

University of Virginia and Physicians Group Benefit Summary Information

OVERVIEW

As a Physicians Group faculty member you will be employed by both the University of Virginia and by the Physicians Group (“UPG”), the group practice plan for clinical faculty. This arrangement means that you have two employers, and perhaps two paychecks, which we realize can be confusing. However, it also provides us with an opportunity to offer a superior package of fringe benefits, which we believe is one of the best available for academic physicians. We present here a brief summary of those benefits.

LIFE INSURANCE (PROVIDED BY UVA AND UPG)

UVA: The University provides coverage for \$75,000 in group term life insurance.

- No cost to employee
- Option of purchasing supplemental coverage at 1-4x salary up to \$1M for which premiums would vary depending on age

UPG: A universal life plan (the Benefit Enhancement Strategy, or "BEST" plan) administered by Metropolitan Life Insurance Company is provided for five times your base salary (\$3 million max.).

- Guaranteed issue (no health screening)
- Premium payments (paid by UPG) for the plan are considered taxable income to you
- Option of purchasing additional coverage in \$25,000 increment up to a total maximum benefit of \$3 million
- Portability – this policy is yours to take with you should you leave UVA/UPG, and you would have the advantage of maintaining the group rate
- You may also purchase life insurance coverage for your spouse and children. You may elect a minimum of \$20,000 of life insurance coverage for your spouse on a guaranteed issue basis during the first 60 days of enrollment eligibility, and purchase additional increments of \$10,000, up to a total coverage amount of \$250,000, with submission of a simplified health questionnaire and approval by Metropolitan Life Insurance Company. Child coverage of \$10,000 is also available on a guaranteed issue basis

RETIREMENT (PROVIDED BY UVA AND UPG)

Retirement benefits are provided by a unique combination of two different plans, the Faculty Retirement Plan and the BEST Plan. The two plans together provide the following level of contributions paid for by the employer:

- If your salary is \$100,000 or under:
 - 21% of pay, or \$12,500, whichever is lower
- If your salary is over \$100,000:
 - 10.4% of pay, or \$12,500, whichever is higher
 - The source of your pay (UVA or UPG) determines the amount going into the FRP and the BEST plan

UVA RETIREMENT PLAN – THE OPTIONAL RETIREMENT PLAN (401A)

- A defined contribution plan in which UVA makes tax-deferred contributions equal to 8.9% of your UVA salary
- Plan participant are required to make a pre-tax contribution equal to 5% of your UVA salary. (5% mandatory contribution only applies to UVA income up to the 401a(17) limit, currently set at \$250,000)
- Immediate vesting
- Investment choices with TIAA/CREF or Fidelity
- Savings are typically not available for withdrawal until retirement

VRS HYBRID RETIREMENT PLAN

If desired, The University of Virginia also offers the Virginia Retirement System Hybrid Plan. The VRS Hybrid retirement plan combines the features of a defined benefit plan and a defined contribution plan.

UPG RETIREMENT – THE BEST PLAN

- UPG will make a contribution equal to either 10.4% of your UPG salary, or the amount to take you to the maximum benefit as defined in the above formula
- Contributions are made on an after tax basis and are sent to MetLife for investment in a side fund associated with the life insurance policy
- Investment choices available through the American Variable Insurance Series mutual funds
- Contributions are available for withdrawal or loan at any time for a minimal fee or interest charge, respectively
 - Withdrawals or Loans can be used for expenses such as:
 - College tuition
 - Student loans
 - Home repairs

ALTERNATIVE SAVINGS PLANS (UVA AND UPG)

TAX DEFERRED & AFTER TAX SAVINGS PROGRAM (403(B))

You have the opportunity to make personal contributions to a wide assortment of savings vehicles. You may contribute to a variety of funds (through Fidelity Investments (www.fidelity.com) and TIAA-CREF (www.tiaa-cref.org), on a tax-deferred basis (e.g. 403b) as part of UVA's Tax Deferred Savings Plan (TDSP). In addition to the tax-deferred 403(b) UVA also offers a Roth 403(b) which allows employees to make a post-tax contribution. Employees can contribute into the 403(b) program tax-deferred up to \$17,500 (or \$23,000 if over age 50) for a total tax deferred savings of \$35,000 (or \$46,000 if over age 50) if both the 403(b) and 457 plans are utilized.

THE COMMONWEALTH OF VIRGINIA'S 457 DEFERRED COMPENSATION PLAN

New federal tax legislation makes it possible for UVA employees to participate in both the UVA TDS 403(B) program and Virginia's 457 program (<https://www.icmarc.org>). Employees can contribute into the 457 program tax-deferred up to \$17,500 (or \$23,000 if over age 50) for a total tax deferred savings of \$35,000 (or \$46,000 if over age 50) if both the 403(b) and 457 plans are utilized. The 457 plan offers investment choices through ICMA-RC. Employees are eligible to begin participation at any time.

"THE MATCH PLAN"

As a 403(b) or 457 plan participant you are eligible to receive a 50% match (maximum \$40 per month or \$480 per calendar year) on your contribution to your tax-deferred or post-tax savings program. The UVA match will be sent to Fidelity, or TIAA/CREF.

The Physicians Group (UPG) offers an optional Tax Deferred Savings Program (TDSP) which allows employees to make pre-tax contributions using the 403(b) plan. In addition to the pre-tax 403(b) UPG also offers a Roth 403(b) which allows employees to make a post-tax contribution. Through both programs a wide range of premium retirement funds are available from Fidelity and TIAA-CREF. Annual tax-fee and post-tax contributions of up to \$17,500 are possible. Employees age 50 or over can contribute an additional \$5,500 through these programs.

AFTER-TAX SAVINGS OPTIONS THROUGH THE BEST PLAN

Personal contributions to the BEST plan are an attractive alternative for those who may have exhausted the IRS limit on tax-deferred contributions, or have short-term savings objectives demanding accessibility of money saved. Monthly minimum contribution is \$25 up to a maximum based on salary, life insurance policy value, and cash value of the side fund.

An important feature of the BEST Plan is the ability to receive a loan or distribution from your BEST Plan cash value at any time for any reason. This is a valuable feature of the BEST Plan as most of your other UVA and UPG retirement programs do not allow for loans or distributions prior to retirement. Distributions and loans may be taken from your BEST Plan cash value at any time with no penalty while protecting the life insurance benefit. Expenses such as student loans, home repairs or

college tuition just to name a few, are examples of how you can use your BEST plan cash value. A loan from your BEST plan account can be paid back at your leisure; giving you the knowledge that you can meet today's needs and put the cash back if needed for retirement.

COLLEGE AMERICA 529 SAVINGS PLAN

CollegeAmerica is a 529 college savings plan offered by the Virginia College Savings Plan, an independent agency of the Commonwealth of Virginia and the American Funds. CollegeAmerica allows you to save for higher education expenses through a tax-advantaged account invested in the American Funds. 529 plans are named after the section of the Internal Revenue Code that created them. As an employee of the Commonwealth of Virginia, you have available to you "E-Shares" in the CollegeAmerica Savings Plan. "E-shares" offer you no-load mutual funds, allowing more of your investment dollars to be applied directly towards building your child's savings fund, as well as having a reduction in the minimum fund contribution from \$250 to \$25 for those who participate in an employer sponsored 529 plan.

The University also offers payroll deduction for U.S. Savings Bonds, as another investment alternative.

SHORT-TERM DISABILITY LEAVE (UVA)

Short-term disability is generally described as a type of "sick" leave for absences of more than five days, including accident, ill health, pregnancy, and maternity leave. Employees will retain the 100% salary continuation and all fringe benefits (if the employee normally received such benefits) for the approved leave period with no waiting period.

DISABILITY INSURANCE (UVA AND UPG)

As an UVA faculty member you are entitled to 6 months of leave with full pay as a short-term disability benefit. Following this leave period, your long-term disability benefits would begin from UVA, The Standard and UPG's Lincoln Financial LTD plans.

Long-term disability protection may be provided through two plans depending on salary allocation.

UVA: Provides you with a taxable disability benefit equal to $66 \frac{2}{3}$ s of your UVA salary.

- UVA continues life insurance coverage until age 65
- UVA continues retirement plan contributions up to age 65
- No cost to the employee
- 6 month waiting period
- 2 year own occupation

UPG: Provides you with a tax-free disability benefit equal to $66 \frac{2}{3}$ s of your UPG salary.

- Employee pays taxes on annual premiums
- UPG continues life insurance coverage throughout disability
- UPG continues BEST plan retirement contributions throughout disability
- 6 month waiting period
- Own occupation specific for the duration of disability up to age 65

HEALTH AND DENTAL (UVA)

The University of Virginia Health Plan offers three programs for employees to choose from; *BASIC HEALTH, VALUE HEALTH and CHOICE HEALTH PROGRAM. All three programs, administered by Aetna, provide a broad scope of hospital and medical services offered by a carefully selected network of hospital and professional providers, including primary care physicians (PCP).

- Direct Access – all plans allow direct access to physicians and specialist. You do not have to select a Primary Care Physicians (PCP), although a relationship with a PCP is encouraged
- There are no pre-existing conditions
- Enrollment into the Health Plan also enrolls you into the Prescription Drug coverage with Catamaran and Vision program with Aetna Vision Discount
- You pay only on monthly rate or all services covered

Summary of Benefits for Clinical Faculty 50 – 74% Effort

- *Basic Health comes with a tax free Health Savings Account (HSA). UVA contributes \$1000 for an individual, \$1500 for employee and spouse or employee + child(ren), and \$2000 for family to an HSA in your name

	Employee Premium			Employer Premium			Total Premium		
	Basic	Value	Choice	Basic	Value	Choice	Basic	Value	Choice
Single	\$19	\$51	\$90	\$205	\$205	\$205	\$224	\$256	\$295
Employer + Child(ren)	\$24	\$85	\$215	\$383	\$383	\$383	\$407	\$468	\$598
Employer + Spouse	\$30	\$91	\$242	\$384.50	\$384.50	\$384.50	\$414.50	\$475.50	\$626.50
Family	\$58	\$150	\$428	\$572.50	\$572.50	\$572.50	\$630.50	\$722.50	1000.50

*Basic Health is a high-deductible consumer driven health plan providing low premium with a health savings account to help pay for eligible medical expenses.

**Working Spouse Provision -- Spouses who are eligible for their employer covered “affordable” health plan are not eligible to enroll in the UVA Health Plan.

DENTAL INSURANCE

The University of Virginia offers two dental programs for employees, the BASIC DENTAL and ENHANCED DENTAL PROGRAMS through United Concordia. Both programs offer the same diagnostic and preventive, primary and major restorative services, such as cleaning, x-rays, fillings, etc. services.

- Basic offers: \$1000 annual benefits maximum, orthodontia is NOT covered
- Enhanced offers: \$2000 annual benefits maximum, orthodontia IS covered with a lifetime maximum benefits of \$1000 per person
- Coverage for orthodontia services is 50 percent of the allowable charge. The lifetime orthodontia maximum is \$1000 per person. This benefit is separate from the annual maximum dental benefit

	Employee Premium		Employer Premium		Total Premium	
	Basic	Enhanced	Basic	Enhanced	Basic	Enhanced
Single	\$1	\$7	\$10.50	\$10.50	\$11.50	\$17.50
Employee + Child(ren)	\$2	\$17	\$19	\$19	\$21	\$36
Employee + Spouse	\$3	\$19	\$19	\$19	\$23	\$38
Family	\$6	\$33	\$28	\$28	\$34	\$61

***Working spouse provision DOES NOT apply to dental plan benefits.

BRIGHT HORIZONS, BACKUP CARE ADVANTAGE PROGRAM (UVA)

The University of Virginia is pleased offer a benefit providing Backup Care Options for your loved ones. This service is available when your normal care arrangements fall through. They can be reached 24/7 to schedule center or home-based care for your loved ones. You can be reimbursed for this service through the UVA Flexible Spending Account vendor, Chard-Snyder, for children up to the age of 13

FLEXIBLE SPENDING ACCOUNTS (UVA)

Through the Flexible Reimbursement Accounts, you may elect to set aside pre-tax dollars to pay for non-covered medical, dental, or vision expenses not paid for by your health insurance, or for dependent care expenses. This arrangement allows you to reduce your taxable income. Enrollment in the flexible spending accounts is available following your hire.

ADDITIONAL BENEFITS

LONG-TERM CARE INSURANCE (UPG)

UPG provides all benefits eligible clinical faculty a guaranteed issue “Core” long-term care policy through Genworth Financial. This Core benefit provides a monthly benefit of \$3,000, facility benefit duration of 3 years, and a lifetime

maximum benefit of \$108,000. Voluntary “buy-up” or increase coverage is available at discounted rates. Full underwriting required for employees, parents and parents in-law, grandparents and grandparents in-law, siblings of employees and their spouses, children of employees, and spouses of eligible children.

SUPPLEMENTAL LONG-TERM DISABILITY (UPG)

You have the option to purchase a discounted voluntary supplemental long-term disability benefit that is specialty specific. This benefit would enhance the long-term disability benefits already provided by UVA and UPG. Premiums are based on the level of coverage you elect. You have the ability to apply for coverage at any time. Contact The Benefit Planning Group, 800-225-7174, with questions or to request a personal quote.

VETERINARY PET INSURANCE (UPG)

UPG provides to all benefits eligible employees the ability to voluntarily purchase pet insurance. Veterinary pet insurance plans cover medical treatments and surgeries for accidents and illnesses—a multitude of medical conditions ranging from minor problems such as ear infections and bee stings, to major conditions such as broken bones, diabetes and cancer. You will have the ability to apply for coverage in the VPI program at any time. Premiums will depend on the level of coverage you purchase and your pet's age.

AUTO/HOME/RENTERS INSURANCE (UPG)

UPG employees and family members are eligible for discounted auto, home and/or renters insurance through Liberty Mutual. For more information or to obtain a free no obligation rate quote, please contact Jarrett Spencer at 434-973-0225 or by email at robert.spencer@libertymutual.com

INTRAMURAL ATHLETIC FACILITIES (UVA)

Subsidized passes to University athletic facilities are available to all full-time faculty. This includes access to swimming pools, handball, tennis, squash and racquetball courts, weight rooms, tracks, and many other facilities and programs. Discounted Corporate Membership rates for the ACAC athletic club are also available to physicians and their families.

BANKING SERVICES (UVA/UPG)

As clinical employees of the University of Virginia and the Physicians Group, you have available to you special mortgage and other banking services offered by Bank of America, the UVA Credit Union, Wachovia and BB&T

JOS A. BANKS (UPG)

UPG employees and family members can take advantage of our corporate membership at Jos. A. Banks, a retailer of fine men's clothing and shoes. There is no cost to the employee, and the membership entitles you to a 20 percent discount everyday, with additional member-only discounts throughout the year.

NTELOS WIRELESS SERVICES (UPG)

UPG Clinical faculty and family members can receive a discount on cellular phone plan rates, phones, and accessories through NTELOS. For more information contact Lee Ann Brooks, UPG's NTELOS representative at 434-465-0474 or via e-mail at brooksl@ntelos.com.

RELOCATION SERVICES (UPG)

UVA clinical faculty members can take advantage of relocation services provided by Lexicon, a full-service global relocation company that provides comprehensive services, including: home marketing assistance, home finding assistance, mortgage assistance, shipping of household goods and more. Please contact Nancy Knight at (434) 982-2943 to find out more about relocating to Charlottesville and the surrounding counties.

EMPLOYEE DISCOUNT PROGRAM (UVA)

The UVA Medical Center offers an Employee Discount Program that provides UVA faculty and staff service and entertainment opportunities at discounted costs. Discount categories include: automotive, clothing & shoes, entertainment, food & restaurants, health & beauty, home & storage, travel and many more. To find specific information about these discounts, please visit:

<http://www.healthsystem.virginia.edu/internet/discounts/AllDiscounts/home.cfm>

QUESTIONS?

If you have questions or would like more information about any of the above programs, please contact Nicole Trice, Physician Benefits Administrator at 434-980-6181.

The above is just a brief overview of fringe benefits currently available. Benefits are subject to change, and the information above does not include all of the details of the plans, so please inquire if you have a specific question. Additional information regarding UVA Faculty Benefits is available at <http://www.hr.virginia.edu/hr-for-you/faculty/fac-benefits/>