



RUTGERS POLICY

Section: 60.2.5

Section Title: Benefits Available to University Employees

Policy Name: Retirement, Insurance, and Health Benefits

Formerly Book: 3.2.6

Approval Authority: Senior Vice President for Finance and Administration

Responsible Executive: Senior Vice President for Finance and Administration

Responsible Office: University Human Resources

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Errors or changes? Contact: policies@hr.rutgers.edu

1. **Policy Statement**
The policy outlines eligibility for the following available retirement plans: long-term disability insurance for Administrative and for Managerial, Professional, Supervisory, and Confidential (MPSC) employees; and health, prescription drug, dental, and vision care programs.
2. **Reason for the Policy**
To provide eligibility and waiting period information for benefit plan options
3. **Who Should Read This Policy**
All members of the Rutgers University community
4. **Related Documents**
Access retirement, insurance, health, prescription drug, dental, and vision care information forms at <http://uhr.rutgers.edu/GetAForm.htm> or by calling University Human Resources at 848-932-3020.
5. **Contacts**
University Human Resources Benefits Office 848-932-3990

6. The Policy

60.2.5 RETIREMENT, INSURANCE, AND HEALTH BENEFITS

I. Retirement Plans

All eligible regularly appointed Type 1 faculty and staff, both full-time and part-time, must be enrolled in a retirement system as a condition of employment. Also enrolled are eligible visiting faculty hired for less than one academic year. Under certain circumstances, Part-Time Lecturers

(Type 7) must be enrolled in the Public Employees' Retirement System (PERS) after the completion of two consecutive semesters and appointment in the subsequent fall semester.

There are three state-administered retirement programs at Rutgers:

1. Alternate Benefit Program (ABP)
2. Police and Firemen's Retirement System (PFRS)
3. Public Employees' Retirement System (PERS).

All retirement programs include life insurance provisions. Long-term disability protection is available through insurance provisions in ABP, and by disability retirement for the PERS and PFRS Systems. In addition, certain faculty members in the School of Environmental and Biological Sciences participate in a Federal Retirement System. Mandatory personal contributions for each retirement program are made through the payroll system. Eligibility for a particular retirement plan is normally based on the job title held at Rutgers and the part-time percent of the employee.

The following individuals are not automatically eligible for the retirement/life insurance systems:

- Graduate assistants
- Teaching assistants
- Research interns
- Fellows and postdoctoral fellows
- Honorary professors
- Persons appointed for less than one academic year, except visiting professors
- Persons appointed for less than \$1,500 per year
- Temporary and casual staff employees
- Foreign nationals holding "F" or "J" visas

Optional tax-deferred plans are available to participants in all of the retirement systems.

II. Long-term Disability Insurance for Administrative and for Managerial, Professional, Supervisory, and Confidential (MPSC) Employees not in Alternate Benefit Program

Full-time Administrative and Managerial, Professional, Supervisory, and Confidential employees of the university who meet the following criteria are eligible to participate in a long-term disability insurance program. The employee must:

1. Participate in the Public Employees' Retirement System (PERS), Police and Firemen's Retirement System (PFRS) or a Federal Retirement System. The Alternate Benefit Program (ABP) includes a long-term disability insurance plan.
2. Not be covered by a collective bargaining agreement, except members of a Federal Retirement System.
3. Hold at least a 10-month appointment.
4. Receive an annual salary of at least \$15,000.

The cost of the program is paid by the employee through payroll deductions.

III. Full-Time Employees – Health, Prescription Drug, Dental, and Vision Care Programs

A. Eligibility and Coverage

Full-time regularly employed (Type 1) faculty and staff hired for one academic year or longer have the option to participate in the State Health Benefits Program (SHBP) if eligible, either individually or including eligible dependents (including same-sex domestic/civil union partners). Also eligible are full-time teaching and graduate assistants (Type 6) whose appointments are for at least one academic year. Coverage for health, prescription drug, dental, and vision care programs for eligible employees is available after a two-month waiting period from date of full-time employment. However, 10-month academic year employees who begin employment on September 1 will be covered immediately if the benefits and payroll forms have been received in a timely manner by Payroll Services.

B. Health Plans

1. Preferred Provider Organization (PPO)

Eligible employees have the option to participate in a Preferred Provider Organization (PPO) health insurance plan. The PPO covers wellness and preventive care as well as treatment of illness or injury when using preferred providers. PPO plans do not require members to select a primary care physician and referrals are not required to see specialists. The NJ PPO requires copayments for services received from preferred providers. The plan also allows for treatment of injury or illness by non-preferred providers with a required deductible and coinsurance for most services.

2. Health Maintenance Organization (HMO)

Employees have the option to participate in a Health Maintenance Organization (HMO). An HMO is a prepaid health care plan that provides health care services from specific primary care physicians (PCP), specialists and hospitals that have contracted with the HMO. HMOs require members to select a primary care physician (PCP). The PCP coordinates the member's care and refers the member to specialists and hospitals. Usually there are no deductibles to be met and no claim forms to be completed by the member. Covered services are usually paid in full after the member pays any required co-payments.

C. Prescription Drug Program

Employees eligible for enrollment in one of the health plans may enroll themselves and their eligible dependents in the Prescription Drug Program. The effective date of coverage is identical to that of the health plan. The Prescription Drug Program pays the cost of covered prescription drugs minus a copayment.

D. Dental Programs

Employees eligible for the health plans are eligible to participate in a dental program.

1. Dental Expense Plan

A dental insurance plan, which provides partial reimbursement of dental bills for employees and dependents.

2. Dental Plan Organization (DPO)

A DPO is a prepaid dental program in which the employee selects an approved group or individual practice as the sole provider for dental services.

E. Vision Care Program

Employees eligible for health coverage, and their eligible dependents, are automatically enrolled in a Vision Care (prescription lens reimbursement) Program. The plan reimburses a portion of the cost of corrective lenses (including contacts lenses) once in a two-year period for each covered individual. The cost of the program is totally paid by the University.

IV. Part-Time Employees – Health and Prescription Drug Programs

Part-time faculty and staff have the option to participate in the State Health Benefits Program's (SHBP) medical plan and prescription drug plan for Part-Time Employees either individually or including eligible dependents (including civil union/same-sex domestic partners). To be eligible, the part-time faculty or staff employee must be a member of a state-administered pension plan.

Employees pay the full cost of coverage directly to the New Jersey Division of Pensions and Benefits on a monthly basis.

The effective date of coverage is after a two-month waiting period from date of part-time employment or enrollment in the pension plan, whichever is later. However, 10-month academic year employees who begin work September 1 and are enrolled in a pension plan will be covered immediately.