

CLEMSON

UNIVERSITY

2009

Benefit Programs

Clemson University
Office of Human Resources
Payroll and Employee Benefits
Pearman Boulevard @ Old Stadium Road
Clemson, South Carolina 29634-5337

Disclaimer

This publication is designed to be only a summary of benefits and does not contain all the terms and conditions of the various programs. The actual operation of each of the plans is governed by the plan document.

Revised 12-19-08

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INTRODUCTION

Eligible employees at Clemson University are offered an extensive benefit package. This includes health, dental, life, disability and long term care plans, plus group rates for a variety of supplemental optional insurance programs, in addition to retirement and leave programs. Working with the state of South Carolina and various independent agencies, Clemson University offers these programs to provide comprehensive coverage against illness, accident and death as well as to help employees meet their personal financial needs. Reference the following links for more benefits information:

Clemson University online new employee orientation:

http://www.clemson.edu/cao/humanresources/new_employee/index.html

The Office of Human Resources Payroll and Benefits web site:

<http://www.clemson.edu/cao/humanresources/>

STATE INSURANCE BENEFITS

Reference the Insurance Benefits Guide for deductibles, coinsurance, premiums and more specifics for all state insurance benefits. The Insurance Benefits Guide may be viewed at <http://www.eip.sc.gov/>

Eligibility Requirements

1. The individual must be employed by the state at Clemson University on a permanent and full time basis working 30 or more hours per week.
2. Grant and time limited employees may also meet eligibility for benefits based on provisions of the grant or contract.
3. No Clemson University student (graduate or undergraduate) is eligible for the insurance program.
4. The employee must complete appropriate election forms within 31 days of the date of employment.

Effective Date

If the employee begins active employment on the first day of the month, insurance coverage begins on that day (on the 1st of the month). If the employee begins active

employment on the first *working* day of the month, but not on the first *day* of the month the employee may choose when insurance coverage begins: the first day of that month, OR the first day of the following month. If the employee begins active employment *after* the first working day of the month, insurance coverage will begin the first day of the *following* month.

Health Plan Options

If eligible, employees of Clemson University may enroll in one of the state health plans (Standard or Health Savings Plan) administered by Blue Cross/Blue Shield of SC. Health Maintenance Organizations (HMOs) are also available as an option to the state health insurance programs (availability according to the regional service areas chart). Also, a deduction for TRICARE Supplemental plan is available to employees who, because of military service, are eligible for TRICARE coverage. The TRICARE Supplemental plan is available on an **after**-tax basis through payroll deduction.

Spouse and Dependent Coverage

Employees may also want to enroll their spouse and dependent children on their health, dental and dependent life coverage at reduced group rates, payable through payroll deduction. Dependents include the employee's spouse (who is not a state employee or retiree) and children (natural, adopted, foster, or those for whom they have legal custody) from ages 0 through 18. Children age 19 through 24 must be full-time students as defined by the institution or approved as an incapacitated dependent to be eligible for coverage.

12 month waiting period for pre-existing conditions

For any health plan selected, all new employees and their eligible dependents are subject to a twelve-month waiting period for diagnosis or treatment of a condition or symptom that was treated (or for which a reasonable and prudent person would have sought treatment) by a physician during the six months immediately prior to the effective date of an employee's or dependent's coverage. However, if the effective date of coverage at Clemson University is not greater than 62 days from the date the employee

lost coverage from their previous insurance carrier, they may obtain a certificate of coverage letter to reduce or eliminate their waiting period for pre-existing conditions. The letter may be obtained through their previous insurance carrier after coverage is terminated.

Making changes to insurance programs:

Based on Employee Insurance Program guidelines, employees may make certain changes to benefits during fall enrollment and within 31 days of a family status change, such as marriage, addition of dependent child, divorce, separation, loss of coverage and gain of coverage.

Insurance Coverage for Special Situations

Coverage may also be provided for situations such as approved leave without pay, retirement, COBRA qualifying events and for survivors. Eligibility, premiums and further details may be obtained from the Insurance Benefits Guide or contacting Clemson University Benefits Office.

Employee Hired on or After May 2, 2008

New retiree insurance provisions were created by Act 195 of 2008 that apply to new employees hired **on or after May 2, 2008**. At retirement, you must meet established insurance eligibility rules, and funding for your health insurance will be determined by calculating the number of years of earned service with an employer participating in the state insurance program.

These new funding provisions apply to SCRS, ORP and PORS participants. Please refer to page 163 in the Insurance Benefits Guide for details.

The State Dental Plan (BC/BS OF SC)

The dental program is offered at no cost to the employee. Employees may cover eligible dependents by completing the necessary enrollment paperwork and paying the appropriate premium, which is available through payroll deduction.

Dental Plus

The State also provides a supplemental dental program called Dental Plus. Dental Plus provides a higher allowable amount for the same services covered under the State Dental Plan except orthodontia. Employees who elect to enroll are required to carry the same level of coverage that they are enrolled in under the State Dental Plan. The cost of the Dental Plus Plan is in addition to the premium for the Basic Dental Plan. The combined annual maximum benefit for the State Dental Plan and Dental Plus for services in Classes I, II, and III will be \$2000.00 per covered person (compared to \$1,000.00 with the State Dental Plan alone).

Please refer to the Insurance Benefits Guide for dental deductibles and coinsurance on page 84 and, premiums on page 200.

Basic Life: (Hartford Life)

Each employee enrolled in the State Health Insurance Program is provided with a \$3,000 life insurance benefit and an additional accidental death and dismemberment benefit of \$3,000 at no cost to the employee. This is an employer paid benefit.

Basic Long Term Disability (LTD): (The Standard Insurance Company)

Basic Long Term Disability Insurance is protection for an employee's salary if out of work for an extended period of time due to accident, injury or illness and is provided by the state at no cost to the employee if enrolled in one of the state health plans. It is an employer paid benefit. The Basic LTD plan is coordinated with sick leave, annual leave, worker's compensation, S. C. Retirement System and Social Security payments. If any benefit is collected from these other areas, it will reduce the amount of monthly benefit. Eligibility for payment begins 90 consecutive calendar days from the last day worked and the amount is 62.5% of the monthly income to a maximum of \$800 per month. (Pre-existing conditions exclusion applies if disabled during the first year of coverage.)

Supplemental Long Term Disability (LTD) (The Standard Insurance Company)

The State also offers a supplemental long-term disability plan, which would provide 65%

of the monthly salary after either a 90 or 180 day waiting period. Maximum payment is \$8,000 per month and the minimum guaranteed monthly benefit is \$100 per month. This plan also coordinates with income from the Basic LTD, sick leave, annual leave, worker's compensation, S. C. Retirement System and Social Security. Premiums are determined by the employee's annual salary and age and are subject to change each January 1st. A benefits counselor will assist employees to determine their individual premium. Guaranteed insurability is provided within the first 31 days of employment. After 31 days, applicants must complete a health questionnaire and must be approved for coverage by the insurance company.

State Optional Term Life Insurance (Hartford Life)

The State of South Carolina offers optional term life insurance to all full-time regular employees. Eligible employees have the opportunity to enroll in this plan within 31 days of their hire date. Dependents are not eligible for coverage under this plan.

Eligible employees may purchase a coverage amount less than or equal to three times their annual salary in \$10,000 increments. Additional coverage may be purchased with evidence of good health up to \$500,000. This also carries an accidental death and dismemberment benefit equal to the amount of life coverage. The monthly premium is determined by their age and the amount of insurance selected. Refer to the optional life rates chart beginning on page 206 of the Insurance Benefits Guide for coverage and premiums.

Employees who wish to apply for optional life insurance coverage later may do so by completing a health questionnaire during the fall enrollment period each October. If approved by the insurance company for coverage, the effective date will be January 1st of the following year.

Dependent Life Spouse Coverage (Hartford Life)

You may enroll your spouse (provided they are not a state employee) for \$10,000 or \$20,000 Dependent Life coverage. You may obtain additional coverage for your spouse

(up to one-half your Optional Life coverage or \$100,000 maximum) if they provide medical evidence of good health. The cost is based on the employee's age. Refer to the optional life rates chart contained in the Insurance Benefits Guide for coverage and premiums.

Dependent Life Child Coverage (Hartford Life)

You can cover your eligible dependent children age 14 days but less than 25 years for \$15,000 of Dependent Life coverage. The monthly premium for Dependent Life child coverage is \$1.24 regardless of the number of children covered. Eligible children may be added at any time, without providing medical evidence.

Long Term Care (Prudential Life Insurance Company)

Long term care refers to a wide range of health and social services required by persons who, because of a chronic, long-lasting disease or disability (such as rheumatoid arthritis or Alzheimer's Disease), need human help in activities of daily living, household activities, or home-administered health services for an extended period of time.

Prudential Life Insurance Company offers Long Term Care plans that can help pay for the cost of a prolonged disabling illness. Active employees have the opportunity to enroll in a plan within the first 31 days of their employment, without completing a medical questionnaire. Refer to pages 129-134 of the Insurance Benefits Guide for coverage and premium details. Enrollment forms may be obtained by contacting Prudential Customer Service at 1-877-214-6588 or at www.prudential.com/gltcweb . Group Name: eipltc. Access Code: Carolina. This benefit is not available through payroll deduction. Enrollees will be billed directly by Prudential.

MoneyPlus (Fringe Benefits Management Company [FBMC])

Employees may elect to participate in the MoneyPlus Program, which is a flexible benefits program made available through sections 125 and 129 of the Internal Revenue Service (IRS) code. The following is a description of the three features of the MoneyPlus program:

Pretax Group Insurance Premium feature-

Because these premiums will be deducted before tax, this means that employees do not pay taxes on the dollars they use to pay their health and dental/dental plus premiums, or optional life premiums for up to \$50,000 of coverage. This results in savings of approximately 30% of the premium amount. Employees participating in these insurance programs will automatically be enrolled in this MoneyPlus feature.

The Dependent Care Spending Account-

The Dependent Care Reimbursement Account covers pre-school care, after-school care, and dependent adult care. This program is designed to deduct an annual amount up to \$5,000 through equal installments from the employee's first and second checks each month. The deduction is pretax and the money is placed in an account with Fringe Benefits Management Company where employees may be reimbursed for expenses that they incur, up to their account balance, providing dependent care for their eligible dependents. Employees may enroll within 31 days of employment, within 31 days of the birth of a child, or during fall enrollment held each October to be effective following January 1st. As with other insurance programs employees may also make changes if there is a valid family status change. Re-enrollment is required every year during fall enrollment for participation the following year. This feature has a use-it-or-lose-it provision. Money left over at the end of the plan year is not rolled to the next year.

Medical Spending Account-

In this feature, the employees who have completed one year of continuous state service by the first of January following the fall enrollment period are eligible to participate. This program is designed to deduct an annual amount up to \$5,000 through equal installments from the employee's first and second checks each month. The deduction is pretax and the money is placed in an account with Fringe Benefits Management Company. An employee may file to collect eligible non reimbursed medical and dental expenses with money from their account. Re-enrollment is required every year during fall enrollment for participation in the

following year. Changes may be made within 31 days of an approved family status change. This feature has a use-it-or-lose-it provision. Money left over at the end of the plan year is not rolled to the next year.

Note: If an employee has any of these expense(s), he/she should carefully consider enrolling in these tax-saving programs. Each MoneyPlus feature has its own small administrative charge deducted the 1st and 2nd paychecks every month before taxes.

Health Savings Account

If you are enrolling in the Health Savings Plan (HSP), you may be eligible to sign up for a Health Savings Account. The maximum contribution for individual coverage is \$3,000 annually or \$5,950 annually for dependent coverage. Unused contributions may be “rolled over” to the next year and even used after retirement, if contributions remain. If you leave your job, your Health Savings Account may be continued after termination of employment. Please refer to the Insurance Benefits Guide for further information on the HSA.

Vision Care

Participation in a state health plan or an HMO is not required to take advantage of the discounted vision care program. Participating ophthalmologists and optometrists throughout the state have agreed to charge no more than \$60 for a routine, comprehensive eye examination for glasses. Providers also agreed to give a 20% discount on all eyewear purchased except for disposable contact lenses. Participating providers are listed in the Vision Care Program Provider Directory which may be obtained from the Employee Insurance Program web site at: www.eip.sc.gov.

VOLUNTARY INSURANCE PROGRAMS BY AGENCY

MetLife

The MetLife Insurance Program is a completely voluntary employee-pay-all insurance program. The MetLife Program is a franchise and is not coordinated with any other insurance coverage available to Clemson University employees. Any person having an

interest in the MetLife Insurance Program should make an appointment with a MetLife representative.

Agents: Bert Campbell, CLU, ChFC
PO Box 658, Pendleton, SC 29670-0658
Phone: (864) 654-3121 Fax: (864) 654-0737
bert@acifinancial.net

Blake Campbell
Phone: (864) 261-9674 Fax: (864) 375-0425
blake@acifinancial.net

Life Insurance – Life insurance contracts are available on a payroll deduction basis for the employee and dependents. Both term and permanent contracts are available, and in the event that the employee leaves Clemson University the insurance may be kept with no changes in premiums or face amount. The amount and duration of coverage are the employee's choice with a great number of plans from which to choose. Annual renewable term, level term, universal life, variable universal life, and survivorship plans are available. Please reference the following link for more information about MetLife insurance benefits at Clemson University: <http://media.clemson.edu/humanres/MetLife.pdf>

Long Term Care- The MetLife Long Term Care program offers unlimited benefits and a 5% inflation feature that increases coverage annually with no change in the premium. University employees receive a 10% discount, and if contracts are purchased on the spouse this increases to 20% for as long as the contracts are payroll deducted. Various other options are available that allow a plan to be tailored to meet employees specific needs.

AFLAC

Cancer Coverage-

AFLAC offers a cancer care plan which has been authorized to be sold to Clemson

University employees at group rates and collected through payroll deduction. There are two categories of coverage – individual and family- and the rates remain constant, regardless of age (unless there is a rate increase of all like policies in the state).

AFLAC also offers Hospital Intensive Care and Accident Insurance.

Any person interested in obtaining additional information regarding AFLAC benefits should contact the AFLAC representative.

Agent: Ginny Murdock, Sales Associate
107 Ram Cat Alley, Seneca, SC 29678-3243
Phone: (864) 882-8157 or (800) 661-7330 Fax: (864) 888-4601

RETIREMENT BENEFITS

South Carolina Retirement System (SCRS) offers the option of a defined benefit plan to all Clemson University employees. Employees are required to contribute at the State specified rate (6.5% as of July 1, 2006). Clemson University contributes an appropriate amount (as defined by the State) to fund the defined benefit plan. Employee contributions are made on a pre-tax basis. Vesting rights are provided after 5 years of earned service. Benefits are defined by the retirement formula. For details visit SCRS at <http://www.retirement.sc.gov/default.htm>. **Enrollment is required within 30 days of the hire date.**

Optional Retirement Plan (ORP) is another retirement plan option available to all Clemson University employees. The ORP is a defined contribution plan administered by four contracted public vendors. Employees are required to contribute at the State specified rate (6.5% as of July 1, 2006). The University contributes 5% (as defined by the State) to each employee's account. All contributions are made on a pre-tax basis. All contributions are immediately vested. For details visit ORP at <http://www.retirement.sc.gov/orp/default.htm>. **Enrollment is required within 30 days**

of the hire date.

Federal Retirement System (FERS) is a grandfathered program in which some Clemson University employees are on a Federal appointment and are therefore eligible for state or federal health and state and/or Federal retirement benefits. Federal benefits are handled through the Clemson University Extension Administration.

Police Officers Retirement System (PORS) is available to some Clemson University employees. This is a defined benefit plan requiring employee contributions at the State mandated rate. The University contributes an appropriate amount (as defined by the State) to fund the defined benefit plan. Employee contributions are made on a pre-tax basis. Vesting rights are provided after 5 years of earned service. Benefits are defined by the retirement formula. For details visit PORS at <http://www.retirement.sc.gov/pors/default.htm>.

SUPPLEMENTAL RETIREMENT BENEFITS (401k, 403b, 457)

- Full-time and part-time employees with exception of students may elect to participate in a variety of tax deferred programs offered through the University via payroll reduction.
- No Federal or State income tax is deducted on contributions to a supplemental retirement plan until the proceeds are received. Annuity payments are reportable income in the year(s) received for both federal and state income tax.
- Internal Revenue Service Regulations determine the maximum amount(s) that can be deferred. There is no Clemson University match to any supplemental program. It is the responsibility of the employee and the company handling the tax-deferred program to make certain the authorized maximum is not exceeded.
- Total compensation (gross before salary reduction) is subject to contributions to the South Carolina Retirement System and to prescribed deductions for Social Security or Federal Retirement.
- Please refer to the plan options and changes document and listing of companies for specifics.

- Employees must contact company representatives to enroll in the annuity plans, and to start, stop or change contributions. If no company agent is listed, employees may contact the benefits office for assistance. Forms received at the Clemson University Payroll & Benefits office by the 15th of the current month will be processed for the 1st payday of the following month with the exception of accelerated payrolls.
- Annuity contributions may be made 24 times a calendar year for 12-month employees (1st & 2nd pay date each month), and 16 times a year for 9-month employees (1st & 2nd pay date Jan-April and Sept-Dec).
- In accordance with IRS rules effective 01/01/2009, Clemson University has implemented a 403b plan document, under this plan loans and financial hardship distributions are **not** permitted.

LEAVE BENEFITS

Annual Leave: All permanent non-faculty employees accumulate annual leave at the rate of 1.25 days for each month they are in pay status for one-half or more of the work days in the month based on 100% FTE. Upon completion of 10 years of State service, employees earn a bonus of 1.25 days per year for each year of continuous service to a maximum of 30 days per year.

Annual Leave for Faculty: 9-month faculty do not accrue annual leave, 12-month faculty accrue 11.25 hours per month for the first 19 years of service, and then 18.75 on the 20th year of service.

Holidays: All permanent employees receive paid holidays each year according to the President's directive, equal to the same number of days that all other State employees receive. Current holiday schedules are available online at <http://www.clemson.edu/cao/humanresources/benefits/holiday.html> .

Sick Leave: All permanent employees receive sick leave at the rate of 1.25 days for each month they are in pay status for one-half or more of the work days based on 100% FTE. Employees may use no more than 10 days sick leave to care for ill members of their immediate family. Refer to Personnel Policies and Procedures Manual for

definition of immediate family. This sick leave policy applies to all employees, including faculty.

Sick Leave for Faculty: 9-month faculty accrue 9.38 hours per month of sick leave. 12-month faculty accrue 9.38 hours per month of sick leave.

Leave for Death in Immediate Family: Any permanent employee, upon request, shall be granted up to three consecutive workdays of leave with pay on the death of any member of the employee's immediate family. Refer to the Personnel Policies and Procedures Manual for definition of immediate family.

Military Leave: Any permanent employee, upon presentation of a copy of their official order, shall be entitled to 15 work days each year for annual training or other duties ordered by the Governor or Department of Armed Forces.

Compensatory Time: Appropriate non-exempt employees may accumulate compensatory time for hours worked in excess of a 40-hour workweek.

Sabbatical Leave: Sabbatical leave may be granted by the President of the University to any tenured faculty member who has at least six years of full-time service with the University. Additional information may be found in the faculty manual.

Leave Pool: Employees may voluntarily transfer sick and/or annual leave into a Clemson University leave transfer pool from which other Clemson University employees may request leave. Any Clemson University employee with catastrophic or hardship situation may apply. Contact your departmental administrator for details.

Leave Without Pay: For any extended period of disability due to illness, injury or maternity, exceeding the amount of accrued sick leave, the employee may apply for leave without pay which, along with any paid leave that has been taken, shall not exceed 180 days.

Court Leave: Permanent employees who are summoned as a member of a jury panel or subpoenaed as a witness shall be granted leave with pay. Court leave will not be granted to employees engaged in personal litigation. Employees must provide copies of summons or subpoena to their supervisor.

BENEFITS CONTACTS

CLEMSON UNIVERSITY INSURANCE / SUPPLEMENTAL RETIREMENT

Director

Erik Flemming (864)656-5585

Benefits Manager

Pablo Unda (864) 656-5591

punda@clermson.edu

General insurance number and email

(864) 656-2713

empins@clermson.edu

Counselors:

Angie Cain (864) 656-5595

caina@clermson.edu

Zeke Lollis (864) 656-2713

ezekiel@clermson.edu

Nancy McConnell (864) 656-5608

entreki@clermson.edu

STATE EMPLOYEE INSURANCE PROGRAM

1-888-260-9430

www.eip.sc.gov

METLIFE INSURANCE

Bert Campbell, CLU, ChFC bert@acifinancial.net

PO Box 658, Pendleton, SC 29670-0658

Phone: (864) 654-3121

Fax: (864) 654-0737

Blake Campbell

blake@acifinancial.net

Phone: (864) 261-9674

Fax: (864) 375-0425

www.acifinancial.net

AFLAC INSURANCE

Ginny Murdock, Sales Associate

107 Ram Cat Alley

Seneca, SC 29678-3243

Phone: (864) 882-8157 or (800) 661-7330 Fax:

(864) 888-4601

SUPPLEMENTAL RETIREMENT

401k, 403b, 457

http://media.clemson.edu/humanres/plans_company_listings.pdf

http://media.clemson.edu/humanres/plans_options.pdf

CLEMSON UNIVERSITY RETIREMENT / LEAVE

Director/Manager

Erik Flemming (864)656-5585

Counselor:

Dan Alder (864) 656-4678

dalder@clermson.edu

SOUTH CAROLINA RETIREMENT SYSTEM

PO Box 11960, Capitol Station

Columbia, SC 29211-1960

1-803-737-6800 or 1-800-868-9002

AIG RETIREMENT

Scott Clark

505 Hyde Park Lane

Mauldin, SC 29662

1-864-483-1512 (cell) or

v mail 1-800-892-5558 x 88636

HARTFORD

Jim Hill, Investment Representative

906 Tiger Blvd.

Clemson, SC 29631

864-654-5556 or 800-755-7649

METLIFE

Blake Campbell

PO Box 658

Pendleton, SC 29670

Phone: (864) 654-3121

TIAA-CREF

Carl Goodwin

Sr. Consulting Officer

Six Concourse Pkwy, Ste. 2600

Atlanta, GA 30328-6104

1-800-842-2003 ext. 3524