

# **LEXINGTON PUBLIC SCHOOLS**

## **Summary of Benefits**

2008-2009



CONTENTS	Page
HEALTH AND DENTAL BENEFITS.....	3
HEALTH INSURANCE OPTIONS.....	4
LIFE INSURANCE.....	5
OPTIONAL LIFE INSURANCE.....	5
FAMILY MEDICAL LEAVE ACT OF 1993.....	6
MUNICIPAL RETIREMENT PLAN.....	7
OBRA.....	7
RETIREMENT ALLOWANCE.....	7
DEFERRED COMPENSATION.....	8
CREDIT UNION.....	8
PAY DAY.....	9
CAFETERIA PLAN.....	9
EMPLOYEE ASSISTANCE PROGRAM (EAP).....	9

## HEALTH BENEFITS

As a new employee you are eligible to join one of the three group health insurance plans if you work at least twenty (20) hours per week on a regular schedule and in a regular position. Your **enrollment** in a plan must be **within 30 days of your hire date**. Health insurance premiums are prepaid a month in advance and coverage is effective on the first day of the month after you are employed.

The Town of Lexington offers three group health insurance plans that employees can subscribe to on an individual or family basis (see following page for details). Each plan has distinctive premium costs and benefits. All plans have a prescription drug program. It is your responsibility to keep informed on any changes in coverage that will affect you personally.

The Town pays approximately 80% of the Blue Choice premium, 85% of the HMO Blue and 85% of the Harvard Pilgrim premiums. The remaining balance is subtracted, on a pre-tax basis, from your bi-weekly paycheck. **If you wish to change from one plan to another, you may do so only during the annual open enrollment period in May.**

If you are on an approved unpaid leave of absence, you can maintain your health insurance coverage through the Town by paying the full monthly premium. Upon termination of employment, you can continue coverage for a period up to eighteen months by individually bearing 102% of the total cost of the existing monthly premium. See the Benefits Coordinator at the Town Hall for information on this coverage.

## DENTAL BENEFITS

The Town offers two dental insurance plans on a family, individual plus one or on an individual basis. The Town pays approximately 50% of the premium up to a maximum contributory amount determined at the start of the plan year. The remaining balance is subtracted, on a pre-tax basis, from your bi-weekly paycheck. As a new employee, your coverage will begin on the first day of the month after you are employed.

**As with the health insurance, if you do not enroll within 30 days of your hire date, you may not join the plan again until the open enrollment period in May, unless you have a family status change.**

## **HEALTH INSURANCE OPTIONS**

### **BLUE CHOICE**

Blue Choice offers comprehensive benefits within the Blue Choice network of health care providers, along with the freedom to go outside the network for medical services. For members who stay within the Blue Choice network to receive their medical care, most services are covered either in full or with a small co-payment. For members who seek medical care outside the Blue Choice network, services are generally covered at 80% after an annual deductible. Members must choose an approved Blue Choice primary care physician, who will coordinate all of the members in-network care. A family membership covers spouses, unmarried dependent to the age of 19 and unmarried students to the age of 26. Questions concerning coverage call 1-800-782-3675 or visit the website [www.bluecrossma.com](http://www.bluecrossma.com).

### **HMO BLUE**

HMO Blue provides coverage for routine office visits, physical exams, maternity care, X-rays, lab tests and pediatric care, for a small co-payment. Members must choose their own HMO Blue approved primary care physician, who will coordinate all of the member's health care. A family membership covers spouses, unmarried dependents to age 19, and unmarried full-time student dependents to age 26. Questions concerning coverage call 1-800-782-3675 or visit the website [www.bluecrossma.com](http://www.bluecrossma.com).

### **HARVARD PILGRIM**

Harvard Pilgrim provides coverage for routine office visits and physical exams, for a small co-payment. There is no charge for lab services, diagnostic X-rays, inoculations or pre-natal care. Members must choose a primary care physician (PCP) when you enroll. A family policy provides coverage for spouses, unmarried children to age 19 and unmarried full-time students to age 25. Questions concerning the Harvard Pilgrim program should be addressed to 1-800-848-9995 or visit the website [www.harvardpilgrim.org](http://www.harvardpilgrim.org).

## **LIFE INSURANCE**

Employees who work twenty (20) hours or more per week are eligible for life insurance benefits. The cost of this benefit is shared equally by the Town and the individual employee, your share is deducted in equal installments from your bi-weekly paycheck. If you elect to join the plan, you will be covered by a \$5,000 term life policy during your employment. Upon retirement your coverage amount changes to \$2,000, the cost of coverage will still be equally shared.

You may designate one or more beneficiaries for this coverage. You may change beneficiaries at any time by completing the proper form available from the Benefits Coordinator. Be sure to keep your beneficiaries up-to-date at all times.

When you are on an unpaid leave of absence you may maintain coverage by assuming full responsibility.

## **OPTIONAL LIFE INSURANCE**

You have the option to purchase additional life insurance at your own expense. The limit of insurance you may purchase is dependent upon your gross annual salary. You can maintain coverage up to \$1,000 less than your annual compensation to a maximum of \$74,000 (M.G.L. 32B:11A). This optional life insurance is also automatically deducted in equal installments from your bi-weekly paycheck. More information about optional life insurance can be obtained from the Benefits Coordinator at the Town Hall.

## **EVIDENCE OF INSURABILITY**

If you do not sign up for Life Insurance at the time of hire which is 30 days from your start date, this form will be mandatory.

## **FAMILY MEDICAL LEAVE ACT OF 1993**

### **FAMILY MEDICAL LEAVE**

The Family Medical Leave Act of 1993 requires employers to provide up to twelve (12) weeks of unpaid, job-protected leave to eligible employees for certain family and medical reasons. Unpaid leave must be granted for any of the following reasons: to care for your spouse, son or daughter, or parent, who has a serious health condition; to care for a son or daughter within one year of birth, adoption or the initiation of foster care; or if you have a serious health condition that makes you unable to perform your job. Any paid leave granted counts towards the twelve (12) weeks of FMLA leave.

You may be required to provide advance leave notice and medical certification. Taking a leave of absence may be delayed if requirements are not met. You must ordinarily provide thirty (30) days advance notice except when the leave is “unforeseeable.” The Town may require medical certification to support a request for leave because of a serious health condition, and may require second or third opinions (at the Town’s expense). In the event that an employee is suffering from a serious health condition, a fitness for duty report may be required to return to work.

During any FMLA leave, you can maintain your health coverage under any “group health plan” by paying the employee share of the premium. Upon return from FLMA leave, most employees will be restored to their original or equivalent position with equivalent pay, benefits and other employment terms. The use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee’s leave.

## **MUNICIPAL RETIREMENT PLAN**

The Town provides retirement benefits through the State plan that is administered by the Town Retirement Board. Town employees who work eighteen (18) hours per week, hired after July 1, 1996, must contribute 9% of their regular compensation into the Town retirement system through pre-tax payroll deductions. Those employees earning in excess of \$30,000 must contribute an additional 2% on the regular compensation in excess of \$30,000. This money will be returned to you without interest if you terminate employment after working fewer than five (5) years with Lexington or any other state/local agency. You will receive a refund with 1/2 of the interest credited if you have between five (5) and ten (10) years of credited service. If you terminate employment after more than ten (10) years of credited service, you will be refunded the sum of your contribution plus all of the interest earned. Refunds are subject to a 20% Federal Tax withholding unless the funds are transferred directly to an IRA (Internal Revenue Service Regulation). Requests for refunds must be made on the proper form available in the Retirement Office at the Town Hall.

If you work 17 hours or less per week, you are required to enroll in the Town's OBRA Plan.

### **OBRA**

As a part-time, seasonal or temporary employee of the Commonwealth of Massachusetts, or a Massachusetts local government employer, you are required to participate in the Commonwealth of Massachusetts Deferred Compensation Plan. This plan is an alternative to Social Security coverage as permitted by the federal Omnibus Budget Reconciliation Act of 1990 (OBRA). As an OBRA employee, you must contribute 7.5% of your gross compensation per pay period to the plan. Your contributions are made on a tax deferred basis. When you leave employment you may withdraw your contributions or roll them over to another retirement plan.

## **RETIREMENT ALLOWANCE**

The amount of your retirement allowance will be determined by three (3) factors: age, years of credited service and average regular compensation for your three (3) highest consecutive years. You are eligible to retire at any age if you have twenty years of creditable service. If your employment began prior to January 1, 1978, upon becoming age 55 as a member-in-service, you may retire with any number of years of service - there are no minimum service requirements for members in this category. If you were initially employed on or after January 1, 1978, you must have at least ten (10) years of creditable service, and be age 55 or older to receive an allowance. If your public employment began on or after January 1, 1978, and you haven't completed ten (10) or more years of creditable service after attaining age 55, you will be eligible to receive a refund of your accumulated deductions upon the termination of your employment. You

may not receive a retirement allowance. See the Retirement Office at the Town Hall with any questions regarding retirement.

### **DEFERRED COMPENSATION**

The purpose of the deferred compensation plan is to save additional money to supplement your retirement savings. This is accomplished by having money deducted from your paycheck on a pre-tax basis and this money is paid to you at the time of your retirement. This plan allows you to save funds and accumulate interest tax-free until your retirement when your income tax bracket is lower.

The Town provides employees who work twenty (20) hours or more per week with the opportunity to participate in the deferred compensation plan. You may set aside a portion of your income through regular payroll deductions in accordance with existing Internal Revenue Guidelines.

You will be given a list of providers, one or more of which you can contact directly to begin a program.

Payouts will be distributed upon your retirement, in a lump sum or according to a schedule selected by you. Before retirement, partial disbursement may be made only if you are faced with certain unforeseeable financial emergencies. Such early withdrawals will likely result in substantial tax penalties.

### **MASSACHUSETTS TEACHERS' RETIREMENT BOARD (For Teachers Only)**

You must enroll in the Massachusetts Teachers' Retirement before you start employment with the Lexington Public Schools. You will be given a Mandatory Online Enrollment Assignment form with directions. Once you have completed your online enrollment you must return your printed Online MTRB Enrollment Confirmation to the Human Resources Office so that they may process your correct payroll deduction.

### **CREDIT UNION**

Employees of the Town have established an independent Credit Union for the benefit of employees, retirees, and their families. You are eligible to join and participate in savings, loan and credit card benefits immediately upon employment. The Town provides automatic payroll deductions both for savings and loans as a convenience to members. There is a \$25.00 minimum balance required.

For further information about the Credit Union, call 781/862-9011 or stop by the Credit Union Office at 3 Fletcher Avenue in Lexington. It is open Monday through Friday from 8:30 a.m. to 4:00 p.m.



## **PAY DAY**

Town employees are paid bi-weekly (every other week) on a Friday. The Town offers direct deposit. Your check or advice of deposit will be picked up by a designated school employee or you may also request to have your check mailed to you.

## **CAFETERIA PLAN**

The cafeteria plan allows eligible employees to have their health, dental and life insurance premiums paid on a pre-tax basis.

The program also allows employees to set up Flexible Spending Accounts (FSA) to use pre-tax dollars to pay for up to \$5,000 for dependent care (child or elder) expenses, and up to \$5,000 for out-of-pocket medical expenses.

The Health Care and Dependent Care Reimbursement Plan is handled by Benefit Strategies of Manchester, NH. Brochures will be included in your new hire packet.

Fees for participating in the Cafeteria Plan Benefit Program are minimal, and will be deducted from your bi-weekly paycheck.

**As with the health insurance, if you do not enroll within 30 days of your hire date, you may not join the plan again until the open enrollment period in May, unless you have a family status change.**