



## Addendum 1 to The Research Foundation *Benefits Handbook* Fall 2004

The following is a summary of changes and clarifications to the Research Foundation (RF) *Benefits Handbook* Fall 2004.

Please keep this addendum, as well as future addenda, with your handbook.

### Research Foundation Benefit Plan Guidelines (Page 4)

**Explanation:**

Because of IRS regulations, students who are exempt from FICA (social security) taxes cannot participate in the optional retirement plan or in a dependent care flexible spending account.

**Changes:**

- In the chart on page 4, under the “Eligible/Ineligible” column and in the “Optional Retirement” row, replace “All employees” with “All non-student employees.”
- In the chart on page 4, under the “Eligible/Ineligible” column and in the “Dependent Care Spending Account” row, replace “All salaried employees” with “All salaried non-student employees.”

### Where to Get Help (Page 5)

**Explanation:**

Participants in the Optional Retirement Plan should use 800-343-0860 to call Fidelity Investments.

**Change:**

- On page 5, under Pension Benefits, for Fidelity Investments remove the phrase “or 888-836-7655.”

### General Information (Chapter 1): Health Insurance Portability and Accountability Act of 1996 (HIPAA)

**Explanation:**

This change clarifies that the Research Foundation does not have pre-existing condition exclusions on any of its health plans.

Continued on next page

**Change:**

- On page 16, in the section titled “Health Insurance Portability and Accountability Act of 1996 (HIPAA),” add the following paragraph at the end of the section:

None of the health plans offered by the Research Foundation exclude pre-existing medical conditions.

**Prescription Drugs (Chapter 3):  
Drugs and Supplies Not Covered**

**Explanation:**

Under the Research Foundation PPO Health Plan, smoking deterrents are now covered through the Medco prescription benefit. Previously, nicotine patches were the only smoking deterrent covered.

**Change:**

- On page 25, under “Drugs and Supplies Not Covered,” remove “smoking deterrents (except nicotine patches).”

**Explanation:**

Effective January 1, 2006, contact lenses from the plan selection may be purchased for a co-payment of either \$25 or \$45, depending on the type of lens, at a network provider. The plan will pay up to \$45 toward the cost of contact lenses not in the plan selection, but purchased at a participating provider.

**Vision Care (Chapter 5):  
Plan Allowances**

**Change:**

- At the top of page 32 under Participating providers, revise the 2<sup>nd</sup> bullet to read as follows:

One eye examination and one pair of contact lenses from the plan selection, with an employee co-payment of \$25 or \$45 depending on the type of lenses chosen. If contact lenses are chosen that are not in the plan selection, there will be a \$45 allowance toward the cost.

**Life Insurance (Chapter 6)**

**Explanation:**

Optional Life Insurance for spouses and domestic partners must be elected when first available in order to avoid having to complete a Statement of Health for the insurance company.

**Change:**

- Replace the paragraph under the “Enrollment” section on page 35 with the following:

Enrollment in Optional Life Insurance (for employee or dependent) is not automatic. You or your spouse/domestic partner must enroll within 60 days after completing your waiting period. Otherwise, a Statement of Health must be completed for the insurance company’s review. The insurance company will either approve or deny your request for coverage.

**Life Insurance (Chapter 6):  
Basic Life Insurance, Optional Life  
Insurance and Accidental Death  
and Dismemberment (AD&D)  
Insurance**

**Explanation:**

The benefit reduction schedule that begins at age 70 applies to both the Basic and Optional Life Insurance coverage amounts.

**Change:**

- On page 35, add the following paragraph to end of the section on Optional Life Insurance:

Your Optional Life Insurance benefits are reduced, beginning at age 70, in the same way as they are for the Basic Life Insurance benefit.

**Life Insurance (Chapter 6):  
Dependent Life Insurance  
(New Section)**

**Explanation:**

Effective January 1, 2006, employees may purchase life insurance for their spouse or domestic partner and children at low group rates.

Continued on next page

**Change:**

- Insert the following new section on page 37 immediately before the section entitled “Filing A Claim”:

You may also purchase life insurance coverage for your spouse/domestic partner and/or your dependent children.

Coverage amounts available for spouse/partner coverage are as follows: \$10,000, \$20,000, \$40,000, \$60,000, \$80,000 or \$100,000. Amounts of \$10,000 and \$20,000 are available on a guaranteed basis as long as your spouse/partner is not confined for medical care or treatment at home or elsewhere when the coverage goes into effect. Domestic Partners must meet the eligibility requirements set forth on page 11. Coverage purchased for a spouse or domestic partner cannot exceed the amount of your employee coverage.

Coverage amounts for eligible dependent children are as follows: \$2,000, \$4,000, \$6,000, \$8,000 or \$10,000. One premium provides coverage for any number of dependent children. All coverage amounts are offered on a guaranteed basis, as long as your dependent child is not confined for medical care or treatment at home or elsewhere when the coverage goes into effect.

**Continuing Benefits (Chapter 9):  
Disability: Long-term Disability**

**Explanation:**

If you were hired after January 1, 1986 and are receiving long-term disability benefits, your health, dental and vision coverage will continue for one year at no cost to you. After that, you must pay the full premium to maintain coverage and to earn service credit towards retiree health insurance.

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**Changes:**

- At the top of page 71, replace the phrase “one year from the date” with “one year without charge from the date.”
- Immediately before the chart on page 71, replace the phrase “In addition” with “After one year:”
- In the second paragraph in the chart on page 71, under the “then” column, strike the phrase “at age 65” in the middle of the paragraph.
- In the second paragraph in the chart on page 71, under the “then” column, replace the phrase “age 65” at the end of the paragraph with the phrase “you reach eligibility for retiree health coverage.”

**Continuing Benefits (Chapter 9):  
Leave of Absence: Military Leave****Explanation:**

The Veteran’s Benefits Improvement Act of 2004 increased the amount of time from 18 months to 24 months a person on military leave may continue benefits.

**Change:**

- On Page 73, under “Leave of Absence: Military Leave,” replace the phrase “18 months” with “24 months” and replace the phrase “6 months” with “12 months.”

**Continuing Benefits (Chapter 9):  
COBRA****Explanation:**

Previously, dependents age 19 and older who were no longer full-time students could not re-enroll for RF coverage unless they elected COBRA coverage during the period of ineligibility. This rule was eliminated, so dependent children who are full-time students under the age of 25 can re-enroll for RF coverage when they become full-time students again, regardless of whether or not they elected COBRA coverage.

**Change:**

- On page 74, eliminate in its entirety the paragraph in italics following the paragraph under “Loss of Dependent Status.”

**Optional Programs (Chapter 10):  
Voluntary Short-Term Disability  
Coverage  
(New Section)**

**Explanation:**

Effective January 1, 2006, employees may purchase supplemental short-term disability insurance for themselves at low group rates.

**Change:**

- On Page 81, add the following new section “Voluntary Short-Term Disability Coverage”:

Program Description

The Research Foundation offers eligible employees the option to purchase additional short-term disability coverage beyond those benefits provided under the New York State Disability Benefits Law (DBL). See page 43 for more information on DBL coverage.

Eligibility

This program is available to all regular, non-student, salaried employees who have been with the Research Foundation for at least 28 days, and whose annual salary is at least \$15,000. Employees must also be actively at work when the coverage goes into effect and be working at least 50 percent of effort in order to be eligible for the plan.

Those who enroll for the plan when they are first eligible to do so are guaranteed coverage without medical examinations or questions, and will not be subject to any pre-existing condition exclusions.

Late enrollees will be subject to pre-existing condition exclusions.

Plan Benefits

Employees may purchase a weekly benefit in \$100 increments not to exceed the lesser of

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\$1,250 or 60% of salary. As is the case with DBL benefits, all available sick leave benefits must be exhausted before benefits are payable under this plan. The benefit is offset by the benefits provided under DBL, but the benefit will never be less than \$25 a week. The rates for the coverage reflect this offset. The benefit may also be subject to other offsets, which are described in detail in the Certificate of Coverage. Since coverage is purchased on an after-tax basis, benefits under this plan are not subject to taxation (DBL premiums, however, are paid by the Research Foundation, and therefore those benefits are taxable).

#### How to Enroll

Contact your campus RF employee benefits office for an enrollment kit.

