<b>12 Month Employee Share</b>						
Employee Only	\$133.10	\$115.08	\$139.66	\$131.94	\$108.40	\$133.00
Employee w/Spouse	\$341.82	\$295.54	\$453.62	\$428.48	\$352.10	\$431.98
Employee w/Children	\$193.52	\$176.76	\$201.00	\$189.88	\$156.10	\$191.52
Family	\$434.68	\$381.64	\$486.04	\$459.10	\$377.24	\$462.84
<b>9 Month Employee Share</b>						
Employee Only	\$177.47	\$153.44	\$186.21	\$175.92	\$144.53	\$177.33
Employee w/Spouse	\$455.76	\$394.05	\$604.83	\$571.31	\$469.47	\$575.97
Employee w/Children	\$258.03	\$235.68	\$268.00	\$253.17	\$208.13	\$255.36
Family	\$579.57	\$508.85	\$648.05	\$612.13	\$502.99	\$617.12
<b>State Share</b>						
Employee Only	\$399.28	\$345.24	\$418.98	\$395.82	\$325.24	\$399.00
Employee w/Spouse	\$608.02	\$525.72	\$732.94	\$692.36	\$568.94	\$697.98
Employee w/Children	\$459.70	\$406.92	\$480.32	\$453.76	\$372.94	\$457.52
Family	\$700.86	\$611.80	\$765.36	\$722.98	\$594.08	\$728.84
<b>Total Premium</b>						
Employee Only	\$532.38	\$460.32	\$558.64	\$527.76	\$433.64	\$532.00
Employee w/Spouse	\$949.84	\$821.26	\$1,186.56	\$1,120.84	\$921.04	\$1,129.96
Employee w/Children	\$653.22	\$583.68	\$681.32	\$643.64	\$529.04	\$649.04
Family	\$1,135.54	\$993.44	\$1,251.40	\$1,182.08	\$971.32	\$1,191.68
<b>COBRA Premium</b>						
Employee Only	\$543.02	\$469.52	\$569.82	\$538.32	\$442.32	\$542.64
Employee w/Spouse	\$968.84	\$837.68	\$1,210.30	\$1,143.28	\$939.46	\$1,152.84
Employee w/Children	\$666.28	\$595.36	\$694.96	\$656.52	\$539.62	\$661.80
Family	\$1,158.26	\$1,013.30	\$1,276.44	\$1,205.72	\$990.76	\$1,215.60

## MONTHLY MEDICAL INSURANCE PREMIUMS FOR RETIRED EMPLOYEES

(Based on full vesting and eligibility to receive 75% State subsidy)

Effective July 1, 2010 through June 30, 2011

	LSU First Option 1 <i>Nationwide</i>	LSU First Option 2 <i>Nationwide</i>	PPO Group Benefits <i>Statewide</i>	HMO Blue Cross Blue Shield of LA <i>Nationwide</i>	CDHP-HSA Plan United Healthcare <i>Nationwide</i>	Region-9 Medical Home Health Plan Vantage <i>Statewide</i>
<b>Retiree with no Medicare</b>						
Employee Only	\$133.10	\$115.08	\$139.66	\$131.94	\$108.40	\$133.00
Employee w/Spouse	\$403.54	\$295.54	\$453.62	\$428.48	\$352.10	\$431.98
Employee w/Children	\$193.52	\$176.76	\$201.00	\$189.88	\$156.10	\$191.52
Family	\$434.68	\$381.64	\$456.58	\$432.72	\$354.40	\$434.78
<b>Retiree with 1 Medicare</b>						
Employee Only	\$77.46	\$66.98	\$84.48	\$81.46	N/A	\$80.46
Employee w/Spouse	\$267.54	\$231.32	\$312.18	\$297.72	N/A	\$297.24
Employee w/Children	\$149.88	\$132.44	\$146.24	\$140.12	N/A	\$139.24
Family	\$379.60	\$331.88	\$415.94	\$396.30	N/A	\$396.06
<b>Retiree with 2 Medicare</b>						
Employee w/Spouse	\$135.20	\$116.90	\$151.86	\$146.02	N/A	\$144.58
Family	\$183.56	\$160.48	\$188.04	\$180.80	N/A	\$179.02

# TAX SAVER FLEXIBLE BENEFITS PLANS

## Types of Tax-Saver Plans

### Premiums Only Plan:

If you enroll in the Premiums Only Plan, your premiums for medical, dental, vision, and life insurance offered through The Office of Group Benefits may automatically be deducted pre-tax from your paycheck before your taxable income is determined. There is no cost to participate in the Premiums Only Plan. There is no tax liability on the money put into the Premiums Only Plan.

If you enroll in the Premiums Only Plan and want to cancel any of the benefits that are being tax-sheltered under this Plan, you may only do so if you experience a qualifying event (see “Changes in Participation During the Year” section). If you do not experience a qualifying event, you may only cancel your participation during Annual Enrollment for a July 1st effective date.

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

### Flexible Spending Accounts (FSA):

This benefit provides you with the opportunity to set aside tax-exempt dollars for out-of-pocket health care or dependent care expenses incurred by you and/or your eligible dependents. You must determine an annual amount to be withheld. Determine the amount to be withheld by forecasting your out-of-pocket health care and/or dependent care expenses for the entire Plan year, plus the grace period (July 1st through September 15th).

The deduction is made before taxes are computed, thus making the spending account dollars tax-free. To access the money in your account, you must file a claim form-requesting reimbursement for eligible, out-of-pocket expenses for which expenses is available in your HR/Benefits Department.

### Eligibility

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

- ◆ Employed at 75% of full-time effort or greater (at least 30 hours per week)
- ◆ Appointed for a duration of at least one semester or 120 days or greater

### Effective Date of Coverage

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

#### For example:

Date of Hire = August 20th

Effective Date = October 1st

## Annual Enrollment

If you enroll in the Premiums Only Plan, your election automatically rolls over from one year to the next. This election may be cancelled during Annual Enrollment (effective July 1st) or within 30 days of a qualifying event if cancellation is consistent with the qualifying event.

Since circumstances affecting out-of-pocket expenses are generally subject to change each year, you must re-enroll in the Flexible Spending Account (FSA) each year during Annual Enrollment. Your FSA enrollment will not automatically carry over from year to year. If you choose not to re-enroll during Annual Enrollment, your account will automatically cancel on June 30th.

## Changes in Participation During the Year

Due to the tax advantages you enjoy under this program, the Internal Revenue Service imposes some restrictions on the changes you can make during the Plan Year. Once you have elected to participate in one or more of these accounts, you cannot change or revoke this election except during Annual Enrollment or if you experience a qualifying event.

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

### Qualifying events include:

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

6. Changes in a dependent care provider or cost of dependent care

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

**How Flexible Spending Accounts Save You Money**

Assuming an employee has an Annual Gross Income of \$30,000 and is in a 15% tax bracket:

	With FSA	Without FSA
Gross Monthly Pay Minus FSA Contribution	\$2,500 - \$360	\$2,500 N/A
Taxable Income Minus Taxes	\$2,140 - \$321	\$2,500 - \$375
Net Income Plus FSA Reimbursement	\$1,819 + \$360	\$2,125 N/A
Total Monthly Pay	\$2,179	\$2,125
<b>Monthly tax savings = \$54.00; Annual tax savings = \$648.88.</b>		

NOTE: Savings will be even greater for persons in higher tax brackets.

**Types of Flexible Spending Accounts**

**HEALTH CARE Spending Account**

**Qualifications and Eligible Expenses:** Many health care expenses, such as co-payments and deductibles, are not fully reimbursed by health, dental, or vision insurance and may be eligible for reimbursement through a Health Care FSA. For a detailed list of health care expenses that may qualify for reimbursement under the Health Care Spending Account, contact your Benefits Representative.

**How to Calculate Your Expenses:** Use the worksheet available on page 21 to estimate your unreimbursed health care expenses. But keep this in mind – IRS regulations state that if all the money in the account is not used by the end of the Plan Year, the remaining balance must be forfeited (known as the “Use-it-or-Lose-it rule”). Therefore, you should be conservative in your estimates. It is better to estimate low rather than high since you will have to forfeit any money left in the account at the end of the Plan Year. After estimating your total health care expenses for the Plan Year, divide this amount by the appropriate number of pay periods left in the Plan Year to calculate your per-pay-period contribution amount. This amount will be deducted on a pre-tax basis.

**DEPENDENT CARE Spending Account:**

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

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

**Qualifications:** You may receive tax-exempt reimbursements for the care of certain individuals in your household, which includes your dependent children age 12 or younger and any other individuals who reside with you and who rely on you for at least half of their support or are physically or mentally unable to care for themselves.

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

Eligible Dependent Care Account expenses include:

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

**Federal Income Tax Credit for Dependent Care Expenses:** You cannot use both the tax credit and the spending account for the same dependent care expenses. Further, expenses eligible for the tax credit are reduced, on a dollar-for-dollar basis,

by the amount you contribute to a dependent care spending account. This tax credit is an amount subtracted from the actual tax you owe when you file your annual tax return.

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

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

higher taxable income bracket.

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

## Flexible Benefit Plans: Where are They Available? How Much can You Contribute? What is the Monthly Fee?

Campus/Medical Center	Premiums Only	Debit Card	Healthcare Spending Account	Dependent Care Spending Account
Administered by: Gilsbar, Inc.				
<b>Health Care Services Division Hospitals</b>	✔	Yes	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$4.06/mo.	
<b>LSU Agricultural Center</b>	✔	Yes	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$5.06/mo.	
<b>LSU A&amp;M (Baton Rouge)</b>	✔	Yes	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$5.06/mo.	
<b>LSU at Alexandria</b>	✔	Yes	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$5.06/mo.	
<b>LSU at Eunice</b>	✔	Yes	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$5.06/mo.	
<b>LSU at Shreveport</b>	✔	No	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$4.06/mo.	
<b>Paul M. Hebert Law Center</b>	✔	Yes	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$5.06/mo.	
<b>Pennington Biomedical Research Center</b>	✔	Yes	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$5.06/mo.	
<b>LSU Health Sciences Center, New Orleans</b>	✔	Yes	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$5.06/mo.	
Administered by: Boon Chapman				
<b>LSU Health Sciences Center, Shreveport</b>	✔	Yes	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$3.30/mo. if enroll in one FSA, \$5.05 with debit card Fee: \$5.75/mo. if enroll in both FSAs, \$7.75 with debit card	
<b>University of New Orleans</b>	✔	No	Min. \$100; max. \$4,000	Min. \$100; max. \$5,000
			Fee: \$3.05/mo. if enroll in one FSA Fee: \$5.75/mo. if enroll in both FSAs	

## How Contributing to a Flexible Spending Account Affects Other Benefits

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

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

## What Happens to My Money When...?

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

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

## Grace Period

There will be a grace period immediately following the end of the Plan Year for both Health Care and Dependent Care Spending Accounts. This extension will provide participants additional time to incur expenses for reimbursement from the previous year’s account. The grace period will be available after the end of the Plan Year (June 30th) from July 1st through September 15th for reimbursement from the previous year’s spending accounts. In order to file claims during the grace period, a reimbursement request form must be submitted to your HR/Benefits Department within the specified timeframe.

If you submit claims that are incurred between July 1st and September 15th, they will be reimbursed out of your previous year’s account, first. Once your balance is exhausted from your previous year’s account, and if you have re-enrolled in a flexible spending account for the following year, new claims will be reimbursed out of the next Plan Year’s account.

## Filing FSA Claims

Filing a claim is as easy as completing a claim form and attaching a receipt. Timely filing of a claim will result in a timely reimbursement. It is an LSU System standard to have reimbursement within two weeks of filing. See your Benefits Representative for more details about procedures for filing claims and applicable deadlines.

All claims incurred during the Plan Year must be submitted within 120 days following the end of the Plan year or by October 31st, whichever is sooner in order to be eligible for reimbursement. The same procedure applies for participants terminating during a Plan Year (unless COBRA is elected).

**WORKSHEET for ESTIMATING YOUR UNREIMBURSED HEALTH CARE EXPENSES**

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

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

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

Medical deductible ..... \$ \_\_\_\_\_  
(Major medical and/or any per admission deductibles)

Dental deductible ..... \$ \_\_\_\_\_

Co-payments:

(Your share of expenses after any deductibles, up to the out-of-pocket limit)

Medical ..... \$ \_\_\_\_\_

Dental ..... \$ \_\_\_\_\_

Orthodontia ..... \$ \_\_\_\_\_

Vision Exams ..... \$ \_\_\_\_\_

Prescription or Over-the-Counter Drugs ..... \$ \_\_\_\_\_

Routine Physical Exams ..... \$ \_\_\_\_\_

Other planned uncovered expenses ..... \$ \_\_\_\_\_

**TOTAL ESTIMATED HEALTH CARE EXPENSES ..... \$ \_\_\_\_\_**

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

# RETIREMENT WITH THE LSU SYSTEM

Today retirement can signal the beginning of a new life. But how you spend your retirement years and how well you prepare for them are up to you. According to state and federal laws, employees of the LSU System must participate in a retirement plan. To assist you in reviewing your plan options, below is a list of retirement plans available to the different employee classifications:

- ◆ If you are a **classified, civil service employee** with an appointment of **greater than 50% of full-time effort** (more than 20 hours per week) **AND** for a duration of **greater than two years**, your retirement options are:

- 🌐 Louisiana State Employees' Retirement System (LASERS), page 23

*NOTE: Depending upon your age, you may have additional retirement plan options. See page 23 for more information.*

- ◆ If you are a **classified, civil service employee** with an appointment of **50% of full-time effort or less** (20 hours or less per week) **OR** for a duration of **two years or less**, your retirement options are:

- 🌐 Social Security, page 30

- 🌐 Louisiana Deferred compensation (LADC), pages 30-31

- ◆ If you are a **faculty member\*** with an appointment of **50% of full-time effort or greater** **OR** an **unclassified staff member\*\*** with an appointment of **51% of full-time effort or greater (more than 20 hours per week)** **AND** you are appointed for a duration of **greater than two years**, your retirement options are:

- 🌐 Teacher's Retirement System of Louisiana (TRSL), pages 25-26

- 🌐 Optional Retirement Plan (ORP), pages 26-27

- ◆ If you are a **faculty member\*** with an appointment of **less than 50% of full-time effort** **OR** an **unclassified staff member\*\*** with an appointment of **less than 51% of full-time effort (20 hours or less per week)** **OR** you are appointed for a duration of **two years or less**, your retirement options are:

- 🌐 Optional Retirement Plan (ORP), pages 26-27

- 🌐 Social Security, page 30

- 🌐 Louisiana Deferred Compensation (LADC), pages 30-31

\* *Faculty member: instructor, assistant professor, associate professor, professor, and librarian.*

\*\* *Staff member: administrative officers, professional staff, teaching associates, research associates, library associates, and coordinators.*

## Participation in Social Security

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

The following pages will help you determine whether or not your appointment allows you to contribute to Social Security while employed for an LSU System campus or medical center.

## Employees on Visas

According to state and federal laws, as an employee of the LSU System, you must participate in a retirement plan. However, LSU System employees on a J or F Visa are not eligible to participate in a retirement plan unless "substantial presence" has been met. Under the Internal Revenue Service Code, the Substantial Presence Test (SPT) is used to determine "tax residency" of an international person. The test is a mathematical test based on the individual's visa status and number of days present in the United States. Once an international person meets the Substantial Presence Test, he/she is subject to the same tax laws as a United States citizen. For more information on the SPT, refer to IRS publication 519 "US Tax Guide for Aliens".

If substantial presence is met, an employee may choose between Social Security and Louisiana Deferred Compensation Retirement Plan. You will be notified by your Benefits Representative when you have reached substantial presence and when your retirement election is due.

# RETIREMENT PLAN OPTIONS

## CLASSIFIED (CIVIL SERVICE) EMPLOYEE OPTIONS:

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

LASERS membership is **OPTIONAL** *only* for those employees who are 60 years of age or greater at the time of employment, OR for employees who are 55 years of age or greater at the time of employment and who have credit for at least 40 quarters in the Social Security System. These employees also have the option of participating in the Louisiana Deferred Compensation Plan (LADC) (see pages 30-31) or Social Security (see page 30).

### Louisiana State Employees' Retirement System (LASERS)

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

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

#### Administrators of LASERS:

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

#### Effective Date of Enrollment

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

#### Contributions:

Members who joined LASERS on or before June 30, 2006, will contribute 7.5% of earned compensation (base pay) as defined by LASERS. Members who joined LASERS on or after July 1,

2006, will contribute 8% of earned compensation (base pay) as defined by LASERS. The employer contribution is determined each year based on an actuarial formula determined by the State.

#### Retirement Eligibility:

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

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

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

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

- ◆ 10 years of service or more at age 60 or thereafter

#### Retirement Benefit Calculation:

The following formulas are used to determine your retirement benefit:

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

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

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

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

Sample Calculations:

$$25 \text{ Years of Service} \times 2.5\% \times \$30,000 = \$18,750$$

$$30 \text{ Years of Service} \times 2.5\% \times \$30,000 = \$22,500$$

\* *Employees who became members before July 1, 1986, will be entitled to \$300 per year in supplemental benefits upon retirement.*

#### Disability Benefits:

You may be entitled to disability benefits if you have accumulated at least 10 years of service credit and become disabled. You may apply for disability benefits after leaving state service if you have 20 years of service and have withdrawn from active service before the age of regular retirement eligibility.

**Survivor Benefits:**

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

- ◆ Credit for at least five years of service for a benefit to be payable to your surviving minor children
- ◆ Credit for at least 10 years of service for a benefit to be payable to your surviving spouse
- ◆ Credit for at least 20 years of service for survivor benefits to be payable if death occurs after you have terminated employment

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

**Termination of Employment before Retirement:**

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

- ◆ Must have obtained credit for the minimum number of years of service needed to retire (vested), and
- ◆ Not reached the required age, and
- ◆ Left your contributions on deposit with LASERS.
- ◆ You must provide written application for retirement to LASERS 30 days prior to reaching the required retirement age.

In lieu of leaving your contributions on deposit, you may apply for a refund. See your Benefits Representative for more information.

# RETIREMENT PLAN OPTIONS

## UNCLASSIFIED PROFESSIONAL/ACADEMIC EMPLOYEE OPTIONS

### Permanent Employee Eligibility

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

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

If your appointment does not fit this description, see page 30 for temporary and part-time employee retirement options. If you are in the United States on a J or F visa, you are not eligible for membership in TRSL (refer to page 22).

### Retirement Options as a Permanent Employee

1. Teachers' Retirement System of Louisiana (TRSL), see below
2. Optional Retirement Plan (ORP), see pages 26-27

### Teachers' Retirement System of Louisiana (TRSL)

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

The defined benefit plan, referred to as "TRSL", is a plan wherein you, as an employee, and the LSU System make contributions into a pool of funds from which you receive a retirement income based on a benefit formula. The amount of benefit is determined by the years of service and the average salary for the 36 highest successive months of earnings (*see the sample calculation, page 26*).

The defined contribution plan, known as the "Optional Retirement Plan" or "ORP", is a retirement annuity contract funded by employee and employer contributions. Benefits are based on the value of the account when you elect to retire and are paid in the form of a lifetime income. (See the section on the *Optional Retirement Plan* on pages 26-27 for more information.)

With few exceptions, the State of Louisiana does not participate in the Social Security program. If you are enrolled in a Louisiana State retirement plan, you do not pay Social Security

tax; however, if you were hired after April 1, 1986, you are required to pay the Medicare portion of the FICA tax (1.45% of your salary). Detailed information on TRSL is provided in the Membership Handbook. See below for a summary of the plan.

### The Defined Benefit Plan through TRSL:

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

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

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

### Administrators of TRSL:

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

### Contributions:

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

### Vesting:

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

**Retirement Eligibility:**

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

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

**Retirement Benefit Calculation:**

The following formula is used to determine your retirement benefit:

$$[\text{Years of Service}] \times [\text{Formula \%}] \times [3\text{-Year High Average Salary}] = \text{Annual Retirement Benefit}$$

*Sample Calculations:*

$$25 \text{ Years of Service} \times 2.5\% \times \$50,000 = \$31, 250$$

$$30 \text{ Years of Service} \times 2.5\% \times \$50,000 = \$37, 500$$

*NOTE: The above calculation applies to employees who were hired on or after July 1, 1999.*

**Disability Benefits:**

If you are an employee with more than five years of service, you are eligible to apply for lifetime disability benefits. If you have less than five years of service, you are not eligible for disability benefits; however, you may receive a refund of your contributions to the plan at the time of termination.

**Survivor Benefits:**

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

**Termination of Employment before Retirement:**

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

You may obtain a refund of your employee contributions, upon request, at termination of employment. The earliest you may receive your refund is 90 days after your termination date. You may obtain your refund application from your Human Resource/Benefits Department.

**The Optional Retirement Plan**

The Optional Retirement Plan (ORP) is an alternative retirement plan to TRSL and is provided by a private carrier for academic employees and unclassified staff members of the LSU System.

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

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

**Administrator of the Plan:**

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

- ◆ ING Financial Services
- ◆ Teachers’ Insurance and Annuity Association – College Retirement Equity Fund (TIAA-CREF)
- ◆ Variable Annuity Life Insurance Company (VALIC)

The directory on page 28 lists ORP representatives for each campus/medical center.

**Effective Date of Enrollment:**

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

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

**IMPORTANT!** The decision to participate in the ORP is IRREVOCABLE. You may not enroll in the ORP and then later change to the TRSL defined benefit plan. However, you may elect to change ORP carriers in November of each year for an effective date of January 1st.

**Contributions:**

Your employee contribution is 8% of allowable earned compensation and is tax-sheltered. TRSL charges you 0.1% to administer the funds. The LSU System contributes 5.7566% of your allowable earned compensation for 2010-2011. The contribution rate is subject to change each July 1st.

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

**Vesting:**

Your ORP account is immediately vested.

**Retirement Eligibility:**

As an ORP participant, you are eligible to annuitize your ORP account at termination of employment. In order to be eligible to continue group insurance policies after retirement, as an ORP retiree, you must meet the minimum retirement eligibility requirements under the provisions of TRSL (see page 25).

**Retirement Benefit Calculation:**

Under the provisions of Louisiana law (Louisiana R.S. 11:923), you may receive your account only as a lifetime payout. Cash withdrawals from your ORP account are not allowed except under limited provisions at retirement. You may elect an initial benefit payment, not to exceed 36 months of your single-life annuity, when you elect to annuitize your account at retirement. If you elect to receive the initial benefit payment, all future payments will be reduced. At retirement or termination of employment, the funds in your ORP account are also eligible for a lump-sum IRA rollover, subject to withdrawal provisions of your ORP carrier.

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

**Disability Benefits:**

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

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

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

**Survivor Benefits:**

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

**Termination of Employment before Retirement:**

State law does not permit a lump-sum refund at termination of employment. You retain ownership of your account and you may elect to receive a monthly benefit based on the value of your account. Funds in your ORP account are eligible for a lump-sum IRA rollover, subject to withdrawal provisions of your ORP carrier.

<b>Campus/ Medical Center</b>	<b>ING Financial Services</b>	<b>TIAA-Cref</b>	<b>VALIC</b>
<b>Bogalusa Medical Center</b>	Lynn deMedicis, 601-918-8244	Mark Digiovanni, 866-836-8935	Stephen Gaubert, 504-460-2387 or 800-892-5558 ext. 87588
<b>E.A. Conway Medical Center</b>	Matt Saterfiel, 318-325-1317	Matthew Robertson, 972-831-7027	Mary Grant, 318-518-2201 or 800-892-5558 ext.89242
<b>Earl K. Long Medical Center</b>	Colette Riha, 225-266-9413 Connie Shaver, 225-266-4032	Mark Digiovanni, 866-836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060
<b>Health Care Services Division, Headquarters</b>	Colette Riha, 225-266-9413 Connie Shaver, 225-266-4032	Mark Digiovanni, 866-836-8935	Drake Aguillard, 225-201-1009 or 1800-892-5558 ext. 89154
<b>Huey P. Long Medical Center</b>	Bobby Etheridge, 337-462-2004	Mark Digiovanni, 866-836-8935	Charles Duff, 318-758-1486 or 800-892-5558 ext. 87588
<b>Lallie Kemp Regional Medical Center</b>	Danielle Yuratich, 504-779-2889	Mark Digiovanni, 866-836-8935	Stephen Gaubert, 504-460-2387 or 800-892-5558 ext. 87588
<b>Leonard J. Chaubert Medical Center</b>	Lynn deMedicis, 601-918-8244 Danny Misse, 601-918-8244	Mark Digiovanni, 866-836-8935	Mitch Tabor, 504-810-8626 1-800-892-5558 ext 87708
<b>LSU A&amp;M College (Baton Rouge)</b>	Mike Sotile, 225-766-8711 Linda Alumbaugh, 225-273-0844 Brandon Goll, 504-779-2887	Mark Digiovanni, 866-836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060
<b>LSU Agricultural Center</b>	Colette Riha, 225-266-9413 Connie Shaver, 225-266-4032	Mark Digiovanni, 866-836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060
<b>LSU at Alexandria</b>	Matt Saterfiel, 318-325-1317	Mark Digiovanni, 866-836-8935	Charles Duff, 318-758-1486 or 800-892-5558 ext. 87588
<b>LSU at Eunice</b>	Bobby Etheridge, 337-462-2004	Mark Digiovanni, 866-836-8935	Kenneth Pettus, 318-201-1057 or 800-892-5558 ext. 89071
<b>LSU Health Science Center/ New Orleans</b>	Danny Misse, 504-710-7766	Mark Digiovanni, 866-836-8935	Drake Aguillard, 225-201-1009 ext. 89154
<b>LSU Health Science Center/ Shreveport</b>	Gary Saterfiel, 318-387-9168 or 318-355-9168	Matthew Robertson, 972-831-7027	Melissa McConnell, 318-572-8601 or 800-892-5558 ext. 88735
<b>LSU Pennington Biomedical Research Center</b>	Mike Sotile, 225-766-8711 Linda Alumbaugh, 225-273-0844 Brandon Goll, 504-779-2887	Mark Digiovanni, 866-836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060
<b>LSU at Shreveport</b>	Donna Causey, 318-469-1933	Matthew Robertson, 972-831-7027	Stephen Tucker, 318-423-2232 or 800-892-5558 ext. 88743
<b>LSU System Office</b>	Mike Sotile, 225-766-8711 Linda Alumbaugh, 225-273-0844 Brandon Goll, 504-779-2887	Mark Digiovanni, 866-836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060
<b>Medical Center of LA at New Orleans</b>	Danny Misse, 504-710-7766	Mark Digiovanni, 866-836-8935	Drake Aguillard, 225-201-1009 ext. 89154
<b>Paul M. Hebert Law Center</b>	Mike Sotile, 225-766-8711 Linda Alumbaugh, 225-273-0844 Brandon Goll, 504-779-2887	Mark Digiovanni, 866-836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060
<b>University Medical Center of Lafayette</b>	Gary Saterfiel, 318-387-9168 or 318-355-9168	Mark Digiovanni, 866-836-8935	Kenneth Pettus, 318-201-1057 or 800-892-5558 ext. 89071
<b>University of New Orleans</b>	Kenneth Trahan, 504-390-2039	Mark Digiovanni, 866-836-8935	Mickey Giroir, 225-266-1696 1-800-895-5558 ext 89067
<b>Walter O. Moss Regional Medical Center</b>	Daren Hood, 337-478-9707	Mark Digiovanni, 866-836-8935	Kyle Rhodes, 337-884-9055 or 800-892-5558 ext. 88544

## Comparison of TRSL and ORP

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

◆ If you are reasonably certain you will not continue in your current position or do not plan to remain in Louisiana, then you should give careful consideration to an ORP because your plan will be portable to most other U.S. colleges and universities. However, if you plan to continue teaching or working in Louisiana, either at a public college, university, vocation/technical institute, or school, or a state or local government agency, you should consider enrolling in TRSL.

- ◆ If you enroll in TRSL, with five years of service, you can leave your contributions with TRSL and at age 60 begin receiving a benefit.
- ◆ If you enroll in TRSL, you have a period of five years in which to change your mind and transfer the employee portion (not the employer portion) of your retirement contributions into an ORP. Remember: **AN ELECTION TO PARTICIPATE IN THE ORP IS IRREVOCABLE.**
- ◆ We recommend that you consider enrolling in the Long Term Disability Plan and Life Insurance since neither TRSL nor ORP provide substantial benefit until you have been contributing for at least 15 years.

Teacher’s Retirement System of Louisiana (TRSL)	Optional Retirement Plan (ORP)
Defined benefit plan – pension determined by years of service and highest, consecutive three-year average annual salary.	Defined contribution plan – monthly annuity determined by employer and member contributions and investment return on those contributions.
Contributions do not determine benefits. Employee contribution is 8% of salary. Total employer contribution is the same as the Optional Retirement Plan.	Contributions and investment earnings determine benefits. Employee payroll contribution is 8% of salary. Also, approximately 7% of salary, part of employer’s contribution, is added to the employee’s ORP account.
Lifetime benefit.	Benefit based on amount of accumulated contributions.
Lifetime benefit payable after 20 years of service or five years of service at age 60.	Lifetime benefit based on accumulated contributions and payable at the member’s option, after termination ORP participation.
Guaranteed by the State of Louisiana.	Guaranteed by the solvency of the carrier.
Refund of employee contributions upon request at termination of employment.	Partial lump-sum payout possible at time of retirement. Also, rollover of all or part of the funds to an IRA or qualified plan may be done after termination.
A member has five years after joining TRSL to decide to change to an ORP.	ORP members cannot change their minds and join TRSL. ORP elections are irrevocable.
If a member with five years of service credit dies, survivor benefits are provided for spouse with minor children (10 years of service credit in the case of spouse with no minor children).	Upon the death of a member, amount of the ORP account is paid out in a lump sum or as an annuity.
If a member with five years of service credit is disabled, he or she will receive disability benefits from TRSL for life.	Lifetime benefits based on accumulated contributions and payable at the member’s option, after termination of ORP participation. No other disability benefits are included.
Transferrable to other Louisiana public schools, colleges, universities, vocational/technical institutes, and many state agencies.	Portable to most colleges and universities in the United States.
TRSL controls/monitors members’ investments (current five-year average annual return is 13.3%).	Members control their investments (See the ORP carrier’s brochure for return data).

# RETIREMENT PLAN OPTIONS

## UNCLASSIFIED PROFESSIONAL/ACADEMIC EMPLOYEE OPTIONS

### Eligibility for Temporary/Part-time/Special Circumstances

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

#### Temporary Employees:

- ◆ Have a full-time appointment of two years or less

#### Part-time Employees:

- ◆ Are a faculty member appointed for less than 50% of full-time effort (less than 20 hours per week)
- ◆ Are a staff member appointed for less than 51% of full-time effort (20 hours or less per week).

#### Special Circumstances:

In addition, the following situations may affect an employees' retirement eligibility and/or options:

- ◆ Employees on a J or F visa are eligible to participate in either Social Security or Louisiana Deferred Compensation if "substantial presence" has been met.
- ◆ Employees who are 60 years of age or more at the time of employment, OR for employees who are 55 years of age or more at the time of employment and who have credit for at least 40 quarters in the Social Security System may elect Louisiana Deferred Compensation Plan or Social Security as an alternative to LASERS.

### Retirement Options as a Temporary/Part-time Employee or for the Above Special Circumstances

1. Social Security, see below
2. Louisiana Deferred Compensation (LADC), see pages 30-31
3. Optional Retirement Plan (ORP), and refer back to pages 26-27

### Social Security

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

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

With few exceptions, the State of Louisiana does not participate in the Social Security program. If you are enrolled in a Louisiana State retirement plan, you do not pay Social Security tax; howev-

er, if you were hired after April 1, 1986, you are required to pay the Medicare portion of the FICA tax (1.45% of your salary).

#### Contributions

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

#### Vesting

Technically, you do not become vested in Social Security. You are only eligible to receive your Social Security benefits once you meet Normal Social Security Retirement Age and have contributed a minimum of 40 quarters into Social Security. For more information, please call Social Security Administration at 1-800-772-1213.

#### Termination of Social Security Contributions if:

##### Employment Ends:

If you leave employment with the LSU System, your Social Security Contributions may not be refunded. You are only eligible to receive benefits once you reach Normal Social Security Retirement Age and have contributed a certain amount of quarters into Social Security. For more information, please call Social Security Administration at 1-800-772-1213.

##### You Contribute for at Least Two Years and are a Full-time Employee:

Once you have contributed to Social Security for two years with the LSU System, you will be defaulted into The Teacher's Retirement System of Louisiana (TRSL) defined benefit plan (see page 25) and have the option to change to the Optional Retirement Plan (see pages 26-27). However, if you are a part-time employee upon continuation, you will continue to participate in Social Security. Once your appointment becomes full-time, you will be defaulted into TRSL with the option to change to the ORP.

### Louisiana Deferred Compensation Plan (LADC)

In lieu of Social Security, The Louisiana Deferred Compensation Plan (LADC) is offered as a retirement plan option to part-time or temporary employees and those employees with special circumstances as defined above.

#### Effective Date of Enrollment:

As a temporary employee you are automatically enrolled into Social Security. If you wish to enroll in LADC, you have 30 days from your date of hire to enroll retroactive to your original date.

If you wait past your first 30 days of employment to enroll, your effective date will be delayed to the first of the following month and the contributions that were made to Social Security will NOT be transferred into your LADC account.

#### Contributions:

Your contribution is 7.5% of your allowable earned compensa-

tion. Your employer contributes 6.2% of your allowable earned compensation.

**Vesting:**

Your LADC Account is immediately vested.

**Termination of LADC Contributions if:**

**Employment Ends:**

You will be able to access these funds upon separation from service without any age requirement or penalty. You will be unable to access these funds until you actually separate employment from the LSU System.

**You Contribute for at Least Two Years:**

Once you have contributed to LADC for two years with the

LSU System, you will be defaulted into The Teacher’s Retirement System of Louisiana (TRSL) defined benefit plan (see page 25) and have the option to change to the defined contribution, Optional Retirement Plan (see pages 26-27). However, if you are a part-time employee upon continuation, you will continue to participate in Social Security. Once your appointment becomes full-time, you will be defaulted into TRSL with the option to change to the ORP.

**Optional Retirement Plan**

In lieu of Social Security, The Option Retirement Plan (ORP) is another alternative to DCCL that offered to part-time or temporary employees.

See pages 26-27 for more details.

**TAX-DEFERRED SUPPLEMENTAL RETIREMENT ACCOUNT**

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

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

**Benefits of an SRA**

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

**Sample Benefit Calculation:**

[Your Pay] - [Before-tax Deductions] = Taxable Income

[Taxable Income] – [Income Tax Withholding and Other Deductions] = Spendable Pay

Example: Assuming \$100/Month (\$1200/year) Savings

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

**Additional Spendable Pay**

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

**Contributions**

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

**Types of SRA Programs**

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

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

The **403(b)** Plan offers LSU System employees several options in terms of who they can invest their money with. Along with the several companies you have to choose from, you also have numerous funds available to you in which you can diversify your retirement portfolio. Termination of employment with the LSU System would allow you to roll your funds over to an IRA or other qualified plan. Early withdrawal penalties will be assessed if you withdraw your money prior to obtaining age 59½.

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

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

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

You:

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

Both programs offer annuity contracts and mutual fund investment options:

#### **Annuity Contracts:**

There are two types of annuity contracts- **fixed annuities** and **variable annuities**:

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

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

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

#### **Mutual Funds:**

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

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

#### **Withdrawing Money from your SRA**

##### **While Still Employed:**

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

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

If you withdraw money from your 403(b) SRA before 59½ you must pay a 10% penalty tax on the amount withdrawn unless the distribution meets one of the following requirements:

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

##### **After Termination:**

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

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

In addition, if you are not yet 59½ and do not meet any of the

criteria explained under the governmental restrictions outlined below, your distribution from a 403(b) will be subject to a 10% penalty tax according to IRS regulations. This penalty tax is in addition to any contract or policy withdrawal restrictions that may apply.

#### In the Event of Your Death:

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

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

#### Required Minimum Distributions:

403(b) and 457(b) SRA Plans must begin by April 1st of the year following the later of these two events- you attain 70½ years of age or you retire.

The Following table provides contact information for vendors available under sections 403(b) and 457(b).

Campus/ Medical Center	ING Financial Services	TIAA-Cref	VALIC	Met Life	La. Def Comp
Bogalusa Medical Center	Lynn deMedicis, 601-918-8244	Mark Digiovanni, 866 836-8935	Stephen Gaubert, 504-460-2387 or 800-892-5558 ext. 87588	Clyde Bohne, 225-368-2261	David Arriaza, 800-345-4699 ext.35502
E.A. Conway Medical Center	Matt Saterfiel, 318-325-1317	Matthew Robertson, 972-831-7027	Mary Grant, 318-518-2201 or 800-892-5558 ext.89154	Clyde Bohne, 225-368-2261	Maisha Sellers, 800-345-4699 ext. 35519
Earl K. Long Medical Center	Colette Riha, 225-266-9413 Connie Shaver, 225-266-4032	Mark Digiovanni, 866 836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060	Clyde Bohne, 225-368-2261	Julie Russell, 255-926-8082, ext. 35506
Health Care Services Division, Headquarters	Colette Riha, 225-266-9413 Connie Shaver, 225-266-4032	Mark Digiovanni, 866 836-8935	Drake Aguillard, 225-201-1009 or 1800-892-5558 ext. 89154	Clyde Bohne, 225-368-2261	Chris Burton, 225-926-8082, ext. 35507
Huey P. Long Medical Center	Bobby Etheridge, 337-462-2004	Mark Digiovanni, 866 836-8935	Charles Duff, 318-758-1486 or 800-892-5558 ext. 87588	Clyde Bohne, 225-368-2261	Julie Russell, 255-926-8082, ext. 35506
Lallie Kemp Regional Medical Center	Danielle Yuratich, 504-779-2889	Mark Digiovanni, 866 836-8935	Stephen Gaubert, 504-4602387 or 800-892-5558 ext. 87588	Clyde Bohne, 225-368-2261	Chris Burton, 225-926-8082 ext. 35507
Leonard J. Chaubert Medical Center	Lynn deMedicis, 601-918-8244 Danny Misse, 601-918-8244	Mark Digiovanni, 866 836-8935	Mitch Tabor, 504810-8626 1-800-892-5558 ext. 87708	Clyde Bohne, 225-368-2261	David Arriaza, 800-345-4699 ext. 35502
LSU A&M College (Baton Rouge)	Mike Sotile, 225-766-8711 Linda Alumbaugh, 225-273-0844 Brandon Goll, 504-779-2887	Mark Digiovanni, 866 836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060	Clyde Bohne, 225-368-2261	Chris Burton, 225-926-8082 ext. 35507
LSU Agricultural Center	Colette Riha, 225-266-9413 Connie Shaver, 225-266-4032	Mark Digiovanni, 866 836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060	Clyde Bohne, 225-368-2261	Chris Burton, 225-926-8082 ext. 35507
LSU at Alexandria	Matt Saterfiel, 318-325-1317	Mark Digiovanni, 866 836-8935	Charles Duff, 318-758-1486 or 800-892-5558 ext. 87588	Greg Norwood, 318-422-9322	Julie Russell, 255-926-8082, ext. 35506
LSU at Eunice	Bobby Etheridge, 337-462-2004	Mark Digiovanni, 866 836-8935	Kenneth Pettus, 318-201-1057 or 800-892-5558 ext. 89071	Clyde Bohne, 225-368-2261	Rodney Lucas, 225-926-8082 ext. 35503
LSU Health Science Center/ New Orleans	Danny Misse, 504-710-7766	Mark Digiovanni, 866 836-8935	Drake Aguillard, 225-201-1009 ext. 89154	Clyde Bohne, 225-368-2261	David Arriaza, 800-345-4699 ext. 35502
LSU Health Science Center/ Shreveport	Gary Saterfiel, 318-387-9168 or 318-355-9168	Matthew Robertson, 972-831-7027	Melissa McConnell, 318-572-8601 or 800-892-5558 ext. 88735	Greg Norwood, 318-422-9322	Maisha Sellers, 800-345-4699 ext. 35519
LSU Pennington Biomedical Research Center	Mike Sotile, 225-766-8711 Linda Alumbaugh, 225-273-0844 Brandon Goll, 504-779-2887	Mark Digiovanni, 866 836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060	Clyde Bohne, 225-368-2261	Chris Burton, 225-926-8082 ext. 35507
LSU at Shreveport	Donna Causey, 318-469-1933	Matthew Robertson, 972-831-7027	Stephen Tucker, 318-423-2232 or 800-892-5558 ext. 88743	Greg Norwood, 318-422-9322	Maisha Sellers, 800-345-4699 ext. 35519
LSU System Office	Mike Sotile, 225-766-8711 Linda Alumbaugh, 225-273-0844 Brandon Goll, 504-779-2887	Mark Digiovanni, 866 836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060	Clyde Bohne, 225-368-2261	Chris Burton, 225-926-8082 ext. 35507
Medical Center of LA at New Orleans	Danny Misse, 504-710-7766	Mark Digiovanni, 866 836-8935	Drake Aguillard, 225-201-1009 ext. 89154	Clyde Bohne, 225-368-2261	David Arriaza, 800-345-4699 ext. 35502
Paul M. Hebert Law Center	Mike Sotile, 225-766-8711 Linda Alumbaugh, 225-273-0844 Brandon Goll, 504-779-2887	Mark Digiovanni, 866 836-8935	Drake Aguillard, 225-201-1009 ext. 89154 David Mills, 225-201-1060	Clyde Bohne, 225-368-2261	Chris Burton, 225-926-8082 ext. 35507
University Medical Center of Lafayette	Gary Saterfiel, 318-387-9168 or 318-355-9168	Mark Digiovanni, 866 836-8935	Kenneth Pettus, 318-201-1057 or 800-892-5558 ext. 89071	Clyde Bohne, 225-368-2261	Rodney Lucas, 225-926-8082 ext. 35503
University of New Orleans	Kenneth Trahan, 504-390-2039	Mark Digiovanni, 866 836-8935	Mickey Giroir, 225-266-1696 1-800-895-5558 ext. 89067	Clyde Bohne, 225-368-2261	David Arriaza, 800-345-4699 ext. 35502
Walter O. Moss Regional Medical Center	Daren Hood, 337-478-9707	Mark Digiovanni, 866 836-8935	Kyle Rhodes, 337-884-9055 or 800-892-5558 ext. 88544	Clyde Bohne, 225-368-2261	Rodney Lucas, 225-926-8082 ext. 35503

# VOLUNTARY BENEFITS

## Eligibility

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

- ◆ Employed at 75% of fulltime effort per pay period (avg. of 30 hours/week) or greater;
- ◆ Appointed for a duration of at least one semester or 120 days or greater

## Effective Date of Coverage

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

- ◆ **LONG TERM DISABILITY EXCEPTION:** If you enroll in Long Term Disability within your first thirty (30) days of full-time employment, your coverage will be effective the first of the month following the date the signed enrollment form is received by your Employer.
- ◆ **ACCIDENTAL DEATH & DISMEMBERMENT EXCEPTION:** Your insurance will take effect on the first day of the month following the date you enroll, provided the required premium has been paid.

**Late Applicant:** If you do not enroll into a Voluntary Benefit Plan within your first thirty (30) days of full-time employment, refer to the Voluntary Benefit section that you are interested in for Late Applicant guidelines. Long Term Disability, Long Term Care and LSU Term Life Insurance will require medical underwriting and approval if you are enrolling as a late applicant.

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

**When does Coverage for Voluntary Benefits end?** Your coverage under a Voluntary Benefit will end on the earliest of the following dates:

- ◆ On the last day of the month in which your employment terminates (for academic employees who terminate employment at the end of the academic year, coverage extends through September 30 of the same year)
- ◆ When you are no longer eligible for coverage
- ◆ When you cease making the required contribution
- ◆ When the LSU System terminates the plan

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

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

## The LSU System Voluntary Benefit Vendors Are:

Voluntary Benefit	Vendor	Policy #
Accidental Death & Dismemberment	The Hartford	SR219971
Dental (Enhanced Plan)	Dearborn National	F019004
Dental (Basic Plan)	Dearborn National	F019004
Flexible Spending Accounts	Gilsbar/Boon Chapman	S2607/400 (UNO) 403(HSCS)
Long Term Care	UNUM Provident	100057
Long Term Disability	The Hartford	83116904
LSU Term Life Insurance	The Hartford	GL395208
Vision	Davis Vision	X51

# Accidental Death And Dismemberment (AD&D)

The following provided by The Hartford:

An accident that ends in death or disabling Injury has a devastating effect on the lives of your loved ones. The loss of a family wage earner puts strain in a family and raises concerns as to how they will manage financially. Even if you are unmarried, remaining family members could be left with fulfilling your financial responsibilities or taking care of you.

The AD&D plan is underwritten by The Hartford<sup>1</sup> to provide you and your family with valuable AD&D insurance at affordable rates.

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

**Late Applicant for AD&D** your insurance will take effect on the first day of the month following the date you enroll, provided the required premium has been paid. As an eligible employee, you can enroll yourself and/or your dependents at any time.

**Family members may be insured for a portion of your principal sum:**

- ◆ Spouse = 50% of your principal sum, or 40% if you have eligible children
- ◆ Eligible children = 15% of your principal sum or 10% if your spouse is eligible for coverage

**Reduction In Benefits: your principal sum will reduce to the percentage shown below:**

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

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

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

**HOW ARE BENEFITS PAID?** Benefits will be paid for any of the losses that occur as a result of an injury listed:

- ◆ Life 100%

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

Loss must occur within 365 days of the accident. If more than one loss results for any one accident, we will pay only the one largest applicable benefit amount.

## Other Benefits:

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

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

## Additional Benefits:

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

**For Additional Information** call 1-800-392-7805 or logon to the website at [www.thehartfordgroupbenefits.com](http://www.thehartfordgroupbenefits.com)



<sup>1</sup>Hartford® is The Hartford Financial Services Group, Inc. and its subsidiaries, including issuing companies Hartford Life Insurance Company and Hartford Life and Accident Insurance Company. Policies sold in New York are underwritten by Hartford Life Insurance Company. Home Office and both companies: Simsbury CT. All benefits are subject to the terms and conditions of the policy. Policies underwritten by issuing companies listed above detail exclusions, limitations, reduction of benefits and terms under which the policies may be continued in force or discontinued.

**AD&D Benefit Amounts and Monthly Premiums**

<b>Benefit Amount</b>	<b>Employee Only</b>	<b>Family Plan</b>
\$27,500	\$1.00	\$1.50
\$55,000	\$2.00	\$3.00
\$82,500	\$3.00	\$4.50
\$110,000	\$4.00	\$6.00
\$165,000	\$6.00	\$9.00
\$220,000	\$8.00	\$12.00
\$275,000	\$10.00	\$15.00
\$300,000	\$10.90	\$16.36

LIMITATIONS AND EXCLUSIONS: This policy does not cover loss caused by or resulting from: Suicide, suicide attempt, self-destruction or an attempt to self-destroy while sane or insane, declared or undeclared war or an act of either, sickness or disease, except pyogenic infections that occur through an accidental cut or wound, service in the armed forces of any country, riding as a pilot or crew member in any vehicle or device for aerial navigation, participation in an illegal occupation or attempt to commit a felony, any heart coronary or circulatory malfunction.

# Voluntary Dental Insurance - Option 1 Enhanced Plan

This Plan is designed to help you meet the expense of dental care by providing a broad range of benefits for you and your family. The plan encourages preventive dental care and provides payment for covered dental expenses for you and your eligible dependents.

The Plan, offered by Dearborn National, combines traditional dental insurance with the following features: freedom to select any licensed dentist, simple claims processing, and a toll-free telephone number.

The summary is designed to give you an overview of the major points of the Plan. The Plan is governed by a legal document. In the event of a conflict between this summary and the Plan Document, the Plan Document will serve as the governing document.

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

**Late Applicant** If you do not enroll when first eligible, you may enroll during annual enrollment in April for an effective date of July 1.

**Freedom to Choose Your Provider** With this plan, you have the freedom to choose any provider you wish without penalty. However, a significant number of dentists have agreed to provide services to LSU System employees at negotiated lower rates. These Preferred Providers are members of the Dental Network of America. Should you select one of these dentists, your out-of-pocket expenses may be reduced.

**What Benefits Are Payable Under the Plan?** Covered expenses include only usual and customary (U&C) charges that you or your covered dependents incur for services and supplies in any of the four types of services.

When the Plan disallows a portion of the charge from your dentist, it means that your dentist's fee is above the U&C fee allowance. Most dentists accept the Plan's fee schedule, but dentists are free to charge a higher fee, so you may be responsible for charges above the U&C rate.

If you choose a dentist who participates in the Dental Network of America you will not pay more than the U&C fee allowance. In some cases, you may pay less. See the benefit summary on this page for more details.

**What Is The Deductible Amount?** There is no deductible under this Plan.

**What Is The Plan Maximum?** The maximum amount any covered individual can receive in dental benefits in one calendar year is \$1,250. Effective July 1, 2011, the calendar year maximum is \$1,500. Effective July 1, 2012, the calendar year

maximum is \$2,000. Orthodontic benefits have a \$1,500 lifetime maximum. Implant Services have a \$2,000 lifetime maximum.

**What If My Family Has Other Dental Coverage?** If you or your family members are eligible to receive benefits under another plan, benefits under this policy will be coordinated with the benefits from any of your other plans so that not more than 100 percent of the allowable expenses incurred will be paid.

**Available Plans:** Employees and retirees may elect one of the coverage levels listed below:

Coverage level:	Monthly Premium:
Employee Only:	\$26.26
Employee & Spouse:	\$51.37
Employee & Children:	\$62.44
Family:	\$87.55

**Type of Benefit:** Covered Percentage of Expenses\*:

Type 1 Procedures	100% of Maximum Allowance
Type 2 Procedures	80% of Maximum Allowance
Type 3 Procedures	50% of Maximum Allowance
Implant Services	50% of Maximum Allowance
Orthodontia	50% of Maximum Allowance

\* *Maximum Allowance means the amount determined by Dearborn National which providers have agreed to accept a payment in full for a particular service.*

For services received from a non-participating provider, you will be liable for any difference between the dentist's charge and your covered benefits.

**For additional information** call 888-758-6979 or  
Visit our Dental Wellness Center and Find a Dentist:  
[www.dearbornnational.com](http://www.dearbornnational.com)

Dearborn  National

# Voluntary Dental Insurance - Option 2 Basic Plan

This Plan is designed to help you meet the expense of dental care by providing a broad range of benefits for you and your family. The Plan encourages preventive dental care and provides payment for covered dental expenses for you and your eligible dependents.

The Plan, offered by Dearborn National, combines traditional dental insurance with the following features: freedom to select any licensed dentist, simple claims processing, and a toll-free telephone number.

The summary is designed to give you an overview of the major points of the Plan. The Plan is governed by a legal document. In the event of a conflict between this summary and the Plan Document, the Plan Document will serve as the governing document.

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

**Late Applicant** If you do not enroll when first eligible, you may enroll during annual enrollment in April for an effective date of July 1.

**Freedom to Choose Your Provider** With this Plan, you have the freedom to choose any provider you wish without penalty. However, a significant number of dentists have agreed to provide services to LSU System employees at negotiated lower rates. These Preferred Providers are members of the Dental Network of America. Should you select one of these dentists, your out-of-pocket expenses may be reduced.

**What Benefits Are Payable Under the Plan?** Covered expenses include only usual and customary (U&C) charges that you or your covered dependents incur for services and supplies in any of the four types of services.

When the Plan disallows a portion of the charge from your dentist, it means that your dentist's fee is above the U&C fee allowance. Most dentists accept the Plan's fee schedule, but dentists are free to charge a higher fee, so you may be responsible for charges above the U&C rate.

If you choose a dentist who is a Dental Network of America Dentist, you will not pay more than the U&C fee allowance. In some cases, you may pay less. See the benefit summary on this page for more details.

The Option 2 Basic plan is designed with two goals in mind. The first and most important is to promote good dental hygiene and preventive care. Ninety-percent of all dental disease can be prevented with good basic dental care. The second goal is to provide you with the dental care you need at a low cost.

The plan pays 100% of the U&C fee allowance for Type 1 Preventive Services and features a benefit schedule for all other services. The benefit schedule lets you know up-front, in fixed dollar amounts how much the Plan pays for covered Type 2 and Type 3 services. To use these schedules, check your dentist's fee and then determine how much the Plan pays according to the Scheduled Amount. The Plan pays either the Scheduled Amount or the actual amount charged whichever is lower. You are responsible for any charges above the Scheduled Amount.

**What Is The Deductible Amount?** There is no deductible for Preventive (Type 1). For Basic (Type 2) and Major (Type 3) services, the deductible amount is equal to the first \$100 of covered expenses incurred in a lifetime. The deductible amount applies separately to each covered person.

**What Is The Plan Maximum?** The maximum amount any covered individual can receive in dental benefits in one calendar year is \$1,000. Effective July 1, 2011, the calendar year maximum is \$1,250. Effective July, 2012, the calendar year maximum is \$1,500.

**What If My Family Has Other Dental Coverage?** If you or your family members are eligible to receive benefits under another plan, benefits under this policy will be coordinated with the benefits from any of your other plans so that not more than 100 percent of the allowable expenses incurred will be paid.

**Available Plans:** Employees and retirees may elect one of the coverage levels listed below.

<b>Coverage level:</b>	<b>Monthly Premium:</b>
Employee Only:	\$16.56
Employee & Spouse:	\$31.11
Employee & Children:	\$43.01
Family:	\$57.56
<b>Type of Benefit:</b>	<b>Co-Insurance Percentage:</b>
Type 1 Procedures	100% of Usual and Customary
Type 2 Procedures	100% of Scheduled Fees*
Type 3 Procedures	100% of Scheduled Fees*
Orthodontia	Not covered under this plan

*\* We will pay the benefit amounts shown, not to exceed the provider's actual charges.*

A complete list of all scheduled amounts for all covered procedures will be provided to participating employees.

**For additional information** call 888-758-6979 or Visit our Dental Wellness Center and Find a Dentist: [www.dearbornnational.com](http://www.dearbornnational.com)



# Long Term Care Insurance

Today, Long Term Care (LTC) insurance is important for people of all ages if they want to reserve financial security and independence in the event of an extended disability. And despite popular misconceptions, the need for longer-term care isn't restricted to the elderly, because many working-age adults have disabling injuries and illnesses as well:

- ◆ More than half of long term care claims submitted to Unum are for people under age 65. The average age for those claimants is 54<sub>1</sub>
- ◆ 20 million Americans are expected to need long term care services by 2030<sub>2</sub>
- ◆ The demand for long term care services is projected to double by 2040<sub>3</sub>
- ◆ Because women generally outlive men by several years, they face a 50 percent greater likelihood than men of entering a nursing home after age 65<sub>4</sub>

Americans who need long-term care have more choices today. Many are able to remain in their homes and still receive the care they need.

If you become disabled for any reason and couldn't live independently, how would you pay for the care you need? The financial impact of long-term care is significant, no matter where it is provided, and government programs don't always pay for services:

- ◆ The national average cost of a private room in a nursing home is about \$70,000 a year and an average stay is 24 to 26 months<sub>5</sub>
- ◆ The average hourly rate for a home health aide is \$25. Based on this rate, four hours of home health aide services daily would total about \$36,500 a year<sub>6</sub>
- ◆ The average base rate for a private room in assisted living care is about \$33,300 per year<sub>7</sub>
- ◆ Medical insurance does not cover most long term care costs
- ◆ Medicare only covers short termed, skilled nursing home care following hospitalization, and only pays for short term assistance for care at home
- ◆ Medicaid only pays after you have depleted your personal assets

**Late Applicant** If you do not enroll when first eligible, you may enroll at any other time during the year but will have to complete an Evidence of Insurability application and be approved by underwriting before coverage will become effective.

**Who Can I Cover?** Employees, retirees, your spouse, your parents and/or grandparents and your spouse's parents and/or grandparents may enroll in this plan. Coverage for retirees, your parents or grandparents is contingent upon them completing an Evidence of Insurability application and being approved by underwriting.

**For Additional Information** on Long Term Care benefits and pricing, contact your local HR/Benefits Representative.



1 Unum internal data from 2006 inforce block of nearly 1 million policyholders, October 2007.

2 "Long Term Care Financing: Are Americans Prepared?" Testimony before the U.S. Senate Special Committee on Aging, March 9, 2006. And, the American Association for Long Term Care Insurance, "2008 LTCI Sourcebook," February 2008

3 RTI International, "The NIC Compendium Project: A Guide to Long-Term Care Projection and Simulation Models," April 2008.

4 HIAA, "Guide to Long-Term Care Insurance," 2002

5, 6, 7 Georgetown University, Long Term Care Financing Project, "National Spending for Long-Term Care Fact Sheet," January 2007

# Long Term Disability Insurance

We insure our cars, our homes, and even our health. Why wouldn't we insure our income?

**Consider these sobering statistics:**

- ◆ Approximately 20 percent of the United States population currently suffers from a disability.<sup>1</sup>
- ◆ Three out of every ten workers between the ages of 35 and 65 will be disabled for at least 90 days.<sup>2</sup>
- ◆ One in seven people can expect to become disabled for at least 5 years before age 65.<sup>3</sup>

If you suffer an extended illness or injury and can't work, how will you pay the bills? Long Term Disability (LTD) coverage can help. If you become disabled and qualify for benefits, LTD coverage will pay you 60% of your monthly salary up to a maximum of \$12,000 per month.

The LSU System partners with **The Hartford**<sup>4</sup> to provide LTD coverage to help you continue to meet your family's needs in the event of an illness or injury.

**Who Can Elect LTD Coverage?** This coverage is only offered to an Eligible Employee of the LSU System. Spouse and dependent coverage is not available.

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

- ◆ Employed at 75% of fulltime effort per pay period (avg. of 30 hours/week) or greater;
- ◆ Appointed for a duration of at least one semester or 120 days or greater

**Late Applicant:** If you do not enroll into LTD within your first 30 days of employment, you may enroll at any time, but must complete an Evidence of Insurability Application and be approved by underwriting before coverage will become effective.

**How Much Coverage is Available?**

This benefit covers 60% of your monthly base salary up to a maximum of \$12,000 per month. Calculate your disability benefit as follows:

$$\underline{\hspace{2cm}} \times 0.60 = \underline{\hspace{2cm}}$$

Monthly Salary                      Maximum Benefit

Please note that disability benefits through The Hartford may be adjusted for other sources of income.

**When Are Disability Benefits Paid?** Disability benefits are paid if you are considered disabled and you satisfy a waiting period of 90 days or the exhaustion of sick time (whichever is greater).

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

◆ **Occupation Qualifier**

You are considered disabled if, during the waiting period and the first 24 months thereafter, you are unable to perform the material and substantial duties of your regular occupation due to a disability. After this period, you qualify for benefits if you continue to be unable to perform any occupation for which you are qualified by education, training or experience.

◆ **Earnings Qualifier**

You are considered disabled IF you are working in an occupation for which you are qualified by education, training or experience, but are unable to earn more than 80% of your pre-disability earnings due to an injury or sickness.

**What If I Can Work During My Disability?** Total disability is not required during the waiting period. You can continue to work periodically for up to 45 days without beginning the waiting period again.

**How Long Will I Receive Benefits if I Become Disabled?** Benefits will be paid until you are no longer considered disabled, or until you reach the maximum payable period (MPP).

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

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

**Are There Any Exclusions?** LTD benefits are not payable for disabilities resulting from:

- ◆ Declared or undeclared acts of war
- ◆ Suicide or self-inflicted injury or sickness
- ◆ Commission or an attempt to commit a felony
- ◆ Pre-existing conditions. If you have a condition for which you received medical treatment or advice in the 3 months prior to your coverage effective date, it is considered preexisting and will be excluded in the first 12 months of coverage. Following 12 consecutive months of coverage, such conditions will no longer be considered pre-existing.

**Innovative Plan Features to Protect You**

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

◆ **Recurrent Disability**

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

◆ **Waiver of Premium**

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

◆ **Work Incentive Benefit**

This benefit is intended to facilitate a comfortable and productive return to work. For up to 12 months after you return to work, your disability benefits plus your salary may equal 100% of your pre-disability earnings.

◆ **Survivor Benefit**

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

◆ **Catastrophic Disability Benefit**

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

◆ **Social Security Assistance**

When necessary, The Hartford will provide an advocate to help you apply for and secure Social Security disability benefits. The Hartford will then coordinate benefits with Social Security payments. The maximum amount payable to you in disability payments will be reduced by your family's Social Security in 5 of the last 10 years you may not be eligible to receive Social Security Disability benefits. Please contact Social Security directly to determine your benefit eligibility by calling 1-800-772-1213.

**Quality Coverage at an Affordable Price**

Your premium is based on your salary. Calculate your premium as follows:

$$\frac{\text{Monthly Salary}}{\text{Monthly Salary}} \times 0.0053 = \frac{\text{Monthly Cost}}{\text{Monthly Cost}}$$

**Premium Examples**

Monthly Salary	Monthly Premium
\$2,000	\$11.06
\$3,500	\$19.36
\$2,500	\$13.83
\$4,000	\$22.12
\$3,000	\$16.59
\$4,500	\$24.89

**For Additional Information** call 1-800-392-7805 or logon to the website at [www.thehartfordgroupbenefits.com](http://www.thehartfordgroupbenefits.com)



<sup>1</sup>U.S Dept. of Commerce Census Report

<sup>2</sup>Employee Benefit Plan Review, Group Accident and Health Survey, 1996

<sup>3</sup>Society of Actuaries

<sup>4</sup>Hartford® is The Hartford Financial Services Group, Inc. and its subsidiaries, including issuing companies Hartford Life Insurance Company and Hartford Life and Accident Insurance Company. Policies sold in New York are underwritten by Hartford Life Insurance Company. Home Office and both companies: Simsbury CT. All benefits are subject to the terms and conditions of the policy. Policies underwritten by issuing companies listed above detail exclusions, limitations, reduction of benefits and terms under which the policies may be continued in force or discontinued.

# Term Life Insurance

The LSU System partners with **The Hartford** to provide Term Life Insurance and AD&D.

This Insurance provides affordable financial security for your loved ones, although when it comes down to it, contemplating some pretty unpleasant things is hard to do. But when you consider the fact that between 1995 and 1997, almost 40% of all deaths that occurred were people between the ages of 25 and 64, it's harder to ignore, especially when your family depends on your income.

## Who Can Elect Term Life Insurance and AD&D Coverage?

All \*Full-Time Active Employees ("Employees"), excluding temporary, leased or seasonal and their spouses and/or dependents.

*\*Full-time Employment: an employee at 75% effort or greater per pay period (average 30 hours per week), or greater, with an appointment of 120 days or one academic semester. Employees who are on sabbatical but still receiving pay are also eligible.*

**Late Applicant:** If you do not enroll into Life Insurance within your first 30 days of employment, you may enroll at any time, but must complete an Evidence of Insurability Application and be approved by The Hartford before coverage will become effective.

## How Much Voluntary Life and AD&D Insurance can I purchase?

### Employee:

- ◆ You are guaranteed the lesser of \$500,000 or 5 times Basic Annual Earnings if you enroll within your first 30 days of employment. You must purchase Voluntary Life and AD&D Insurance in increments of \$10,000.
- ◆ The maximum amount you may purchase cannot exceed \$1,000,000. Any amounts purchased over \$500,000 will require you to provide evidence of good health that is satisfactory to The Hartford before the excess can become effective.
- ◆ If elected, your AD&D policy will be equal to the term life insurance amount.

### Spouse:

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

- ◆ If elected, your spouse's AD&D policy will be equal to the term life insurance amount.

### Children:

- ◆ You may choose to purchase Child(ren) Voluntary Life Insurance coverage in the amount(s) of \$5,000, \$10,000, \$15,000 or \$20,000 for each eligible dependent child - no medical information required. Dependent children are live birth up to age 21 years or to age 24, if full time student.
- ◆ If your child is between live birth up to 6 months of age, the maximum amount of coverage he/she will have is \$1,000.
- ◆ You may not elect coverage for your child if your child is an active member of the armed forces of any country or international authority.

**Does my coverage reduce as I get older?** If you retire from the LSU System, you may elect to continue your Term Life Insurance and AD&D Insurance with you into retirement. The Hartford will reduce the Life Insurance Benefit and Principal Sum for you to the lesser of \$100,000 or your current benefit if less than \$100,000 on the date you attain age 70 and you are retired. An appropriate adjustment in premiums will also be made.

**Can I keep my Life coverage if I leave my employer?** Yes, subject to the contract, you have the option of:

- ◆ Converting your group Life coverage to your own individual policy (policies)
- ◆ If you leave your employer, Portability is an option that allows you to continue your Life Insurance coverage. To be eligible, you must terminate your employment prior to Social Security Normal Retirement Age. This option allows you to continue all or a portion of your Life Insurance coverage under a separate Portability term policy. Portability is subject to a minimum of \$5,000 and a maximum of \$500,000 and does include coverage for your Spouse and Child(ren). To elect Portability, you must apply and pay the premium within 31 days of the termination of your Life Insurance. Evidence of Insurability will not be required.

Dependent Spouse Portability is subject to a maximum of \$50,000.

Dependent Child Portability is subject to a maximum of \$10,000.

**Do I still pay my Life Insurance premiums if I become disabled?** If you become totally disabled before age 60 and your disability lasts for at least 3 months, your Life Insurance premium may be waived.

**What are my benefits under the AD&D coverage?** AD&D provides benefits due to certain injuries or death from an acci-

dent. The covered injuries or death can occur up to 365 days after that accident. The Insurance pays:

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

Your total benefit for all losses due to the same accident will not be more than 100% of the amount of coverage you purchase.

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

**Are any resources available for beneficiaries?** Benefit Assist® provides grief, legal and financial counseling to beneficiaries (the person or persons or legal entity who receives the benefit payment if you die while you are covered by the policy). The Hartford offers this program at no cost to beneficiaries of any of its group life or accident policies. Services include: unlimited phone contact, assessment and action planning, up to five face-to-face sessions, referrals, and more. You will receive more details about Benefit Assist® once your enrollment for Voluntary Life and AD&D Insurance is approved.

**What is the cost of this benefit?**

Term Life Insurance for Children			
Coverage amount for each eligible dependent child	\$5,000	\$10,000	\$20,000
Monthly Premium	\$0.75	\$1.49	\$2.98

AD&D Coverage: Amount Equal to Term Life Insurance Coverage	
Employee Premium	Term Life Coverage / 10,000 * 0.31
Spouse Premium	Term Life Coverage / 5,000 * 0.16

Term Life Insurance		
Age	Employee Rate/\$10,000	Spouse Rate/\$5,000
<25	\$0.55	\$0.28
25-29	\$0.65	\$0.33
30-34	\$0.75	\$0.38
35-39	\$0.95	\$0.48
40-44	\$1.19	\$0.60
45-49	\$1.68	\$0.84
50-54	\$2.85	\$1.43
55-59	\$4.35	\$2.18
60-64	\$6.60	\$3.30
65-69	\$10.90	\$5.45
70-74	\$20.50	\$10.25
75-79	\$34.30	\$17.15
80-84	\$60.90	\$30.45
85+	\$115.00	\$57.55

**For Additional Information** please call 1-800-742-9944 ext. 136 or logon to the website at [www.imala.com/LSU/](http://www.imala.com/LSU/)



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# Vision Insurance

**Davis Vision** meets the vision care needs of you and your family, including exams, lenses, frames and contacts (see benefit summary on the following pages).

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

**Late Applicant for Davis Vision:** If you do not enroll when first eligible, you may enroll during Annual Enrollment in April for an effective date of July 1.

**Why Should You Enroll?** Access to care through either our network of independent, private practice doctors (optometrists or ophthalmologists) or select retail partners, such as Wal-Mart and Eye Masters.

**Real, Repeatable Savings** With Wal-Mart's renowned "Everyday Low Pricing" and EyeMaster's tremendous selection and value, plus savings at many other participating providers, Members receive real, dependable value on exams, lenses, frames and contacts. Most people who wear glasses purchase additional eyewear from spares to reading glasses and sunglasses. With many participating providers, Members will receive discounts on additional eyewear purchases. Members always benefit from Everyday Low Pricing at Wal-Mart and the value and selection at EyeMaster's.

At private practice locations, your Plan offers a selection of designer, name brand frames that are completely covered in full. LSU First Members receive additional frame and lens allowances.

**For Additional Information** call 1-888-778-7183 or logon to the website at [www.davisvision.com](http://www.davisvision.com).

## Monthly Premiums for Davis Vision Plan:

Level of Coverage	Premium
Employee only	\$8.29
Employee & Spouse	\$13.96
Employee & Child(ren)	\$14.26
Employee & Family	\$22.98



### Davis Vision Coverage

(Group # X51)

Administered by: Davis Vision, P.O. Box 1525, Latham, NY 12110

## Benefits Summary for LSU First Members

IN-NETWORK BENEFITS	
Eye Examination (Per Plan Year)	No Copay (Covered 100% by LSU First)
Eyeglasses	
Spectacle Lenses (Per Plan Year)	Covered in full for standard single-vision, lined bifocal, or trifocal lenses
Frames (Per Plan Year)	Covered in full for any Fashion or Designer frame from Davis Vision's Collection <sup>1</sup> (value up to \$175). Davis Vision Premier frame available for a \$25 copay OR \$130 retail allowance toward any non-Collection frame, plus 20% off of the remaining balance. <sup>1/2</sup>
Contact Lenses	
Contact Lens Evaluation, Fitting, and Follow Up Care (Per Plan Year)	Covered in full for Davis Vision Collection Contact Lenses OR 15% discount off of provider's charge for non-Collection contact lenses. <sup>1/2</sup>
Contact Lenses (in lieu of eyeglasses) (Per Plan Year)	Covered in full, for Davis Vision Collection Contact lenses, up to 4 boxes of disposable contact lenses OR \$130 retail allowance toward non-Collection lenses, plus 15% off of the remaining balance. <sup>1/2</sup>
Additional Lens Options	Member Responsibility
All Ranges of Prescriptions and Sizes	\$0
Plastic or Glass Lenses	\$0
Oversized Lenses	\$0
Fashion Gradient Tinting	\$0
Scratch-Resistant Coating	\$0
Premier Frame	\$25
Polycarbonate Lenses	\$0 <sup>3</sup> or \$30
Ultraviolet Coating	\$0
Standard Anti-Reflective (AR) Coating	\$35
Premium AR Coating	\$48
Ultra AR Coating	\$60
Standard Progressive Addition Lenses	\$0
Premium Progressives (Varilux™/4r, etc.)	\$0
High-Index Lenses	\$55
Polarized Lenses	\$75
Photochromic Glass Lenses	\$20
Plastic Photosensitive Lenses	\$65
Scratch Protection Plan (Single vision/Multifocal lenses)	\$0/\$0

1 The Davis Vision Collection is available at most participating independent provider locations.

2 Additional discounts not applicable at Wal-Mart locations.

3 Polycarbonate lenses are covered in full for dependent children, monocular patients and patients with prescriptions 6.00 diopters or greater.

4 Varilux® is a registered trademark of Societe Essilor International.

## Benefits Summary for Non-LSU First Members

IN-NETWORK BENEFITS	
Eye Examination (Per Plan Year)	\$10 Copay
Eyeglasses	
Spectacle Lenses (Per Plan Year)	Covered in full for standard single-vision, lined bifocal, or trifocal lenses
Frames (Per Plan Year)	Covered in full for any Fashion or Designer frame from Davis Vision's Collection <sup>1</sup> (value up to \$175). Davis Vision Premier frame available for a \$25 copay OR \$100 retail allowance toward any non-Collection frame, plus 20% off of the remaining balance. <sup>1/2</sup>
Contact Lenses	
Contact Lens Evaluation, Fitting, and Follow Up Care (Per Plan Year)	Covered in full for Davis Vision Collection Contact Lenses OR 15% discount off of provider's charge for non-Collection contact lenses. <sup>1/2</sup>
Contact Lenses (in lieu of eyeglasses) (Per Plan Year)	Covered in full, for Davis Vision Collection Contact lenses, up to 4 boxes of disposable contact lenses OR \$130 retail allowance toward non-Collection lenses, plus 15% off of the remaining balance. <sup>1/2</sup>
Additional Lens Options	Member Responsibility
All Ranges of Prescriptions and Sizes	\$0
Plastic or Glass Lenses	\$0
Oversized Lenses	\$0
Fashion Gradient Tinting	\$0
Scratch-Resistant Coating	\$0
Premier Frame	\$25
Polycarbonate Lenses	\$0 <sup>3</sup> or \$30
Ultraviolet Coating	\$12
Standard Anti-Reflective (AR) Coating	\$35
Premium AR Coating	\$48
Ultra AR Coating	\$60
Standard Progressive Addition Lenses	\$50
Premium Progressives (Varilux <sup>TM</sup> / <sub>4r</sub> , etc.)	\$90
High-Index Lenses	\$55
Polarized Lenses	\$75
Photochromic Glass Lenses	\$20
Plastic Photosensitive Lenses	\$65
Scratch Protection Plan (Single vision/Multifocal lenses)	\$20/\$40

1 The Davis Vision Collection is available at most participating independent provider locations.

2 Additional discounts not applicable at Wal-Mart locations.

3 Polycarbonate lenses are covered in full for dependent children, monocular patients and patients with prescriptions 6.00 diopters or greater.

4 Varilux® is a registered trademark of Societe Essilor International.

# LSU System Voluntary Benefits Enrollment Summary Sheet

\* Enrollment into a health plan requires the completion of a GB-01 Form.

Employee Name: _____
Employee ID/SSN: _____
Employee Date of Birth: _____
Hire Date: _____
Hours Worked/Week: _____
Employee E-Mail Address: _____

For Office Use Only
Effective Date: _____
HR/Payroll Rep: _____
Pay Type: _____
Campus Code: _____

If you are electing coverage, indicate which Level of Coverage you wish to enroll for each Voluntary Benefit listed below by placing a check mark in the appropriate box. Be sure to complete the Employee and Spouse and/or Dependent Sections on the following form if you are electing coverage that will cover you and your spouse, and/or dependents. You will be considered a timely applicant if you enroll within thirty (30) days from your date of hire; you will be considered a late applicant if you enroll after thirty days from your date of hire (see Your Employee Benefits Book for effective dates and requirements regarding Timely/Late Applicants). Descriptions of each Plan and applicable monthly premium can be found in Your Employee Benefits Book.

**NOTE: Enrollment in Long Term Care, Group Term Life Insurance and the Tax-Saver Flexible Benefit Plans requires the completion of additional forms.**

AD&D Insurance		
Please check which level of coverage you would like and indicate the Benefit Amount below (found in Your Employee Benefits Book)		AD&D Beneficiary Designation
Level of Coverage	Monthly Premium	Primary Name: _____ Relation: _____ % of Benefit: _____
<input type="checkbox"/> Employee Only	See Benefits Book for Premiums and Benefit Amounts	1 _____
<input type="checkbox"/> Family		2 _____
Complete Benefit Amount/Monthly Premium: AMT \$ _____ /PREMIUM \$ _____		Contingent Name: _____ Relation: _____ % of Benefit: _____
		1 _____
		2 _____

Dental Enhanced Plan (Option 1)		
Level of Coverage	12 Month Monthly Premium	9 Month Monthly Premium
Employee Only	\$26.26	\$35.01
Employee + Spouse*	\$51.37	\$68.49
Employee + Child(ren)	\$62.44	\$83.25
Family	\$87.55	\$116.73

Long Term Disability	
Coverage	See Monthly Premium Calculation Below
<input type="checkbox"/> Yes, I would like to enroll in Long Term Disability	
\$ _____ x 0.00553 = \$ _____	
Monthly Salary	Monthly Premium

\* Spouse's Dental Carrier (if any): \_\_\_\_\_

Dental Basic Plan (Option 2)		
Level of Coverage	12 Month Monthly Premium	9 Month Monthly Premium
Employee Only	\$16.56	\$22.08
Employee + Spouse*	\$31.11	\$41.48
Employee + Child(ren)	\$43.01	\$57.35
Family	\$57.56	\$76.75

Vision Insurance		
<input type="checkbox"/> Please check this box if you are in the LSU First Health Plan		
Level of Coverage	12 Month Monthly Premium	9 Month Monthly Premium
Employee Only	\$7.66	\$10.21
Employee + Spouse*	\$12.90	\$17.20
Employee + Child(ren)	\$13.18	\$17.57
Family	\$21.24	\$28.32

\* Spouse's Dental Carrier (if any): \_\_\_\_\_

PREMIUMS ONLY PLAN for Health, Dental and Vision Insurance Premiums	
Elections for the Premiums Only Plan will automatically renew each year unless changed during Annual Enrollment	
<input type="checkbox"/> YES, I elect to PARTICIPATE in the Premiums Only Plan. I understand that eligible insurance premiums will be deducted pre-tax and this election will remain in effect and cannot be cancelled or changed during the Plan Year unless the cancellation or change is within the guidelines of The LSU System Flexible Benefits Plan.	

**IMPORTANT NOTE: The Voluntary Benefits below require that you complete a SEPARATE enrollment form. The Term Life Insurance Form and Tax-Saver Flexible Benefit Plan Forms are attached in Your Employee Benefits Book; if you are interested in the Long Term Care Benefit, please indicate below and your local HR/Benefit Staff will send you more information.**

Long Term Care
<input type="checkbox"/> Yes, I am interested in receiving more information about Long-Term Care Insurance.

Group Term Life Insurance
See attached Voluntary Life/Accidental Death & Dismemberment Enrollment Form for additional Plan information and to enroll.

Tax-Saver Flexible Benefit Plans (must complete separate enrollment form)	
Type of Coverage	Monthly Premium
Healthcare Spending Account	See Your Employee Benefits Book for Admin Fees
Dependent Care Spending Account	

I have been given the opportunity to enroll in the above Voluntary Benefits within thirty (30) days from my date of hire and understand that if I decline now I will be subject to the Late Applicant rules specific to each benefit. I have been given a copy of Your Employee Benefits Book in which the rules are described in detail.

I hereby apply for the coverages I have indicated above and I authorize my employer to make the appropriate deductions, if any, from my wages to pay for my share of the cost. I understand that in the event of any discrepancy between any of these documents and the policy, the terms of the policy apply.

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_





**LSU System Voluntary Benefits Enrollment Form**

<b>Campus/ Hospital</b>	<b>Effective Date of Enrollment for Dental and/or Vision:</b>	<b>Campus Code/ Group #:</b>								
___ LSU System    ___ LSU –Shrev    ___ EK Long MC ___ LSU A&M    ___ UNO    ___ HP Long MC ___ LSU – Alex    ___ HSC- Shrev    ___ Lallie Kemp MC ___ LSU-Eunice    ___ HSC-NO    ___ WO Moss Reg MC ___ Law Center    ___ HCSD HQ    ___ University MC ___ Pennington    ___ ILPH    ___ Bogalusa MC ___ Ag Center    ___ EA Conway MC    ___ Chabert MC										
<table border="1"> <tr> <th style="text-align: center;">Reason for Enrollment</th> <th style="text-align: center;">Exact Date of Event:</th> </tr> <tr> <td>New Hire</td> <td>___/___/___</td> </tr> <tr> <td>Change in Employment Status</td> <td>___/___/___</td> </tr> <tr> <td>Reason for Change _____</td> <td></td> </tr> </table>		Reason for Enrollment	Exact Date of Event:	New Hire	___/___/___	Change in Employment Status	___/___/___	Reason for Change _____		
Reason for Enrollment	Exact Date of Event:									
New Hire	___/___/___									
Change in Employment Status	___/___/___									
Reason for Change _____										

**Employee Information:**

\_\_\_\_\_ /\_\_\_/\_\_\_    \_\_\_\_\_    \_\_\_\_\_ F or M  
 Last Name    First Name    MI    Birth date    SSN    Gender (circle)

\_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_  
 Home Street Address    Home City    State    Zip Code

\_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_  
 Home Telephone #    Work Telephone #    Occupation    Marital Status (circle): Single/Married/Divorced/Widowed

**Spouse Information:**

\_\_\_\_\_ /\_\_\_/\_\_\_    \_\_\_\_\_ F or M  
 Last Name    First Name    MI    Birth date    Gender

Check here if the home address and telephone number are the same as Employee's.

\_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_  
 Home Street Address    Home City    State    Zip Code    Telephone #

**Child (ren) Information:**

_____ /___/___    _____ F or M Last Name    First Name    MI    Birth date    Gender
_____ /___/___    _____ F or M Last Name    First Name    MI    Birth date    Gender
_____ /___/___    _____ F or M Last Name    First Name    MI    Birth date    Gender
_____ /___/___    _____ F or M Last Name    First Name    MI    Birth date    Gender

Check here if the home address and telephone number are the same as Employee's.

\_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_  
 Home Street Address    Home City    State    Zip Code    Telephone #

To the best of my knowledge and belief, the information I provided on this form is correct.

**Employee Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_



**FLEXIBLE BENEFITS PLAN  
ENROLLMENT FORM  
Plan Year 2010/2011 (July 1, 2010 - June 30, 2011)**

Section 125 of the Internal Revenue Code establishes the opportunity for employees to pay certain eligible health care expenses (those for which reimbursement is not received from an insurance carrier) and dependent care expenses with tax-free dollars. The employee determines the amount to deduct from his/her check and to deposit into each of the two accounts. The Annual Target indicated below is used to determine the monthly deduction based on your Pay Type.

For administrative fees, see "Your Employee Benefits" Book for details.

NOTE: For those employees who are nearing 40 years of service or who participate in Social Security, participation in a Flexible Benefits Plan may have an adverse effect on the computation of your Social Security benefits.

<b>PREMIUM ONLY</b>	
<b>Elections for Premiums Only Plan will automatically renew each year unless changed during Annual Enrollment.</b>	
<input type="checkbox"/>	<b>YES</b> , I elect to PARTICIPATE in the Premiums Only Plan. I understand that eligible insurance premiums will be deducted pre-tax and this election will remain in effect and cannot be cancelled or changed during the plan year unless the cancellation or change is within the guidelines of Louisiana State University's Flexible Benefits Plan.
<input type="checkbox"/>	<b>NO</b> , I DO NOT elect to participate in the Premiums Only Plan. I understand that premiums will <u>not</u> be deducted on a pre-tax basis.

<b>FLEXIBLE SPENDING ACCOUNTS</b>						
<b>Spending account elections must be renewed during the Annual Enrollment period each year.</b>						
<b>HEALTH CARE SPENDING ACCOUNT</b>				<b>DEPENDENT CARE SPENDING ACCOUNT</b>		
<input type="checkbox"/> <b>I choose to participate in a Health Care Spending Account</b> (Annual Maximum =\$4000; Annual Minimum =\$100)  <b>ANNUAL TARGET (must complete)</b> _____  *Monthly rate will be pro-rated by number of paychecks remaining in the year with a restricted amount of \$333/month for 12 month employees & \$444/month for 9 month employees.				<input type="checkbox"/> <b>I choose to participate in a Dependent Care Spending Account</b> (Annual Maximum =\$5000 or \$2500 if married & filing separately; Annual Minimum = \$100). <b>ANNUAL TARGET (must complete)</b> _____  *Monthly rate will be pro-rated by number of paychecks remaining in the year with a restricted amount of \$416/month for 12 month employees & \$555/month for 9 month employees.  I understand that both my spouse and I must be employed or attending school full time, and that my election cannot be more than my annual salary or my spouse's, whichever is less, and that reimbursement from all employer plans cannot exceed \$5000.		
FOR OFFICE USE ONLY	Pay Type	Deduction Amount	Annual Amount	Pay Type	Deduction Amount	Annual Amount
<input type="checkbox"/> <b>I choose NOT to participate in a Health Care Spending Account.</b>				<input type="checkbox"/> <b>I choose NOT to participate in a Dependent Care Spending Account</b>		
This agreement will remain in effect for the Plan Year unless changed for reasons stated in the terms and conditions of the Plan on the following page. By signing below, I certify that I have examined this agreement and understand and agree to comply with the terms and conditions of the Plan. If this is a change in status, I certify that this change is consistent with the qualifying event. I agree to hold Gilsbar, Inc. or Boon Chapman and The Louisiana State University System harmless from any liability to my participation in this plan.						
Printed Name _____			Social Security Number _____			
Signature _____			Date ____/____/____			
<b>NOTE: If you wish to have your reimbursements directly deposited into an account of your choice, you will need complete a separate form to do so.</b>						

## QUESTIONS AND ANSWERS ABOUT THE LSU FLEXIBLE BENEFITS PLAN

**Q. What is the Flexible Benefits Plan?**

A. It is an IRS regulated program that allows employees to pay for certain benefits on a **pre-tax** basis. This means you pay no federal or state taxes on those benefit premiums or spending account contributions.

**Q. When will this plan begin?**

A. The plan year begins on July 1 and ends on June 30 each year. If you are a new employee, your plan will begin on the first of the month following one full calendar month of employment. Premiums and spending account contributions are deducted one month in advance.

**Q. When can I change my decision to participate in the LSU Flexible Benefits Plan?**

A. Each April the University will conduct an enrollment change period for the upcoming year. During this time you can make the decision to begin, renew, change, or discontinue your participation in the Plan for the next year.

Because of the tax advantages you enjoy under this program, the Internal Revenue Service imposes some restrictions on what changes you can make during the plan year. In general, the election you make at enrollment or during the enrollment change period is binding throughout the plan year. You cannot cancel or change your election during the plan year unless your benefit needs are affected by a change in family status, and the change in election is made within 30 days of the change in status. If a change to delete an ineligible dependent is not made within 30 days of the event and would result in the reduction of insurance premiums, the change in deduction will be effective the first of the month following receipt of the appropriate change documents. The IRS family status rules cover the following family status changes:

**Marriage**---Your spouse may be added to your benefit coverage within 30 days of the marriage date, and the additional premium amount qualifies for the flexible benefits plan.

**Divorce**---You must discontinue insurance coverage for your spouse after legal divorce within 30 days of the divorce. Legal separation does not qualify for change in family status. Children can be dropped from insurance coverage if custody is awarded to the spouse.

**Death of spouse or child**---A deceased spouse or child must be deleted from insurance coverage under the insurance plans within 30 days of the death.

**Birth or adoption of child**---Newborn or adopted children may be added to insurance coverage within 30 days of the date of birth or adoption.

**Ineligibility of child**---Overage children must be deleted from insurance coverage within 30 days of ineligibility. Never-married children through age 20 are eligible to be covered; children between ages 21 and 24 may be covered if they are full-time students.

**Termination of employment**---Your Flexible Benefits Plan election will be terminated on the effective date of termination or retirement. If you return to work within the same plan year, you will not be allowed to re-enroll within the same plan year. You may enroll for the next plan year.

**Spouse gets a new job**---You may elect to reduce your insurance coverage in the event that your spouse is eligible for benefit coverage from another employer. This election must be made within 30 days from the initial effective date of the spouse's employer sponsored insurance coverage. After the initial 30 day period, you must wait until the enrollment change period to make the change effective for the next plan year.

**Leave Without Pay (LWOP)**---An unpaid leave of absence for a period greater than 30 days by you or your spouse is a change in family status for which a benefit election change may be permitted. However, if you elect to revoke your enrollment in the Flexible Benefits Plan while you or your spouse are on leave without pay, you will not be allowed to re-enroll in the Flexible Benefits Plan for the current year upon return to pay status. You may enroll in the Flexible Benefits Plan at the next open enrollment period in April.

**Significant Change in Health Plan**---In the event that there is a significant change in your coverage through your employer or your spouses' employer you may elect to make changes regarding your insurance. This election must be made within 30 days from the initial change in the coverage. After the initial 30 day period, you must wait until the enrollment change period to make the change.

**Change of Dependent Care Provider**---In the event that you change dependent care providers you may make a change to your dependent care account. This election change must be made within 30 days of the change in provider, otherwise you must wait until the enrollment change period.

**Q. Can I change my spending account election during the plan year?**

A. Yes, provided the change is consistent with a change in family status and the change in election is made within 30 days of the event.

**Q. What do I need to do to enroll in the program and receive the tax savings in my paycheck?**

A. Initial enrollment in the Plan is done by completing the enrollment form. After initial enrollment in the Plan, you will be automatically enrolled for all subsequent years for the premiums only portion of the plan; health care and dependent care flex spending participants are required to re-enroll during the annual open enrollment change period.

**Q. Do I ever have to pay the tax savings back?**

A. No.

**Q. What will it cost me to participate?** See "Your Employee Benefits" Book for details.



**Board of Supervisors of Louisiana State University and Agricultural and Mechanical College  
Voluntary Life/Accidental Death & Dismemberment Enrollment Form**

EMPLOYEE INFORMATION			
Employee Name	Date of Birth	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	SSN
Employee Address	Date of Hire	Campus	
Spouse's Name	Spouse's Date of Birth	Employee's Base Annual Earnings / # of Hours Worked \$ _____ / _____	

**LIFE COVERAGE SELECTION**

**Employee Life:** Guaranteed Issue up to the lesser of \$500,000 or 5 times Basic Annual Earnings in increments of \$10,000 with a maximum of \$1,000,000. Amounts over \$500,000 will be subject to Evidence of Insurability (E of I). Once covered, an employee may increase coverage by one time his/her base annual earnings per year up to the applicable limits during Annual Enrollment, Guaranteed Issue. Late entrants may elect coverage in increments of \$10,000, with evidence of insurability and be approved by The Hartford before coverage becomes effective.

**Spouse Life:** Up to the lesser of 50% of Employee coverage or \$100,000 in \$5,000 increments, with a Guaranteed Issue Limit of \$100,000. Additional coverage up to 50% of the employee's life coverage is available in \$5,000 increments to a maximum of \$250,000; subject to E of I.

**Child(ren):** Children from live birth to 6 months of age are covered for \$1,000, if selected. Check a coverage option below.

Age	Employee Rate / \$10,000	Spouse Rate / \$5,000	Coverage Selection		Premium Calculation						
			Life	Coverage	÷	# Units	X	Rate	=	Mo. Amount	
<25	\$0.55	\$0.28									
25-29	\$0.65	\$0.33	Employee	\$	÷	\$10,000	X		=		
30-34	\$0.75	\$0.38	Spouse	\$	÷	\$5,000	X		=		
35-39	\$0.95	\$0.48	Child(ren)	<input type="checkbox"/> \$5,000 for each eligible dependent child <b>\$0.75/mo.</b> <input type="checkbox"/> \$10,000 for each eligible dependent child <b>\$1.49/mo.</b> <input type="checkbox"/> \$20,000 for each eligible dependent child <b>\$2.98/mo.</b>							
40-44	\$1.19	\$0.60									
45-49	\$1.68	\$0.84									
50-54	\$2.85	\$1.43	<b>AD&amp;D Coverage: Amount equal to life insurance coverage</b>								
55-59	\$4.35	\$2.18	Employee	\$	÷	\$10,000	X	\$0.31	=		
60-64	\$6.60	\$3.30	Spouse	\$	÷	\$5,000	X	\$0.16	=		
65-69	\$10.90	\$5.45									
70-74	\$20.50	\$10.25									
75-79	\$34.30	\$17.15									
80-84	\$60.90	\$30.45									
85+	\$115.10	\$57.55									

**SPOUSE INFORMATION** *Complete spouse information if you have elected life insurance coverage for your spouse.*

Name of Spouse(last name, first, mi)	DOB	SSN

**DEPENDENT INFORMATION** *Complete dependent information if you have elected life insurance coverage for your dependent(s).*

Name of Dependent(last name, first, mi)	DOB	SSN





**Board of Supervisors of Louisiana State University and Agricultural and Mechanical College  
Voluntary Life/Accidental Death & Dismemberment Enrollment Form**

**EMPLOYEE BENEFICIARY INFORMATION** *Designate your beneficiary(ies) below*

**Primary Employee Beneficiary(ies)**

Name of Beneficiary (last name, first, mi)	Relationship	Benefit %

**Contingent Employee Beneficiary(ies)**

Name of Beneficiary (last name, first, mi)	Relationship	Benefit %

**SPOUSE BENEFICIARY INFORMATION** *Your spouse may designate separate beneficiary(ies) below*

**Primary Spouse Beneficiary(ies)**

Name of Beneficiary (last name, first, mi)	Relationship	Benefit %

Signature of Spouse: \_\_\_\_\_ Date: \_\_\_\_\_

**Contingent Spouse Beneficiary(ies)**

Name of Beneficiary (last name, first, mi)	Relationship	Benefit %

Signature of Spouse: \_\_\_\_\_ Date: \_\_\_\_\_

**READ THIS INFORMATION CAREFULLY AND THEN SIGN, COMPLETE SS# AND DATE BELOW ▼**

- I authorized my employer to deduct from my wages the premium, if any, for the elected coverage.
- To the best of my knowledge and belief, the information I have provided on this form is correct.
- **I understand that any person who knowingly presents a false or fraudulent claim for payment of loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.**
- I understand my coverage begins on the effective date assigned by The Hartford Life, provided I am actively at work.
- I also understand that evidence of insurability may be required for coverage to become effective.
- I understand that my premium may change if my age category changes within the benefits plan year.

<b>Employee's Signature</b>	<b>Date Signed</b>

For office use	
Pay type	
Monthly deduct	
Effective date	



