Benefits Design and Management

Benefits orientation
Benefits package

- Low-cost, affordable health care and life insurance benefits.
- Disability insurance programs.
- Paid leave benefits.
- Qualified tuition reduction program.
- Mandatory and voluntary retirement programs.
Benefits eligibility

Faculty and staff

- Regularly scheduled to work 20 hours or .5 FTE or more per week for at least 90 consecutive days.

Eligible dependents

- Your child under age 26.
- Your disabled child age 26 or older, if eligible.
- Your spouse.
Benefits terminology

- **Coinsurance**: Cost sharing between you and the plan. The member is responsible for a percentage of the covered health care services after the deductible is met.

- **Copayment**: A fixed amount the member must pay for covered health care services, usually at the time of service. These amounts may vary depending on the service.

- **Deductible**: Amount the member must cover out-of-pocket before the insurance company begins to pay for any covered services rendered.

- **In-network**: Providers or health care facilities that are part of a health plan’s network. The insurance negotiates a discount with these providers which usually results in lower costs to the member.

- **Out-of-network**: A provider that is outside of the network of doctors, hospitals or health care providers. Usually results in higher costs to the member.

- **Out of pocket**: Your expenses for covered medical care that are not reimbursed by the plan. Typically includes deductible, co-insurance and co-payments.

- **Plan Year**: Period of coverage under a group health plan. ASU’s plan year runs from January 1 through December 31.

cfo.asu.edu/benefits-guide-enrollment-eligibility
Medical and pharmacy plans

Benefits guide | Health
cfo.asu.edu/benefits-family-guides

See plan document for exclusions and limitations.
Medical plans and networks

**EPO**
Exclusive provider organization

- Aetna.
- Blue Cross Blue Shield of AZ.
- Cigna.
- UnitedHealthcare.

**PPO**
Preferred provider organization

- Aetna.
- Blue Cross Blue Shield of AZ.
- UnitedHealthcare.

**HDHP**
High-deductible health plan with HSA option

- Aetna.
Medical plans comparison

Preventive care office visits

• Examples include well baby and well child visits, preventative screenings based on age and some immunizations.

• In-network preventative care across all plans is covered at 100%.

• Out-of-network preventative care is covered at 50% under the PPO and HDHP.
# Medical plans comparison

## Plan year deductibles and out-of-pocket maximums

<table>
<thead>
<tr>
<th></th>
<th>EPO</th>
<th>PPO</th>
<th>HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In-network</td>
<td>Out-of-network</td>
<td>In-network</td>
</tr>
<tr>
<td><strong>Individual</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deductible</td>
<td>$200</td>
<td>$1,000</td>
<td>$1,400</td>
</tr>
<tr>
<td>Out-of-Pocket</td>
<td>$7,350</td>
<td>$1,500</td>
<td>$2,000</td>
</tr>
<tr>
<td>Maximum</td>
<td>Includes deductible</td>
<td>includes deductible</td>
<td>includes deductible</td>
</tr>
<tr>
<td><strong>Family</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deductible</td>
<td>$400</td>
<td>$2,000</td>
<td>$2,800</td>
</tr>
<tr>
<td>Out-of-pocket</td>
<td>$14,700</td>
<td>$3,000</td>
<td>$4,000</td>
</tr>
<tr>
<td>Maximum</td>
<td>Includes deductible</td>
<td>includes deductible</td>
<td>includes deductible</td>
</tr>
</tbody>
</table>
Exclusive Provider Organization (EPO)

Benefits

• Must use in-network providers to receive benefits.
• Out-of-network services are only covered in emergency situations.
• Nationwide coverage.
• No pre-existing condition restrictions.

Copays and deductibles

• Copays apply after the plan deductible is met.
• Copays and deductibles apply to out-of-pocket maximum.
• Plan pays 100% after the out-of-pocket maximum is met.
• Prescription drug copays do not count toward the medical deductible.

Office copays

• Preventive services - $0
• Primary care physician - $20
• OB/GYN - $20
• Specialist - $40

Emergency copays

• Emergency room - $200
• Inpatient Hospital Admission - $250
• Urgent care - $75

Other copays

• Durable medical equipment - $0
• Outpatient Facility - $100
• Lab and x-ray services - $0
• Major radiology services - $100
Preferred Provider Organization (PPO)

Benefits

• In-network and out-of-network provider options.
• Nationwide coverage.
• No pre-existing condition restrictions.

Copays and deductibles

• Copays apply after the plan deductible is met.
• Copays and deductibles apply to out-of-pocket maximum.
• In-network and out-of-network deductibles must be met separately.
• Plan pays 100% after the out-of-pocket maximum is met.
• Prescription drug copays do not count toward the medical deductible.

In-network office copays
• Preventive services - $0
• Primary care physician - $20
• OB/GYN - $20
• Specialist - $40

In-network emergency copays
• Emergency room - $200
• Inpatient Hospital Admission - $250
• Urgent care - $75

Other in-network copays
• Durable medical equipment - $0
• Outpatient Facility - $100
• Lab and x-ray services - $0
• Major radiology services - $100

Out-of-network copays/coinsurance
• Preventive services – $0
• All other services – 50%
High Deductible Health Plan (HDHP)

Benefits

• In-network and out-of-network provider options.
• Nationwide coverage.
• No pre-existing condition restrictions.
• Works in conjunction with a Health Savings Account.

Coinsurance and deductibles

• Coinsurance applies after the plan deductible is met.
• Coinsurance and deductibles apply to out-of-pocket maximum.
• In-network and out-of-network deductibles must be met separately.
• Plan pays 100% after the out-of-pocket maximum is met.
• Prescription drug copays do not count toward the medical deductible.

In-network office coinsurance
• Preventive services - $0
• Primary care physician – 10%
• OB/GYN – 10%
• Specialist – 10%

In-network emergency coinsurance
• Emergency room – 10%
• Inpatient Hospital Admission – 10%
• Urgent care – 10%

Out-of-network office coinsurance
• Preventive services – 50%
• Primary care physician – 50%
• OB/GYN – 50%
• Specialist – 50%

Out-of-network emergency coinsurance
• Emergency room – 50%
• Inpatient Hospital Admission – 50%
• Urgent care – 50%
Health savings account (HSA)

- Can be used for eligible out-of-pocket health care expenses incurred by you and your tax-qualified dependents.
- Automatic employer contributions.
- Voluntary before-tax employee contributions reduce your taxable income and increase your take home pay.
- Can change employee contribution at any time.
- Contributions roll over from year to year.
## HSA contribution limits

<table>
<thead>
<tr>
<th>Coverage level</th>
<th>2020 voluntary employee before-tax contribution</th>
<th>2020 automatic university contribution</th>
<th>2020 combined contribution limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single coverage</td>
<td>Up to $2,830</td>
<td>$720</td>
<td>$3,550</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$27.70 per pay period*</td>
<td></td>
</tr>
<tr>
<td>Other than single coverage</td>
<td>Up to $5,660</td>
<td>$1,440</td>
<td>$7,100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$55.39 per pay period*</td>
<td></td>
</tr>
</tbody>
</table>

Age 55 and older receive additional $1,000 limit.

Participants are responsible for managing contributions in accordance with federal guidelines and limits.

*Based on 26 pay periods
Pharmacy benefit for all plans

**MedImpact**

- Large national network of providers.
- No MedImpact ID card. Information is located on the back of the medical ID card.
- Retail pharmacy.

**Walgreens Mail Service Pharmacy**

- Mail order through Walgreens Mail Service only.
- Specialty prescription services.
## Pharmacy benefit for all medical plans

<table>
<thead>
<tr>
<th></th>
<th>Generic</th>
<th>Preferred brand name</th>
<th>Nonpreferred brand name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail 30-day supply</td>
<td>$15</td>
<td>$40</td>
<td>$60</td>
</tr>
<tr>
<td>Retail 90-day supply</td>
<td>$37.50</td>
<td>$100</td>
<td>$150</td>
</tr>
<tr>
<td>Mail order 90-day supply</td>
<td>$30</td>
<td>$80</td>
<td>$120</td>
</tr>
</tbody>
</table>

**For HDHP participants:** Subject to plan deductible before copay applies for nonpreventative prescriptions.

**For all plans:** Pharmacy costs apply to out-of-pocket maximum.
## Medical and pharmacy plan premium rates per pay period

<table>
<thead>
<tr>
<th>Coverage level</th>
<th>EPO</th>
<th>PPO</th>
<th>HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee only</td>
<td>$20.92</td>
<td>$53.34</td>
<td>$10.15 + HSA</td>
</tr>
<tr>
<td>Employee plus spouse</td>
<td>$62.23</td>
<td>$112.43</td>
<td>$30.46 + HSA</td>
</tr>
<tr>
<td>Employee plus one child</td>
<td>$52.82</td>
<td>$75.30</td>
<td>$25.89 + HSA</td>
</tr>
<tr>
<td>Family</td>
<td>$115.57</td>
<td>$131.25</td>
<td>$56.35 + HSA</td>
</tr>
</tbody>
</table>
Dental plans

Benefits guide | Health
cfo.asu.edu/benefits-family-guides

See plan document for exclusions and limitations.
Cigna Dental DHMO Plan

Benefits

• Cigna DHMO network providers only.
• Limited network.
• Must select and use a participating dental provider.
• No annual deductible or maximums.
• Pre-existing conditions are covered.
• Routine visits, exams, cleanings and fluoride treatments are covered twice per plan year at 100%.
• Services are charged at a flat rate.

Preventive care copays

• Oral exam - $0
• Emergency exam – Pain: $0   After hours visit: $55
• Prophylaxis/cleaning - $0
• Fluoride treatment - $0
• X-rays - $0

Other service copays

• Sealants - $12 per tooth
• Fillings –
  • Amalgam: $0
  • Resin: $0-$115 based on number and location
• Extractions – Simple: $12  Surgical: $53-$125
• Crowns - $150-$500
• Crown/Bridge repair - $43
• Dentures - $680 upper and lower
• Fixed bridgework - $135 per unit
• Implant body - $1,025
• Oral surgery - $12-$850
• Orthodontia – 24-month treatment fee
  • Child up to age 19 - $85 per month
  • Adults - $99 per month

The following list of states and territories are not covered under the Cigna DHMO plan:
Delta Dental PPO Plus Premier

Benefits

• Freedom of choice for licensed dentist.
• Nationwide network.
• Network dentists have agreed to accept a negotiated fee.
• Pre-existing conditions are covered.
• Preventive and diagnostic services are covered at 100%.

Copays and deductibles

• $50 deductible per person/calendar year, up to $150 per family per calendar year.
• $2,000 maximum benefit per person/calendar year.
• No deductible for diagnostic and routine services.

Preventive care copays – deductible waived

• Oral exam - $0
• Emergency exam - $0
• Prophylaxis/cleaning - $0
• Fluoride treatment - $0
• X-rays - $0

Other service copays

• Sealants – 20% up to age 19
• Fillings – 20%
• Extractions – 20%
• Crowns - 50%
• Crown/Bridge repair - 50%
• Dentures - 50%
• Fixed bridgework - 50%
• Implant body - 50%
• Oral surgery - 20%
• Orthodontia – 50%
  • Limited to lifetime maximum of $1,500 per member.
# Before-tax premium rates per pay period

<table>
<thead>
<tr>
<th>Coverage level</th>
<th>Cigna Dental DHMO</th>
<th>Delta Dental of Arizona</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee only</td>
<td>$1.64</td>
<td>$14.30</td>
</tr>
<tr>
<td>Employee plus spouse</td>
<td>$3.29</td>
<td>$30.33</td>
</tr>
<tr>
<td>Employee plus one child</td>
<td>$3.08</td>
<td>$23.34</td>
</tr>
<tr>
<td>Family</td>
<td>$5.46</td>
<td>$48.26</td>
</tr>
</tbody>
</table>
Vision plans

Benefits guide | Health
cfo.asu.edu/benefits-family-guides

See plan document for exclusions and limitations.
Avesis vision plan

Advantage Vision Care Insurance
In-network benefits

For out-of-network benefits, refer to health benefits guide.

Vision Care Discount
In-network only

Enrollment is automatic when Advantage option is waived.

- Elective contact lenses.
  $150 allowance
- Frames covered up to $150.
  $100-$150 retail allowance
  Lens are not included
- Vision examination.
  $10 copayment, once per 12 months

- Elective contact lenses.
  10%-20% discount
- Frames.
  20% discount
- Vision examination.
  20% discount, once per 12 months
### Avesis vision plan before-tax premium rates per pay period

<table>
<thead>
<tr>
<th>Coverage level</th>
<th>Advantage plan</th>
<th>Discount plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>$1.84</td>
<td>$0</td>
</tr>
<tr>
<td>Employee plus spouse</td>
<td>$5.97</td>
<td>$0</td>
</tr>
<tr>
<td>Employee plus one child</td>
<td>$5.89</td>
<td>$0</td>
</tr>
<tr>
<td>Family</td>
<td>$7.43</td>
<td>$0</td>
</tr>
</tbody>
</table>
Flexible spending accounts

cfo.asu.edu/benefits-family-guides

See plan document for exclusions and limitations.
Health care accounts comparison

Health care FSA

- $2,700 annual before-tax employee contribution limit.
- EPO, PPO or no medical coverage.
- Medical, dental, and vision expenses.
- Requires enrollment each calendar year.
- **Use it or lose it** with $500 carryover provision.

Limited health care FSA

- $2,700 annual before-tax employee contribution limit.
- Available only to Aetna HDHP participants.
- Dental and vision expenses only.
- Requires enrollment each calendar year.
- **Use it or lose it** with $500 carryover provision.
Dependent care FSA

• $5,000 before-tax per household per calendar year.
• For your eligible child or adult day care expenses.
• Requires enrollment each calendar year.
• Use it or lose it each calendar year.
• No carryover provision.

Child and adult day care FSA
Disability insurance program

Benefits guide | Financial security
cfo.asu.edu/benefits-family-guides

See plan document for exclusions and limitations.
Short-term disability insurance

**Unum**

Included are $5,000 group term life and accidental death and dismemberment.

- $.77 per $100 of base pay.
- 70% of maximum salary covered.
  - Option A: $55,714.
  - Option B: $111,429.
  - Option C: $148,571.

**MetLife**

- $.14 per $100 of base pay.
- 66 2/3% of maximum salary covered up to $70,000.
- STD benefit reduced by any paid leave.
Long-term disability insurance

• Must be disabled for 181 days or longer.

• Plans pay 66 2/3% of base pay.

• Provider is determined by the mandatory retirement plan election.
Life insurance program

Benefits guide | Financial security
cfo.asu.edu/benefits-family-guides

See plan document for exclusions and limitations.
Basic life insurance

ADOA basic life
$15,000

ASU basic life
annual salary less $15,000

Basic life
ASU pays for coverage equal to one times your annual salary.
Employee supplemental life insurance

ASU supplemental life

- Elect up to five times your annual salary with a maximum of $1.25 million.
- Coverage greater than three times or over $500,000, whichever is less, requires evidence of insurability and underwriting approval.
- Future enrollments may require evidence of insurability and underwriting approval.

ADOA supplemental life

- Available in $5,000 increments.
- Maximum of $500,000 or three times salary, whichever is less.
- Future enrollments are subject to plan limitations.
Dependent life insurance

ADOA Dependent Life
- spouse and child
  - $2,000
  - $4,000
  - $6,000
  - $10,000
  - $12,000
  - $15,000
  - $50,000

ASU Life - spouse
  - $5,000
  - $15,000
  - $25,000
  - $50,000

ASU Life - children
  - $2,500
  - $7,500
  - $12,500
  - $25,000

ASU Life – spouse coverage over $25,000 requires evidence of insurability and underwriting approval.
Benefits enrollment instructions
How do I enroll for benefits?

Within 30 calendar days of your hire or eligibility date.

- New employees, rehires more than 30 days after separation or newly eligible for benefits complete online enrollment.
  - Refer to Benefits Enrollment Checklist for instructions.

- University transfer, agency transfer or rehire within 30 calendar days of separation complete paper enrollment form.

- Submit all required supporting documentation to HR benefits.

Faculty and academic personnel: Your hire or eligibility date may start before your contract date. Refer to your offer letter or see your hiring manager for your enrollment deadline.
<table>
<thead>
<tr>
<th>Scenario</th>
<th>Relationship</th>
<th>Required documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent with a different last name</td>
<td>Spouse</td>
<td>Copy of your marriage license.</td>
</tr>
<tr>
<td></td>
<td>Child</td>
<td>Copy of the child’s birth certificate.</td>
</tr>
<tr>
<td></td>
<td>Stepchild</td>
<td>If applicable, a copy of the adoption, foster care or court guardianship papers.</td>
</tr>
<tr>
<td>Dependent not eligible for a social security number</td>
<td>Spouse and/or child</td>
<td>Copy of legal document showing the U.S. visa status of spouse and/or dependent child.</td>
</tr>
</tbody>
</table>

- Coverage for all enrollees will not be recognized by the insurance company until supporting documentation is received.
- Failure to submit documentation by the deadline may result in the withdrawal of that dependent’s coverage and you may be responsible for any paid claims.
After your 30-day enrollment period

Enrollments and changes may be made only during the annual benefits open enrollment period in the fall for coverage effective the following Jan. 1.

with a qualified life event.
When are my benefits effective?

• Benefits are not effective on your hire or eligibility date.
• Coverage is effective the first day of the pay period following hire or eligibility date and completion of enrollment.
• Exceptions: Transfers and rehires within 30 calendar days of separation from ABOR, ASU, NAU, UA, or state of Arizona agencies.

• Allow 10 business days for benefits processing following submission of completed enrollment.
• Incomplete submissions and those needing supporting documentation will delay processing and may result in retroactive premium deductions.

• The payroll and payday calendar is located on the Business and Finance Payroll page.

cfo.asu.edu/payroll-calendars
Additional Information

• If you and your eligible dependent are both university and/or state of Arizona employees, you cannot have dual coverage under state of Arizona plans.

• ASU Benefits will send communications containing benefits information and deadlines to your ASU email address.

• Medical, dental, and vision ID cards will be mailed to your home address.
• Contact the provider if you don’t receive a card.
• Contact information is located in the Benefits Guide | Enrollment eligibility.
Paid leave benefits

Benefits guide | Financial security
cfo.asu.edu/benefits-family-guides

See plan document for exclusions and limitations.
ASU provides paid leave benefits to help faculty and staff balance personal and business commitments.
## University paid leave benefits: vacation

### Accrual and accumulation at 100% FTE

<table>
<thead>
<tr>
<th>Classification</th>
<th>Years</th>
<th>Maximum per pay period</th>
<th>Maximum annual accrual</th>
<th>Maximum carryover 1.5 x annual accrual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classified staff and university staff 01 and 02.</td>
<td>Less than two years</td>
<td>3.384 hours</td>
<td>88 hours</td>
<td>132 hours</td>
</tr>
<tr>
<td></td>
<td>Two to four years</td>
<td>4.923 hours</td>
<td>128 hours</td>
<td>192 hours</td>
</tr>
<tr>
<td></td>
<td>Four years and more</td>
<td>6.769 hours</td>
<td>176 hours</td>
<td>264 hours</td>
</tr>
<tr>
<td>Administrators, faculty and academic professionals with fiscal year appointments and university staff 03, 04 and 05.</td>
<td>Upon eligibility</td>
<td>6.769 hours</td>
<td>176 hours</td>
<td>264 hours</td>
</tr>
<tr>
<td>Postdoctoral Scholar with fiscal year appointments.</td>
<td>Year one</td>
<td>3.076 hours</td>
<td>10 days</td>
<td>No carryover</td>
</tr>
<tr>
<td></td>
<td>Subsequent years</td>
<td>4.615 hours</td>
<td>15 days</td>
<td>No carryover</td>
</tr>
</tbody>
</table>

Administrators, faculty, academic professionals and postdoctoral scholars with an academic year appointment do not accrue vacation.

SPP 702-01 Vacation Leave - General Policy
# University paid leave benefits: sick

## Sick leave accrual schedule

<table>
<thead>
<tr>
<th>% of time employed</th>
<th>Accrual per pay period</th>
<th>Annual accrual</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% FTE (40 hours per week)</td>
<td>3.69 hours</td>
<td>12 days</td>
</tr>
<tr>
<td>50% FTE (20 hours per week)</td>
<td>1.84 hours</td>
<td>6 days</td>
</tr>
</tbody>
</table>

SPP 701-01: Sick Leave Benefits  
ACD 702-02: Health Related Leave
# University paid leave benefits: holidays

<table>
<thead>
<tr>
<th>Holiday</th>
<th>2019-20 fiscal year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independence Day</td>
<td>Thursday, July 4, 2019</td>
</tr>
<tr>
<td>Labor Day</td>
<td>Monday, Sept. 2</td>
</tr>
<tr>
<td>Veterans Day</td>
<td>Monday, Nov. 11</td>
</tr>
<tr>
<td>Thanksgiving</td>
<td>Thursday and Friday, Nov. 28 and 29</td>
</tr>
<tr>
<td>Holiday Break</td>
<td>Tuesday and Wednesday, Dec. 24 and 25</td>
</tr>
<tr>
<td>New Year's Day</td>
<td>Wednesday, Jan. 1, 2020</td>
</tr>
<tr>
<td>Martin Luther King Jr. Day</td>
<td>Monday, Jan. 20</td>
</tr>
<tr>
<td>Memorial Day</td>
<td>Monday, May 25</td>
</tr>
</tbody>
</table>

SPP 703-01: Holiday Leave Benefits
Family resources and programs

Benefits guide | Family Resource Guide
cfo.asu.edu/benefits-family-guides

See plan document for exclusions and limitations.
Family resources and programs

**Adoption benefits**
- Subsidy up to $2,500 is provided to assist with adoption expenses.
- Provided to benefits-eligible employees who adopt a child.

**Fertility benefits**
- Provided to benefits-eligible employees who receive fertility services or prescriptions.
- One-time subsidy up to $2,500 is provided to assist with fertility expenses not covered by a medical plan.

**Volunteer leave**
- Provides employees with up to eight hours per year of paid time off to volunteer for a United Way agency or any 501(c)(3) organization.
Tuition and voluntary benefits

Benefits guide | Financial security
cfo.asu.edu/benefits-family-guides

See plan document for exclusions and limitations.
# Qualified tuition reduction program

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Fall and spring semesters</th>
<th>Summer session</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible or affiliated employees, laid-off employees, retirees and employees termed as a result of disability</td>
<td>1–9: $25; 10 or more: actual resident tuition for all hours over 9</td>
<td>1–6: $25; 7 or more: actual resident tuition for all hours over 6</td>
</tr>
<tr>
<td>Spouse</td>
<td>1–9: $25; 10 or more: actual resident tuition for all hours over 9</td>
<td>1–6: $25; 7 or more: actual resident tuition for all hours over 6</td>
</tr>
<tr>
<td>Dependent children</td>
<td>All: 25% of actual resident tuition for all hours</td>
<td>All: 25% of actual resident tuition for all hours</td>
</tr>
</tbody>
</table>

Refer to policy for information on taxation.

SPP 505: Employee Reduced Resident Tuition
Student Accounts: 480-965-6341
Additional benefits

MetLife Auto and Home
800-438-6388
metlife.com/mybenefits

Unum Long-Term Care Insurance
800-227-4165
unuminfo.com/arizonastate/index.aspx
Employee discounts

Several vendors and retailers have extended discounts to ASU staff and students.

Discounts available for:
- attractions.
- goods and services.
- other benefits.

cfo.asu.edu/employee-discounts
Mandatory retirement program

- Governed by Arizona Revised Statutes § 38-711(23) and 38-727.

- Participation in a retirement plan is mandatory for employees working:
  - 20 or more hours per week (.50 FTE).
  - For 20 or more weeks in a fiscal year.

Eligible for Arizona State Retirement System
- Academic Professionals.
- Administrators.
- Faculty.
- University Staff 01, 02, 03, 04 and 05.

Eligible for Optional Retirement Plan
- Academic Professionals.
- Administrators.
- Faculty.
- University Staff 02, 03, 04 and 05.
Mandatory retirement program

Participation exceptions

Postdoctoral scholars
• If your job classification changes and you become eligible, you must participate in a mandatory retirement plan.

F1/J1/M1/Q1 Visa status
• If your visa status changes and you become eligible, you must participate in a mandatory retirement plan.

ASRS retirees
• Subject to working after retirement rules; may be required to suspend retiree benefits and resume participation.

Age 65 and older opt out
• Must submit required form within one week of hire date.

Classification and visa status changes will have 30 calendar days to complete all enrollment steps.
Arizona State Retirement System

- Defined benefit plan qualified under IRC 401(a).
- May be eligible for the health insurance subsidy when you retire.
- Pre-tax contributions subject to IRS annual limits.
- Retirement income will be based on a set calculation.

Optional Retirement Plan

- Defined contribution plan qualified under IRC 401(a).
- Choice of investment provider.
- Choose and change investment allocations at any time.
- Phased retirement program.
- Pre-tax contributions subject to IRS annual limits.
- Retirement income will be based on contributions and performance of investment allocations.
ORP investment provider options

Fidelity Investments
800-343-0860
nb.fidelity.com/public/nb/aus/home

TIAA
800-842-2252
www1.tiaa-cref.org/tcm/arizona

asu.edu/hr/benefits/documents/orpguide.pdf
Contribution rates

Effective July 1, 2019–June 30, 2020

<table>
<thead>
<tr>
<th>Arizona State Retirement System</th>
<th>Optional Retirement Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>ASU</td>
</tr>
<tr>
<td>Retirement</td>
<td>11.94% before-tax</td>
</tr>
<tr>
<td>Long-term disability</td>
<td>0.17% after-tax</td>
</tr>
</tbody>
</table>

ASRS: Contribution rates are subject to change each July 1.
### Mandatory retirement vesting comparison

<table>
<thead>
<tr>
<th>Arizona State Retirement System</th>
<th>Optional Retirement Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee contributions</strong></td>
<td></td>
</tr>
<tr>
<td>Employees are always 100% vested in their own contributions.</td>
<td>Employees are always 100% vested in their own contributions.</td>
</tr>
<tr>
<td><strong>Employer contributions</strong></td>
<td></td>
</tr>
<tr>
<td>ASRS membership prior to July 1, 2011:</td>
<td></td>
</tr>
<tr>
<td>• A vesting schedule applies to the University contributions when your account balance is withdrawn.</td>
<td>• 100% vested after 5 years of participation. OR</td>
</tr>
<tr>
<td>• Visit ASRS for the schedule.</td>
<td>• Immediately with proof of an active account in a qualified plan with another college, university, higher education, or research organization. Fax to 480-993-0008.</td>
</tr>
<tr>
<td>ASRS membership on or after July 1, 2011:</td>
<td></td>
</tr>
<tr>
<td>• There is no vesting schedule.</td>
<td>• University contributions and related interest are deposited into your ORP account once fully vested.</td>
</tr>
<tr>
<td>• University contributions are forfeited when the account balance is withdrawn.</td>
<td></td>
</tr>
</tbody>
</table>
## Mandatory retirement plans comparison

<table>
<thead>
<tr>
<th>Retirement eligibility</th>
<th>Arizona State Retirement System</th>
<th>Optional Retirement Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early retirement – any membership date:</td>
<td>• Age 50 with five years of ASRS service.</td>
<td>• Early retirement occurs at any age prior to age 65.</td>
</tr>
<tr>
<td>Normal retirement – membership prior to July 1, 2011:</td>
<td>• Age 65 with any years of ASRS service.</td>
<td>• Normal retirement occurs at age 65.</td>
</tr>
<tr>
<td></td>
<td>• Age 62 with 10 years or more years of ASRS service.</td>
<td>• Participate in the ORP Phased Retirement Program at or after age 62.</td>
</tr>
<tr>
<td></td>
<td>• 80 points: Combination of age and years of ASRS service.</td>
<td></td>
</tr>
<tr>
<td>Normal retirement – membership on or after July 1, 2011:</td>
<td>• Age 65.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Age 62 with 20 or more years of ASRS service.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Age 60 with 25 or more years of ASRS service.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Age 55 with 30 or more years of ASRS service.</td>
<td></td>
</tr>
</tbody>
</table>
## Mandatory retirement plans comparison

<table>
<thead>
<tr>
<th>Arizona State Retirement System</th>
<th>Optional Retirement Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement income benefit calculation</td>
<td>Employee contributions + university contributions x performance of investment allocations</td>
</tr>
<tr>
<td>Years of service x average salary x ASRS multiplier</td>
<td></td>
</tr>
</tbody>
</table>
When is my retirement plan effective?

**Arizona State Retirement System**

- Effective first day of the pay period following the 182-day waiting period.
- Exception: no waiting period if current ASRS member; retroactive contributions may be required.

**Optional Retirement Plan**

- Effective the first day of the pay period following completion of all enrollment steps.
Working after retirement rules

**ASRS retirees**

Participants must be separated from ASU employment for at least one full pay period.

Review return to work guidelines at [www.azasrs.gov/content/return-work](http://www.azasrs.gov/content/return-work).

Login to your ASRS account and complete the “Working After Retirement” smart form within 30 calendar days of hire or employment change.

ASRS will inform you if:
- you must suspend your pension benefits and resume contributions.
- you can retain your pension benefits.

**ORP retirees**

Faculty and academic professionals must be separated from ASU employment for at least one full semester.

Staff must be separated from ASU employment for at least 90 days.
Retirement enrollment instructions
Mandatory retirement enrollment

ASRS
University staff category 01

ASRS registration

Complete all registration steps on the ASRS website within 30 calendar days of hire/eligibility date.

Enrollment code: 2C700039

cfo.asu.edu/asrs-enrollment

Verify enrollment and deductions.

Verify enrollment
Mandatory retirement enrollment

Choose ASRS or ORP
Administrators, academic professionals, faculty and university staff category 02, 03, 04 or 05

Retirement enrollment email
ASU email
“Important mandatory retirement plan information.”
30-calendar-day enrollment period begins.

30-calendar-day enrollment period
Complete all required steps within 30 calendar days.

Verify enrollment
Verify enrollment and deductions.

cfo.asu.edu/orp-enrollment
cfo.asu.edu/asrs-enrollment
Voluntary retirement plans

Benefits Guide | Retirement
cfo.asu.edu/benefits-family-guides
Voluntary retirement plans

- No eligibility waiting period.
- Enroll in one or both plans.
- Change contribution or investment any time.
- No university match.

[cfo.asu.edu/voluntary-retirement-plans](cfo.asu.edu/voluntary-retirement-plans)
Voluntary retirement plan options

Fidelity and TIAA
- 403(b) before-tax
- 403(b) Roth after-tax

Nationwide
- 457(b) before-tax
Enrollment in the 403(b)

Enroll online:
nb.fidelity.com/public/nb/aus/home
Enrollment in the 457(b)

Enroll online: arizonadc.com
Voluntary retirement plans - IRS contribution limits

2020
Basic contribution limit.
$19,500

2020
Age 50 and over catch-up contribution limit.
$6,500

cfo.asu.edu/irs-contribution-limits
Action Items
Actions to be completed

**Benefits**
- Complete benefits enrollment within 30 days.

**Retirement**
- Complete retirement enrollment within 30 days.
- If applicable, submit supporting documentation.
- If applicable, submit account statement.

**Documents**

**Verify**
- Verify coverages.
Benefits information in your ASU bag

- Benefits enrollment checklist.
- Enrollment policies.
- Enrollment steps.
- Plan comparisons.
Online tools – Benefits Guides

Enrollment Eligibility
- COBRA coverage.
- Eligibility and enrollment.
- Glossary.
- Health care reform.
- HIPAA notice.
- More legislation.
- Plan beneficiaries.
- Plan contacts.

Family Resources
- Family resources.
- Financial support.
- Health and wellness.
- Holidays, vacation and leaves.
- Medical coverage.
- Professional development and education.

Financial Security
- Life insurance program.
- Disability insurance program.
- Leaves and holidays.
- Qualified tuition reduction.
- Voluntary benefits plan.

Health
- Dental plans.
- Employee wellness.
- Healthcare accounts.
- Mayo Clinic partnership.
- Medical plans.
- Pharmacy plans.
- Vision plans.

Retirement
- Mandatory retirement: ASRS, ORP and PSPRS.
- Voluntary retirement: 403(b) and 457.

cfo.asu.edu/benefits-family-guides
Thank you

Questions?

Employee services
855-278-5081
Monday – Friday
8 a.m. to 5 p.m.
Arizona time

Faculty services
480-727-9900
Monday – Friday
8 a.m. to 5 p.m.
Arizona time