

PROCEDURE

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Related Policy: 3.4.1
Title: Employee Benefit Program
Responsibility: Vice President, Human Resources and Employee Relations

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President

DISCLAIMER

PURSUANT TO SECTION 41-1-110 OF THE CODE OF LAWS OF SC, AS AMENDED, THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE AGENCY.

I. Employee Insurance Program

A. Health Insurance

Health insurance is available for individual employees and/or family coverage. Plans that are available include the State Health Plan (Health Savings Plan & Standard), Cigna HMO and Blue Choice HMO. See Insurance Benefits Guide for detailed information.

B. State Basic Life Insurance (State pays premium for employee.)

If you are an active, permanent, full-time employee who is enrolled in one of the state health insurance programs, you are eligible for this benefit.)

Provides \$3,000 coverage to all eligible employees under age 70 and \$1,500 to eligible employees age 70 or older.

Accidental Death Benefit \$3,000; Accidental Losses...\$750 - \$3,000

C. Optional Term Life Insurance Program

An Optional Term Life Insurance Plan is offered to all permanent full-time employees. This plan offers term life, and accidental death and dismemberment insurance benefits. It also offers a living benefit rider, seat belt rider, day care benefit, education benefit,

felonious assault benefit, travel assistance program, waiver of premium for disability and portable into retirement up to age 75. The amount of insurance in which an employee chooses is originally based on three times the annualized salary, (rounded down to the nearest \$10,000). You can elect coverage higher than your cap by providing medical evidence of good health in increments of \$10,000 up to a maximum of \$500,000. Monthly premiums are paid in full by the employee and are determined by the employee's age and level of coverage selected.

D. Life Insurance on Dependents
(Optional Benefit - Employee pays the premium)

Dependent Life Child \$15,000 each child
(14 days but less than 19 years, or age 25, if enrolled as a full-time student)

Dependent Life Spouse \$10,000 or \$20,000 level

Dependent Life Spouse \$30,000 and above, (requires medical evidence statement), up to 50% of Employees Optional Life (Cap \$100,000)

E. Basic Long Term Disability

The Basic Long-Term Disability Plan is a disability program for active employees who are enrolled in one of the State Health Plan Programs. Benefits are calculated at 62.5 percent of the monthly base salary (up to a maximum benefit of \$800/month), less certain offsets from the South Carolina Retirement System, employer provided payments in the nature of sick pay or salary continuance, Social Security Administration, Worker's Compensation, etc. The maximum period for which benefits are payable is based on the member's age at disablement. If an employee is approved for disability, the effective date of payment is the 91st consecutive day off the job due to disability.

F. Supplemental Long-Term Disability

The State offers a Supplemental Long-Term Disability plan to supplement your earnings should you become disabled. The plan will pay up to 65 percent of your basic monthly earnings, up to a maximum of \$8,000 per month. There is a minimum benefit of \$100 per month and you may choose from one of two benefit waiting periods--90 days and 180 days. For more detailed information, please contact the Benefits Office of the Human Resources Department.

G. State Dental Plan

Basic dental insurance is available for employees and their family and benefits are divided into four classes: Benefits are \$1,000 per person each benefit year combined for Classes I, II, and III.

Class I: Diagnostic & Prevention - 100% of allowable charges

Class II: Basic - 80% of allowable charges; \$25 deductible

Class III: Prosthetics - 50% of allowable charges; \$25 deductible

Class II and III have \$25 annually combined deductible, Limited to three per family per year

Class IV: Orthodontics - 50% of allowable charges; no deductible; lifetime maximum of \$1,000 per child, under age 19

Dental Plus Benefits are an additional dental program that provides a higher level of coverage for dental services covered under the State Dental Plan. Dental Plus is not an offset program that pays what the State Dental Plan does not. Instead it covers the same procedures and services (except orthodontia) at the same percentage rate of coverage as the State Dental Plan, but at a higher allowance or dollar amount for the charges. Dental Plus premiums are paid entirely by the employee with no contribution from the state. The combined maximum yearly benefit for both the State Dental Plan and Dental Plus is \$2,000.

H. Long-Term Care Insurance

Long-term care (LTC) refers to the day-to-day assistance that you need when you have a serious illness or disability that lasts for an extended period of time, and you are not able to take care of yourself. You have three LTC plans from which to choose: a disability plan and two service reimbursement plans. Please contact the Benefits Human Resources Division for plan details and premiums.

I. MoneyPlu\$ Features Include:

1. Pretax Group Insurance Premium feature which allows employees who pay their State Health Plan, State Health Savings Plan, CIGNA, HMO, Companion HMO, State Dental Plan, Dental Plus, and Optional Life (for coverage up to \$50,000) premiums before taxes are taken from their paycheck.
2. Health Savings Account (if you participate in the Health Savings Plan)
3. Spending Accounts
 - a) Dependent Care Spending Account (may participate in upon hire) allowing you to pay for eligible dependent care expenses with pre-tax dollars; and
 - b) Medical Spending Account (may participate in after completion of one-year continuous state service. Allowing you to pay for eligible medical expenses with pre-tax dollars.

II. South Carolina Retirement System or State Optional Retirement Programs

A. Contributions

All employees who fill a permanent position have the option to join either the South Carolina Retirement System or one of the four State Optional Retirement Programs as a condition of employment. A member contributes 6.5 percent of his/her gross pay into a retirement account. All retirement contributions will be deferred for federal and state income taxes and the member will earn 6 percent interest on South Carolina Retirement System retirement contributions. State Optional Retirement Programs earnings are based on how your chosen investments perform. An employee may retire from the South Carolina Retirement System with full benefits at age 65 or with 28 years of state service. Reduced benefits for retirement at age 60 or age 55 with 25 years of service are available. A comparison of the retirement options is available in the Benefits Human Resources Division for making the choice that is right for you.

B. Group Life Insurance

The group life insurance benefit is available for participants of the South Carolina Retirement System and State Optional Retirement Programs participants. At the death of an actively employed member with at least one year of credited service, a single payment equal to the budgeted salary of the deceased member will be made to the designated beneficiary or beneficiaries. A member has immediate coverage if death results from a job-related injury.

C. Disability Retirement

If you are an active South Carolina Retirement System member with at least five years of service credit, the five years must be earned service if you became an SCRS member on or after January 1, 2000, you may apply for disability retirement if your disability is likely to be permanent. Service will be projected to age 65 with an applicable actuarial reduction. The five-year requirement is waived if you can substantiate that your disability is the result of a job-related injury. Disability Retirement is not a benefit of State Optional Retirement Programs.

III. Tax Annuity Programs

Several tax annuity programs are offered to eligible employees through payroll deduction. Additional information is available in the Benefits Human Resources Division Department.

IV. Miscellaneous Insurance Programs

Other insurance programs are offered to eligible employees. The employee pays premiums through payroll deduction.

V. Social Security

Employees are automatically enrolled in the Federal Social Security System. The employee and the State contribute amounts paid into Social Security.

VI. Workers' Compensation

Workers' compensation was created to benefit the employee who sustains an injury or illness arising from and in the course of employment. Workers' compensation benefits include medical expenses and, in the case of disability, protection against loss of income. Any injury, disease or death that is not job related is not covered under workers' compensation. As soon as possible after a work-related accident, the employee should report it to their immediate supervisor and the Benefits Office of Human Resource Department.

VII. Unemployment Compensation

All employees are covered under the Unemployment Insurance Program that is administered through the South Carolina Employment Security Commission. The Unemployment Insurance Program is set up to pay claims for persons who are out of work due to no fault of their own. The weekly benefit amount is based on previous wages and can vary significantly. Whenever a claim is filed, the social security card and the mailing address of the last employer should be taken to the nearest employment office.

VIII. Leave Without Pay Status

An employee who is in leave without pay status for an entire calendar month and who does not work at least one full day or use one full day of annual or sick leave is responsible for remitting both the total employer and employee shares of their insurance premiums and other benefit deductions.

When an employee is hired, a benefits orientation is scheduled to discuss all available benefits. Employees should contact the Benefits Human Resources Division Department if they have any questions about the benefits package or if they need insurance forms. Booklets are available for each program with a summary of benefits. Updated information regarding benefits changes is distributed to employees as they are received.