



Diocese of Palm Beach
Summary of
Lay Employees' Benefits

Revised July 1, 2010

This is not a contract. This hand-out provides a brief description of the current Diocese of Palm Beach Plan of Benefits for Lay Employees. Please refer to the Pension Plan Document and Medical, Dental and Life Certificates of Coverage for complete details on plan provisions, exclusions and limitations.



Diocese of Palm Beach Summary of Lay Employees' Benefits

As a new 30+ hour per week employee, you are eligible to enroll in all of the benefits offered by the Diocese of Palm Beach to their Lay employees. The enclosed summary gives you a brief description of each benefit offered. Additional information on each benefit and enrollment forms are enclosed in your benefits packet and can also be found on the Diocesan Benefits Website (<http://www.diocesepb.org/benefits>). You must submit the required completed enrollment forms to the Benefits Office by no later than 30 days from the date of hire. If you fail to do so, you will not be able to enroll for coverage again until the annual enrollment period held during the month of May each year for an August 1 effective date.

When Benefits Begin

Benefits begin 30 days from the date of hire as a 30+ hour per week employee or a full-time employee. For example, you begin to work on May 1. Your first day of coverage is May 31. There is a one-year waiting period for the long term disability benefit before coverage begins. Please see section on new voluntary benefits offered. The effective date of coverage for those plans is the first of the month following 30 days of employment/eligibility.

Benefits begin on August 31 for all newly hired teachers. A benefits packet is distributed to all newly hired teachers at the New Teacher Orientation meeting held in August by the Diocesan Education Department.

When Benefits End

Benefits end on the last day of the month the employee last worked. For example, your last day at work, or termination date is May 13. Your benefits end on May 31.

For teachers completing their contract year and leaving the employment of the Diocese of Palm Beach, coverage terminates on July 31.

An employee, spouse or dependent covered under the Diocesan medical and dental plans can extend their coverage for up to 18 months after the date they cease to be eligible if you terminate employment. In situations where coverage is lost due to divorce, legal separation, or a child losing dependent status under the plan, the employee or family member must contact the Benefits Office at 561-775-9574 or via email at smaulden@diocesepb.org within 30 days of the event to request a continuation of coverage packet to apply for coverage. Additional information regarding the continuation of coverage benefit is reflected in the group health plan description booklet you will be receiving from Blue Cross of Florida.

Medical Coverage

Currently, the Diocese of Palm Beach contracts with Blue Cross of Florida to administer the Diocesan medical plans. Blue Cross contracts with providers in the area. The providers who contract with Blue Cross are referred to as “*in-network*” providers. There are two plans offered – the Standard PPO Plan and the Premium PPO Plan. A benefit’s summary and costs for each plan is provided in your packet. Eligible dependents can be covered under the medical plan. As long as the employee applies for coverage within 30 days of their hire date as a 30+ hour/week employee, pre-existing conditions are covered. A benefits summary for the medical plan is provided in your packet and on our website at <http://www.diocesepb.org/benefits/>. Eligible dependents can be covered under the medical plan at the employee’s cost. Costs for these benefits can be found in your enrollment packet.

Pre-existing conditions: The pre-existing condition exclusion clause is waived for those employees who enroll within their initial 30-day eligibility period. Pre-existing applies only to employees and/or dependents who enroll after their initial 30-day eligibility period.

An employee and/or dependent who enrolls during the annual enrollment period (held in May each year) must furnish certification of credible coverage to satisfy the 12-month pre-existing condition exclusionary period. In other words, if you and/or your eligible dependents were covered for a period of 12 consecutive months under another plan immediately prior to being covered under the Diocesan plan, the pre-existing condition exclusion clause will be waived. Please contact the Benefits Office for additional information.

Dental Benefits

The Diocese offers an indemnity dental plan administered by Delta Dental Insurance Company. A benefits summary for the dental plan is provided in your packet and on our website at <http://www.diocesepb.org/benefits/>. Eligible dependents can be covered under the dental plan at the employee’s cost. Costs for these benefits can be found in your enrollment packet.

Cafeteria Plan

The Diocese of Palm Beach has adopted its Cafeteria Plan as a way for you to purchase health care benefits and other benefits in an innovative manner that makes your dollars go further.

The Plan allows you to save on taxes. The Cafeteria Plan will allow you to pay for certain benefits with income you are not taxed on. You will end up with more spendable income than you would otherwise have. Although your earnings stay the same, this plan will put more spending power in your paycheck.

The Diocese of Palm Beach Cafeteria Plan allows you an individual choice of benefits. You voluntarily allocate a certain amount of your before-tax pay for the purchase of covered benefits. You will not pay Federal or Social Security (FICA) tax on funds you choose to allocate to the plan. Your “take home” pay increases right away because less tax is withheld from your paycheck when you purchase benefits with before-tax earnings.

The tax savings are permanent. The Cafeteria Plan doesn't just defer taxes until a later due date. You never have to pay taxes on your before-tax deductions.

The short-term disability policy is not available as a pre-tax deduction. If the deduction were pre-taxed, then the benefit payable would be taxable. For that reason, it was decided that the deduction would be taken after taxes so that the benefit would be paid tax free.

Please see your benefits enrollment packet for additional information and Cafeteria Plan Election Form.

Long Term Disability Benefits

The Diocese offers a Long Term Disability Plan to Employees. Benefits are 60% of the participant's salary to a maximum of \$3,000 per month. Maximum benefit duration depends on the age of the participant when the disability begins. There is a 90 day elimination period from the date of disability before benefit payments begin. The Employee's contributions for coverage under the long-term disability plan are currently paid for by the Entity they are assigned to. Long Term Disability benefits coverage does not begin until one year from the date of hire as a 30+hour/week employee.

Life Insurance Benefits

The Diocese of Palm Beach offers Life Insurance benefits payable to the Employee's beneficiary in the sum of \$25,000. Active participants age 70 and older are covered for \$12,500.

Retired Employees, who immediately upon leaving employment with the Diocese of Palm Beach, begin to draw a pension from the Diocese of Palm Beach Lay Employees' Pension Plan, can continue coverage under this plan. The face value of the retiree's term life insurance is \$5,000. The cost for this coverage is paid for by the retired employee.

If an active participant dies from an accidental injury, an accidental death and dismemberment benefit (AD&D) of \$25,000 (\$12,500 for age 70 and over) is payable to the beneficiary. If a participant sustains a dismemberment loss, the full amount of the death benefit may be paid, depending on the severity of the injury. AD&D is not available to retired employees.

The active Employee's contributions for coverage under the life insurance plan are currently paid for by the Entity they are assigned to.

Optional Insurance Benefits

Our benefits program includes supplemental Prudential Short-Term Disability, and Prudential Term Life Insurance at the employee's cost. Informational materials on these programs are enclosed in your benefits packet.

The Short-Term Disability program is insurance intended to bridge the 90-day long term disability plan elimination (waiting) period and is only available to the employee.

The Prudential Term Life Insurance is available to active full time 30+ hour employees. Eligible employees can apply for from \$10,000 to \$100,000 additional term life insurance at the employee's cost. Any amounts over \$50,000 will require evidence of insurability satisfactory to Prudential. Evidence of Insurability means that, in addition to the "Personalized Enrollment Form" the employee must complete the Health Statement Questionnaire included in their packet answering all health questions. Prudential will then review the questionnaire and approve or decline coverage for the amount above the \$50,000. However, \$50,000 in coverage is available to the employee regardless of their medical history as long as they apply for the coverage within 30 days of their date of hire.

The cost for this coverage is age rated. Rate information can be found in your benefits enrollment packet. The contribution for the cost of the first \$25,000 of Optional Life Coverage can be deducted from your wages on a pre-tax basis. Please see the Cafeteria Plan section of this summary for additional information. Optional Term Life Insurance is also available for your spouse and dependent children. Please see your benefits enrollment packet for additional information.

If you choose not to participate now, you can participate during the next annual enrollment period. However, in both the life and short-term disability programs you will be subject to health questions. Either way, pre-existing conditions limitations will apply.

Pension Plan for Lay Employees Within the Diocese of Palm Beach for Employees Hired Prior to January 1, 2010

The Diocese of Palm Beach Pension Plan was established July 1, 1985, to benefit its employees when their working years are over. In 1989, the Diocese of Palm Beach Pension Plan was split into two plans – this Pension Plan for Priests within the Diocese of Palm Beach and the Pension Plan for Lay Employee and Sisters and Brothers of the Diocese of Palm Beach.

Funds are administered for the exclusive benefit of participants by the Board of Trustees under the direction of the Bishop of the Diocese of Palm Beach. Benefits may be distributed only in accordance with the provisions of the Plan Document approved by the Internal Revenue Service as administered by the Board of Trustees.

The Plan Description provides details about your plan of benefits and eligibility. A copy of the summary plan description can be found on the Diocesan website (<http://www.diocesepb.org/benefits/>) and is also included in your benefits packet.

The Hartford 403(b) Retirement Plan for Employees Hired Prior to January 1, 2010.

The Diocese of Palm Beach gives employees the opportunity to participate in a 403(b) retirement plan. For employees hired **before** January 1, 2010 they can contribute into this plan with their own funds (no employer contribution).

There are multiple benefits of participating in a 403(b) retirement plan. Employees make contributions to their 403(b) account via “salary reduction” – meaning the employee’s contribution is taken out of his/her paycheck. In addition to the benefit of accumulating retirement savings, the employee’s gross income is reduced by the amount contributed to the employee’s 403(b) retirement savings account (resulting in lower taxable income). Further, all dividends, interest, and capital gains accumulate in your 403(b) on a tax-deferred basis. This means that your 403(b) earnings are sheltered from federal income taxation until you start making withdrawals. This compounding over time should have a very positive effect on the growth of your retirement account.

Please note that 403(b) retirement plan account forms are available at either www.thehartford.com or on our Diocese of Palm Beach benefits website (www.diocesepb.org/benefits under The Hartford 403B Retirement Plan.)

Please consider participating in a 403(b) retirement savings plan. More detailed information can be found at www.thehartford.com

The Hartford 403(b) Retirement Plan for Employees Hired After January 1, 2010.

The Diocese of Palm Beach gives employees the opportunity to participate in a 403(b) retirement plan. For employees hired **after** January 1, 2010, they are automatically enrolled in this plan with a 5% contribution from the employer. If the employee chooses to contribute their own funds there is up to a 2% employer match. Employees must complete all Hartford required enrollment forms and select from the investment options.

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Please consider participating in a 403(b) retirement savings plan. More detailed information can be found at www.thehartford.com

Benefits Office Website

A comprehensive summary of all benefits offered to Diocesan employees is available by viewing the Diocese of Palm Beach Benefits Website. You can find the website by entering <http://www.diocesepb.org/benefits/> on your internet browser.

Also available on our website are links to the Blue Cross of Florida website which includes the searchable provider directory.