

Faculty and Staff Overview of Benefits - 2019

[Health Insurance](#)

Penn State offers two medical plans administered by Aetna, one of the nation's largest healthcare networks. Both plans allow you freedom of choice of health care providers both in and out-of-network.

[PPO Plan](#)

- Salary less than \$45,000: \$250 Individual/\$500 Family in-network deductible.
- Salary \$45,001–60,000: \$375 Individual/\$750 Family in-network deductible.
- Salary \$60,001–90,000: \$500 Individual/\$1,000 Family in-network deductible.
- Salary greater than \$90,000: \$625 Individual/\$1,250 Family in-network deductible.
- 10% coinsurance; 90% paid by plan up to coinsurance out-of-pocket maximum.
- Copays; \$20 Primary Care, \$30 Specialist, \$100 ER.
- Value-Based Benefit (VBB) to help members maintain high blood pressure, high cholesterol, or diabetes (type 1 and 2) conditions. If you have not participated previously, you must contact Aetna to enroll.

[PPO Savings Plan](#)

- All salary levels: \$1,600 Individual/\$3,200 in-network deductible.
- 10% coinsurance; 90% paid by plan up to out-of-pocket coinsurance maximum.
- No copays; all services, including prescriptions, will apply to the deductible and coinsurance out-of-pocket maximum.
- Automatic enrollment in a Health Savings Account (HSA).
- In order to be eligible for the PPO Savings Plan you CANNOT (1) be enrolled in Medicare collecting Social Security, (2) be enrolled in another health plan, (3) have a balance in a healthcare FSA, (4) have a J1 Visa – J1 Visa holders are only eligible for the PPO Plan.

[Prescription Drug](#)

Coverage Prescription drug coverage is included as part of both medical plans and administered through CVS Caremark. There is both retail and mail-in pharmacy coverage at in-network pharmacies.

PPO Plan pharmacy benefits

- Retail Pharmacy – 50% coinsurance for generic and preferred brand, 70% coinsurance for non-preferred brand.
- Mail Order – 20% coinsurance for generic and preferred brand, 70% coinsurance for non-preferred brand.
- Specialty – 50% coinsurance (\$50 maximum) for preferred brand, 70% coinsurance (\$100 maximum) for non-preferred brand.
- Prescription drug out-of-pocket maximums of \$2,000 (individual) and \$8,000 (all other coverage levels).

PPO Savings Plan pharmacy benefits

- Retail Pharmacy – 10% coinsurance for generic, 20% coinsurance for preferred brand, 40% coinsurance for non-preferred brand.
- Mail Order – 10% coinsurance for generic, 20% coinsurance for preferred brand, 40% coinsurance for non-preferred brand.
- Specialty – 20% coinsurance (\$65 maximum) for preferred brand, 40% coinsurance (\$100 maximum) for non-preferred brand.
- PPO Savings Plan deductible and coinsurance out-of-pocket maximums apply to prescription plan.

Health Savings Account

A Health Savings Account (HSA) will be opened as part of your enrollment in the PPO Savings Plan. The HSA works very similar to a Flexible Spending Account (FSA). The plan includes a debit card for easier access to funds and is administered by HealthEquity. Penn State will contribute funds to the account based on your salary, as outlined below. You also have the ability to contribute pre-tax funds through payroll.

- Penn State Contribution – Salary less than \$45,000: \$800 Individual / \$1,600 Family.
- Penn State Contribution – Salary \$45,000.01–60,000: \$600 Individual / \$1,200 Family.
- Penn State Contribution – Salary \$60,000.01–90,000: \$400 Individual / \$800 Family.
- Penn State Contribution – Salary greater than \$90,000.01: \$200 Individual / \$400 Family.
- The HSA balance rolls from year to year and moves with you if you retire or change employers
- Cannot be enrolled in both an HSA and FSA per IRS guidelines.
- Cannot be enrolled in a Medicare or other insurance plan per IRS guidelines in order to own an HSA.
- IRS contribution maximums for 2019 are \$3,500 Individual / \$7,000 Family.
- IRS allows an additional catch-up contribution in the amount of \$1,000 for age 55+.

Flexible Spending Accounts

- Pay for select medical and child care expenses on a pre-tax basis. The healthcare FSA includes a debit card for immediate access to funds.
- The IRS requires substantiation for some debit card purchases; keep your receipts!
- Health care account max of \$2,650 per individual. *(For 2019, the IRS allowed contribution limit is \$2,700, however, due to a delay in the IRS notifying employers, Penn State is keeping the FSA contribution at \$2,650 which is the 2018 limit.)*
- Child day care account max of \$5,000 per family.
- Convenient access to account information via HealthEquity online account.

Vision Coverage

- EyeMed's vision plan allows participants access to preventive eye exams as well as affordable glasses and lens coverage.
- Contact lens or frame allowance up to \$130 at in-network providers.
- Any frame covered at 100% at Target Optical or Sears Optical (Freedom Pass).
- 40% discount on additional glasses
- Online purchasing at Glasses.com
- 40% discount on hearing exams

Dental Coverage

- Penn State's partnership with United Concordia offers a competitive dental plan designed to promote a brighter smile and complete oral wellness.
- Annual coverage maximum of \$1,500 for basic and major services.
- Preventive services covered at 100%, basic services covered at 80%, and major services covered at 60% (in-network).
- Basic & Major service deductible of \$50 individual / \$150 other coverage levels.
- Orthodontic lifetime max of \$1,500 per member.

Employee Assistance Program

The EAP is a confidential program to help resolve personal issues. Information, consultations and assistance are provided by trained counselors at Health Advocate.

- 100% CONFIDENTIAL.
- Five (5) visits per family member, per issue.
- Now offering Healthcare Help for assistance with healthcare related issues.

Short-Term Disability

Penn State's short-term disability (STD) benefits are administered by Unum and provide up to 60% of your weekly earnings, or a maximum of \$1,500 per week, after a period of 14 days or 30 days if unable to work due to illness or injury.

- Optional coverage; guaranteed acceptance when enrolling as a "new hire."
- Premiums based on your gross salary.
- Can elect a 14-day or 30-day elimination period.

Long-Term Disability

Penn State's long-term disability (LTD) benefits are administered by Unum and provide up to 60% of salary or a maximum of \$5,000 per month, after a period of 6 months if unable to work due to illness or injury.

- Optional coverage; guaranteed acceptance when enrolling as a "new hire."
- Premiums based on your gross salary.
- Add Retirement Income Protection (RIP) to continue your retirement contributions.

Life Insurance

All full-time faculty and staff employees receive a \$50,000 Unum life insurance policy at no cost. Optional life insurance is available up to \$1.5 million for the employee. Optional dependent coverage is available for a spouse up to \$250,000 and child(ren) at \$5,000 or \$10,000.

- Elect optional age-graded life insurance between 1 times your salary up to the lesser of 8 times your salary or \$1.5 million.
- Guaranteed acceptance when enrolling as a "new hire" at 3X annual salary or maximum of \$150,000. Election during other times of the year will require Evidence of Insurability (EOI) with Unum.

Accidental Death & Dismemberment Insurance (AD&D)

Penn State's AD&D insurance is administered by Unum and provides coverage both on and off the job, anywhere in the world. Dependent coverage is also available.

- Optional coverage with no proof of good health.
- Coverage amounts ranging from \$10,000 to \$300,000.

Mandatory Retirement Plans

Eligible faculty and staff must elect to participate in one of two retirement options. The Defined Contribution Plan (administered by TIAA) or the State Employees' Retirement System (SERS).

- TIAA requires you to contribute 5% of your gross wages; Penn State contributes 9.29%.
- SERS has various class options to choose from. Please review class and contributions options at [Selecting a Retirement Plan](#).

[Retirement Healthcare Savings Plan](#)

Penn State will make monthly contributions to the savings plan for full-time faculty and staff hired on or after January 1, 2010; if eligible upon retirement, the accumulated savings can be used to purchase health insurance and other qualified medical expenses.

- The University remits \$144 per month into an account for you each month.
- There is NO required contribution from you.
- This is a tax-free reimbursement to you for qualified healthcare expenses after retirement.

[Supplemental Retirement Plans](#)

Penn State employees have the option to contribute more to retirement. You can choose from 403(b) and 457(b) plans offered by TIAA.

- Available regardless of whether you participate in TIAA or SERS for your regular retirement plan.
- Annual contribution limit of \$19,000 (plus an additional \$6,000 if 50 or older), in both 403(b) and 457(b) accounts.

[Educational Privileges](#)

Educational privileges are available to regular full-time faculty and staff members, their spouse, and their children. The grant-in-aid is for 75% of the tuition charge and applies to Penn State resident instruction and continuing education credit courses.

- Employees and spouses may use the discount toward all degree levels, no waiting period.
- Dependents are eligible up to age 26; see additional eligibility rules in [Policy HR37](#).