Group Plans & Services Portfolio

Plan Year 2015-16















MEMBER BENEFITS

nysut

Working to Benefit You

Designed to help today's local leaders and benefit funds with:

- **Insurance Programs**
- **Administrative Services**
- **Legal & Financial Services**

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Latham, NY 12110-2445

800-626-8101
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MEMBER BENEFITS

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Working to Benefit You

On behalf of the Trustees of the NYSUT Member Benefits Trust & Directors of the NYSUT Member Benefits Corporation, I'm pleased to offer the 2015-16 Group Plans & Services Portfolio. This publication contains information about our endorsed group benefit plans along with various services and presentations available to local associations, their benefit funds and their employers.

If you're looking for group benefit plans to include in your negotiations or wish to compare other plans to those endorsed by Member Benefits, please review this booklet carefully. Keep in mind that most of these group plans can be customized to meet your group's requirements and financial considerations. In addition, the group buying power of more than 600,000 members aids in our ability to contract with reputable companies at competitive prices. We are committed to endorsing quality programs, and the Trustees & Directors grant endorsements only after diligent searches for plans that meet our high standards.

In the unlikely event that you encounter a problem with any of our endorsed plans, we will work on your behalf to resolve it to the best of our ability. We value the trust you place in us and will do what needs to be done to resolve any issues quickly and effectively.

We are also happy to offer a variety of helpful financial presentations designed to better educate our members. We're here for you, so don't hesitate to contact us or the providers of our endorsed group plans for additional information or a customized quote.

Best wishes for a productive year!

In solidarity,

Martin Messner

Martin Messner
Chairperson, NYSUT Member Benefits Trust

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GROUP PLANS

Financial Counseling Program

The Group Financial Counseling Program provides group plan participants and their spouse or domestic partner the opportunity to obtain unbiased, objective advice on personal financial situations and goals.

The program is offered to participants by Stacey Braun Associates, Inc., an investment advisory firm that provides fee-based financial counseling services on a group basis as well as to individuals.

Telephone consultations are performed by a Certified Financial Planner (CFP) or a Registered Investment Advisor (RIA) from Stacey Braun Associates, Inc. only. The Financial Counseling Program is a "fee-based" program, and Stacey Braun's planners are prohibited from selling investment or insurance products, resulting in confidential, unbiased and objective advice tailored specifically for the participant's financial situation.

Group Financial Counseling Program benefits

• Toll-free phone consultations – Toll-free access to Stacey Braun's Certified Financial Planners or Registered Investment Advisors to discuss the participant's specific financial situation. The toll-free line is available weekdays from 8 a.m. to 6 p.m. (EST).

Participants can call for answers to financial planning concerns and information on the program. All calls are answered by a live receptionist, and if a planner is not available at that time, a time can be scheduled for the planner and participant to connect. This time can be scheduled before or after the normal toll-free hours.

• In-person consultation – Once per quarter, a Stacey Braun planner will be available at a predetermined location for in-person consultations.

Topics for both telephone and in-person consultations include but are not limited to:

Retirement Planning	Mutual Fund Questions
Pension Analysis	Asset Allocation
Risk Tolerance	Debt Management
Savings	Budgeting
IRA Rollovers	Financial Advice relating to Divorce
Tax Planning	Cash Flow
Refinancing/Mortgages	Elder Care Analysis Survivorship Planning
Estate/Inheritance Planning	Social Security
Life and Disability Insurance	Long-Term Care Insurance
Education Funding	General Financial Education
Advice on 403(b)/457(b) Plans	

• Customized written reports – Participants can request customized written summaries and reports on a variety of financial issues. These summaries provide a detailed review and recommendation for the participant's current situation. Reports may be available upon request following completion of a telephone consultation with a Stacey Braun planner, or upon completion of a specific questionnaire tailored to the participant's specific financial situation.

• Password-protected website – Group program participants will have access to Stacey Braun's proprietary website via a common User ID and Password assigned to the group.

The website includes financial planning tips specifically geared for NYSUT members, an interactive financial planner, informative financial narratives, market data, quotes, charts, and portfolio tracking. Financial news briefs, a glossary, calculators, and links to other useful sites are also included.

• Email helpdesk – Group plan participants will have access to Stacey Braun's email helpdesk. The email helpdesk is a popular vehicle for participants to ask basic financial questions and receive answers within 24 hours.

• Annual workshop – A no-cost-to-participants financial workshop will be conducted for your group's participants each year. Your group will be responsible for scheduling the workshop with Stacey Braun along with choosing the financial topic to be covered. Topic choices include Retirement Planning, Debt Management/Budgeting, Investments, 403(b) Advice, Estate Planning, Elder Care, Education Funding, Insurances, and Current Issues.

Taxable benefit

Group Financial Counseling Program contributions made by an employer or a benefit fund may be a taxable benefit. Participants should check with their personal tax advisor to determine whether they should report the value of the contribution on their own personal income tax return.

Cost of the Group Financial Counseling Program

The Group Financial Counseling Program costs $35 per participant per year.

For further information, please contact Member Benefits at 800-626-8101.

The Group Financial Counseling Program is provided and administered by Stacey Braun Associates, Inc.

The Stacey Braun Associates, Inc. Group Financial Counseling Program is a NYSUT Member Benefits Corporation (Member Benefits)-endorsed program. Under an agreement with Stacey Braun, Member Benefits has an endorsement arrangement of $5 per participant. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

GROUP PLANS

Legal Service Plans

Your group can choose from two group plans: Access Legal Service or Prepaid Legal Service.

Access Plan

The Group Access Legal Service Plan provides plan participants with access to attorneys who will answer legal questions, write letters and review documents relating to personal legal matters.

In addition to the plan participants, the plan covers their spouses or domestic partners who are living with the plan participant; unmarried, dependent children under the age of 19 (or under the age of 25 if the child is wholly dependent upon the plan participant for support and maintenance and is enrolled as a full-time student); and dependent parents.

The initial point of contact for every participant is the toll-free number to the National Legal Office of Feldman, Kramer & Monaco, P.C. If necessary, the office will make referrals to local participating attorneys.

Group Access Legal Service Plan benefits

- Free telephone advice and consultation -- Each participant receives toll-free numbers to call for unlimited telephone advice and consultation.

- Free office consultations -- Each year, participants are entitled to two, free, hour-long consultations with a National Legal Office attorney or referral attorney.

- Toll-free 24-hour hotline for emergencies

- Free letter writing -- Plan attorneys will write as many legal letters or place as many telephone calls as needed. In matters such as consumer protection and credit resolution, a telephone call from a plan attorney is often the ideal solution.

- Free document review -- Plan attorneys will review documents such as apartment and automobile leases, promissory notes, retail sales agreements, and other contracts. Up to six pages per document.

- Legal Security Package -- Participants are entitled to the preparation of a Simple Will, Living Will, Health Care Proxy, and Power of Attorney** annually without any additional charge. Reciprocal Simple Wills are also prepared at no charge for spouses/domestic partners.

- *Preventive Law Guide* -- Written to inform participants about their rights under the law, this newsletter provides timely information on a variety of consumer issues.

- Estate Planning seminars or "Will Days" -- Plan attorneys are available to conduct Estate Planning Seminars or sponsor "Will Days" upon request.

- Referral attorneys -- These attorneys have contracted to provide legal representation for $250 an hour or a 30 percent discount on their usual hourly fee, whichever is lower; and $265 per hour or a 30 percent discount effective 9/1/17. Attorneys are located throughout the continental United States.

- Plan attorneys can be a tremendous resource in helping to both avoid becoming an identity theft victim and reclaiming one's identity. This may include advising on the laws governing this crime, the appropriate course of action, the proper entities to contact to place a fraud alert, and assistance with formulation of the appropriate dispute letters to the agencies and creditors involved.

Guaranteed Maximum Fees --The following legal matters are subject not only to reduced hourly rates but also to a maximum fee, regardless of time spent on the matter.

Legal Matter	**Maximum Fee**
Divorce (uncontested, without marital agreement)*	**$900**
Divorce (uncontested, with marital agreement)*	**$1,700**
Separation (uncontested)*	**$900**
Real Estate (sale or purchase of primary residence only)	
Up to $250,000	**$850**
$250,000 - $500,000	**$1,025**
More than $500,000	**$1,325**
Mortgage Refinancing (primary residence only)	**$425**
Traffic Violation (first offense, 3 points or less, up to 2 court appearances)	**$700**
Misdemeanor (first offense, up to 2 court appearances)	**$1,050**
Personal Bankruptcy (Chapter 7)	**$1,425**
Name Change (uncontested)	**$550**
Driving While Intoxicated (first offense, up to 2 court appearances)	**$1,050**
Commencement of Proceedings for Modification of Child Support (preparation of pleadings only)*	**$550**
Office Consultation Re: Simple Will	**$110**
Simple Promissory Note	**$40**
Simple Trust	**$55**
Simple Reciprocal Will with Simple Trust	**$110**
Minor's Testamentary Trust	**$55**
Power of Attorney**	**Free / $75**
Legal Security Package without Power of Attorney	**$50**
Legal Security Package with Power of Attorney	**$100**

** These benefits only cover representation of the Covered Participant. Covered Dependents are not covered under these benefits.*

***If a second power of attorney is requested within the same Plan year, there will be an additional charge of $75 for the second power of attorney (payable to the National Legal Office). If you don't draft one in your first Plan year, you will be entitled to two free in your second subsequent year.*

• Plan attorneys can offer advice on alternatives such as creditor "workout" in situations of overwhelming debt, including suspension of interest, budget review and, in extreme circumstances, Chapter 7 and Chapter 13 bankruptcy alternatives. Where appropriate, the Plan attorney may contact the creditor involved to discuss favorable alternatives to ever-mounting debt or collection litigation.

• Plan attorneys can assist with steps that can be taken to avoid mortgage foreclosure by analyzing the financial situation, reviewing loan documents and discussing options such as lender payment workouts, short sale options and, in some cases, Chapter 13 bankruptcy payment plan alternatives. The Legal Service Plan has qualified foreclosure law experts on hand to assist participants with this stressful legal matter.

Prepaid Plan

The Group Prepaid Legal Service Plan provides many of the same benefits as the Group Access Legal Service Plan, plus additional benefits. The Prepaid Plan provides six, half-hour, office consultations per year.

A Plan participant, his or her spouse (or domestic partner), and dependent children under 19 years of age are eligible to participate in the Group Prepaid Plan. Dependent children up to age 25 who are full-time students can avail themselves of some of the services provided by the Prepaid Plan.

Additional Group Prepaid Legal Service Plan benefits provided at no cost

• Real estate -- Two transactions (sale, purchase, refinance, or any combination thereof) in any five-year period. Participants represented outside of the plan will be entitled to a reimbursement of up to $300 annually per transaction for attorney fees incurred. Reimbursement is limited to no more than two transactions in a five-year period.

• Wills and estate planning -- In addition to the free Simple Will and Reciprocal Will, a Simple Testamentary Trust is included if appropriate. Attorneys are available to discuss estate planning and pre-nursing home strategies.

• Legal adoption and guardianship proceedings -- Services normally rendered by an attorney to formalize an uncontested adoption or guardianship.

• Legal change of surname -- One per participant and one per each qualified dependent.

• Living Will, Health Care Proxy and Power of Attorney** -- Documents prepared for participants and qualified dependents.

• Traffic matters and DWI -- Up to 10 hours of attorney time. Representation in court under this benefit is available once in a 12-month period beginning the day of first consultation with the Plan's attorney concerning a traffic-related matter. Benefits provided for instances where, in connection with the operation of a motor vehicle, a traffic ticket has been issued, and, due to the accumulation of points or the severity of violation, a license must be revoked or suspended upon conviction.

• Family and marital relations (contested and uncontested) -- Up to 55 hours of attorney time are provided but not more than 20 hours on any single matter. This coverage is provided to the Plan participant only.

• Bankruptcy and foreclosure -- Up to 20 hours of attorney time.

• Consumer protection -- For consumer items costing less than $500, coverage for advice only. Up to five hours of attorney time are provided for consumer items costing $501 to $5,000; up to 10 hours for items costing $5,001 to $10,000; up to 15 hours for items costing $10,001 to $20,000; and up to 25 hours for items costing more than $20,000.

• Personal injury matters -- No cost to participant unless a recovery is made; attorneys will then be entitled to 25 percent of the recovery.

• Probate and administration of estate -- Attorney probate fees are a percentage of the estate's assets. Plan attorneys will reduce those fees by 35 percent.

****Please Note:** *If a second Power of Attorney is requested within the same Plan year, there will be an additional charge of $75 for the second Power of Attorney (payable to the National Legal Office). If you don't draft one in your first Plan year, you will be entitled to two free in your second subsequent year.*

Coverage beyond stated benefit allowances

If any "benefit allowance" is exhausted, Plan attorneys will bill at the reduced hourly rate of $250 an hour or a 30 percent discount on their usual hourly fee (whichever is lower); and $265 per hour or a 30 percent discount effective 9/1/17, for all time needed to conclude the matter.

GROUP PLANS

Each element of coverage is subject to the specific benefit allowance; however, the maximum annual benefit allowance for all services rendered to a participant or qualified dependent shall not exceed 100 hours.

There will be no coverage for any legal action or proceeding in any court or administrative board or real estate closing outside of New York, New Jersey or Connecticut. However, special arrangements have been made for the availability of a referral service in some non-covered states. These attorneys will charge reduced rates. See the "Guaranteed Maximum Fees" appearing in the Access Plan description for guaranteed maximum fees per service outside of New York, New Jersey or Connecticut.

Conflict of interest under Prepaid Plan

If it would be ethically improper to represent the participant or the law firm has a conflict of interest, separate arrangements will be made for retention of outside counsel to represent the participant, and the Plan will be liable up to a maximum of $3,000 for outside counsel fees.

Taxable benefit

Group Access and Group Prepaid Legal Service Plan contributions made by an employer or Benefit Fund are taxable and should be included in the participant's earnings as shown on his or her W-2 Form. This will subject the amount included on the W-2 Form to withholding of income and social security taxes.

If the Group Plan is purchased and paid for from a dues increase, the above does not apply as the money used to purchase the Plan has already been taxed.

Optional Elder Law Rider

An optional Elder Law Rider can be purchased as an enhancement to the Group Legal Service Plans. This rider provides access to a national panel of Elder Law attorneys who specialize in Elder and health law, estate planning, wills, trusts, pre-nursing home planning, probate, and conservatorship. With this rider, participants who use the services of Elder Law attorneys will receive a 20 percent discount on their usual fees.

The Elder Law Rider also provides one free Legal Security Package per participant or covered dependent per year. This package includes a Health Care Proxy, Living Will and Simple Will; a Power of Attorney is available for an additional $75.

Please Note: *Within the parameters of the Elder Law Rider only, Covered Individuals include the Plan participant's spouse (or domestic partner), parents, parents-in-law, grandparents, and grandparents-in-law.*

Cost of Group Legal Service Plans

The Group Access Legal Service Plan costs $35 per participant per year.

The Group Prepaid Legal Service Plan costs $72 per participant per year.

The cost of the optional Elder Law Rider, with either Legal Service Plan, is an additional $15 per participant per year.

These per participant per year rates are locked in through 8/31/19.

For further information, please contact Member Benefits at 800-626-8101.

The Group Access and Group Prepaid Legal Service Plans are provided by Feldman, Kramer & Monaco, P.C. and are administered by Member Benefits.

The Group Access Legal Service Plan and Group Prepaid Legal Service Plan provided through Feldman, Kramer & Monaco, P.C. are NYSUT Member Benefits Trust (Member Benefits)-endorsed programs. Member Benefits has an endorsement arrangement of 15% of annual participation fees received for these programs. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

Health Advocate™

Health Advocate™ helps group plan participants more easily navigate the complexities of the health care and insurance systems. Health Advocate's personalized service provides assistance across a broad range of health care and insurance-related issues, helping participants deal with clinical and administrative matters involving medical, hospital, dental, pharmacy, and other health care needs.

Health Advocate's services are organized around a Personal Health Advocate, typically a registered nurse, who helps individuals get the most value from their health care benefits. By helping participants use the medical care system more efficiently, Health Advocate can help improve clinical outcomes and reduce medical costs.

Participants can call a toll-free phone number and talk to their own Personal Health Advocate who will work with them to resolve the health care issues they face and the problems they encounter.

Group Health Advocate benefits

One call to Health Advocate will help participants:

- Navigate the health care and insurance systems
- Identify qualified doctors, hospitals and other providers
- Resolve insurance claims and billing issues
- Save time and money on health care bills
- Locate and research treatment options for medical conditions
- Obtain unbiased health information to help participants make informed medical decisions
- Schedule appointments with hard-to-reach specialists
- Secure second opinions to provide peace of mind
- Identify "best-in-class" medical institutions for a serious illness or injury
- Access community resources for supportive services not covered by traditional health insurance

Cost of Group Health Advocate

The annual cost of the Group Health Advocate program is $1.25 per participant per month, based on 100 percent participation from the group. The service covers the participant, his or her spouse, dependents, parents, and parents-in-law.

A separate feature called Medical Bill Saver (MBS) is also available for an additional fee beyond the cost of the core Health Advocate program. MBS negotiates with providers to lower out-of-pocket medical and dental bills not covered by insurance. For information about MBS, please contact Health Advocate.

For further information, please contact Mea Molin, Senior Vice President - Sales, at 212-875-9034.

The Health Advocate Group Plan is a NYSUT Member Benefits Trust (Member Benefits)-endorsed program. Member Benefits has an endorsement arrangement of $.125 per participant per month for the core Health Advocate program. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

GROUP PLANS

Vision Care Plans

The Group Vision Care Plans provide high quality eye care services from NCQA-certified participating providers. Plans ensure low out-of-pocket cost with the broadest array of paid-in-full options and complete freedom of choice in eyewear.

Vision benefits are accessed through a participating provider and include a comprehensive eye examination, frames and lenses, or contact lenses. Your group may customize the length of your benefit period as well as select from one of two available frame collections and may choose to offer an enhanced lens package. Additional options are available as well.

Group Vision Care benefits

- A participant may receive a complete eye examination that includes glaucoma testing and dilation when professionally indicated (one per benefit cycle).

- Members can apply their allowance to any frame of their choice or choose a frame from the Davis Vision Exclusive Collection. (One pair of eyeglasses/lenses and frames per benefit cycle.)

- This dual choice model also applies to contact lenses, and benefits include materials, evaluation, fitting, and follow-up care. Members can apply their allowance toward any type of contact lenses or select from the Davis Vision Contact Lens Collection.

The Davis Vision program offers a quality, end-to-end vision benefit experience with the unique ability to offer pricing control on optional items. This is done to provide members with a value to the overall benefit.

Additional value-added features include:

- LENS 123 -- an exclusive mail order contact lens replacement program

- Discount on Laser Vision Correction.

- 50% discount on a second pair of eyeglasses or sunglasses at all Visionworks stores.

- The basic lens package includes plastic or glass, oversize, single vision, bifocal, trifocal, lenticular, polycarbonate for children, fashion tint, or prescription sunglasses.

- An enhanced paid-in-full lens package is also available and includes ultraviolet coating, standard progressive addition lenses, blended invisible bifocals, scratch resistant coating, glass photosensitive lenses, and intermediate vision lenses.

- Lens options not covered by your plan (e.g., high index lenses, ultraviolet coating, premium or ultra progressive addition, etc.) are available at a fixed co-payment when purchased through a participating provider.

- Contact lens users may utilize the plan-specified allowance toward any contact lenses on the market. In lieu of the elective allowance, contact lens wearers utilizing services at participating independent provider offices and retail locations will have access to Davis Vision's Contact Lens Collection. The contact lenses available in this collection will all be covered in full.

The Contact Lens Collection offers a wide selection of contact lenses, including many of the most popular disposable or planned replacement lenses on the market today, to members at no cost. Your supply of lenses was recently doubled per benefit period.

- Indemnity (out-of-network) reimbursements are made directly to the participant for services purchased from a non-participating provider.

- The plan is available with guaranteed monthly rates or on a fee-for-service (self-insured) basis.

GROUP PLANS

- Free, one-year breakage warranty is offered on all plan-supplied frames and lenses from participating providers.

- All plan-supplied frames and lenses from participating providers have a 100 percent satisfaction guarantee.

- **You may request a Group Vision Care Plan booklet from Member Benefits for further information.**

- Union members serving union members -- all Davis Vision laboratory, shipping and customer service associates are union members. They are the largest employer in the United Optical Workers Union Local #408, AFL-CIO. All lens materials are manufactured domestically.

Group Vision Care benefits are subject to COBRA regulations. The COBRA notification requirements must be handled by the group plan purchaser.

True Group Vision Plan Costs

All rates listed on this page are guaranteed through June 30, 2017.

The following "true" group plan rates are based on the assumption that the purchaser pays the individual/family rates for **100 percent participation** of the entire group.

Annual Benefit Cycle (Monthly Premiums)

Plan Designs	Designer	Designer Gold	Premier	Premier Platinum
Employee Only	$6.04	$7.19	$6.57	$7.73
Employee + Family	$15.75	$18.71	$17.76	$20.31

Biennial Benefit Cycle (Monthly Premiums)

Plan Designs	Designer	Designer Gold	Premier	Premier Platinum
Employee Only	$5.15	$6.14	$5.63	$6.58
Employee + Family	$13.45	$16.32	$15.42	$17.84

These rates are effective for new plans that started on or after July 1, 2015.

How to obtain a group quote

To obtain pricing for your Group Vision Care Plan, provide the number of participants for individual coverage and the number of participants for family coverage.

For further information, please contact Member Benefits at 800-626-8101.

The Group Vision Care Plan is provided and administered by Davis Vision.

The Davis Vision Group Vision Plan is a NYSUT Member Benefits Trust (Member Benefits)-endorsed program. Member Benefits self-insures the risk for groups with guaranteed rate contracts, meaning total premiums collected and claims paid are pooled annually. At the end of the plan year, any surplus funds revert to Member Benefits; if a deficit exists, Member Benefits is responsible for covering the loss. For the last 10-year period, a surplus equaling approximately 10.79% of paid premiums has resulted. For self-insured group vision plans, Member Benefits has an endorsement arrangement of $.07 per enrolled participant per month. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. The insured group vision plans pool the premiums of Member Benefits participants who are insured for the purposes of determining premium rates and accounting. Coverage outside of this plan may have rates and terms that are not the same as those obtainable through Member Benefits. The Insurer or Member Benefits may hold premium reserves that may be used to offset rate increases and/or fund such other expenses related to the plan as determined appropriate by Member Benefits. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

GROUP INSURANCE PLANS

Dental Plans

The NYSUT Member Benefits Trust endorses group Dental Plans from Delta Dental of New York (Delta Dental).[1] As a member of the largest dental benefits system in the U.S.,[2] Delta Dental provides access to networks with more direct-contracted dentists than any other carrier in the nation, including more than 9,000 participating dentists in New York state.[3]

Delta Dental's commitment to providing access to oral health care – and its commitment to supporting labor unions – was born in 1954, when it was the first organization to offer a dental benefits program for the Longshoremen's and Warehousemen's Union. Today, Delta Dental still supports that vision through an extensive range of products and plan features for numerous schools, labor unions and other clients.

Plan Options - The Basics

The NYSUT Member Benefit Trust's relationship with Delta Dental provides members the flexibility to purchase both Delta Dental PPO℠ plan and DeltaCare® USA plan coverage.

Delta Dental PPO: A preferred provider, fee-for-service plan

- Enrollees may visit any dentist
- Enrollees usually save the most when they visit a PPO dentist
- Network dentists accept contracted fees as payment in full
- Enrollees pay a percentage of the contracted fee
- Network dentist will file claims and accept reimbursement from Delta Dental
- Pre-authorization for specialty care not required
- Receive treatment anywhere in the U.S.

DeltaCare USA: A prepaid, dental HMO-style plan

- Enrollees must visit their selected DeltaCare dentist
- Plan offers predictable patient costs for each procedure
- Patients pay only their co-pay at the time of treatment
- Selected general dentist coordinates any specialty care
- No claim forms for care from selected dentists
- Out-of-area emergency coverage provisions

Customize your Group Dental Plan

Delta Dental plans offer more than superior network access; they also offer NYSUT group members the ability to select the plan design, funding options and product features that can help you meet the unique objectives of your dental benefit plans. And, with administrative systems built solely to support dental benefits, Delta Dental can help you build a plan that matches your existing group dental plan, or it can help you customize a completely new dental benefits plan.

Features and options include:

- Claims and service platforms that configure easily for unique requirements
- More than 60 years of expertise in designing and implementing labor union plans
- Choice of fully-insured or self-insured plans
- Voluntary and employer-paid contribution options available
- Different fee basis options for non-participating dentists (PPO only)

Advantages of Delta Dental

While cost management, dentist access and experience are important, it's just as important to know what your experience will be after the contract is signed and implementation is complete.

When it comes to school group and union group clients, Delta Dental has a personal understanding of the importance of good service. Delta Dental doesn't just serve union clients; it is also a union employer, with union employees both at its Mechanicsburg, PA regional headquarters and its enterprise headquarters in California. In fact, the AFL-CIO recognizes Delta Dental as a "union label company."

Delta Dental service includes:

- Robust online features for groups and enrollees – Benefit administrators can manage eligibility, obtain and reconcile billing, and support enrollees through its Benefit Administrator Support Guide.

- Comprehensive enrollee support – Enrollees can manage their plan on their computer or smartphone to find a dentist, obtain ID cards, view claims and more. And, Delta Dental helps them stay healthy with the SmileWay® Wellness program.

- Attentive customer service – Groups and enrollees can get answers quickly. Toll-free customer support provides both interactive voice options and live representatives from 8 a.m. to 8 p.m. (EST) every business day. Delta Dental's call center resolves 98 percent of the inquiries it receives on the first call.[4]

- Quick claim turnaround – With its advance claims processing system, dentists are able to submit claims electronically to Delta Dental for immediate processing. Most claims are processed in three or fewer calendar days (and it's not unusual to process in less than four seconds for dentists that submit through the portal). In 2014, Delta Dental processed claims in 2.8 days on average.[4]

- Support included in rates – Delta Dental supports your program with benefit information and wellness content for your enrollees. And for benefit administrators, Delta Dental provides a specialized account service team that will provide support, a central contact for questions and knowledgeable partners that can work with you as you review your plan's financial reports and utilization performance.

- Benefit fund promotion – Benefit funds can customize a brief message from fund trustees on the Explanation of Benefits (EOB) to remind participants that their dental benefits come from the union.

Obtain a Group Quote

For a quote on a customized plan or further information on group dental options, please contact Kristi Mullins, Delta Dental Account Manager, at *KMullins@deltadentalpa.org* or **412-945-0381**. She will assist you in designing a plan and obtaining rates.

In order to obtain the best pricing, please provide:

- A group census with the number of individual and family enrollees in the group
- A copy of the plan booklet (for groups with existing coverage) that details the benefits, limitations, frequencies and covered services
- Current premiums and/or administrative fees
- One to two years of prior dental claims experience (two years preferred)

A copy of your last month's dental bill will capture census information, premiums and administrative fees.

The Group Dental Plans are provided and administered by Delta Dental of New York.

Delta Dental Group Plans are NYSUT Member Benefits Trust (Member Benefits)-endorsed programs. Member Benefits has an endorsement arrangement of 2% of all premiums paid to Delta Dental by NYSUT member groups; 0.5% of all claims paid by those groups with an Administrative Services Only (ASO) dental program; or 2% of all premiums paid to Delta Dental by NYSUT member groups with a pre-paid dental program. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. The Insurer pools the premiums of Member Benefits participants who are insured for the purposes of determining premium rates and accounting. Coverage outside of this plan may have rates and terms that are not the same as those obtainable through Member Benefits. The Insurer or Member Benefits may hold premium reserves that may be used to offset rate increases and/or fund such other expenses related to the plan as determined appropriate by Member Benefits. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

1 Delta Dental of New York, Inc. is the underwriter and administrator of NYSUT Member Benefits Trust-endorsed group dental plans. Delta Dental of New York is part of an enterprise that includes these companies in these states: Delta Dental of California — CA, Delta Dental of Pennsylvania — PA & MD, Delta Dental of West Virginia, Inc. — WV, Delta Dental of Delaware, Inc. — DE, Delta Dental of New York, Inc. — NY, Delta Dental Insurance Company — AL, DC, FL, GA, LA, MS, MT, NV, TX and UT.

2 Nationally, Delta Dental plans are provided by a network of 39 Delta Dental companies that together provide dental coverage to almost 63 million people in the U.S. Delta Dental of New York, its enterprise affiliates and other Delta Dental companies are members, or affiliates of members, of the Delta Dental Plans Association (DDPA).

3 DDPA National Provider Files March 2015.

4 Delta Dental enterprise Annual Report Statistics, 2014, includes service to commercial groups in the Mid-Atlantic region, including Delta Dental of New York.

5 Delta Dental Group Plans are NYSUT Member Benefits Trust (Member Benefits)-endorsed programs. Member Benefits has an endorsement arrangement of 2% of all premiums paid to Delta Dental by NYSUT member groups; 0.5% of all claims paid by those groups with an Administrative Services Only (ASO) dental program; or 2% of all premiums paid to Delta Dental by NYSUT member groups with a pre-paid dental program. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. The Insurer pools the premiums of Member Benefits participants who are insured for the purposes of determining premium rates and accounting. Coverage outside of this plan may have rates and terms that are not the same as those obtainable through Member Benefits. The Insurer or Member Benefits may hold premium reserves that may be used to offset rate increases and/or fund such other expenses related to the plan as determined appropriate by Member Benefits. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

GROUP INSURANCE PLANS

Group Disability Insurance

Unum's group disability insurance provides a solid base of income protection coverage combined with valuable resources for any employee population. Group disability insurances can be purchased as a short-term plan, long-term plan or combination of both.

Why short- or long-term disability?

• Every 10 minutes, almost 500 people will suffer disabling injuries in the United States. That's more than 20 million each year.[1]

• About two-thirds of disabling injuries suffered by American workers occur off the job and are not covered by Workers Compensation.[2]

• 3 out of 4 working Americans would have trouble supporting themselves within 6 months of a disability.[3]

Unum long-term disability advantages

• Choice of employer paid, shared contributions or participant paid
• Own-occupation, partial and residual definitions of disability
• Own-occupation period of 12 months to 60 months, or the benefit duration
• Benefit duration to age 65, age 67 or the Social Security normal retirement age
• Income replacement options include 50%, 60% or 66 2/3%
• Maximum benefit up to $5,000 per month (higher monthly benefit limits available)
• No minimum earnings loss required during elimination period for most contracts; 20% of indexed monthly earnings thereafter
• Up to 100% (indexed) earnings replacement for 12 months while disabled and working
• Does not offset an employer's salary continuation program (formal or informal)
• Elimination period -- 90 days, 120 days, 180 days, or 360 calendar days
• Disability Plus® (severe impairment supplemental benefit rider) provides up to 100% income replacement for severe, catastrophic disabilities to assist with the extraordinary expenses often associated with these conditions.

Unum short-term disability advantages

• Choice of employer paid, shared contributions or participant paid
• Total, partial and residual definitions of disability
• Benefit duration choices of 13, 26 or 52 weeks
• Income replacement options include 50%, 60% or 66 2/3%
• Maximum benefit choices up to $2,500 per week
• Elimination period choices for Injury are 0 days, 7 days, 13 days, or 30 days; choices for Accident are 7 days, 13 days or 30 days

Elimination period is the length of time of continuous disability that must be satisfied before a participant is eligible to receive benefits from the policy. The definition of disability must be satisfied in order to qualify for benefits. Groups often select elimination periods that follow the end of their sick leave or accumulated sick bank.

Built-In Features

Worldwide emergency travel assistance*-- Provides emergency services around the clock for insured participants and their spouses and children while traveling 100 or more miles from home, or in a foreign country. *A spouse traveling on business for his or her employer is not covered by the program*. *Worldwide emergency travel assistance services are provided by Assist America Inc. and available with selected Unum insurance offerings. Exclusions, limitations and prior notice requirements may apply, and service features, terms and eligibility criteria are subject to change. The services are not valid after termination of coverage and may be withdrawn at any time. Please contact your Unum representative for full details.

Rehabilitation and Return to Work Assistance -- Unum has a vocational Rehabilitation and Return to Work Assistance program available to assist claimants in returning to work. The insurance company will make the final determination of the claimant's eligibility for participation in the program, and will provide him/her with a written Rehabilitation and Return to Work Assistance plan developed specifically for them. If the claimant participates in a Rehabilitation and Return to Work Assistance program, Unum will also pay an additional disability benefit of 10% of their gross disability payment to a maximum of $250 per week.

1, 2 *National Safety Council, Injury Facts, 2009*
3 *LIFE Foundation, "Hit Hard by the Economy, Americans Risk Knockout Without Disability Insurance," May 1, 2009.*

Optional Features

First Day Hospital Option – If a disability occurs due to an accident, benefits would begin immediately.

Outpatient Surgery Option – If a disability occurs as a result of outpatient surgery, benefits would begin immediately.

Definition of Disability

There are three (3) definitions of disability to choose from. The most commonly chosen definition is the Residual definition outlined as follows:

A participant is disabled when it is determined that:

-a participant is limited from performing the material and substantial duties of their regular occupation due to their sickness or injury; and

-he or she has a 20% or more loss in weekly earnings due to the same sickness or injury.

The participant must be under the regular care of a physician in order to be considered disabled.

How to Obtain a Quote

The following information is needed to quote LTD for the local association, benefit fund or employer:

- Demographics of the participant membership, including gender, date of birth, salary, and job titles;
- Plan design you would like to see quoted;
- If there is an existing plan in place, include a copy of the plan booklet and any premium and claims experience that is available.

Please send this material to:

Josh Taylor, Sales Consultant
Unum
1699 King Street, Suite 100
Enfield, CT 06082

800-225-6413 x69923 or
860-386-9923
Fax: 860-386-9999
Email: jtaylor7@unum.com

Please include the organization's representative's name, address, phone number, and email contact information so that we may return a proposal and supporting materials to the representative.

This policy provides disability income insurance only. It does NOT provide basic hospital, basic medical or major medical insurance as defined by the New York State Department of Financial Services. Policies or their provisions may vary or be unavailable in some states. Policies have exclusions and limitations that may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.

Underwritten by: **First Unum Life Insurance Company**, 666 Third Avenue, 3rd Floor, New York, NY 10011. *unum.com*

CU-4491 (6-13)

The First Unum Life Insurance Company Group Long-Term Disability Plan is a NYSUT Member Benefits Trust (Member Benefits)-endorsed program. Member Benefits has an endorsement arrangement of 5% of gross premiums for this program. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. The Insurer pools the premiums of Member Benefits participants who are insured for the purposes of determining premium rates and accounting. Coverage outside of this plan may have rates and terms that are not the same as those obtainable through Member Benefits. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

GROUP INSURANCE PLANS

Group Term Life Insurance

For Purchase as Additional Protection

Accidental Death & Dismemberment Insurance

The group term life insurance plans allow local associations, Benefit Funds and employers to offer a popular coverage that offers valuable benefits for participants with additional options and services that provide more than a typical death benefit.

Participant need

- 93% of Americans think it's important for most people to have life insurance and yet nearly half of those surveyed say they don't have enough coverage.[1]

- 68 million Americans have no life insurance, and those with coverage have far less than most experts recommend to ensure a secure financial future for their families.[2]

This group life insurance benefit is payable to a beneficiary or estate when a participant of the policyholder dies while insured. For a policy fully funded by the policyholder with 100% of the eligible group insured, exclusions do not apply.

Features

Waiver of premium -- If the participant is under age 60 and becomes totally disabled and remains so for nine months, life insurance will be continued and premiums waived until age 65, or no longer disabled.

Accelerated benefit payment -- Gives covered individuals access to part or all of their life benefit early if they become terminally ill with less than 12 months to live. The standard benefit for NYSUT Member Benefits-covered insureds is up to 100% of the life insurance in force to a maximum of $250,000. The balance will be paid to the beneficiary upon the death of the insured.

Life Planning Financial & Legal Resources* -- This personalized financial counseling service provides expert, objective financial counseling to survivors and terminally ill participants at no cost to them. This service is also extended to a surviving spouse upon the death or terminal illness of a covered spouse. The financial consultants are master level consultants. They will help develop strategies needed to protect resources, preserve current lifestyles and build future security. At no time will the consultants offer or sell any product or service.

Work/Life Balance Employee Assistance Program (EAP Service)* -- Work-life balance is a comprehensive resource providing access to professional assistance for a wide range of personal and work-related issues. The service is available to you and your family members 24 hours a day, 365 days a year, and provides resources to help members find solutions to everyday issues such as financing a vehicle or selecting child care, as well as more serious problems such as alcohol or drug addiction, divorce, or relationship problems.

Services include toll-free phone access to master's-level consultants; up to three face-to-face sessions to help with more serious issues; and online resources. There is no additional charge for utilizing the program. Participation is confidential and strictly voluntary, and employees do not need to have filed a disability claim or be receiving benefits to use the program.

Worldwide emergency travel assistance** -- Provides emergency services around the clock for insured participants and their family members while traveling 100 or more miles from home, or in a foreign country. *A spouse traveling for his/her employer is not covered by the program.*

Portability -- Enables the insured participant to retain the group life insurance without any further medical underwriting if the participant retires or is no longer eligible for this plan. In that case, the participant may be able to convert the term life policy to an individual life insurance policy.

Accidental Death and Dismemberment Insurance (AD&D)

This optional coverage provides additional protection for the participant in the event of an accidental death or dismemberment. A loss must occur within 365 days of the accident. The death benefits are paid to the

1 Life and Health Insurance Foundation for Education (LIFE), "Cost Tops Consumers' List of Excuses for Not Getting Life Insurance," September 2, 2008.

2 Life and Health Insurance Foundation for Education (LIFE), "Why Devote a Month to Life Insurance Awareness?" September 2007.

beneficiary designated by the insured for this coverage. Any dismemberment benefits are paid to the insured claimant.

The benefit schedule is:

Covered Losses	Benefit Amounts
Life	The Full Amount
Both Hands or Both Feet or Sight of Both Eyes	The Full Amount
One Hand and One Foot	The Full Amount
One Hand and Sight of One Eye	The Full Amount
One Foot and Sight of One Eye	The Full Amount
One Hand or One Foot	One-Half the Full Amount
Sight of One Eye	One-Half the Full Amount

There are additional benefits for repatriation of a body when the loss is due to an accident more than 100 miles from home, a seatbelt benefit when a loss is due to an accident in a private automobile and the insured is wearing a seatbelt, and an airbag benefit when a loss is due to an accident in a private automobile and the insured has airbags deployed due to the accident. The insured participant may port any AD&D coverage he/she had while part of the group plan.

How to Obtain a Quote

The following information is needed to quote life and AD&D for the local association, benefit fund or employer:

• Demographics of the participant membership, including gender, date of birth, salary, and job titles;

• Plan design you would like to see quoted;

• If there is an existing plan in place, include a copy of the plan booklet and any premium and claims experience that is available.

Please send this material to:

Josh Taylor, Sales Consultant, Unum
1699 King Street, Suite 100, Enfield, CT 06082
800-225-6413 x69923 or 860-386-9923
Fax: 860-386-9999
Email: jtaylor7@unum.com

Please include the organization's representative's name, address, phone number, and email contact information so that a proposal and supporting materials can be returned to the representative.

*Life Planning is provided by Ceridian Incorporated. The services are subject to availability and may be withdrawn by Unum without prior notice.

**Worldwide emergency travel assistance services are provided by Assist America Inc. Services are available with selected Unum insurance offerings. Exclusions, limitations and prior notice requirements may apply, and service features, terms and eligibility criteria are subject to change. These services are not valid after termination of coverage and may be withdrawn at any time. Please contact your Unum representative for full details.

Policies or their provisions may vary or be unavailable in some states. Policies have exclusions and limitations that may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.

Underwritten by: **First Unum Life Insurance Company**, 666 Third Avenue, 3rd Floor, New York, NY 10011. *unum.com*

CU-4491 (6-13)

The First Unum Life Insurance Company Group Term Life Plan is a NYSUT Member Benefits Trust (Member Benefits)-endorsed program. Member Benefits has an endorsement arrangement of 5% of earned premiums for this program. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. The Insurer pools the premiums of Member Benefits participants who are insured for the purposes of determining premium rates and accounting. Coverage outside of this plan may have rates and terms that are not the same as those obtainable through Member Benefits. The Insurer or Member Benefits may hold premium reserves that may be used to offset rate increases and/or fund such other expenses related to the plan as determined appropriate by Member Benefits. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

Benefit Fund Insurance Coverages

Fiduciary liability insurance and fidelity bond coverage provide valuable protection for all benefit funds.

Fiduciary Liability Insurance

Fiduciary liability insurance is a necessary component for any benefit fund, because fund trustees are not immune from litigation. Fiduciary liability insurance protects trustees from errors and omissions in decision-making as well as the benefit fund by paying legal defense costs.

Member Benefits has developed a low-cost $3 million fiduciary liability insurance program.

Some of the highlights of this program include:

- IRC Section 4975 penalties coverage
- PPACA penalty coverage
- Clarified Settlor coverage
- "Pre-claim" defense coverage at the commencement of a regulatory investigation
- Enforcement Agency Interview Coverage
- Coverage for benefit overpayments
- Cyber Liability coverage expenses
- Voluntary Compliance Program Coverage

The plan year for this coverage is 9/1 to 8/31. Contact Member Benefits at 800-626-8101 for information and assistance on Fiduciary Liability Insurance.

For the Euclid/Hudson Fiduciary Liability Insurance Plan available to benefit funds, the NYSUT Member Benefits Trust charges an expense reimbursement fee of $50 per policy per year. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them.

Fidelity Bond Insurance

Benefit funds can obtain fidelity bond insurance at a projected cost of $150 for the basic $100,000 of coverage. Additional limits can also be purchased. The policy year runs from November 1 through October 31.

NYSUT local associations are automatically covered for fidelity bond insurance through their NYSUT/NEA affliliation. The fidelity bonds provide protection for loss of local association and benefit fund assets through fraudulent or dishonest acts committed by individuals handling funds on behalf of the local association or benefit fund.

Contact the NYSUT Accounting Office at 800-342-9810 for information and assistance on Fidelity Bonds.

Commercial Bank Accounts

Through this program, NYSUT local associations and their benefit funds can receive some of today's highest interest rates on commercial savings products that offer easy access to your money and the safety of FDIC insurance. These commercial products include money market accounts and certificates of deposit (CDs), and are available through Synchrony Bank.

Commercial savings products have a minimum deposit requirement of $25,000. Two authorized signatures are required to open an account.

How to open a commercial account

Opening an account is accomplished through the mail or by calling toll-free 866-226-5638 for a Commercial Account Enrollment Form.

Complete the form and return it with:

- A copy of your Not-For-Profit Agreement
- A copy of your IRS Tax Identification Number issuance letter
- Your initial deposit check (minimum amount $25,000) endorsed For Deposit Only

Once you have established your commercial account, you have access to a toll-free call center and an interactive voice response system for service on your account. Annual percentage yields are variable and subject to change. Accounts are subject to withdrawal limitations. Fees may reduce earnings. FDIC insurance up to $250,000 per ownership category.

The Synchrony Bank Individual & Commercial Deposit Program is a NYSUT Member Benefits Corporation (Member Benefits)-endorsed program. Member Benefits has an endorsement arrangement of 32.5 cents ($0.325) per NYSUT member per year. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program. Agency fee payers to NYSUT are eligible to participate in NYSUT Member Benefits-endorsed programs.

Benefit Fund Administrative Services

Benefit funds can bring valuable benefits, services and advantages to union members. At the same time, benefit funds and their trustees have particular service needs and fiduciary responsibilities. To help in these areas, NYSUT Member Benefits offers a collection of services and sample documents for use by locals considering the establishment of a benefit fund as well as locals with new and established benefit funds.

Services for new Benefit Funds and Benefit Funds under consideration
Information, including printed handouts on benefits and advantages of a fund, why a fund should be established, accomplishments of funds, and assistance with fund set-up, is useful when determining whether a benefit fund is right for your local association. Member Benefits staff is available to participate in a discussion of benefit funds with local association leadership and/or potential trustees.

Training for trustees
New, potential and experienced trustees can receive training on benefit fund concepts, types of programs and benefits available, fiduciary responsibilities, fund operations, Health Insurance Portability and Accountability Act (HIPAA) regulations, general compliance, and other topics as requested. Training is conducted by Member Benefits staff.

Sample documents
Sample documents are available for benefit funds to use, either as actual policy or as guidelines for developing their own policy. These include Conflict of Interest; Code of Ethics; Whistleblower Policy; Expense Reimbursement Policy; Expense Voucher; Trustee Acceptance Forms (documents for trustees to sign acknowledging fiduciary responsibility); Basic Policies and Procedures; HIPAA Privacy Notice; and HIPAA Privacy and Security model documents.

Additional services
Periodic relevant information bulletins are posted to the NYSUT Member Benefits website at *memberbenefits.nysut.org* under Benefit Fund Information as well as to the Member Benefits Toolkit on the Leader Access portion of NYSUT's website at *nysut.org*.

The NYSUT Member Benefits Conference is held every two years. This conference provides educational sessions as well as networking opportunities for benefit fund trustees and other individuals interested in benefits. The next conference will be held from November 18-19, 2016 in Saratoga Springs, NY.

Quote services
Quotations can be provided from the program providers of the various Member Benefits-endorsed Group Plans and Group Insurance Plans. "Off-the-shelf" quotes are available for Vision, Term Life, Long-Term Disability, Access Legal Service, Prepaid Legal Service, and Health Advocate™ plans.

These plans, as well as the Dental Plan, can fit a specific spending plan, enhance benefits or provide additional options from which trustees may select. Many of these plans can also be customized for each group to match an existing plan.

While all plans are available for purchase, the quotations may also provide a good benchmark for soliciting and comparing products from other insurance companies and vendors. The quotes may be used as a tool in negotiating lower costs for existing plans.

Member Benefits can lend guidance in determining the approximate cost of potential and current insurance plans, and can provide direction in requesting claims utilization and costs from your benefit fund's current carriers of benefit plans.

GROUP SERVICES

Code of Ethics Frameworks

The NYSUT Member Benefits Trust has prepared a Code of Ethics Frameworks document in an effort to educate local leaders, benefit fund trustees and employees regarding ethical considerations and fiduciary responsibilities.

This document includes sound ethical practices you may want to consider when overseeing your local association or benefit fund's business operations. It may be used as the framework to develop a Code of Ethics Policy for your local association or benefit fund. Leaders and trustees are encouraged to read through the document and consider adopting some of its ethical practices.

In an effort to educate new local leaders, benefit fund trustees and employees regarding their ethical obligations and to assist fiduciaries in their fiduciary responsibilities, local associations and benefit funds are encouraged to consider putting a written policy in place; new local leadership, benefit fund trustees and employees should be trained on the Code of Ethics Policy upon appointment. A copy of the organization's Code of Ethics guidelines should be distributed at that time.

Feel free to use Member Benefits' document as the framework to develop a Code of Ethics Policy for your organization's use. At a minimum, it is highly recommended that your organization's leadership read through this document and adopt some of the sound ethical practices listed.

Member Benefits also offers a sample Conflict of Interest Policy that your local association or benefit fund can adopt.

The Code of Ethics Frameworks document and sample Conflict of Interest Policy can be found in the Local Association Services and Benefit Fund Information tabs on the Member Benefits website at *memberbenefits.nysut.org*.

Whistleblower Policy

Member Benefits offers a sample Whistleblower Policy that your local association or benefit fund can adopt.

The sample Whistleblower Policy can be found in the Local Association Services and Benefit Fund Information tabs on the Member Benefits website at *memberbenefits.nysut.org*.

Health Reimbursement Arrangements

Health Reimbursement Arrangements are also known as Health Reimbursement Accounts or HRAs. HRA plans are tax-advantaged, employer-funded medical reimbursement plans that help manage increasing health care costs.

Like Flexible Spending Accounts or FSAs, HRAs are used to pay for qualified medical expenses for employees and their families.

Unlike FSA plans, HRA plans are entirely employer-funded, and unused amounts in an HRA can be carried forward for reimbursements in future years.

The employer contributes pre-tax dollars to the employee's account. The contributions that the employer makes are excluded from the employee's gross income. The employee may be reimbursed for qualified medical expenses. Employees can retain HRAs into retirement.

Health Reimbursement Arrangements are authorized under Treasury and IRS Notice 2002-45 and Revenue Ruling 2002-41.

Since unused funds carry over from one plan year to the next, participants have incentive to use their funds wisely so that they can save for future expenses. Because of this, HRAs are commonly used with high-deductible health plans (HDHP) and other consumer-driven health plans. As deductibles and co-payments increase to control the cost of health insurance premiums, HRAs can maintain employee benefits and help prevent increased out-of-pocket expense.

Employers may have both a Flexible Spending Plan and Health Reimbursement Arrangement in place.

Unreimbursed medical expenses that may qualify for reimbursement under HRAs include medical, dental, prescription drug, vision care, co-payments, and costs incurred by the employee, spouse or dependent that are not paid by insurance programs. Like FSAs, when a participant incurs an eligible expense, he or she simply "vouchers" that expense from the account. Following receipt or proof of expense for the amount claimed, a check will be issued to the participant.

How to obtain a proposal

Provide the number of eligible participants and amount of the employer contribution.

For a more complete explanation, assistance with plan design and information on how this plan can work for your group, please contact Member Benefits at 800-626-8101.

The Preferred Group Plans, Inc. and P & A Administrative Services, Inc. Health Reimbursement Arrangements are NYSUT Member Benefits Trust (Member Benefits)-endorsed programs. Member Benefits has an endorsement arrangement of $.20 per participant per month with an additional payment of $.05 for each participant in an additional endorsed program with The Preferred Group Plans, Inc. and $.10 per participant per month with P & A Administrative Services, Inc. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

Flexible Benefit Plans

Flexible Benefit Plans are also called Section 125 Plans, Cafeteria Plans or Flexible Spending Account Plans. Regardless of the name used, these plans permit employees to pay for certain health-related and dependent care expenses on a pre-tax, rather than an after-tax, basis. The federal government permits this under Section 125 of the Internal Revenue Service Tax Code, which allows an employer to sponsor this plan.

Flexible benefit plans present a classic win-win situation for both employees and employers. A flex plan allows employees to reduce their taxable income by setting aside pre-tax funds to pay for specific expenses. Reducing taxable income results in reducing income tax liability. Further, participation in a flex plan has no impact on how much one can contribute toward a 403(b) tax-deferred annuity. In addition, funds reimbursed to an employee from his or her flexible benefit account are tax-exempt.

Employers benefit from realizing FICA savings (and possibly savings from other employer taxes) because of the reduction in employees' taxable income. The resulting FICA savings typically permit the employer to pay a third-party administrator and still net a substantial savings. Third-party administrators do the busy work related to flexible benefit plans, such as enrolling employees, processing payments and record keeping.

With such a program in place, the employee can re-direct dollars already earmarked for family needs and pay these expenses on a "before-tax" basis. Eligible expenses for this program include:

1. Premium Only Plan
Employee share of any group premiums paid for health, dental and vision benefits. Also, any employee share of group term life insurance premiums for the first $50,000 of group term life coverage.

2. Unreimbursed Medical Expenses
Medical, dental, prescription drug, and vision care costs incurred by the employee, spouse or dependent that are not paid by the employee's or spouse's insurance program (or expenses when an insurance plan is not in place). Also, any expenses incurred for over-the-counter medicines and drugs purchased to alleviate or treat personal injuries or sickness with a doctor's prescription. Annual contributions are $2,550 for 2015 and will be adjusted for inflation annually.

3. Child and Dependent Care
Dependent care service for an employee's dependent under age 13, or for an employee's spouse or dependent if he or she is incapable of self-support. This account can also reimburse dependent elder care.

4. Premium Expense Account
This account reimburses the participant for individual health insurance premiums (privately held/non-payroll deducted premiums), including health, dental, vision, Medicare Part B, and COBRA coverage. However, no employment-related spousal or dependent premiums may be reimbursed.

GROUP SERVICES

When a participant incurs an eligible expense, he or she simply "vouchers" that expense from the appropriate account. Following receipt or proof of expense for the amount claimed, a check will be issued to the participant. This reimbursement to the participant is not subject to federal, state or FICA taxes.

Instituting this program does not in any way change the benefits provided by participants' underlying health, dental, prescription drug, or vision care plans. After all underlying health plans have paid all eligible expenses, this program permits expenses normally paid out-of-pocket (after-tax) to be paid pre-tax.

This example shows how the flex plan reduces taxable income and tax liabilities for both the employee and employer (FICA). Example is based on family income – husband, wife and two children.

	No Flex Plan	With Flex Plan
Gross Compensation	$50,000	$50,000
Items Subject to Pre-tax Treatment:		
Premiums	0	1,000
Dependent Care	0	4,800
Unreimbursed Medical	0	2,000
Taxable Income	**$50,000**	**$42,200**
Estimated Taxes:		
Federal	$ 5,096	$ 3,952
FICA	3,825	3,228
State	2,808	2,184
Local	498	456
Total Taxes	**$12,227**	**$ 9,820**
Estimated Tax Savings		***$2,407***

Member Benefits has negotiated special discounted prices and services with our endorsed third-party administrators. P & A Administrative Services, Inc. provides administrative services west of Syracuse, and The Preferred Group Plans, Inc. provides services Syracuse and east. Some COBRA administrative services are available at an additional cost through the plan administrators.

How to obtain a proposal and employer savings estimate

Provide the number of eligible participants and the amount of the employee premium contribution for health insurance.

For a more complete explanation and presentation on how this plan can work for your group, or for more information, please contact Member Benefits at 800-626-8101.

The Preferred Group Plans, Inc. and P & A Administrative Services, Inc. Health Reimbursement Arrangements are NYSUT Member Benefits Trust (Member Benefits)-endorsed programs. Member Benefits has an endorsement arrangement of $.20 per participant per month with an additional payment of $.05 for each participant in an additional endorsed program with The Preferred Group Plans, Inc. and $.10 per participant per month with P & A Administrative Services, Inc. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

GROUP SERVICES

Help for the Newsletter Editor

Your local association's membership newsletter is one of the best-read union publications. Your members are a captive audience. They're interested in reading about people they know and issues, decisions, services, and events that directly affect them.

Due to the many different demands on your time, you may find writing newsletter articles on a regular basis to be time-consuming and, at times, somewhat challenging. The **Help for the Newsletter Editor** program can assist you while making Member Benefits-endorsed programs and services more visible to members.

How the program works

Member Benefits will supply you with special one-time offers throughout the academic year. These offers consist of an advertisement to be placed in your local's membership newsletter during a specific time period.


NYSUT members: Are your pets protected?

You cannot reduce the size of the ad to less than 8.5 x 11 inches. If the size of your newsletter page is smaller than 8.5 x 11 inches, the ad must be a full-size page. You must reprint the entire copy and graphic to be eligible for reimbursement.

When you print the ad in one of the issues specified and send Member Benefits a copy of your newsletter, your local association will be reimbursed $100. This is a one-time reimbursement per ad.

Contact Member Benefits at 800-626-8101 for further information.

Help for the Webmaster

Your local association's website is one of the greatest ways to communicate to your members.

The **Help for the Webmaster** program can benefit your local financially while keeping members informed about Member Benefits-endorsed programs and services.

How the program works

Contact Member Benefits for a unique link to add to your local's website homepage. This will link to the Member Benefits website. Locals that keep this link on their homepage for a one-year period are eligible to receive a $100 reimbursement.

Please note that this program renews in March of each year; new groups taking part in this program after that date will be prorated.

Contact Member Benefits at 800-626-8101 for further information.

Presentations

Upon your request, a representative from Member Benefits can make a presentation to your local's executive family, bargaining team, employer, benefit fund trustees, or general membership.

Presentations can address any or all of the Member Benefits-endorsed voluntary benefits available to individual members; payroll deduction for Member Benefits-endorsed programs; group benefits available for purchase by local associations, benefit funds or employers; and employer contributions to 403(b) tax-deferred annuity plans.

Identity Theft/Fraud workshops are also available at no cost. Member Benefits created this workshop to enlighten members about this widespread crime. The workshop explores the degree that your identity is at risk, the latest techniques thieves are using, and how to protect yourself and your identity. The workshop is educational and informative.

403(b) Basics -- This presentation, designed for new NYSUT members, offers a basic understanding of 403(b) retirement savings plans and stresses the need for members to start saving for retirement early in their career.

403(b) Employer Contributions -- This presentation explains what an employer contribution is and walks the member through the process.

Inside the 403(b) -- This is designed to help members better understand their options when choosing a 403(b) plan by taking a detailed look at the various types of 403(b) programs available.

403(b) Provider-Specific Workshop -- This workshop is conducted by Stacey Braun Associates, Inc., the provider of the endorsed Financial Counseling Program. The workshop provides detailed information on five 403(b) providers chosen by the local association from a list of 10 popular 403(b) providers (including the New York State Deferred Compensation Plan). This information includes all of the relevant fees, investments, features, and more for each specific 403(b) provider chosen. The cost for the workshop is $350.

The Importance of Credit and Credit Scores -- Credit is an important aspect of today's society. When credit is used properly it can enhance someone's life, but if used incorrectly it can cause a downward spiral that can lead to financial disaster. This workshop reviews what information is contained in personal credit reports, factors used in calculating your credit score, and more.

The Financial Planning Puzzle -- The twists and turns of the economy have clarified more than ever the need for a financial plan; unfortunately, for many people, beginning a financial plan remains a daunting task. This two-hour workshop outlines the process from beginning to end, covering the five key areas of financial planning: cash management, risk management, savings, retirement, and estate planning. You may not have all the answers you need by the end of the session, but you'll know the questions you need to be asking -- putting you well on the way to successful financial management.

The Challenging Times of Financial Management – The Retirement Years -- Financial planning doesn't stop at retirement. This one-hour presentation discusses the various investment options you may face during retirement along with helpful information regarding your 403(b) plan, Social Security benefits, income taxes, and more.

Estate Planning -- This presentation is offered through the provider of our endorsed Legal Service Plan -- Feldman, Kramer & Monaco, P.C. -- at no charge. It has received wonderful reviews from our retiree attendees.

To arrange for any of these presentations, contact Member Benefits at 800-626-8101.

Glossary

Accelerated Death Benefit: Allows terminally ill insureds to access a portion of a life insurance benefit before death.

Accidental Death & Dismemberment Insurance: Group insurance that provides benefits for loss of life or certain body parts as a consequence of accidental bodily injury.

Activities of Daily Living (ADLs): Simple everyday activities such as eating, bathing, dressing, toileting, transferring (for example, getting into or out of a chair), and continence.

Actuary: A person professionally trained in the technical aspects of insurance, particularly in the mathematics of insurance, such as calculating premiums and proper fund reserves. Actuaries assist in estimating the cost of implementing new benefits or changing existing benefits.

Administration: The broad aspect of handling all functions of a group insurance plan once issued, usually including service and claim processing.

Administrator: The person or firm responsible for performing the administration of an insurance plan. The relationship may be limited and provide administrative services only (ASO), claim services only (CSO), or provide both services and possibly actuarial, investing, communications, government reporting, and other services to a benefit fund.

Adverse Selection: The process by which risks not contemplated by the insurer become insured. The tendency for poorer-than-average risks to continue insurance or to initially enroll in an insurance plan. The expectation is that such risks will experience heavy claims experience to the detriment of the plan. Employees or retirees opting to continue insurances on a self-pay basis would likely fall under this poorer-than-average risk group.

Agency Fee: The fee that non-union individuals pay for collective bargaining-related services that the union is required to provide to them under New York state statute. It is equivalent to membership dues; however, there is a refund of the part of the fee that the union uses for political and ideological purposes only incidentally related to the terms and conditions of employment.

Aggregate Premium: Cost of coverage based on each individual in a group. Factors could include date of birth, gender, occupation, and salary -- depending on the type of coverage.

American Recovery & Reinvestment Act of 2009: A wide-ranging economic stimulus package that includes COBRA Continuation Coverage Assistance for involuntarily terminated workers. Eligible individuals pay only 35 percent of their COBRA premiums and the remaining 65 percent is reimbursed to the coverage provider through a tax credit. The premium reduction applies to periods of health coverage beginning on or after Feb. 17, 2009 and lasts for up to nine months for those eligible for COBRA during the period beginning Sept. 1, 2008 and ending Dec. 31, 2009.

Annual Benefit Maximum: The maximum amount an insurance company will pay toward covered services in a given year.

Annual Premium: The yearly payment a policyholder makes to own an insurance policy.

Assignment of Benefits: The signed transfer of certain benefit payments by the insured person to a third party (e.g., a dentist or physician).

Base (premium) Rate: A premium rate reflecting a selected risk and benefit before adjustment for census, experience and other factors.

Beneficiary: (1) Person named by the participant in an insurance policy or pension plan to receive any benefits provided by the plan if the participant dies. (2) A person designated by a participant, or by the terms of an employee benefit plan, who is or may become entitled to a benefit thereunder.

Benefit Booklet: A booklet for the member that contains an explanation of benefits and related provisions such as caps, deductibles, rules, definitions, etc. See Summary Plan Description.

Benefit Design Consultant: Professional services available for benefit funds, including plan analysis and comparison, and assistance with requests for proposals (RFPs).

Benefit Fund: A collectively bargained program designed to provide a plan of benefits to members of the bargaining unit and their dependents. It is also a tax-exempt business. Benefit funds are authorized under the Internal Revenue Code, Section 501(c)(9) or 501(c)(5).

Benefit Package: A listing of specific benefits provided by an employee benefit fund or employer.

Benefit Period: Period for application of deductibles or benefits, after which deductibles must be satisfied or benefits be made available again.

Breach of Trust: Violation of a duty of a trustee to a beneficiary.

Broker: A licensed insurance solicitor who places business with a variety of insurance companies and who represents buyers of insurance rather than the companies, even though he or she is paid a commission by the companies.

Bylaws: The rules adopted by the members or board of directors of a corporation or other organization for its government. Bylaws must not be contrary to the laws of the land and affect only the members of the given corporation or organization; they do not apply to third parties.

Calendar Year Deductible: A defined benefit period (e.g., Jan. 1 – Dec. 31) during which a deductible applies.

Capitation: A fixed, predetermined amount paid to a provider for each person served, without regard to the actual number or nature of services provided to each person in a set period of time. Capitation is the characteristic payment method in health maintenance organizations.

Carrier: A commercial insurer, government agency, or Blue Cross or Blue Shield plan that underwrites or administers programs that pay for health, life or other insurance services.

GLOSSARY

Census Data: Any statistical information such as age, gender, income, insurance classification, or dependent status on persons that is used to determine premium rates or benefits.

Certificate of Coverage: Also referred to as Certificate of Insurance. This serves as a statement of coverage and explanation of benefits under a group insurance policy.

Certificate of Insurance: See Certificate of Coverage.

Claim: A demand to the insurer or benefit fund by the insured person or beneficiary for the payment of benefits under a plan or policy.

Claim Form: A printed form designed to assist a claimant in establishing and substantiating proof of loss.

Claim Lag: The time interval between the incurred date of a claim and its submission to the insurer for payment. Claim lag is also used to mean the time between claim incurral and payment of the claim.

Claim Reserves: Funds reserved by an insurer to settle incurred but unpaid claims. Also may include reserves kept by benefit funds to protect against potential claim fluctuation and insurance premium increases. See Retention.

Claimant: Plan participant who files a claim for benefits. See Beneficiary.

Claims Experience: Plan utilization over a period of time for a particular group (e.g., a benefit fund).

Claims Procedure: Each plan is required to provide a claims procedure, which must be explained to plan participants and beneficiaries. The denial of a claim made under the claims procedure must be in writing, with an explanation of the reasons for the denial.

Coalition: A joint program involving health care providers, purchasers of care, industry, consumers, labor, or insurers in an attempt to deal with health care costs, issues and problems.

COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985): Federal legislation that allows for continuation of insurance on a self-pay basis when no longer eligible for group coverage under certain qualifying events. Almost every group health plan must provide each participant and qualified beneficiary covered under the plan the option to pay for continued coverage for a specific period of time, in the event coverage would otherwise have ceased as a result of a number of "qualifying events."

Co-insurance (clause): The arrangement whereby the insured pays a specific portion of covered expenses with the plan paying the balance.

Commission: The broker's basic fee for purchasing or selling an insurance or benefit plan as an agent. This fee may or may not be negotiated.

Composite Premium Rate: An average premium rate per insured (with or without dependents) for a coverage or plan. Used for statistical purposes.

Contingency Reserve: That portion of contributions or premiums set aside to cover possible loss resulting from adverse experience, mortality, etc. Insurance companies set aside moneys to cover other possible losses, including bad investments, withdrawals, etc.

Coordination of Benefits: A group health insurance policy provision designed to eliminate duplicate payments and provide the sequence in which coverage will apply when a person is insured under two contracts.

Co-payment: Payments made by the insured or beneficiary of insurance to help finance the cost of benefit plans. A means of cost sharing.

Cost of Living Adjustment (COLA): An increase (or decrease) in wages or benefits according to the rise (or fall) in the cost of living as measured by some index, often the Consumer Price Index (CPI).

Deductible: Amount that must be paid by the insured before benefits will be paid by the insurer.

Dental Health Maintenance Organization (DHMO): Also referred to as a pre-paid dental program. An HMO-type program for dental care. Participants select a primary care dentist. Little or no co-pay is required for many services. Dentists receive a monthly fee for participants.

Dependent Children: Definitions vary by carrier, but may include natural or adopted children, and any other children who permanently reside in your household. Coverage may extend to age 18 or 19, later for full-time students.

Dilation: A painless procedure where medicated eye drops are used to enlarge the pupil to allow for the fundus to be examined. This is an excellent means of detecting signs of diseases in both the eye and the body.

Domestic Partner: A committed relationship with either a same-sex or different-sex partner where there is interdependence for emotional and financial support.

Elder Law: A specialized area of law where attorneys have expertise in the financial and health care needs of the elderly. This includes Medicaid, long-term care planning, estate planning, trusts, guardianships, conservatorships, applying for Medicaid and other government assistance, and nursing home placement.

Eligible Expense: The cost of a service that is covered or allowed under a benefit plan.

Evidence of Insurability: Medical information proving the applicant meets the medical underwriting guidelines for the plan.

Experience (Rating): The term used to describe the relationship of premium to claims for a case, coverage or benefit for a stated time period. Experience rating is used in determining insurance renewal premiums.

GLOSSARY

Explanation of Benefits (EOB): The form sent to an individual subscriber by an insurance carrier or third-party administrator following a submission of a claim form by the subscriber. The EOB normally lists the procedures performed and states the amount of payment due, if any, from the subscriber's insurance plan. The EOB usually accompanies the payment check or acknowledges payment(s) made directly to the provider.

Exposure: The state of being exposed to the chance of loss. The extent of exposure as measured by participation (e.g., proportion of male lives in a group, amounts or units of insurance at risk, etc.).

Family and Medical Leave Act of 1993 (FMLA): Requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons. Employees are eligible if they have worked for a covered employer for at least one year, and for 1,250 hours over the previous 12 months, and if there are at least 50 employees within 75 miles.

Fee Schedule: A list of amounts allowed for specific services.

Fidelity Bond: Sometimes referred to as a "dishonesty" bond, it insures a benefit fund against dishonest acts and/or theft of fund moneys or property by the trustees or any employees of the fund.

Fiduciary: One who occupies a position of confidence or trust and who exercises any power of control, management or disposition with respect to moneys or other property of an employee benefit fund or who has authority to do so. Also includes an executor or trustee of an estate.

Fiduciary Liability Insurance: This insurance is designed to provide protection to persons charged with the responsibility of managing a benefit fund's assets (fiduciaries) from potential lawsuits charging that the trustees have mismanaged the assets of the fund or have committed a breach of their fiduciary duties.

Flexible Spending Account (FSA): Many flexible benefit programs include flexible spending accounts, which give employees a choice between taxable cash and nontaxable compensation in the form of payment or reimbursement of eligible, tax-favored welfare benefits. FSAs can be funded through salary reduction, employer contributions or a combination of both. Employees can purchase additional benefits, pay health insurance deductibles and co-payments, or pay for child care benefits with the money in their FSAs.

Fringe Benefit: A benefit in addition to salary.

Generic Drug: Identical, or bioequivalent, to a brand name drug in dosage form, safety, strength, route of administration, quality, performance characteristics, and intended use. Although generic drugs are chemically identical to their branded counterparts, they are typically sold at substantial discounts from the branded price.

Group Insurance: Any insurance plan under which a number of employees and their dependents are insured under a single policy, issued to their employer, with individual certificates given to each insured employee; the most commonly written lines are life, accident and health.

Guaranteed Issue: Automatic acceptance into an insurance plan, with no medical underwriting.

Guaranteed Renewal: Automatic renewal of coverage, with no medical underwriting.

HIPAA (Health Insurance Portability and Accountability Act of 1996): There are two sections to the Act. HIPAA Title I deals with protecting health insurance coverage for people who lose or change jobs. Public sector employees are exempt from this portion of HIPAA. HIPAA Title II includes a series of rules governing the transmission of health information. The rules protect the privacy and security of individually identifiable health information. They also standardize communication of electronic health information between health care providers and health insurers. Benefit funds are covered entities under Title II of HIPAA.

Incurred But Not Reported (IBNR) Reserve: Reserve accumulated by an insurance company to cover IBNR claims.

Indemnity Payment: Benefits payable to the insured.

Insured: In life insurance, the person on whose life an insurance policy is issued; in other insurances, the person to whom or on whose behalf benefits are payable under the policy.

Mail-Order Service: A program that allows for prescriptions to be filled and delivered through the mail. This is typically less expensive for the participant than using a retail pharmacy and allows for greater quantities of drugs to be dispensed at one time.

Maintenance Drug: Prescriptions used on a regular long-term basis to control a specific condition.

Major Medical: Insurance that provides benefits for most types of medical expenses up to a high maximum benefit. Such contracts often contain limits and usually are subject to deductibles and co-insurance.

Master Contract: An insurance policy that insures a number of people under a single insurance contract; a contract between an insurance company and a group policyholder in which the individuals insured are not parties to the contract.

Maximum Benefit Amount: The maximum amount of benefits available over the life of a policy.

Medically Underwritten: The process of examining, accepting or rejecting applicants based upon medical history.

Negligence: The failure, through omission or commission, to act as an ordinary, reasonable and prudent person would act. Consideration must be given to the specific situation, the circumstances and the knowledge of the parties involved.

Open Enrollment: A period during which subscribers in a benefit program have an opportunity to select an alternate plan being offered to them.

Out-of-Pocket Expenses: The difference between the fee for service performed and the benefit plan carrier's payment.

Partial Disability: An illness or injury that prevents an insured person from performing one or more of the functions of his or her regular job.

GLOSSARY

Plan Administrator: An insurance company, individual or third-party administrator who provides for the operation of a benefit or insurance program.

Plan Document: The detailed and legal description of the benefits to be provided to subscribers or members. The plan document is generally not distributed to the members or subscribers but is summarized and put in plain English and distributed as an SPD (Summary Plan Description). For most benefit funds, the plan document would be the agreement with an insurance carrier to provide a certain type of insurance, such as life, long-term disability, etc., and include any detailed description of other fund benefits, plus any rules and procedures established by the trustees governing the delivery of fund benefits.

Plan Year: The calendar, policy or fiscal year on which the records of the plan are kept.

Pooling (Claims) (Premiums): The process of sharing or combining individual case experience among all cases of a specified class for the purpose of experience rating.

Portability: A provision for retaining coverage when changing from one employer to another.

Preemption of State Law (ERISA): The regulatory portion of the ERISA (Employee Retirement Income Security Act of 1974) act supersedes all state laws that otherwise would be applicable to employee benefit funds. As long as benefit funds are under total employee control, that is, having no management trustees, ERISA precludes NYS Department of Financial Services regulation of public sector benefit funds.

Pre-existing Condition: Any physical and/or mental condition or conditions that exist prior to the effective date of insurance coverage.

Preferred Provider Organization (PPO): A group of providers who contract on a fee-for-service basis with employers, insurance plans or other plan administrators to provide medical services.

Pre-paid Dental Program: See Dental Health Maintenance Organization.

Processing Fee: A fee added to a bill, usually to cover the cost of processing the payment. This fee is often included when payments are made in installments as opposed to one annual payment.

Prospectus: Required by federal securities law, a document issued by a company or mutual fund that describes such subjects as investment objectives and policies, services, restrictions, fund fees and other charges, the fund's financial statements, and additional facts an investor needs to make an informed decision.

Qualified Domestic Relations Order (QDRO): A judgment, decree or court order (including an approved property settlement agreement) issued under a domestic relations law that relates to the rights of someone other than a participant to receive benefits from a retirement plan or tax-deferred annuity, relates to payment of support, or specifies the amount or portion of the participant's benefits to be paid to the participant's spouse, former spouse, child, or dependent.

Reasonable and Customary: Also referred to as Usual and Customary. Amounts charged by health care providers that are consistent with charges from similar providers for identical or similar services in a given region.

Retention: The amount of liability assumed by the insurance company and not re-insured. Insurance companies typically earmark and hold a portion of insurance premiums as a hedge against planned or unexpected expenses. Some examples for uses of "retention" are: claim payment services, contract and booklet preparation, actuarial services, charges for broker commissions and consultant fees, risk charges, profit for the carrier, and reserves against unusual large claim occurrences.

Schedule of Benefits: Specific allowances for each type of care and treatment.

Section 403(b): The section of the Internal Revenue Code that extends tax deferral to public school employees for annuity purchases.

Section 501(c)(9) Trust: (1) A trust used by benefit funds to provide group employee benefits governed by provisions of Section 501(c)(9) of the Internal Revenue Code. Only certain benefits may be provided under a 501(c)(9) program, including medical, health-related, disability, and term life insurance. (2) A type of self-insured or self-funded plan that is a tax-exempt trust. Under the terms of the trust, both employer and employee contributions may be paid into the benefit fund, and claims and expenses are paid from it. Excess funds are invested as reserves by the benefit fund's trustees. In a tax-qualified benefit fund, the employer's contributions are immediately tax deductible; the trust's investment income is tax exempt; and employees' contributions are not currently taxed. See Self-Insured.

Self-Administered Plan: A plan administered by the employer or benefit fund without recourse to an intermediate insurance carrier. Some benefits may be insured or subcontracted while others are self-funded.

Self-Insured (Self-Funded): A plan in which the insurance company or service plan collects no premiums and assumes no risk. In a sense, the employer or benefit fund providing the benefit acts as the insurance company, paying claims with the money ordinarily earmarked for premiums. Regardless of the specific self-funding technique a firm chooses, it will either need to purchase its administrative services outside the company or develop them in-house. Hence, self-funded arrangements are referenced as "ASO" (administrative services only) or "self-administered."

Simple Will: A standard will that directs who receives your assets (beneficiaries) upon death and who will administer your estate (executor). It does not provide for estate tax planning or other complicated issues.

Subrogation: A plan's right to protect itself against paying when another party is responsible for a claim. The plan may pay benefits, but has the right to demand restitution or recovery of payments if the subscriber receives payment or is eligible for payment from a third party. This concept is similar to no-fault auto insurance restriction clauses or Worker's Compensation.

GLOSSARY

The theory is that the plan should not pay if another party is responsible, but the subscriber should receive benefits until such time as the third party pays.

Summary Plan Description (SPD): A written statement of a plan of benefits in an easy-to-read format, including a statement of eligibility, coverage, member rights, and appeal procedure. The SPD is often synonymous with a benefit fund's benefit book.

Tax Exempt: Income that is not subject to taxes. Employee benefit funds are tax-exempt organizations.

Tax-free Benefits: The benefits of an insurance policy that are exempt from taxes.

Term Life Insurance: Life insurance payable to a beneficiary only when an insured dies within a specified period. This type of life insurance has no cash value.

Third-Party Administrator (TPA): Administrator of group insurance type benefit(s) by some person or firm other than the insurer or policyholder. The TPA usually processes claims and makes payments along with performing other services.

Total Disability: An illness or injury that prevents an insured person from continuously performing every duty pertaining to his or her occupation or from engaging in any other type of work for remuneration. (This definition varies among insurance policies and benefit plans.)

Trust Agreement: An agreement that spells out the methods of receipt, investment and disbursement of funds under a benefit fund. It contains provisions for investment powers of trustees; payment of legal, trustee and other fees relative to the plan; exculpatory clauses pertaining to the employer or union by the trustees; records and accounts to be maintained by the trustees; conditions for removal, resignation or replacement of trustees; benefit payments under the plan; and the rights and duties of the trustees in case of amendment or termination of the plan.

Trust Fund: A fund whose assets are managed by a trustee or board of trustees for the benefit of another party or parties. Restrictions as to what the trustee may invest the assets of the trust fund in are usually found in the trust instrument and in applicable state and federal laws. In the case of ERISA-controlled employee benefit plan trust funds, there are specific requirements that should be referred to.

Trustee: The person or company appointed to administer a trust fund.

Unbundling: A practice by which a provider charges separately for services that normally are provided under one procedural code, usually at additional expense to the patient or plan.

Usual, Customary and Reasonable Charges (UCR) (R&C) (U&C): A charge for a service and/or equipment or supplies customarily performed for the condition treated, which fairly reflects its value in the locality where the services or supplies were received.

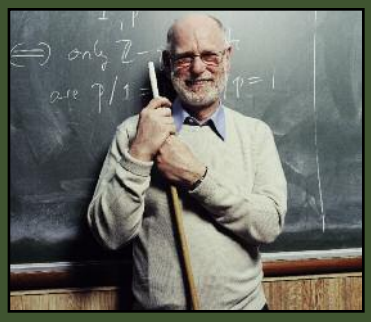
Utilization: The extent to which the members of a covered group use specified services over a specific period. Utilization rates are established to help in comprehensive planning, budget review and cost containment.

Vision Care Coverage or Plan: A separate plan covering medical treatment related to eye conditions and preventive care. Optometrists or opticians may render care. Some plans may cover care rendered by ophthalmologists.

Voluntary Employees' Beneficiary Association (VEBA): Internal Revenue Code Section 501(c)(9) creates the legal basis for the establishment of employee benefit (welfare) funds operated by many NYSUT locals. The term "VEBA" in the public sector is a misnomer in that employees' participation in funds is not voluntary due to the fact that the funds are a product of collective bargaining between employers and public sector unions.

Waiting Period: (1) The duration of time between the date the disability commences and the beginning of the benefit payment period. It is the period during which an employee must be disabled before payment of benefits begins. (2) The period between enrollment in a program and the date when an insured person becomes eligible for benefits.

Waiver of Premium: A provision that sets certain conditions under which an insurance policy will be kept in full force by the company without the payment of premiums.



Give your members the peace of mind to enjoy the things they love best!

Take advantage of these endorsed benefits!

NYSUT Member Benefits endorses a variety of benefits designed to provide your group with protection and give your members peace of mind. Every program endorsed by Member Benefits is researched, designed and monitored to enhance your members' lifestyles. With the group buying power represented by more than 600,000 members, we're able to negotiate for quality products and services that are competitively priced.

Group Benefit Plans:

Dental Plans
Vision Care Plans
Group Disability Insurance
Financial Counseling Program
Legal Service Plans
Term Life Insurance
Health Advocate™

Services for Locals and Benefit Funds:

Benefit Fund Insurance Coverages
Benefit Fund Administrative Services
Code of Ethics Frameworks
Whistleblower Policy
Flexible Benefit Plans
Health Reimbursement Arrangements
Commercial Bank Accounts
Help for the Newsletter Editor
Help for the Webmaster
Presentations

MEMBER BENEFITS
nysut
Working to Benefit You

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