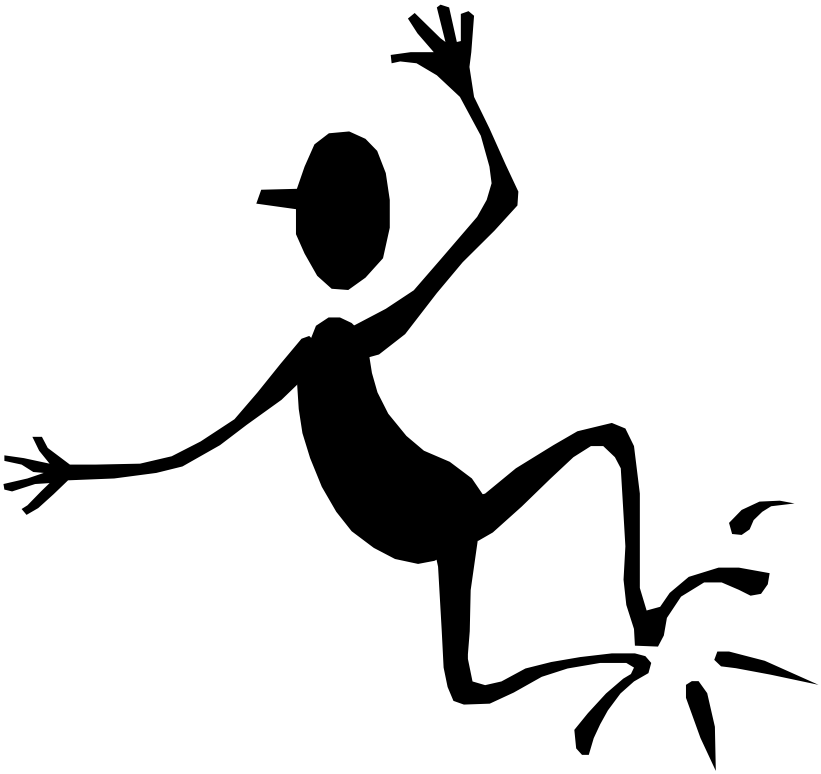
Indiana University of Pennsylvania
Office of Human Resources

Planning for Retirement Information



AFSCME, PSSU and PDA
SPRING 2011
REVISED MARCH 2011

PEBTF

IMPORTANT NOTICE FOR EMPLOYEES CONSIDERING RETIREMENT:

There are different eligibility criteria for the full (non-reduced) retirement benefit (SERS and PSERS members), for the majority paid health and prescription drug coverage after retirement (the plan includes coverage for both Medicare eligible and non-Medicare eligible retirees and their dependents) and for receiving a payout of unused sick leave.

If you are considering retirement, you are strongly encouraged to contact the Office of Human Resources (724) 357-2431 to verify your eligibility for these benefits <u>before</u> you submit your letter of retirement and/or <u>before</u> you sign your retirement paperwork with your retirement counselor. Once your retirement letter has been submitted, your retirement and separation from university employment is final and binding.

This document provides only general information and is intended for illustrative purposes only to assist you in planning for your retirement. Information provided in this document is subject to change. Detailed information about benefits and eligibility for these benefits is contained in the Plan Document, applicable Collective Bargaining Agreements, PASSHE policy, IUP policy and/or federal Medicare policy. If there is a difference between the information provided in document and the Plan Document, Collective Bargaining Agreement, PASSHE policy, IUP policy and/or federal Medicare policy will govern. The information provided in this guide is applicable until June 30, 2011.

Important Phone Numbers and Websites

State Employees Retirement System (SERS)
(800) 633-5461, x-3205 (Lance Mischen)
www.sers.state.pa.us
Our SERS representative is on campus two days per month. To reserve an appointment, contact Lance Mischen directly.

Public Schools Employees Retirement System (PSERS)
(888) 773-7748, x-5875
www.psers.state.pa.us

Alternative Retirement Plan (ARP)

- Fidelity - Larry Morton
  (800) 343-0860 (Retirement Services Center)
  (412) 290-2533
  larry.morton@fmr.com
  www.fidelity.com

- ING - Greg Jacobs
  (412)967-2608
  Gregory.jacobs@ingfa.com
  (866) 628-3811 (toll free)
  www.ing.com

- TIAA-CREF - Daniel Tatomir
  (877) 209-3136
  dtatomir@tiaa-cref.org
  www.tiaa-cref.org

- VALIC – Wayne Washowich
  (724) 863-3277
  wayne.washowich@valic.com
  www.valic.com

PEBTF
(800) 522-7279
www.pebtf.org

Social Security Administration
(800) 772-1213
www.ssa.gov

Medicare
(800) 382-1274
www.medicare.gov

Prudential Life Insurance
(800) 772-7316

Great West (457 Deferred Compensation)
(866) 737-7457
www.sers457.com

IUP Office of Human Resources
Office of Human Resources
Sutton Hall, Room G-8
1011 South Drive
Indiana, PA 15705
(724) 357-2431

Retirement Planning Checklist

In order to retire from IUP, here's what you need to do:

At Least 1 Year in Advance:

- ☐ SERS and PSERS Members: If you wish to buy previous service and have not already had this service verified, you need to file an application at least one year in advance of retirement. SERS and PSERS forms are available at their websites, *www.sers.state.pa.us* or *www.psers.state.pa.us* or from the Benefits Office.

At Least 2-3 Months in Advance:

- ☐ Contact your retirement plan representative and set up an appointment to review your annuity options, select a retirement date and make your annuity election.

  State Employees' Retirement System (SERS):
  (800) 633-5461, X-3205 (Lance Mischen)

  Public School Employees' Retirement System (PSERS):
  (888) 773-7748, X-5875 (Johnstown Office)

  The PSERS *Foundations For Your Future* Programs are designed to give public school employees an overview of their retirement benefits. These programs provide all active members with general information about PSERS' benefits and services. Attending a *Foundations for Your Future Program* will help you begin to plan for your retirement early in your career. Each program lasts approximately 90 minutes. For more information including a program schedule, go to www.psers.state.pa.us.

  Alternative Retirement Plan (ARP):

  Fidelity ---------- (800) 343-0860 (Larry Morton)
  ING ---------- (866) 628-3811 (Greg Jacobs)
  TIAA-CREF---- (877) 209-3136 (Daniel Tatomir)
  VALIC ---------- (724) 863-3277 (Wayne Washowich)

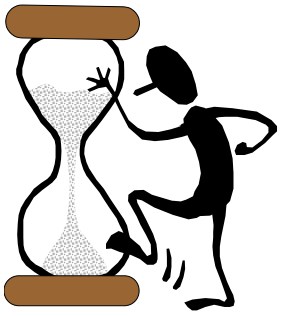
  ARP Members: Remember that you must elect a lifetime annuity in order to qualify for the Retired Employees' Health Program (REHP) and you must provide proof to the IUP Benefits Office that you have elected an annuity before your REHP enrollment will be processed. Your ARP retirement counselor can help you select the lifetime annuity that is best for you.

At Least 2-3 Months in Advance (Continued):

☐ Review the attached information regarding retirement, including the eligibility requirements for enrollment in the Retired Employee Health Program (REHP).

☐ If you, or your spouse, will be age 65 or older when you retire, be sure you are enrolled in both Medicare Parts A and B prior to the 1st day of the month in which you retire. Contact the Social Security Administration, 1265 Wayne Avenue, Indiana, PA 15701 (724) 463-9122 or toll free (800) 772-1213 for enrollment information. For employees that retire at age 65+, Social Security will require that your employer certify that you and/or your dependents were enrolled in an active group plan and are eligible for the Medicare Part B Special Enrollment Period. Forms can be forwarded to the Benefits Office for completion. Further information on Social Security is available at www.socialsecurity.gov and Medicare at www.medicare.gov.

***2-4 Weeks in Advance**:*



☐ Submit your letter of retirement:

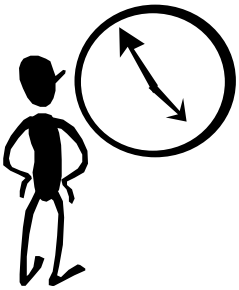
- o Address the letter to your Supervisor, with copies to your Dean or Vice President, and the Office of Human Resources.

Your retirement letter should state that you are retiring as of your last day of active employment. Your retirement date will be the day following your last day of active employment. Your retirement date must be a scheduled work day.

If you are enrolled in SERS, your retirement counselor will verify your eligibility for enrollment in the REHP, explain your health plan options and assist you in completing the enrollment paperwork. If you are enrolled in PSERS or the ARP, you will need to contact the Benefits Office regarding your REHP eligibility, health plan options and enrollment.

2-3 Weeks Prior to Your Retirement Date:

☐ **<u>ARP Members</u>: You are required to provide the IUP Benefits Office with a copy of the letter you receive from ARP indicating that your lifetime annuity has been established. <u>Failure to do so may result in loss of your REHP and sick leave payout</u>.**



General Information

Group Life Insurance – You may continue your university-paid group life insurance coverage without proof of medical insurability. Prudential will automatically send a conversion notice to your home address. Contact Prudential at (800) 893-7316 with any questions.

Voluntary Group Life Insurance Program (VGLIP) – If you were enrolled in the VGLIP, you can elect to continue your group life insurance. You have thirty-one (31) days from the date of termination of employment to exercise the portability option. Portability and conversion forms are available from the Office of Human Resources or at www.iup.edu/humanresources/benefits.

Long-Term Disability Insurance (LTD) – If you were enrolled in the LTD insurance, your coverage will end upon separation from employment. There are no conversion options since the LTD coverage is only for your IUP salary.

Payout of Accumulated Leave – You will receive a leave payout of unused annual and personal leave in your last paycheck. Sick leave payouts are made in accordance with the eligibility requirements of your collective bargaining agreement. See pages 28-31 for further information. **Employees must retire and begin drawing a lifetime annuity from one of PASSHE's retirement plans to qualify for the sick leave payout.**

Parking Permits – Retirees are eligible for an IUP parking permit. Contact Campus Police to renew your permit when your current permit expires.

Library Privileges – You may continue using your I-card to borrow books from the IUP library. Contact the Library for more information (724) 357-2330.

I-Card – The ability to purchase an I-Card at staff rates continues into retirement. Contact the Student Co-op to purchase or renew your I-Card (724) 357-1314.

Computer Access – **Computer access will be terminated on your last day of employment**. You can maintain your IUP email account through Auxmail. To request an Auxmail account you will need to complete an Auxmail account request form. An auxmail form will be mailed to you at the time you submit your letter of retirement. Auxmail forms may also be downloaded from the Office of Human Resources website at www.iup.edu/humanresources/benefits. Once you have completed the Auxmail form, you will receive further instructions from IT Services. Contact IT Services for more information (724) 357-4000.

American Express Corporate Credit Card/PNC Travel Credit Cards – If you were issued an American Express Corporate Credit Card by Payroll Services, you must return the card to Payroll Services, G-11 Sutton Hall. Eligibility for a Corporate Credit Card ceases upon termination of employment. Contact Payroll Services, (724) 357-2510 for further information. Travel Cards must be returned to the Travel Office. Contact the Travel Office, (724) 357-7999.

University Property – All university property (books, keys, computer equipment, software, etc.) must be returned to your chair or supervisor.

Retirement Plans

The Pennsylvania State System of Higher Education offers three retirement program options:

- State Employee's Retirement System (SERS)
- Public School Employee's Retirement System (PSERS)
- Alternative Retirement Plan (ARP)

SERS and PSERS are similar in that they determine the retirement benefit from a fixed formula that takes into consideration years of service, age, and final average salary. The plans invest all the contributions and pay benefits from the total pool of plan assets. The benefit amount is guaranteed and not affected by the investment earnings of the plan.

The retirement benefit is 100% vested once an employee has five years of credited service. When employees leave the university, they can remove their own contributions. If the employee is vested, he/she is entitled to the current value of the retirement benefit calculated by the formula. It also is possible to purchase other service, including military service, which will add to the total credited service used in the formula.

The ARP works very differently in the way it calculates retirement income. Employee and employer contributions are paid to the employee's account. Employees make the investment decisions about their account. The benefit is determined by the employee's account balance, which is made up of all contributions received plus any investment earnings.

If the investments perform well, the employee can earn a higher benefit. If they perform poorly, the benefit would be lower. The employee accepts any risk associated with the investments. The retirement benefit is 100% vested immediately. If employees leave employment, they are entitled to the full value of their account.

State Employees Retirement System (SERS):

Normal Retirement:

- Age 60 with 3 years of service
- Any age with 35 years of service

Early Retirement:

- Under age 60 with 5 or more years of service. Benefit is actuarially reduced based upon age or service

Public School Employees Retirement System (PSERS):

Normal Retirement:

- Age 62 with 1 year of service
- Age 60 with 30 years of service
- Any age with 35 years of service

Early Retirement:

- Under age 62 with 5 or more years of service. Benefit is actuarially reduced based upon age and service. Age 55 with 25 years of service with a 3% reduction applied for each year under normal retirement. Reduction not greater than 15% of annual maximum

Alternative Retirement Plan (ARP) – Fidelity Investments, ING, TIAA-CREF, VALIC:

Normal Retirement:

- Any age; however, normal retirement is age 60. Annuity is based upon employee/employer accumulations (contributions plus interest and earnings)

Early Retirement:

- Any age. Annuity is based upon employee/employer accumulations (contributions plus interest and earnings)

IMPORTANT: The first step in retiring from IUP is to contact your retirement plan to review your options, select your retirement date, and make your payout election. You must elect to receive a retirement annuity and meet all of the eligibility requirements in order to be enrolled in the Retired Employees Health Program (REHP) and the Sick Leave Payout. You must also submit an official letter of retirement to your supervisor.

Retired Employee Health Program (REHP)

NOTE: The Commonwealth has reserved the right to change any aspect of the REHP for employees who already have retired. In the past, the Commonwealth has made changes to the REHP benefits. The process of evaluating and re-evaluating the plan offerings to retirees is ongoing every year. All retirees and active employees will be advised as soon as a change, if any, is being considered for implementation.

While every attempt has been made to ensure that the information provided here is as accurate and complete as possible, full details of the plans are contained in the official plan documents. If there is a difference between the wording of the information provided here and the legal plan document, the plan document will govern.

ELIGIBILITY CRITERIA FOR MAJORITY PAID COVERAGE

Employees who were eligible as an active employee under the Pennsylvania Employee Benefit Trust Fund (PEBTF) Group Health Care Program on their last day actively at work are eligible for enrollment in the Retired Employees Health Program (REHP) if they meet certain criteria:

RETIRING AFTER JULY 1, 2008:

- age 60 with at least 20 years of credited service
- any age with at least 25 years of credited service
- with an approved disability and at least 5 years of credited service

Credited service earned on or after July 1, 2007 will be limited to service as a Commonwealth/State System employee. Employees hired on or after July 1, 2007 who have earned credited service with another employer (out-of-state) will not have this service counted for purposes of eligibility for REHP coverage unless they were employed by the Commonwealth prior to July 1, 2007. Up to five years of credited military service can be counted towards REHP eligibility.

Grandfathering Provision: *Employees with at least fifteen (15) years of credited service as of June 30, 2008, or at least thirteen (13) years of credited service and are within one year of superannuation age as of June 30, 2008, will be eligible to elect majority state-paid REHP coverage upon reaching superannuation age with fifteen (15) years of credited service rather than twenty (20).*

DISABILITY RETIREMENT

SERS Employees

Employees must meet the 5-year service requirement as outlined under the Eligibility Criteria section. Additionally, you must provide medical evidence that shows you cannot perform your current job. You will not be granted disability benefits unless the medical evidence that documents your disability is approved by the SERS' Medical Examiners.

The SERS Retirement Code requires that you apply while you are still employed; that is, you are still actively working, on paid leave, or on leave without pay.

If you are considering applying for disability benefits, please contact your retirement counselor at (800) 633-5461 for the medical forms that must be completed by your physician before an application for disability benefits will be reviewed.

PSERS Employees
Employees must meet the 5-year service requirement as outlined under the Eligibility Criteria section. You must apply to PSERS for disability benefits within two school years from the last date PSERS contributions were made on your behalf to be eligible to receive such benefits. Contact PSERS at (888) 773-7748 for a disability application. Your application and related medical documentation will be reviewed by the System's medical examiners who will determine if you are eligible for a disability benefit.

ARP Employees
Employees must meet the 5-year service requirement as outlined under the Eligibility Criteria section. Additionally, you must provide medical evidence that shows you cannot perform your current job. Contact the IUP Benefits Office for the medical report form. You will be notified, in writing, if you have been approved for a disability retirement.

Employees must apply for disability retirement while either in an active pay status or while in a leave without pay status. Application for disability retirement cannot be made after resignation.

Appeal processes for unfavorable decisions are outlined in the collective bargaining agreements.

ELIGIBILITY CRITERIA FOR PARTIALLY PAID COVERAGE

Employees who do not meet the criteria for majority paid REHP coverage may still be eligible to enroll in the REHP, however, the cost will be the full group rate which changes annually. If electing this option, the Commonwealth will contribute $5.00 per month toward the cost of this coverage.

SERS and ARP Enrollees

- age 60 with at least 3 years of service
- under age 60 with at least 10 years of service

PSERS Enrollees

- age 62 with at least 1 year of service
- under age 62 with at least 10 years of service

ELECTION OF MONTHLY ANNUITY

Enrollment in the REHP is contingent upon your election and subsequent receipt of a monthly annuity from one of the three State System retirement plans: State Employees' Retirement System (SERS), Public School Employees' Retirement System (PSERS), or the Alternative Retirement Plan (ARP). Any of the annuity options available through SERS or PSERS qualify an individual for enrollment in the REHP. However, due to the large variety of options available through the ARP, only certain annuities will qualify. Under those annuities, payments continue over the lifetime of the retiree and are made by one of the participating ARP companies.

IMPORTANT: If you are retiring from IUP and enrolled in the ARP (Fidelity Investments, ING, TIAA-CREF, VALIC) you must initiate the receipt of a monthly retirement benefit from your retirement plan in order to be eligible for enrollment in the REHP and receive the sick leave payout if all other criteria are met. PASSHE requires that a minimum of $10,000, or the your entire account balance, (whichever is less) must be annuitized meaning that you must elect to receive a fixed monthly payment for the rest of your life either based on $10,000 or your entire account balance.

Examples of qualifying annuities for each ARP company are:

Fidelity Investments
- Contact the IUP Benefits Office for further information

ING
- Life Income
- Life Income with 5-30 years guaranteed
- Life Income with Cash Refund (available for fixed payouts only)
- Joint and Full Survivor
- Joint and Full Survivor with 5-30 years guaranteed
- Joint and Full Survivor with Cash Refund (available for fixed payouts only)
- Joint and 66 2/3% or 50% Survivor (payments reduced on death of either)
- Joint and 50% Contingent (Payments reduced by 50% only upon death of retiree)

TIAA-CREF
- The Lifetime Annuity
- Interest Payment Retirement Option (IPRO)

VALIC
- Single-life annuity
- Joint and Survivor Annuity
- Unit Refund Life Annuity
- Interest Income

Verification of the election of an ARP lifetime annuity must occur prior to an employee's enrollment in the REHP.

TIMING OF ENROLLMENT

Retirees may enroll in the REHP if they meet the eligibility criteria for majority or partially paid coverage and if they were eligible for enrollment in the active PEBTF group health coverage on the last day actively at work.

With the REHP, the retiree can elect enrollment in the REHP, discontinue REHP coverage and re-enroll in the REHP plan at a later date only under certain circumstances. After the second re-enrollment, if the retiree discontinues their REHP coverage again, he/she can never re-enroll in the REHP

REHP COSTS – MAJORITY PAID COVERAGE

Eligible employees who retire *on or after July 1, 2007,* will also receive the same benefits as active employees (**except dental, vision, or hearing aid benefits**), and will be required to pay an annual contribution rate equal to the active employee share which is subject to change whenever the active share changes.

October 1, 2010 – June 30, 2011	3.0% of final gross base salary

Any changes in the active employee percentage rate after June 30, 2011 also would apply. The retiree contribution will remain in effect for as long as the retiree is covered under the REHP. Medicare-eligible employees are also required to pay the retiree contributions for the REHP Medicare supplemental coverage and prescription drug plan.

REHP COSTS – PARTIALLY PAID COVERAGE

Contact the PEBTF (800) 522-7279 for partially paid premium amounts as these change annually each January 1.

PSERS PREMIUM ASSISTANCE PROGRAM

If you are a PSERS member you may be eligible for the PSERS Premium Assistance Program. This program provides eligible retirees with up to $100 per month in non-taxable reimbursement to help pay for health insurance provided through the REHP. Contact PSERS for additional information (800) 773-7725.

ENROLLMENT IN THE PEBTF'S RETIRED EMPLOYEES HEALTH PROGRAM (REHP)

SERS Members: Your SERS retirement counselor will enroll you in the PEBTF's Retired Employees Health Program (REHP).

PSERS and ARP Members: The Benefits Office will enroll you in the PEBTF's Retired Employees Health Program (REHP).

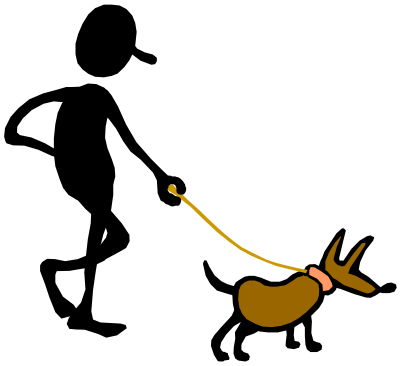
SURVIVOR SPOUSE COVERAGE

Coverage for survivor spouses of retirees is made available through legislative Act 35 of 1991 and Act 183 of 1992.

Provisions of Act 35 extend to survivor spouses of SERS members who die while still in active service and who meet the following criteria:

- must have been eligible to retire from State System service as of date of death
- employee and spouse must have been enrolled in the PEBTF Health Program at time of employee's death
- must have been eligible for REHP coverage had the employee retired prior to death

Coverage is available for spouses only; other dependents are not eligible. Survivor spouses have a one-time option to elect enrollment in the REHP. Survivor spouses are required to pay 100% of the group rate for their coverage. Election in the REHP may be postponed—it does not have to occur at the time of the retiree's or employee's death. (For example, often survivor spouses elect COBRA coverage until such coverage ends, and then elect the REHP coverage).



PEBTF Retired Employees Health Program (REHP)	
Non-Medicare Eligible Members:	
PPO Option	In-Network: $15 PCP co-payment, $25 specialist co-payment & $50 ER co-payment (waived if admitted). Out-of-network: $400 per person; 30% of the next $5000; 0% in excess of $5000.
HMO Option	$15 PCP co-payment, $25 specialist co-payment & $50 ER co-payment (waived if admitted).
Consumer Driven Health Plan	REHP credits $1000 (single)/$2000 (family) to a Health Reimbursement Account (HRA). Member uses HRA funds to pay for all non-preventative medical expenses. $500 (single)/$1000 (family) annual deductible; plan pays 100% for network services; 70% for non-network.
Prescription Drug Plan	Three tier co-payment
Medicare Eligible Members:	
Medicare PPO	In-Network: Annual Medicare Part B deductible, which is subject to change each year. $10 PCP co-pay (after deductible); $15 Specialist co-pay (after deductible); $50 emergency room co-pay waived if admitted). Out-Of-Network: 2 times annual Medicare Part B deductible, which is subject to change each year, 20% plan payment after deductible to out of pocket of $2,500 (includes deductible; 0% in excess of $2500 (includes deductible). Offered throughout Pennsylvania and nationally
Medicare HMO	$10 PCP co-payment, $15 specialist co-payment & $50 ER co-payment (waived if admitted). Plans vary by Pennsylvania Region and in some areas outside of Pennsylvania.
Prescription Drug Plan	Three tier co-payment

PEBTF Benefit Option Summary Comparison – Non-Medicare Eligible Members Retired on or After July 1, 2004

BENEFIT	PPO OPTION		HMO OPTION	CONSUMER DRIVEN	
Deductible	No Referrals Needed		All care directed by Primary Care Physician (not all plans)	No Referrals Needed	
	In-Network	Out-of-Network		In Network	Out-of-Network
	$0	$400 per person; 30% of the next $5000; 0% in excess of $5000. All services subject to deductible unless otherwise noted.	$0	$1,500 single deductible; $3,000 family per year. The PEBTF contributes $1,000 per individual and $2,000 per family per year into a Health Reimbursement Account (HRA). Therefore, the out-of-pocket maximum (in network) is $500 for an individual or $1,000 for a family per year.	
Out-of-Pocket Maximums	Not Applicable	$1500 per person ($3000 per family) PLUS the deductible	Not Applicable	$500 individual after the $1000 HRA; $1,000 per family after the $2000 HRA	$4,500 individual; $9,000 per family after the HRA
Physician Visits Primary Care Physician	100% after $15 co-payment	70%; Member pays 30%	100% after $15 co-payment ($20 after hours)	100% after deductible	70%* after deductible; Member pays 30%
Specialist	100% after $25 co-payment	70%; Member pays 30%	100% after $25 co-payment ($30 after hours)	100% after deductible	70%* after deductible; Member pays 30%
Preventative Care *Adult* Routine Physical Examinations (Adult Immunizations are NOT covered)	100% after $15 co-payment	70%*; Member pays 30%	100% after $15 co-payment	All preventative care covered in network up to $500 per year ($1,000 per family)	Preventative care not covered out of network
Annual Routine Gynecological Exams Including a PAP Test	100% after $25 co-payment (if visiting an OB/GYN)	70%*; Member pays 30% (Deductible waived)	100% after $25 co-payment (if visiting an OB/GYN)		
Annual Routine Mammograms	100%	70%*; Member pays 30% (Deductible waived)	100%		
Pediatric Routine Physical Examinations	100% after $15 co-payment	70%*; Member pays 30% (Deductible waived)	100% after $15 co-payment		
Pediatric Immunizations	100%	70%*; Member pays 30% (Deductible waived)	100% after $15 co-payment (for office visit)		
Emergency Room Services	$50 co-payment, if considered a medical emergency as defined by the PPO (waived if admitted)	$50 co-payment, if considered a medical emergency as defined by the PPO (waived if admitted)	$50 co-payment if considered a medical emergency as defined by the HMO (waived if admitted)	100% after deductible	70%* after deductible; Member pays 30%
Hospital Expenses (Inpatient & Outpatient)	100% (up to 365 days per year)	70%* (up to 70 days per year); Member pays 30%	100%; semi-private room (private room if medically necessary)	100% after deductible	70%* (up to 70 days per year) after deductible; Member pays 30%
Medical/Surgical Expenses (Except Office Visits)	100%	70%*; Member pays 30%	100%	100% after deductible	70%* after deductible; Member pays 30%
Skilled Nursing Facility Care (medically necessary)	100% (240 days)	70%* (240 days); Member pays 30%	100% (180 days at participating facility)	100% (240 days) after deductible	70%* (240 days) after deductible; Member pays 30%
Home Health Care (medically necessary)	100%	70%*; Member pays 30%	100%; up to 60 visits in 90 days; may be renewed at the option of the HMO	100% after deductible	70%* after deductible; Member pays 30%
Chiropractic Care (restorative, medically necessary; not for maintenance of a condition)	100% after $15 co-payment (treatment plan must be submitted after 6 visits)	70%*; Member pays 30% if ASH Network Provider is not used; (treatment plan must be submitted after 6 visits)	$15 co-payment (combined maximum of 60 visits per year for all outpatient therapies)	100% after deductible; (treatment plan after 6 visits)	70%* after deductible; Member pays 30%; (treatment plan after 6 visits)
Mental Health & Substance Abuse Treatment	Provided by UBH	Provided by UBH	Provided by UBH	Provided by UBH	Provided by UBH
Durable Medical Equipment/Prosthetic	Wright & Filippis Administration (WFA)		Wright & Filippis Administration (WFA) except for Keystone West HMO Members	100% after deductible	70%* after deductible; Member pays 30%
Out of the Area Care	Urgent and Emergency Care Only, or as defined by the PPO	70%*; member pays 30% (Possible PPOBlueCard Cov.)	Urgent and Emergency Care Only, or as defined by the HMO	Urgent and Emergency Care Only	70%* after deductible; Member pays 30%
Lifetime Maximum	Unlimited	$1,000,000	Unlimited	Unlimited	$1,000,000

*Non-participating/non-network providers may balance bill for difference between plan allowance and actual charge.
This Benefit Option Summary Comparison is for illustrative purposes only. It is not all inclusive nor definitive. The actual benefits are as set forth in the REHP Benefits Handbook. Rev 4/2007

Benefit Option Summary
Medicare Eligible Retirees and Dependents

The PEBTF provides Medicare eligible retirees and Medicare eligible dependents with additional benefits to supplement Medicare coverage through the REHP Medicare Advantage Plan.

The federal Medicare program is health insurance for people age 65 or older. Medicare Part A covers inpatient hospital care and certain follow-up care. You paid for Part A as part of your Social Security taxes while working. Medicare Part B pays for physician services and some other services not covered by hospital insurance. You must pay the monthly Medicare Part B premium in addition to your REHP health care contribution. If you are receiving a monthly Social Security check, your Part B premium will automatically be deducted from these earnings. If you are not receiving a monthly Social Security check, you will be billed by Medicare for your Part B premium.

To supplement Medicare coverage, Medicare eligible retirees and Medicare eligible dependent(s) have two REHP plan options to choose from:

- Medicare HMO
- Medicare PPO

IMPORTANT: To have comprehensive coverage you must be enrolled in the federal Medicare Program (Part A and Part B) no matter which plan you choose.

Medicare HMO

The Medicare HMO is the lowest cost option. You pay a copayment when you visit network providers

- You will not pay an annual deductible
- You must choose a primary care physician (PCP) from the plan's network
- Your PCP refers you to a network specialist when necessary
- You have a low PCP office visit copayment and a low specialist office visit copayment
    - $10 copayment for PCP office visit
    - $15 copayment for specialist office visit
- You must obtain medically-necessary services from a network physician; there are no out-of-network benefits
- You may obtain urgent and emergency care anywhere in the United States
- You have a fitness club benefit
- You continue to pay the monthly Medicare Part B premium
- Your prescription drug coverage will be provided by the REHP Prescription Drug Plan offered by Medco

Medicare HMO Availability for Indiana County:

- UPMC for Life Medicare HMO

For further information on Medicare HMO options and availability in other counties contact the PEBTF at (800) 522-7279.

Medicare PPO

The Medicare PPO offers greater provider flexibility but out-of-pocket costs are generally higher than with an HMO

- You may visit both network and out-of-network providers – Aetna Medicare PPO offers a national network
- You have an annual in-network deductible before the plan pays for any services
- You have an annual out-of-network benefit equal to two times the annual Medicare Part B deductible
- You do not have to choose a primary care physician (PCP) from the plan's network
- You do not have to obtain PCP referrals to specialists
- You have a low network PCP office visit copayment and a low network specialist office visit copayment
- You may obtain urgent and emergency care anywhere in the United States
- You have a fitness club benefit
- You continue to pay the Part B premium
- Your prescription drug coverage will be provided by the REHP Prescription Drug Plan offered by Medco

Medicare PPO Availability:

- Aetna Medicare Plan (PPO)

For further information on the Aetna Medicare PPO option contact the PEBTF at (800) 522-7279.

PEBTF Medicare Options

	MEDICARE HMO	MEDICARE PPO	
	NETWORK ONLY	**IN-NETWORK**	**OUT-OF-NEWORK**
Annual Deductible	None	Annual Medicare Part B deductible, which is subject to change each year	2 times the annual Medicare Part B deductible, which is subject to change each year
Annual Out-of-Pocket Maximum	None	None	$2,500 per year (includes the deductible)
Primary Care Office Visits	$10 Co-pay	$10 Co-pay (after deductible)	80%* plan payment; Member pays 20% (after deductible)
Specialist Office Visit	$15 Co-pay	$15 Co-pay (after deductible)	80%* plan payment; Member pays 20% (after deductible)
Preventative Care (as outlined by Medicare)	Covered 100%	Covered 100%	80%* plan payment; Member pays 20% (after deductible)
Annual Physical	Covered 100%	Covered 100%	80%* plan payment; Member pays 20% (after deductible)
Hospitalization	Covered 100%	Covered 100% (after deductible)	80%* plan payment; Member pays 20% (after deductible)
Surgery	Covered 100%	Covered 100% (after deductible)	80%* plan payment; Member pays 20% (after deductible)
Mental Health Care	Covered 100%; outpatient visits - $15 Co-pay	Covered 100%; outpatient visits - $15 Co-pay (after deductible)	80%* plan payment; Member pays 20% (after deductible)
Home Health Care	Covered 100%	Covered 100% (after deductible)	80%* plan payment; Member pays 20% (after deductible)
Skilled Nursing Facility Care	Covered 100%; (100 days per benefit period)	Covered 100%; (100 days per benefit period after deductible)	80%* plan payment; Member pays 20% (after deductible)
Emergency Care	Covered 100%; after $50 Co-pay (waived if admitted)	Covered 100%; after $50 Co-pay (waived if admitted)	80%* plan payment; Member pays 20% (after deductible)
Durable Medical Equipment	Covered 100%	Covered 100% (after deductible)	80%* plan payment; Member pays 20% (after deductible)
Diabetic Supplies	Covered 100%; for test strips, lancets and glucometer	Covered 100%; for test strips, lancets and glucometer (after deductible)	80%* plan payment; Member pays 20% (after deductible)
Fitness	Fitness club benefit (check with health plan for specific information)	Fitness club benefit (check with health plan for specific information)	Not covered
Lifetime Maximum	No lifetime maximum	No lifetime maximum	No lifetime maximum

* Non-participating/non-network providers may balance bill for difference between plan allowance and actual charge
You continue to pay the Part B premium no matter which option you choose.

PEBTF
Prescription Drug Program for Retired Employees

Administered by Medco

Summary

- Prescription drug coverage for you and your eligible dependents
- Retail prescriptions – three-tier plan
- Maintenance prescriptions – three-tier plan for prescriptions of more than 30 days up to 100 days

The REHP Prescription Drug Plan has two components:

- A retail prescription card program
- A mail-order program for long-term needs

Generic Reimbursement Plan

Your Prescription Drug Plan is a mandatory generic plan. You may obtain the brand-name drug if you choose, but you will have to pay higher co-payment plus the cost difference between the brand and the generic.

Three-Tier Plan

The retail prescription card program is most appropriate when your doctor prescribes medication for treatment of a short-term (acute) illness or injury. Prescriptions may be filled at any pharmacy that participates in the Medco network. Most national drug store chains as well as many independent pharmacies are members of the network. The prescription drug plan has a three-tier plan that uses a list of generic and brand-name drugs called a formulary to determine your co-payment. Drugs that are on the formulary are called "preferred." Drugs that are not on the formulary are called "non-preferred." The following table shows the co-payment amount that you will be charged for a prescription filled with up to a 30-day supply at a participating pharmacy:

Prescriptions at a Participating Pharmacy – Up to a 30 Day Supply	**Co-Payment**
Tier 1: Generic drug	$10
Tier 2: Preferred brand-name drug	$18, plus the cost difference between the brand and the generic, if one exists
Tier 3: Non-preferred brand-name drug	$36, plus the cost difference between the brand and the generic, if one exists

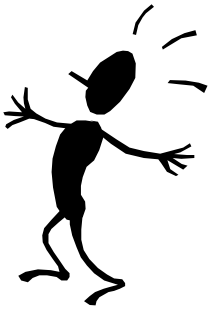
The mail order prescription card program is most appropriate if you have a chronic condition and take medication on an ongoing basis. Mail order prescriptions are also through Medco. You may also obtain your long-term maintenance prescriptions at any Rite Aid Pharmacy. Your co-payment for a long-term maintenance prescription will be different depending on whether the prescription is filled by Medco or a Rite Aid Pharmacy. To obtain mail order prescription materials, contact Medco at (800) 803-2553 or go to www.medco.com. The following table shows the co-payment amount:

Mail Order Maintenance from Medco – Up to a 90 Day Supply	**Co-Payment**
Tier 1: Generic drug	$15
Tier 2: Preferred brand-name drug	$27, plus the cost difference between the brand and the generic, if one exists
Tier 3: Non-Preferred brand-name drug	$54, plus the cost difference between the brand and the generic, if one exists

Retail Maintenance at a Rite Aid Pharmacy – Up to a 90 Day Supply	**Co-Payment**
Tier 1: Generic drug	$20
Tier 2: Preferred brand-name drug	$36, plus the cost difference between the brand and the generic, if one exists
Tier 3: Non-preferred brand-name drug	$72, plus the cost difference between the brand and the generic, if one exists

For further information on the REHP Prescription Drug Program, contact Medco at (800) 803-2523 or PEBTF at (800) 522-7279 (in Pennsylvania) or (800) 628-0174 (out of state).

Sick Leave Payout



AFSCME, Physicians and PSSU Eligibility Criteria:

1. Superannuation retirement with at least 5 years of credited service in the State and/or Public School Retirement Systems*, or
2. Disability retirement, which requires at least 5 years of credited service in the State and/or Public School Retirement Systems**, or
3. Other retirement with at least 25 years of credited service in the State and/or Public School Retirement Systems***, or
4. After 7 years service, death prior to retirement or separation from service****

Payment Schedule:

AFSCME, Physicians and PSSU		
Days available at retirement	Percentage buy-out	Maximum days
0-100	30%	30
101-200	40%	80
201-300	50%	150
over 300 (in last year of employment)*****	100% of days over 300	13

*Superannuation under the Alternative Retirement Plan shall be 60 years of age with at least 5 years of Commonwealth/State System Service.
**A retirement under the Alternative Retirement Plan shall be considered disabled if the retiree meets the same disability retirement standards used by the State Employees' Retirement System as determined by the by the State System's medical consultant.
***Retirement under the Alternative Retirement Plan must include at least 25 years of Commonwealth/State System service.
****When an employee dies as the result of a work-related accident, 100% of the employee's unused sick leave will be paid unless the survivor spouse or minor children are entitled to benefits under Act 101 of 1976 in which case payment will be at 30% of unused sick leave to a maximum of 90. (Act 101 of 1976 provides payment to the surviving spouse/children of firemen or law enforcement officers killed in the line of duty).

*******NOTE: Payment at 100% would be for only those days earned during the leave calendar year in which the employee retires.**

Tax Deferral of Leave Payments

Retiring and terminating employees who receive payment for accumulated annual, sick or personal leave may be eligible to tax defer some or all of those payments to the Commonwealth's Deferred Compensation Plan (457 Plan). Great West Retirement Services has been chosen by the Commonwealth as the administrator of this program.

The change in IRS Regulations that now allows these tax deferrals to the 457 Plan contains the following restrictions:

- **You must be enrolled in the 457 Plan and must elect to defer leave payments <u>before</u> the beginning of the month in which the leave payments would be paid.**

- Tax deferred leave payments, along with other tax deferrals to the 457 Plan, are limited to the maximum elective deferral limits for the calendar year in which they are made.

These deferral limits vary depending upon several factors. In the final three-year period prior to normal retirement age as defined by the State Employees' Retirement System you may be eligible for a special deferral provision, which allows you to tax defer an amount greater than the annual calendar year limit. This should be discussed with a Great West representative, who will gather the necessary data from our office to determine if you qualify for this special provision.

Because of the IRS timing restrictions, you should plan well in advance for your leave payment deferral. To defer leave payouts to the 457 Deferred Compensation Plan you <u>must</u> first enroll in the plan and have at least one payroll deduction made to the plan before the deferral of your leave payout.

To enroll, contact Great West Retirement Services representative William Poletti at (866) 737-7457, Press 2, extension 62230 or email at william.poletti@gwrs.com. Enrollment forms and information are also available at www.sers457.com. Questions regarding deferral amounts and limits should be directed to Payroll Services, (724) 357-2510.

<u>NOTE:</u> IRS rules do not allow deferral of leave payouts to a 403(b) Tax-Sheltered Annuity plan. Therefore, you may not tax defer leave payments to your 403(b) plan.

RETIRED EMPLOYEES

Eligibility Criteria for Tuition Waivers

	Criteria	Employee IUP	Spouse IUP	Children	
				IUP	Other SSHE
AFSCME	1) Retired on or after 7/1/95. 2) At or above superannuation age* at the time of retirement. 3) 15 or more years of service exclusively in SSHE System.	None	None	100% up to child's first bachelors degree or age 25, whichever occurs first.	None
PDA PSSU	N/A	None	None	None	None
SCUPA	1) Retired on or after 1/1/03 (except for those annuitants who are now vested under a University policy) 2) At or above superannuation age* at the time of retirement and has 15 or more years of service exclusively in SSHE.	None	None	100% up to child's first bachelors degree or age 25, whichever occurs first.	

*** Superannuation age is defined as any age upon accrual of 35 years of credited service for retirement purposes or age 60.**

Children shall be defined as:

- a blood descendent of the first degree (offspring);
- a legally adopted child;
- a stepchild;
- a child for whom you are the legal guardian (guardianship must have been established by the child's seventeenth birthday)

Frequently Asked Questions

What is the REHP?

REHP stands for Retired Employees Health Program. The REHP is the Commonwealth's health insurance and prescription drug coverage program for retired AFSCME and PSSU employees. The REHP covers retirees and their eligible dependents who are not eligible for coverage under the Federal Medicare Programs. The REHP also provides a Medicare Health Maintenance Organization (MHMO) or Medicare Preferred Provider Organization (MPPO) to retirees and dependents who are covered by Medicare.

When does the Retired Employees Health Program coverage begin?

If you are eligible for enrollment in the REHP coverage usually begins the day after your last day of active employment which is your first day of retirement. You may also elect to waive your REHP coverage and enroll at a later date.

Enrollment is contingent upon proof of the election of a retirement benefit. SERS and PSERS will automatically send confirmation of your retirement benefit election to the IUP Benefits Office. ARP members must provide documentation that they have annuitized at least $10,000 of their retirement account to the Benefits Office before their REHP enrollment is processed. Enrollment may be delayed if proof is not provided upon retirement but will be retroactive back to the first day of retirement once documentation is received.

How much will I pay for the Retired Employees Health Care Program coverage?

You will be required to pay an annual contribution rate equal to the active employee share based on the current terms of the REHP. The same rate will apply for retirees who are eligible for Medicare.

The contribution rate is based on the employee's final annual gross base salary at the time of retirement and is payable monthly at the rate of one-twelfth of the annual contribution rate. The annual retiree percentage contribution rate shall change thereafter in accordance with the percentage of active employee share. The current retiree percentage contribution is 3.0% until June 30, 2011.

If you are age 65 or older, you will also pay a monthly premium for Medicare Part B. This premium will be deducted from your monthly Social Security payment. Medicare rates change annually.

How do I enroll in the Retired Employee Health Program?

If you are a SERS member, your SERS retirement counselor will enroll you in the REHP. If you are a PSERS or ARP member, the IUP Benefits Office will

complete the necessary paperwork for your enrollment once we receive your letter of intent to retire. You must meet the eligibility criteria for enrollment and elect a retirement benefit in order to qualify for the majority paid REHP.

ARP Members are required to provide the IUP Benefits Office with a copy of the letter you receive from ARP indicating that your lifetime annuity has been established. Failure to do so may result in loss of your REHP coverage and sick leave payout.

What are my health care plan options?

If you are under age 65, you are eligible to continue coverage under the PPO Option, an HMO available in your area, or the Consumer Driven Health Plan.

If you are age 65 or older, you *must* first elect Medicare Parts A and B. You may then elect to enroll in a Medicare Health Maintenance Organization (HMO) or a the Medicare Preferred Provider Organization (PPO). Medicare HMO options vary by county of residence. For more information on these plans contact the PEBTF at (800) 522-7279.

Once you enroll in a plan, you will receive an REHP benefits handbook. Please read this document carefully as it contains important detailed information about your health care plan and your responsibilities.

What is Medicare?

Medicare is the federal health insurance plan for people who are age 65 or older. Medicare has two parts: hospital insurance and medical insurance. Hospital insurance (Part A) covers inpatient hospital care and certain follow-up care. You paid for Part A as part of your Social Security taxes while working. Medical insurance (Part B) pays for physician services and some other services not covered by hospital insurance. You must pay monthly premiums for Part B. Part B premiums are deducted from your monthly Social Security payment, or, if not receiving Social Security payments, billed to you by Medicare.

When do I enroll in Medicare Parts A & B?

If you are still actively employed when you reach your 65th birthday, you will continue to be covered under your active group health plan. You should still apply for Medicare Part A coverage at least three months prior to your 65th birthday, however, you may delay enrollment in Medicare Part B until your coverage under the active group health plan ends. Your spouse should also enroll for Medicare Part A at least three months prior to their 65th birthday and are also able to delay enrollment in Medicare Part B until coverage under the group health plan ends.

A special enrollment period for Part B is available if you are eligible for Medicare and waited to enroll in Part B because you or your spouse were working and had group health plan coverage through an employer. You will not be subject to a late enrollment penalty if you delay enrollment in Part B until retirement. Social Security requires that the employer verify eligibility for Part B enrollment during a special enrollment period. Please forward these forms to the Office of Human Resources.

If you (or your spouse) will be age 65 or older at the time of your retirement you will need to contact the Social Security Office at least 2-3 months before your retirement date to enroll in Medicare Part B. Your Part B coverage must be effective the first day of the month in which you retire.

If you are under age 65 when you retire, you will receive a letter from the PEBTF approximately 3 months prior to your 65th birthday reminding you that you need to enroll in Medicare Parts A&B effective the first day of the month in which you turn age 65. If your spouse is under age 65 at the time of your retirement you will receive a letter from the PEBTF on your spouse's behalf regarding Medicare enrollment.

If you are already receiving Social Security benefits before you reach age 65, you will automatically be enrolled in Medicare Part A and Part B starting the first day of the month you turn age 65. If you are an active employee when you turn age 65 you should turn down Part B and enroll upon retirement.

For more information, contact the Social Security office or go to *www.medicare.gov*.

Do I need to purchase a Medicare Supplement Policy?

No. You do not need to purchase a Medicare Supplement Policy if you are eligible for enrollment in the REHP. The REHP provides you and your dependents with comprehensive coverage.

Do I need to enroll in Medicare Part D (prescription drug plan)?

No. You will have prescription drug coverage through the REHP. You do not need to elect and enroll in Medicare Part D coverage.

What is a Medicare HMO?

A Medicare Health Maintenance Organization (HMO) Plan offers medical services and preventative care with minimal out-of-pocket expenses when care is received from or coordinated by a selected primary care physician (PCP). A co-payment of $10 is required for an office visit to a PCP and a $15 co-payment is required for an office visit to a specialist and the plan covers most coordinated care at 100 percent. Benefits will not be paid for care received outside the HMO

network. Generally, if you use your PCP and HMO network hospital, you will have no claim forms or paperwork to complete. To enroll in a Medicare HMO, you must be enrolled in Medicare Parts A and B and live in the HMO service area. If you move outside the HMO service area for more than 90 days during the year, you are not eligible for the Medicare HMO

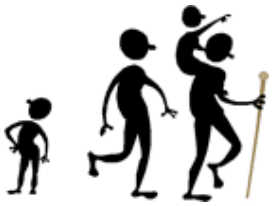
What is a Medicare PPO?

A Medicare Preferred Provider Organization (PPO) Plan offers medical services and preventative care with minimal out-of-pocket expenses when care is received from network providers. The Aetna Medicare PPO has an annual deductible for most services. After meeting the deductible a co-payment of $10 is required for an office visit to a PCP and a $15 co-payment to a specialist. Most coordinated care at 100 percent after the deductible. Benefits for care obtained outside the PPO network will be lower than those obtained in the PPO network. If you use network providers you will have no claim forms or paperwork to complete. To enroll in a Medicare PPO, you must be enrolled in Medicare Parts A and B.

What will my prescription coverage be?

Your prescription drug coverage will be the same coverage you had as an active employee. You can continue to use the same prescription drug card after you have retired. You will be sent a new card from your health insurance plan.

Who is can be covered by my health insurance through the REHP?



You, your spouse, and dependent children can be covered by your REHP health and prescription drug coverage.

Children up to age 26 may be covered under your REHP plan. Your child:

- cannot be eligible for coverage (other than through a parent) under another eligible employer-sponsored health plan
- Can be married
- Does not have to live with you
- Does not have to be claimed on the parents' tax return
- Does not have to be a student

If your spouse is also a PASSHE or Commonwealth employee or retiree eligible to participate in either the active coverage or REHP, he or she may enroll as a single subscriber under his/her own plan, or as a dependent under the active employee's coverage, but not both. Likewise, dependents may only be covered under one PEBTF active group plan or REHP plan.

If you are age 65 or older, an active employee, and choose to waive your active coverage to enroll as a dependent on your spouse's REHP plan, you must enroll in Medicare Parts A and B.

What if I am age 65 or older but my spouse is under age 65?

You, your spouse and dependent children will be enrolled under a split contract. With a split contract, a retiree or spouse and/or dependent children who are not yet 65 will continue to be covered under the PPO, HMO plan or Consumer Driven plan. A separate contract will be established for the individual who is Medicare-eligible.

How will retiree contributions be addressed if two spouses are both eligible for coverage through the PEBTF?

If an employee retires and is enrolled as a dependent under his or her spouse's PEBTF coverage, the retiree will not be subject to their retiree contribution until s/he elects his/her own coverage under the REHP. At that time, the retiree would be subject to their retiree contribution and this contribution rate would be determined by the retiree's retirement date. If two employees/retirees elect to maintain their own health care coverage, each person will be subject to the applicable active/retiree contribution rate.

Will an active employee whose spouse is retired and eligible for the REHP be able to cancel or decline coverage under the active PEBTF plan and enroll as a dependent under the REHP? Can a retiree enroll as a dependent under the active PEBTF plan?

Yes. However, the active employee and retiree cannot be enrolled for medical coverage under both the active PEBTF coverage and the REHP. The table below provides a summary of the enrollment options:

	Scenario 1	**Scenario 2**	**Scenario 3**	**Scenario 4**
Retiree	**REHP** –Medical and Prescription **AEHP** – As a dependent for Supplemental Benefits Only ***Subject to Retiree Contribution***	**REHP** –Medical and Prescription **AEHP** – As a dependent for Supplemental Benefits Only ***Subject to Retiree Contribution***	**AEHP** – As a dependent for Medical and Supplemental ***No Retiree Contribution***	**REHP** – Medical and Prescription ***Subject to Retiree Contribution***
Active Employee	**PEBTF** – Medical and Supplemental ***Subject to Active Employee Contribution***	**REHP** – As a dependent for Medical and Prescription **PEBTF** – Supplemental Benefits Only ***Subject to Active Employee Contribution***	**PEBTF** – Medical and Supplemental ***Subject to Active Employee Contribution***	**REHP** – As a dependent for Medical and Prescription ***No Active Employee Contribution***

Who do I contact if I am having trouble with claim payments?

You can contact your health insurer directly using the customer service number listed on your health insurance card or you can contact the PEBTF at (800) 522-7279 (in Pennsylvania) or (800) 628-0174 (outside Pennsylvania).

Who do I contact regarding life changes after I retire?

If you are a retired SERS member, you should contact SERS with any changes to your medical coverage (e.g., address change, addition or removal of dependents, etc.) or any other questions you may have. If you are a retired PSERS or ARP member, you will need to contact the IUP Benefits Office.

Changes in your marital or family status must be reported to SERS or the IUP Benefits Office as soon as possible. If eligible dependents are not added to your plan within 60 days of acquisition or within 60 days from the date that their eligibility under another contract ended, those dependents may not enroll until the next open enrollment period for an effective date of January 1.

If a dependent is no longer eligible for coverage (you have divorced, your child has coverage through his/her employer, etc.), you must notify SERS or the IUP Benefits Office within 60 days of the loss in order for your dependent to be eligible for continuation of coverage through COBRA.

Can I ever change from one health care plan to another?

Yes, during the annual open enrollment (usually held in October-November). Information on the open enrollment will be sent directly to your mailing address.

What happens to my dependent's coverage in the event of my death?

SERS Members – SERS must be notified of your death.
PSERS Members – PSERS and the IUP Benefits Office must be notified of your death.
ARP Members – Your ARP company and the IUP Benefits Office must be notified of your death.

The REHP Act 183 provides for continuation of group health coverage for surviving spouses of SERS retirees only. Coverage is available for spouses only; only dependents are not eligible. Spouses may continue their current coverage on a direct-pay basis and must pay 100% of the group rate for their coverage.

For survivor spouses receiving a retirement benefit from the State Employees' Retirement System (SERS), the premiums will be deducted from the pension check.

When will I receive my final paycheck?

Because the State System is on an “after-the-fact” payroll, you will receive your final paycheck two weeks after the completion of your final pay period.

When will I receive my leave payouts?

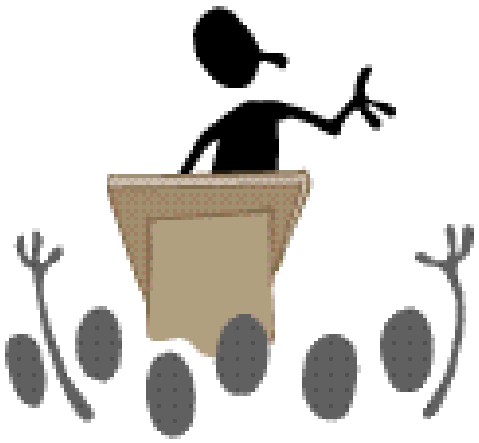
You will receive any applicable annual, personal and sick leave payouts in your last paycheck, unless you are electing to defer all or part of these payouts to the 457 Deferred Compensation Plan.

Do tuition waivers still apply for my dependents?

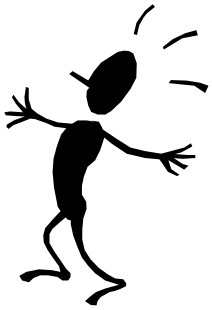
Yes, tuition waivers apply for children until death of the retiree if you meet certain criteria. (Refer to the tuition waiver matrix).

What if I still have other questions?

For questions about your health insurance, contact the PEBTF, (800) 522-7279. For questions about your retirement benefit, contact your retirement plan. For all other questions, contact Lindsey McNickle, IUP Benefits Manager at (724) 357-2431, or by email, at Lindsey.McNickle@iup.edu.



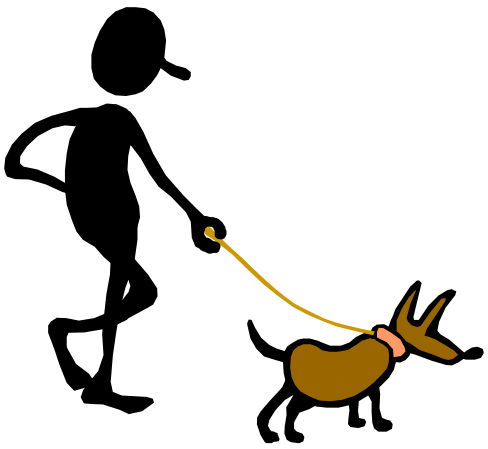
Glossary of Terms



ARP – Alternative Retirement Plan, a defined contribution plan
Annuitant – Retired employee
Annuity – Fixed sum of money, paid monthly
AHCP – Annuitant Health Care Program for PASSHE faculty, managers, police, nurses, administrators and coaches.
Brand Name Drug – A recognized trade name drug product
COBRA - Consolidated Omnibus Budget Reconciliation Act, a federal law which gives a person enrolled in a group policy the right to continue in the group coverage on a temporary basis after departure from the employer.
Co-payment – A specified dollar amount a subscriber to a managed care plan must pay for covered health care services. It is paid to the provider at the time the service is rendered.
Co-insurance – The share of your covered expenses, usually a percentage, you must pay after the deductible is reached.
Consumer Driven Health Plan - a health plan that combines a "high deductible" PPO-type plan with contributions made on your behalf to a Health Reimbursement Account for out-of-pocket costs.
Deductible - A set dollar amount which must be satisfied within a specific time frame before the health plan begins making payments on claims.
Dependent – A member other than the employee that meets the eligibility requirements of the plan for coverage.
EOB - Explanation of Benefits. A summary of the payment made by your health plan to the medical provider.
Formulary – A listing of prescription drugs selected by the plan.
Generic Drug – A drug that is available from more than one manufacturing source and accepted by the Federal Food and Drug Administration (FDA) as a substitute for a brand name drug.
HMO – Health Maintenance Organization. A managed care plan.
LTD – Long-term disability insurance
Member – Any enrolled person eligible for benefits under the plan which includes eligible employees, their eligible dependents, eligible COBRA beneficiaries, and eligible surviving spouses.
PPO – Preferred Provider Organization. A managed care plan.
Out of Pocket Maximum – The amount the member pays out of pocket before the plan begins to cover 100% of the eligible costs.
Participating Provider - A physician or other medical provider has agreed to accept a set fee for services provided to members of a specific health plan. They are deemed to be "in-network".
PASSHE - Pennsylvania State System of Higher Education. Administers health and prescription drug benefits for active and retired faculty, managers, police, nurses and coaches and retired SCUPA employees. Also administers the PAPASSHE Alternative Retirement Plan (ARP).

PEBTF – Pennsylvania Employees Benefit Trust Fund. Administers health/prescription drug benefits for active and retired AFSCME, PDA, PSSU and active SCUPA employees.
PCP – Primary Care Physician
PRC – Provider's Reasonable Charge, the charge that the Plan determines reasonable for services provided to a member.
PSERS – Pennsylvania State Employees Retirement System, a defined benefit plan.
REHP – Retired Employees Heath Program open to AFSCME, PDA, and PSSU employees.
SERS – State Employee Retirement System, a defined benefit plan.
UCR – Usual, Customary and Reasonable. A reduction in the payment of benefits on a claim which is justified by the insurance company as "the going rate" to be paid in that geographical area.
VGLIP – Voluntary Group Life Insurance Program

UPDATED 3/11/2011



NOTES