Benefits Summary

The following information represents a brief summary of each benefit program available at MSCC State Community College and does not supersede provisions contained in each plan document. For additional information refer to the appropriate plan document or to the specific Tennessee Board of Regents and/or MSCC policy.

1. Social Security
Participation in social security is required. FICA tax has two components: (1) Old Age, Survivors, and Disability Insurance (OASDI), and (2) Medicare Hospital Insurance (HI). For 2014, the OASDI employee contribution rate is 6.2%, and the OASDI wage base is $117,000. The HI employee contribution rate is 1.45%, and there is no limit on the amount of wages subject to Medicare taxes in 2014. MSCC matches the employee contributions for social security dollar for dollar.

2. Retirement
Participation in either the state retirement plan or the optional retirement plan is mandatory. Both of these plans are non-contributory for the employee (TCRS will become partially contributory 7/1/14).

The Tennessee Consolidated Retirement System (TCRS) is a defined benefit plan. It provides for retirement at age 60 with 5 years of service or 30 years of service. There is a 5-year vesting requirement. After five years of employment, there are provisions for a disability retirement. The State pays 15.03% of earnings on your behalf.

Available to faculty and administrative employees only, the Optional Retirement Plan (ORP) is a defined contribution plan. Employees who select the ORP have the flexibility of investing in either one, two, or three companies. The three participating companies are TIAA-CREF, Voya, and VALIC. All contributions are immediately vested, and the State pays the total retirement contribution which is 10% of gross earnings on that portion of salary covered by OASDI and 11% of gross earnings not covered by OASDI.

3. Group Insurance Plan
This plan is provided for eligible employees of the State of Tennessee and includes term life insurance, basic special accident insurance, and medical/hospitalization coverage. The life and accident insurance is handled by Fort Dearborn Life Insurance Company, Chicago, Illinois. The medical care portion is self-insured by the State of Tennessee and administered by the State of Tennessee Insurance Administration office.

Available options for health insurance include the Partnership PPO and the Standard PPO. There are specific guidelines regarding the time frame in which you and your eligible dependents must enroll. Please see the insurance handbook for specific information regarding eligibility and enrollment. To review a comparison of some common benefit categories for the healthcare options, please see the Medical Options Comparison included in your new employee packet. For specific information about benefits, refer to the appropriate Member Handbook and Provider Directory.
In many ways, the Partnership PPO and Standard PPO are identical. They cover the same types of services, treatments and products. However, there is an important difference between the two options: If you choose the Partnership PPO, you must commit to a partnership promise, and the state will reward you with lower costs.

The following features apply to both options. Refer to the PPO comparison chart or member handbooks for the plans’ deductibles, copays, coinsurance and out-of-pocket maximum amounts. These can be located at http://www.state.tn.us/finance/ins/publications.shtml

**Annual Deductible** - Both options include an annual deductible. This is the amount you pay out of your pocket before the plan pays for hospital charges and other services that require coinsurance. It does not apply to services with a copay.

**Coinsurance** - Some services require that you pay coinsurance after you meet a deductible. Coinsurance is a percentage of the total cost.

**Copays** - Some services require that you pay a copay (instead of a deductible and coinsurance). A copay is a flat dollar amount.

**Out-of-Pocket Maximum** - The out-of-pocket maximum is the most you will pay for your deductible and coinsurance each year. It does not include your copays. Once you reach your out-of-pocket maximum, the plan pays 100% of covered medical expenses.

**In-Network vs Out-of-Network Providers** - You can see any doctor or go to any healthcare facility you want. However, if you use an "in-network" provider, you will always pay less. That's because an in-network provider agrees to provide services to our members at discounted rates. Broad networks of doctors and hospitals will continue to be available.

**Pre-Existing Condition** - Any condition for which you had treatment or advise for during the six-month period immediately prior to coverage with the state group program. Pre-existing conditions do not apply to pregnancy, newborns, or dependent children up to age 26. Treatments for conditions determined to be pre-existing will not be covered until insurance has been in force for twelve months.

*** Any employee who provides certification of medical coverage that was in effect within 63 days of their employment with MSCC will not be subject to the pre-existing condition clauses under the health programs.

The premium for the Group Insurance Plan has two components; basic life and medical. The basic life portion is based on salary. The employee pays approximately 20 percent of the total cost, and MSCC pays the balance. For more information go to http://www.state.tn.us/finance/ins/premium.shtml

4. **Basic Group Term Life and Special Accident Insurance**

The state provides, at no cost to employees, $20,000 of basic term life and $40,000 of basic special accident coverage. For employees who elect health coverage, the amount of coverage increases as the employee’s salary increases, with premiums for coverage above $20,000/$40,000 deducted from the employee's paycheck. The maximum amount of coverage is $50,000 for term life and $100,000 for accidental death and dismemberment. The
face amount of coverage declines at ages above 65.

Eligible dependents (spouse and children) of employees enrolled in health coverage are covered for $3,000 of basic dependent term life coverage. Dependents (spouse and children) are eligible for basic special accident insurance, with the amounts of coverage based on salary and family composition.

5. Optional Special Accident
This plan provides an additional amount of accidental death or dismemberment coverage. Participation is optional, and the employee pays the total premium. The amount of coverage available is based on salary. For more information go to http://www.state.tn.us/finance/ins/premium.shtml

6. Disability Insurance
Faculty and administrators have the option of enrolling in the ITT Hartford Disability plan for exempt employees. This Long Term Disability plan is designed to provide a monthly benefit if a subscriber becomes disabled. Both the premium and monthly benefit are based on salary. After a waiting period, determined by policy level, this plan pays a monthly benefit. This plan is only offered to faculty and administrators and three plan levels of coverage are available.

Support staff have the option of enrolling in an ITT Hartford Long-Term Disability plan for non-exempt employees. This plan is designed to provide a monthly benefit if a subscriber becomes disabled. The premiums are based on age and monthly salary. Benefits are based on salary. After a waiting period, determined by policy level, this plan pays a monthly benefit. There are three plan levels of coverage available.

7. Optional Life Insurance
These programs are available on a contributory basis for employees and dependents (spouse and children) whether or not they participate in health coverage. For guaranteed-issue coverage, the employee must enroll during the first full month of employment with the state. If optional life coverage is not elected at that time, the employee may only enroll during the annual enrollment period by presenting evidence of insurability through a health questionnaire. Premiums are based on age and the amount of coverage requested. Refer to the optional life insurance information located at http://www.state.tn.us/finance/ins/life.shtml

8. State Dental Insurance
Optional dental insurance is available to all state plan members and the premiums are paid entirely by the employees.

Detailed members handbooks may be obtained from your agency benefits coordinator or from the Vendor Publications page located at http://www.state.tn.us/finance/ins/publications.shtml. Currently, the State offers two dental plans.

**Prepaid Plan** - The Prepaid Plan provides dental services at predetermined copayment amounts, which are reduced fees for dental treatments when members receive service from their selected participating general dentist or from any participating specialist. There are no deductibles to meet, no claims to file, no waiting periods for covered members, no annual dollar maximum and pre-existing conditions are covered. Participants must complete a dentist selection card to designate their general dentist. If eligible family members have a different dentist selection, this information must be included on the card as well. Benefits are administered by Assurant Employee Benefits.

**Preferred Dental Organization (PDO)** - The PDO offers flexibility in that members may choose any dentist; however, members receive maximum benefits when visiting a participating network provider. No referrals are required and you or your dentist will file claims for covered services. Some services require waiting periods and limitations and exclusions apply. Benefits are administered by Delta Dental.
9. **Flexible Benefits**
This program allows certain expenses to be paid from pre-tax rather than after-tax income as authorized under Section 125 of the Internal Revenue Code.

10. **Family Medical Leave Act**
The Family Medical Leave Act requires MSCC to provide up to twelve (12) weeks of job-protected leave to eligible employees for certain family and medical reasons.

11. **American Family Life Assurance Company**
Cancer Insurance and Intensive Care Insurance is offered through payroll deduction of premiums. Each is available on an individual or family basis and has open enrollment. This premium is paid entirely by the employee.

12. **U. S. Savings Bonds**
Bonds can be purchased through the Treasury Department by completing the necessary enrollment forms for direct deposit.

13. **Tax Sheltered Annuities**
Currently there are approximately 3 companies approved for payroll deduction of tax sheltered annuities as provided for in Section 403 (b) of the IRS Code. Those companies are TIAA-CREF, ING, and VALIC. In addition to the 403(b) plan, 401(k) traditional, 401(k) Roth, and 457 plans are also offered.

14. **Ascend Financial Credit Union**
MSCC has a payroll deduction arrangement with the Ascend Financial Credit Union. The full-service Tullahoma office offers savings plans, small signature loans, new car financing, home improvement loans, and many other Credit Union Services.

15. **Holidays**
MSCC observes 13 holidays per year. The following days are designated as official holidays:

- New Year’s Day
- Dr. Martin Luther King Day
- College Administrative Holiday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

In addition to the above named holidays, the President will declare five (5) additional holidays to be observed by MSCC to make a total of thirteen (13). Such discretionary holidays will be announced by the Human Resources Office. When a holiday falls on Saturday, the Friday preceding will be substituted. When a holiday falls on Sunday, the Monday following will be substituted.

**Only employees who are in an active pay status on the workdays immediately preceding and following a holiday will receive payments for the holiday.**

16. **Annual Leave**
Annual leave for administrators is earned at the rate of 15 hours (2 days) per month. The maximum accumulation is 315 hours (42 days). Faculty members do not earn annual leave.

Annual leave for support staff is earned initially at the rate of 7.5 hours (1 day) per month. At the 7.5 hour rate, the maximum accumulation is 225 hours (30 days).
17. Sick Leave
Sick leave for administrators and support staff is earned at the rate of 7.5 hours (1 day) per month. Faculty members earn 67.5 hours (9 days) of sick leave for full-time employment for a full academic year and 22.5 hours (3 days) of sick leave for full-time employment during the summer sessions. Administrators, faculty and support staff can accumulate an unlimited amount of sick leave.

18. Faculty Sick Leave Bank
The Faculty Sick Leave Bank was established to provide emergency sick leave for faculty members who have exhausted their personal sick leave. Each year enrollment is conducted during the month of October. In order to become a member of the bank, faculty members are required to donate three (3) days of their personal sick leave.

19. Non-faculty Sick Leave Bank
The Non-faculty Sick Leave Bank was established to provide emergency sick leave for administrative and support employees who have exhausted their personal sick and annual leave. Each year enrollment is conducted during the month of October. In order to become a member of the bank, employees are required to donate three (3) days of their personal sick leave.

20. Employee Assistance Program (EAP)
A short-term counseling service through Magellan Health Services is available to all employees and their immediate family members. The EAP is also coordinated with the mental health and substance abuse program available through the PPO and POS health insurance programs. See literature available in Human Resources or link above for more details. You may also contact Magellan Health Services at 1-800-308-4934.

21. Direct Deposit
Direct Deposit is mandatory for all new hires effective July 1, 1997; MSCC is able to direct deposit to any financial institution. Click here for a Direct Deposit form.

22. State Park Discounts
State employees are offered discounts at State parks and recreation areas. Contact the State Park office at 615-532-0001 for additional information.

23. Charitable Contributions
MSCC Offers payroll deductions for charitable organizations.

24. Miscellaneous
Contact the Human Resource Services Office for additional information regarding educational assistance programs, including the Fee Waiver program for employees and the Tuition Discount program for dependents of employees. Employees are eligible to purchase season athletic tickets at discounted rates, and the bookstore allows a 20% discount to employees.

25. Long Term Care
Effective July 1, 2003, the State of Tennessee began offering Long-Term Care Insurance (LTC) for employees, retirees and eligible family members (spouse, parents, parents-in-law and dependent children 18 to 24). The LTC plan is provided through MedAmerica Insurance Company, headquartered in Rochester, New York. For more information go to http://www.state.tn.us/finance/ins/ltc.shtml