

CCG BENEFITS PROGRAMS

Rates and Benefits as of January 1, 2008

The benefits programs described here are subject to change without prior notice. In case of errors herein, the official plan documents will prevail.

RETIREMENT - Non-faculty employees participate in the Teachers Retirement System of Georgia. Faculty and senior administrators with faculty status have the option of Teachers Retirement System or the Regents Optional Retirement Plan.

Teachers Retirement System of Georgia (TRS) - Employee contributes 5%; the College contributes 9.28%. The employee is not eligible to receive what the college contributes unless he/she is eligible for retirement. To be eligible for a normal service retirement, employee must have 30 years of creditable service or have 10 years creditable service and be 60 years old. In addition, unused accrued sick leave may be used to establish additional service credit at the time of retirement. An employee may be eligible for disability retirement if he/she has at least 9 1/2 years of creditable service and is permanently disabled. If an employee terminates prior to retirement eligibility, employee contributions and interest contributed after July 1, 1987 may be rolled over into another eligible plan or an IRA with no penalty or taxation. If the employee terminates and withdraws employee contributions and interest, all contributions made after July 1, 1987 will be subject to a 10% penalty if withdrawn before age 59 1/2, and will have 20% federal income tax withheld on contributions made after July 1, 1987. The 10% penalty is assessed by law because the employee's contributions are not taxed (no federal or state income tax is deducted on the contribution).

Regents' Optional Retirement Plan (ORP) - Employee contributes 5%. The College contributes 8.13%. This is a defined contribution retirement plan which allows the employee to choose between four annuity companies: VALIC, TIAA-CREF, FIDELITY INVESTMENTS, and AMERICAN CENTURY INVESTMENTS. Each company offers several types of annuity products. The Optional Retirement Plan (ORP) provides immediate vesting. Account balances may be paid out in a lump sum or as an annuity upon the employee's termination of service, permanent and total disability, retirement, or death, subject to any constraints specified by the investment product. Under the ORP, participating employees control when the retirement payments will begin (subject to termination of employment), but each employee should consider any tax penalties which may be imposed on certain early withdrawals.

SOCIAL SECURITY - College & employee both contribute 6.20% of employee's gross pay for Social Security and 1.45% for Medicare.

BASIC LIFE INSURANCE - College provides coverage of \$25,000 on the life of the employee.

SUPPLEMENTAL LIFE INSURANCE - Employee may elect additional life insurance coverage in the amount of 1, 2, or 3 times the employee's annual salary. Premium rates are based on age and salary.

Age	Rates 1/1/08
Category	Active Employees
Under 25	\$0.09
25-29	\$0.10
30-34	\$0.12
35-39	\$0.13
40-44	\$0.15
45-49	\$0.20
50-54	\$0.29
55-59	\$0.52
60-64	\$0.80
65-69	\$1.55
70 and over	\$2.46

DEPENDENT LIFE INSURANCE - Employee may insure eligible dependents six months and older for \$10,000 coverage on each at a

total premium of \$4.70 per month (regardless of number of dependents). Dependents under age 6 months are covered for \$2,000.

HEALTH INSURANCE - Employee may choose between Indemnity Plan, PPO Plan, or HDHP/HSA Plan. Premiums are paid with pre-tax salary dollars (no federal, state, or social security taxes are withheld on premiums). Rates quoted below within each plan are "per month" and represent only the employee's share. All plans provide preventive care expenses up to \$750 per person with no deductible. Plans also require pre-certification for hospital admissions and for numerous outpatient procedures and diagnostic tests. All plans utilize the Express Scripts Pharmacy Program for prescription drug coverage.

Indemnity Plan - Employee pays \$140.62 for single coverage, \$253.00 for employee + child coverage, \$295.20 for employee + spouse coverage, or \$407.64 for family coverage. Annual deductible is \$300 per individual or \$900 per family. Most covered charges, except prescription drugs, are subject to the annual deductible and are paid at 80%. However, inpatient hospital services, inpatient and outpatient surgery, and some other services are covered at 90%. The maximum annual out-of-pocket expense is \$2,000 per individual or \$4,000 per family.

Preferred Provider Option (PPO) - Employee pays \$105.18 for single coverage, \$189.30 for employee + child coverage, \$220.84 for employee + spouse coverage, or \$304.96 for family coverage. The statewide PPO network is 1st Medical Network and the National PPO Network is Beech Street Corporation. The State and National In-network coverage offers a variety of services with no deductible, such as a \$20 co-pay for doctor's office visits. For in-network services which **are** subject to a deductible, the State In-Network coverage usually pays 90% after the annual deductible is met (\$300 per individual/\$900 per family) and the National In-Network coverage usually pays 80% after a separate annual deductible is met (\$400 per individual/\$1,200 family). Benefits are usually paid at 60% of the network rate if an out-of-network provider renders services. The annual maximum out-of-pocket expense is \$1,000 per individual and \$2,000 per family for in-network services, \$2,000 per individual and \$4,000 per family for out-of-network services. For reimbursement purposes, the PPO Plan may restrict one's choice of who may treat the employee's family, and, where the employee or his or her family may be treated.

High Deductible Healthcare Plan (HDHP/HSA) - The High Deductible Healthcare Plan is Health Savings Account (HSA) qualified. An employee will be allowed to contact any bank that offers HSA accounts. IF an employee chooses to set-up an HSA they are not allowed to have a Flexible Spending Account (FSA). Employee pays \$22.70 for single coverage, \$39.68 for employee + child coverage, \$46.04 for employee + spouse coverage, or \$63.00 for family coverage. Coverage will be utilized for this plan by the Blue Cross Blue Shield providers who accept the PPO plan nationwide. Annual deductible is \$1,500 per individual or \$3,000 per family. Most covered charges, **including prescription drugs**, are subject to the annual deductible and are paid at 90% in-network, 70% out-of-network. The maximum annual out-of-pocket expense is \$3,000 per individual or \$6,000 per family for in-network and \$6,000 per individual or \$12,000 per family for out-of-network.

DENTAL INSURANCE - Single coverage is \$27.24 per month, \$54.46 for employee + spouse coverage, \$51.74 for employee + child coverage and \$87.13 for family coverage. This plan pays dental benefits (examinations, cleanings, extractions, fillings, inlays,

crowns, root-canal therapy, periodontal treatment, dentures, bridgework, etc.) up to a \$1,000 per person per year. There is a \$50 deductible per person per year with payment at 80% of UCR for most covered charges. However, preventive dental services are paid at 100% with no deductible and include two routine exams and cleanings per year, certain x-rays, and emergency treatment for dental pain. Orthodontic treatment is paid at 80% up to \$1,000 during the course of treatment; benefits paid for orthodontic treatment are applied toward the annual \$1,000 Dental Benefits Plan maximum. An employee must enroll within 31 days of employment and coverage cannot be added later.

LONG-TERM DISABILITY INSURANCE - Pays the employee 60% of gross monthly salary following completion of a 90-day or a 150-day elimination period. If disabled employee is entitled to disability income from certain other sources, this policy considers the income from other sources first, and then provides a monthly benefit to guarantee the employee 70% of gross income. Income benefits received are not taxable; usually the benefit received is about the same as the pay earned while working. Premium rates depend on the retirement plan of the employee and the selected elimination period. **TRS Participants:** (1) 90-day elimination period=\$.52 per hundred of monthly salary; (2) 150-day elimination period=\$.24 per hundred of monthly salary. **ORP Participants:** (1) 90-day elimination period=\$.30 per hundred of monthly salary; (2) 150-day elimination period=\$.22 per hundred of monthly salary.

TUITION ASSISTANCE PROGRAM - Persons in regular full-time positions who have been employed at the College at least six months may be eligible to apply for up to 8 credit hours per term. Tuition and fees may be waived subject to the provisions of the Tuition Assistance Policy. Advance approval is required before each term. See <http://www.usg.edu/admin/humex/benefits/tuition/> for more information.

VACATION - Staff vacation accrual is as follows: up to 5 years service=10 hours per month (15 days/year); 5 through 9 years=12 hours per month (18 days/yr); and 10 years & beyond=14 hours per month (21 days/yr). Senior Administrators with Faculty Status and 12-month faculty earn vacation at the rate of 14 hours per month (21 days/yr) regardless of years of service. Faculty on 9-month contracts do not earn vacation. Part-time employees who work half time or more accumulate vacation at a rate comparable to their full-time equivalent. Vacation is cumulative up to 360 hours.

SICK LEAVE - Twelve-month faculty and staff earn sick leave at the rate of 8 hours per month (12 days/yr). Faculty on academic-year contracts earn sick leave at the rate of 8 hours per month for August through May (10 days/yr); if six (6) or more credit hours are taught during summer session, additional sick leave will accrue for summer. Part-time employees who work half time or more accumulate sick leave at a rate comparable to their full-time equivalent. There is no maximum on how much sick leave can be accrued.

HOLIDAYS – The College is allotted 12 holidays per year. The holidays usually are: New Year's Day, Martin Luther King's birthday, Memorial Day, Independence Day, Labor Day, Thanksgiving (2 days), and Christmas (5 days). (Memorial Day and Independence Day may not be observed, depending on the school calendar; however, these holidays would then be added to the Christmas holiday schedule.) Academic-year faculty will observe only the holidays which occur during their regular work sessions. (PLEASE NOTE: The college usually closes for 10 working days at Christmas and 12-month employees may be required to supplement the 5 Christmas holidays with vacation days--the number varies, depending on whether or not Memorial Day and/or Independence Day were saved for the Christmas closing.)

TAX SAVINGS PLANS

A. Section 125 Plan, University System of Georgia - (pertains to USG Health and Dental insurance plans)
Section 125 of the Internal Revenue Code authorizes participating employers to allow employees to pay health and dental insurance premiums with "before-tax" dollars. The premiums employees pay for health and dental insurance are automatically included in the USG Section 125 plan and deducted from gross pay before federal, state, and FICA taxes are withheld. The 125 plan enables employees to take home more pay now, and taxes will never be paid on these premiums. Social security benefits may be reduced though because employees will have paid in less social security wages--in most cases, however, this should only be a slight reduction. The Section 125 Plan does not allow employees to make any changes in health or dental insurance coverage during the calendar year except during the annual open enrollment/open change period. The changes made during the open enrollment/annual change period will then become effective the following January. However, certain exemptions exist to this no-change rule, such as the occurrence of a change in family status or a change in the employee's spouse's employment status.

B. Section 125 Plan, College of Coastal Georgia - (pertains to CCG Health Care & Dependent Care FSA Plans)

Health Care Flexible Spending Account (FSA) Plan - This plan allows employees to have a designated amount withheld from each pay check during the calendar year to be sheltered from federal, state, and social security taxes. The money withheld will be deposited into a spending account to be used to pay for any medical expenses for which the participating employee will not be reimbursed from any other source, such as a group health insurance plan. Reimbursement from the FSA account will occur when a claim is submitted for qualified expenses. Such items to consider are insurance deductibles, 10% and 20% co-insurance, \$20 office co-pays (PPO), over-the-counter drugs or co-pays for prescription drugs, and items such as eyeglasses that are not covered by health insurance. Expenses must be estimated carefully, however, because any excess funds left in the spending account for the year cannot be returned. Enrollment forms must be completed annually. Flexible spending accounts (FSA) are governed by the rules of the College's Section 125 Plan regarding enrollment periods and election changes.

Dependent Care Flexible Spending Account (FSA) Plan - This plan allows employees to have a designated amount withheld from each pay check during the calendar year to be sheltered from federal, state, and social security taxes. The money withheld will be deposited into a spending account to be used to pay for eligible dependent care expenses for qualified dependents. An employee will be reimbursed from his or her account when claim for expenses is submitted. Participating employees must estimate carefully, however, because any excess funds left in the account for the year cannot be returned. Enrollment forms must be completed annually. Persons enrolled in this plan may not take a child care tax credit on federal income tax. Flexible spending accounts are governed by the rules of the College's Section 125 Plan regarding enrollment periods and elected changes.

C. 403(b) and 457(b) Plans

College of Coastal Georgia offers regular employees the option to participate in a 403(b) Tax-Deferred Annuity (TDA) or a 457(b) Deferred Compensation Plan (DCP). Employees may choose to participate in both options if desired; however, neither plan can be a substitute for a regular college-sponsored retirement plan. The advantage to the participating employee is that his or her payments to the annuity account come out of his or her pay check before income is taxed; and he or she is not taxed on these annuity "payments" until such time as withdrawals begin from his or her annuity account. To learn the provider companies names, contact the Human Resources Office. Other inquiries regarding these plans should be directed to the Vice President for Business Affairs. Note: The College does not contribute funds to these accounts.