The Benefits of Working at Harvard

New Faculty Orientation- 2015

Harvard Human Resources, Benefits
Topics

- **Eligibility**
- **Benefit options for:**
  - Medical, Dental, Vision, Flexible Spending Accounts (FSAs), Health Savings Account (HSA) and Reimbursement Program
  - Disability, Life Insurance, and Long Term Care
  - Retirement Savings Plans
  - Tuition Assistance and Reimbursement
- **Making your elections**
- **When you can make changes**
- **Additional resources**

The information in this orientation is a summary of Harvard’s benefits and every attempt has been made to ensure its accuracy. The actual provisions of each benefit program will govern if there is any inconsistency between the information in this orientation summary and Harvard’s formal plans, programs, policies or contracts or any subsequent change in such plans, programs, policies or contracts.
Eligibility

As a newly benefits-eligible employee, you have 30 days from your hire or eligibility date to enroll in certain benefits*. These benefits include:

- Medical
- Dental
- Vision
- Flexible Spending Accounts
- Long Term Disability
- Life Insurance

Eligibility

- To participate in Harvard's benefits, you must be employed on a regular University payroll in an eligible employee class and
- work at least 17.5 hours per week (excluding overtime) or earn a base annual rate of at least $15,000

*Specific eligibility requirements may vary by employment classification or union contract
Eligibility

Dependent Eligibility

- Harvard extends medical, dental, and vision coverage to benefits eligible employees and their eligible dependents. Eligible dependents are defined as:
  - Your spouse or domestic partner
  - Your children up to age 26, including children by birth, adoption, foster placement, marriage/domestic partnership, legal guardianship
  - Disabled dependents, for which there are no age requirements

- Proof of dependent status for covered dependents will need to be sent to Benefits within 30 days of your hire or eligibility date.
Medical Benefit Options

Harvard Pilgrim Health Care (HPHC)

Health Maintenance Organization (HMO)
Point of Service (POS)
Preferred Provider Organization (PPO)*
High Deductible Health Plan (HDHP)**

Individual and family coverage available

Harvard University Group Health Plan (HUGHHP)

Health Maintenance Organization (HMO)
Point of Service (POS)
High Deductible Health Plan (HDHP)**

Individual and family coverage available

Catamaran Pharmacy Benefit

Built into all medical plan options available through Harvard University

*for out of state residents only
**only available to Benefits Eligible faculty and staff
Medical Benefit Options

**Health Maintenance Organization (HMO)** - HMOs feature a specific network of health care providers. You choose a PCP for yourself and for each covered family member. When you need specialist care, your PCP refers you to a specialist within the network. There is no out-of-network option with the HMO, except in the case of emergency care.

**Point of Service (POS)** - POS plans offer greater flexibility in choosing doctors, including the option to select your own specialist without a referral. Choosing an out-of-network provider will result in a higher deductible and coinsurance payments.

**Preferred Provider Organization (PPO)** - PPOs let you choose a doctor inside or outside of the network, though out-of-pocket costs will be higher with out-of-network doctors. You must live outside Massachusetts to be eligible.

**High Deductible Health plan (HDHP)** - The HDHP with HSA is a different type of plan – a lower-premium, high-deductible health insurance plan combined with a tax-free health savings account that lets you save additional money for health expenses now or in retirement. The HDHP provides you with the flexibility to use in-network or out-of-network providers (though you’ll pay more for out-of-network services).
Medical Benefit Options

Health Savings Account (HSA)*

- Must be enrolled in one of Harvard’s HDHPs and not enrolled in Medicare
- Pre-tax payroll deductions, wholly owned by you, and fully portable if you leave Harvard
- Contributions can be carried over from year to year and into retirement
  - Harvard contributes $500 for individual and $1,000 for family coverage
- Annual contribution limits apply. Contributions can be started, stopped, or changed during the year

  - **2015 Single coverage maximum $3,350**
    Harvard University contribution ($500)
    Remaining contributions that can be made to your account in 2015 $2,850

  - **2015 Family coverage maximum $6,650**
    Harvard University contribution ($1,000)
    Remaining contributions that can be made to your account in 2015 $5,650

*only available to benefits eligible faculty and non union staff
In-Network Coverage for HMO, POS, PPO Plans

<table>
<thead>
<tr>
<th>Preventive Care</th>
<th>100% Covered—No Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Copays</strong></td>
<td></td>
</tr>
<tr>
<td>- Office Visit (PCP/Specialist)</td>
<td>$20</td>
</tr>
<tr>
<td>- Emergency Room</td>
<td>$100</td>
</tr>
<tr>
<td>Deductible for non-preventive care (such as surgery, hospitalization, diagnostic testing)</td>
<td>$250 per individual, not to exceed $750 per family</td>
</tr>
<tr>
<td>Coinsurance for non-preventive care after deductible</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Out-of-Pocket Maximum</strong></td>
<td>$1,500 per individual, not to exceed $4,500 per family</td>
</tr>
<tr>
<td>What is included in the Out-of-Pocket Maximum?</td>
<td>Deductible, coinsurance, medical and drug copays</td>
</tr>
<tr>
<td>Hospital Admission</td>
<td>Deductible, then coinsurance, up to Out-of-Pocket Maximum</td>
</tr>
</tbody>
</table>

Prescription Drug Plan

<table>
<thead>
<tr>
<th>Prescription Drug Plan</th>
<th>Retail, up to a 30 Day Supply</th>
<th>Mail Order—90 Day Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Generic Drugs</td>
<td>$7</td>
<td>$14</td>
</tr>
<tr>
<td>- Preferred Brand-Name Drugs</td>
<td>$20</td>
<td>$50</td>
</tr>
<tr>
<td>- Non-Preferred Brand-Name Drugs</td>
<td>$45</td>
<td>$110</td>
</tr>
</tbody>
</table>
# Out-of-Network Coverage for POS & PPO Plans

## Out-of-Network Services

<table>
<thead>
<tr>
<th>Service</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Room Copay -- waived if admitted</td>
<td>$100</td>
</tr>
<tr>
<td>Deductible</td>
<td>$750 per individual / not to exceed $2,500 per family</td>
</tr>
<tr>
<td>Coinsurance after deductible for all types of care ***</td>
<td>30%</td>
</tr>
<tr>
<td>Out-of-Pocket Maximum</td>
<td>$2,500 per individual / not to exceed $7,500 per family **</td>
</tr>
<tr>
<td>Hospital Admission</td>
<td>Deductible, then coinsurance up to Out-of-Pocket Maximum</td>
</tr>
</tbody>
</table>

## Prescription Drug Plan

<table>
<thead>
<tr>
<th>Drug Type</th>
<th>Retail, up to a 30 Day Supply</th>
<th>Mail Order—90 Day Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Generic Drugs</td>
<td>$7</td>
<td>$14</td>
</tr>
<tr>
<td>- Preferred Brand-Name Drugs</td>
<td>$20</td>
<td>$50</td>
</tr>
<tr>
<td>- Non-Preferred Brand-Name Drugs</td>
<td>$45</td>
<td>$110</td>
</tr>
</tbody>
</table>
# Harvard’s HDHP with HSA Option

<table>
<thead>
<tr>
<th>HDHP Plan with HSA</th>
<th>Individual Plan</th>
<th>Family Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preventive Care</td>
<td>Covered in full, no deductible</td>
<td></td>
</tr>
</tbody>
</table>

*For all other covered services, including prescription drugs:*

<table>
<thead>
<tr>
<th>Deductible applies first:</th>
<th>$1,500</th>
<th>$3,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coininsurance, after deductible:</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Prescription drugs, after deductible:</td>
<td>Same copays as other plans</td>
<td></td>
</tr>
<tr>
<td>Out of Pocket Maximum</td>
<td>$3,000</td>
<td>$6,000</td>
</tr>
</tbody>
</table>

*Once Maximum is met, plan pays 100% of covered expenses for the year.*

| Harvard’s HSA Contribution             | $500                                 | $1,000       |

Important: entire family deductible and OOP maximum apply before plan pays 100%
Flexible Spending Accounts

3 Types of Flexible Spending Accounts

Participation is voluntary, and you must sign up each year you wish to participate. You should estimate your expenses carefully, because the IRS requires that you forfeit any FSA money you don’t use by March 15th of the following plan year.

Health FSA
Whether you waive coverage or elect the HMO, POS or PPO plan, you may contribute from $120 to $2,550 per calendar year. You can use your account contributions for eligible medical, dental and/or vision expenses that are not covered, or are only partially covered, by your medical, dental and/or vision plans, even if you don’t participate in a Harvard-sponsored medical, dental and/or vision plan.

Limited Purpose FSA
If you elect the HDHP plan, you are not eligible for the regular Health FSA (per federal regulations), but can elect a Limited Purpose FSA that can be used for eligible dental and/or vision care expenses only. The Limited Purpose FSA has the same limits and features as the health FSA, but cannot be used for general medical expenses.

Dependent Care FSA
You may contribute from $120 to $5,000 per family per calendar year. A dependent care FSA allows you to set aside money for expenses used to care for a dependent child or adult so that you (and your spouse/partner) may work, attend school or job-search.
Flexible Spending Accounts

A flexible spending account (FSA) lets you set aside tax-free dollars for certain expenses, helping you save on everyday expenses. Harvard offers a health FSA and a dependent care FSA.

Health FSA
You may contribute from $120 to $2,500 per year, with a maximum limit beginning in 2013, under federal law. You can use your account to pay medical expenses not covered by insurance, and even if you don’t participate in a Harvard-sponsored health plan.

You can file a claim for reimbursement up to 60 days after you contribute, even if your claim is for an amount you contributed at the time the service takes place.

You may include expenses until March 15 of the following year. All claims must be postmarked by March 15.

Dependent care FSA
A dependent care FSA allows you to set aside tax-free dollars for dependent child or adult care so that you can work, attend school or job search.

Visit us on Facebook
FSA / HRA Secure Account Login

Welcome to Benefit Strategies, LLC
Welcome to Benefit Strategies, your TPA of choice for superior technology driven solutions to your employee benefits administration needs. We have proudly served a diverse clientele for 25 years. Our clients include companies from 10 to 100,000 employees, governmental entities including towns, cities, counties, school districts and state agencies, as well as a wide variety of non-profit organizations.

Our Services
- COBRA Administration
- Commuter Benefits
- Flexible Spending Accounts (FSA)
- Health Reimbursement Arrangement (HRA)
- Health Savings Account (HSA)
- Leave of Absence (LOA)
Reimbursement Program*

Faculty and staff who earn $95,000 or less annually (FTE salary) and are enrolled in either the Harvard HMO, POS or PPO medical plans are eligible.

All in-network medical expenses will count toward the thresholds below, and will be eligible for reimbursement – this includes office visits, emergency room and pharmacy copayments, deductibles and coinsurance.

<table>
<thead>
<tr>
<th>Your FTE Salary</th>
<th>2015 Individual Threshold</th>
<th>2015 Family Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $70,000</td>
<td>$900</td>
<td>$2,250</td>
</tr>
<tr>
<td>$70,000-$95,000</td>
<td>$1,250</td>
<td>$3,125</td>
</tr>
</tbody>
</table>

*only available to benefits eligible faculty and non union staff
2015 Transitional Financial Protection Program

Eligibility

• Active faculty, administrative and professional staff and other nonunion staff
• Must be enrolled in Harvard-sponsored HMO, POS or PPO coverage
  – High-Deductible Health Plan (HDHP) participants are not eligible
• Enrollment is automatic

2015 Transitional Financial Protection Program (TFPP) Overview

• Reimbursement for in-network, out-of-pocket medical costs incurred in 2015 that exceed 3% of your full-time equivalent (FTE*) salary.
  – The 3% threshold will be based on your FTE salary at the time you file for reimbursement (not when the cost is incurred).
• All in-network medical expenses count toward the thresholds and will be eligible for reimbursement – office visit, emergency room and pharmacy copayments, deductibles and coinsurance.
  – Out-of-network costs and plan premiums are not eligible for reimbursement.
• If you are eligible for the Reimbursement Program (previous slide), you must file through that program first.

*Full-time equivalent salary is your annual salary if you work full-time or, for those who work less than full-time, the salary that would be earned working full-time at the same rate of pay.
Dental Benefits

Delta Dental PPO Plus Premier
- Dental benefits are provided by Delta Dental
- Nationwide network
- Individual and family options available

Tier 1 Coverage Information
- Maximum Annual Benefit of $3,000 per person, per year
- Preventative services covered 100%
- Most other basic, restorative, and major services covered 75%, after $50 deductible
- Orthodontic benefits up to $1,500 for dependents under the age of 19

Tier 2 Protection for Catastrophic Expenses
- Once $3,000 maximum is met, unlimited coverage after $500 deductible
Vision Benefits

Davis Vision Designer Vision Plan

- Services are provided both in-network and out-of-network,
  - you save more money by using in-network providers
- Full coverage (with copayments) for in-network vision exams, eye wear, and contact lenses
- Discounts for out-of-network vision exams, eye wear, contact lenses, and laser surgery
- Coverage or discounts for eye wear options, such as scratch-resistant coating, anti-reflective coating, progressives and Transitions lenses
- Nationwide network of providers
- Administered by Davis Vision
Disability Benefits- Long Term Disability

Harvard’s long-term disability (LTD) plan replaces 60% of your salary if you are unable to work for more than 180 days due to a disability.

If you receive LTD payments, your participation in medical, dental, vision, and life insurance through Harvard continues.

You also continue to accrue participation service and receive pension contributions based on your salary immediately prior to disability.

LTD Premiums are based on salary. If you do not enroll for this benefit within your first 30 days of employment and you choose to do so at a later date, you will be subject to approval after completion of a Statement of Health.

Administered by The Standard
Life Insurance Benefits

• You are **automatically covered with Basic Life Insurance** once you become eligible for benefits. Harvard pays the full cost of this benefit, which pays for coverage equal to half your annual salary rounded to the nearest $1,000.

• You may also **buy Supplemental Life Insurance** to cover up to five times your annual salary in addition to the Basic Life Insurance coverage, up to $1,250,000. If you do not enroll for this benefit within your first 30 days of employment and you choose to do so at a later date, you will have to complete a Statement of Health subject to approval from MetLife.

• **Premium Rates** for life insurance are based on age.

• **Make sure you designate a beneficiary** - forms are available on HARVie [http://harvie.harvard.edu/forms](http://harvie.harvard.edu/forms)

• Insurance benefits provided through MetLife.
Enrolling in Benefits
Retirement Savings Plans

Harvard sponsors retirement programs to help provide employees and their families with financial security after their working years.

- University-funded retirement programs:
  - Retirement Income Plan for Teaching Faculty

- Employee-funded retirement programs:
  - Tax-Deferred Annuity (TDA) Plan
  - 457(b) Deferred Compensation Plan for Certain Faculty and Staff

Note: Details about Harvard’s retirement programs are available on HARVie: Http://harvie.harvard.edu/Compensation_Benefits/Retirement_Benefits or by calling the Harvard University Retirement Center (HURC), 1-800-527-1398
University Contributions

Contributions to all plans happen automatically once you have fulfilled your plan’s designated wait period. For the Retirement Income Plan for Teaching Faculty, the wait period is six months. Contributions are made monthly.

Vesting period is 3 years.

If you are under age 40, Harvard contributes an amount equal to 5 percent of your salary, up to the Social Security wage base and 10 percent for earnings over the wage base, up to the IRS limits in place for that year.

If you are over age 40, Harvard contributes an amount equal to 10 percent of your salary up to the Social Security wage base and 15 percent for earnings above the wage base, up to the IRS limits in place for that year.
Retirement Savings Plans - TDA

- You are eligible to contribute to the TDA if you are on a Harvard University payroll
- You will be automatically enrolled through Vanguard at 3% of your eligible compensation. If you take no action, contributions will start 60 days from your start date

- You have 60 days from the date of your first contribution to request a penalty free withdrawal, if you did not wish to contribute to the TDA at the time of auto-enrollment
- Once enrolled, you may change or stop contributions prior to the end of any pay period
- You have the option to invest with three vendors: Vanguard, Fidelity, and TIAA CREF
- You choose how to invest among TDA plan investment options. You can change your investment allocation at any time

Note: The maximum for 2015 is $18,000. If you are age 50 or older before the end of the year, your 2015 maximum is $24,000.
Retirement Plans

Depending on your employment classification, you may be eligible for the 2001 Staff Plan, 1995 Staff Plan or Faculty Plan. These plans are fully funded by Harvard to help you save for your future.

Once you have met your plan’s waiting period, you will receive retirement contributions. You are automatically enrolled, and you choose how to invest the contributions Harvard makes to your retirement accounts, via the Harvard University Retirement Center.

Making good investment decisions for your retirement funds is an important part of planning for a financially secure future that meets your and your family’s needs. You are encouraged to learn more about by taking advantage of Harvard’s Retirement Education Resources. You should also review your plan’s Summary Plan Description (at right) for full details about the plans, described briefly below.

Retirement Plan Overviews

2001 Staff Plan
1995 Staff Plan
1980 Staff Plan eligibility
Faculty Retirement Plan

Retirement investment options
Harvard offers a variety of investment options through its retirement plans, that let you choose a strategy that meets your risk tolerance and knowledge of investing. Faculty and staff may choose among:

- Lifecycle fund – widely diversified investments that automatically rebalance to more conservative investments as you approach retirement, this is the default selection for those who don’t make an active choice.
- A carefully selected menu of core funds.
- Brokerage account option for sophisticated investors that offers access to thousands of mutual funds.
- A combination of the above.
What happens when…?

Certain events as defined by the IRS permit you to make benefit changes during the year that normally can only be made during the annual open enrollment window held each fall.

- Events Include:
  - Getting Married or registering a Domestic Partnership
  - Getting divorced
  - Having or adopting a child
  - Spouse changing employment
  - Dependent gaining or losing eligibility

- If you experience such an event, you have **30 days from the date of the event** to make any eligible changes. The change(s) must be consistent with the IRS defined qualified event.
Harvard Happenings

Free Harvard football tickets for season opener

Harvard kicks off its 141st season on Friday, September 10 at 7 p.m. with a game versus Holy Cross at historic Harvard Stadium. All faculty and staff can receive up to four free tickets to the game to celebrate Harvard Night. You can get your free tickets by going to the Harvard Athletics Department website — and enjoy the game!

Personal Finance Workshop: Psychology of Spending

The Harvard University Employees Credit Union (HUECU) is offering a lunchtime workshop on the Psychology of Spending. This session will focus on factors that affect consumer behavior, with a goal of helping you examine the forces that shape shopping decisions and become a wiser consumer. Thursday, September 25, noon-1 p.m. at 104 Mt. Auburn Street 4th floor, Cambridge. To register — and to see other upcoming HUECU workshops — visit the HUECU website.
Contact the Benefits Office

If you have additional questions…

We can be reached by phone at 617-496-4001
Monday through Friday, 9:00AM to 5:00PM

You may also reach us by e-mail at:
benefits@harvard.edu

The Benefits Office is located on the 6th floor of the
Smith Campus Center at 1350 Massachusetts Avenue

Walk-in hours are Monday through Thursday,
11:00AM to 4:00PM