



# COMMUNITY ACTION PARTNERSHIP OF MID-NEBRASKA

## Benefit Enrollment 2012

**All Eligible Staff must complete the benefit enrollment form (blue sheet) and the IRC Section 125 (Cafeteria Plan) enrollment form (yellow sheet), and return them to LaDonna Jackman or Carrie Eurek at the main office no later than 7 days from your date of hire or date of eligibility. If you do not wish to participate in the Cafeteria Plan, you still need to fill out the form and check the box above the employee signature line waiving your participation and then SIGN the form. Employees who do not return the benefit enrollment sheets will be unable to enroll in benefits for 2012 until the next open enrollment period. Please call LaDonna or Carrie at 1-877-335-6422 if you need assistance or have any questions.**

**To recap, what should you do?:**

- Review the benefit information and decide what benefit elections you would like to sign up for.**
- Call Carrie or LaDonna ASAP if you have any questions to ensure your enrollment by the deadline.**
- Fill out completely, both the blue (enrollment) and yellow (cafeteria) form.**
- Double check to make sure you have signed the forms.**
- MAKE A COPY FOR YOUR RECORDS!**
- Return the blue and yellow sheet by 7 days after your date of hire or date of eligibility to LaDonna or Carrie.**

## **BENEFIT ENROLLMENT**

All regular status employees of Community Action Partnership of Mid-Nebraska (Mid) whose percent of Full Time Employment (FTE) is rated at 60% or more (24 hours + a week) are eligible to participate in our Benefit Program.

Benefits include **agency contributed “Benefit Dollars”** and the ability to participate in the **I.R.C. Section 125** (Cafeteria Plan). A brief explanation follows:

### **BENEFIT DOLLARS**

**Benefit Dollars** is money **contributed by Mid** for employees to use toward the benefit options offered by the agency. **This money is in addition to the wage you earn.**

If your FTE is: **60-79%** the amount contributed is **\$150** a month.

If your FTE is: **80-100%** the amount contributed is **\$300** a month.

**Benefit Dollars** may be applied to the following four options, or a combination of these four items, more information regarding these options can be found in this enrollment packet:

1. Group Retirement Plan
2. Group Health Insurance
3. Group Dental Insurance
4. Term Life Insurance.

In most cases you can put in additional funds via payroll deductions to supplement these plans. Additional information and enrollment contact numbers are included in the packet.

### **I.R.C. SECTION 125 (Cafeteria Plan)**

**I.R.C. Section 125** enrollment allows you to remove certain estimated expenses from being subject to federal and state income taxes and FICA. If for instance, you have a day care expense of \$200 a month, you can withhold that amount from your paycheck, incur the expense, and be reimbursed the full amount of the expense without the burden of federal and state taxes and FICA. The 125 option can also apply to estimated medical or dental expense, not covered by insurance. If you are estimating you will have \$1,200 in out of pocket expense for next year, you can have \$100 deducted from your payroll each month for 12 months. Once the expense is incurred you will be reimbursed the amount you have contributed without the burden of federal or state income taxes. Please note that the money you set aside for the year must be utilized during the dates of the enrollment period, or you lose it. The funds cannot be carried over into the next enrollment period. A full list of eligible activities is included in this packet.

## Option 1

### GROUP RETIREMENT PLAN WITH AMERICAN FUNDS

(www.myretirement.americanfunds.com)

**Purpose:** To save for retirement.

**Eligibility:** You are eligible to make pretax salary reductions as of your hire date.

**Salary reduction deferrals:** You may defer 100% of your compensation up to the limit of \$17,000 in 2012. In addition, if you are age 50 before the end of 2012, you may defer an additional \$5,500. You are always 100% vested in the amount you defer.

**Benefit Dollar Contributions:** This contribution is allocated to the eligible plan participant based upon their percent of FTE.

**Employee Contributions:** You can contribute a set amount each month, or your contribution can be a % of your salary. You can indicate your preference on the Benefit Enrollment sheet (blue sheet).

**Investment Direction:** You will direct the investment of your entire interest in the Plan. You may choose one or more American Funds. Your options range in accordance with your tolerance for risk and your investment strategy. The Edward Jones office of Ben & Steve Homan is the plan's investment manager and can assist you in your financial planning decision.

**Rollovers:** You may rollover distributions you have received from other plans and certain IRAs into your 403 (b) account.

**Termination:** You may elect to have your vested benefit distributed to you, or rolled over to an IRA or another plan, as soon as administratively feasible following your termination of employment.

**In-service distributions:** Generally, your account may only be distributed upon retirement, termination of employment, death or disability, and after attaining age 59 ½.

**\*An application for American Funds' Target Date Funds can be found on our website. This application allows an employee to start an account without the need to contact Edward Jones directly. If you chose this option, the completed application can be faxed directly to Mid, to the attention of LaDonna at (308) 865-1357. Do not forget to turn in your enrollment forms with the application. If you choose this account option, you DO NOT need to contact Edward Jones.**

For additional information regarding your investment options, or to invest in higher risk funds, contact Steve or Ben Homan at Edward Jones in Kearney at 308-237-0500 or toll free at 1-888-237-1237. If you are a new enrollee, or have not elected this option before, and do not wish to enroll in the default account mentioned above, you will need to contact Edward Jones as they have paperwork that you will need to sign to complete your enrollment in the retirement account. Mid has contracted with the above mentioned Edward Jones for this service, and since each Edward Jones is independently owned, staff are unable to set up this option through a different Edward Jones office.

**Option 2**

**GROUP HEALTH INSURANCE**

**2012**  
**Blue Cross Blue Shield**

<b>Rates:</b>	
<b>Employee</b>	<b>\$492.79</b>
<b>Employee/Spouse</b>	<b>\$1,010.30</b>
<b>Employee/Child</b>	<b>\$862.42</b>
<b>Family</b>	<b>\$1,429.19</b>

Please see the following information for an overview of the plan coverage. If you elect to enroll in this benefit an application can be found on the agency website. Additional policy information can be obtained by calling Cindy at First Concord at 402-423-4454 or toll free 1-800-206-9942.

### Option 3

#### GROUP DENTAL INSURANCE

<b>Services</b>	<b>Companion Life</b>
Program Deductible Per Individual Family Limit	\$100 Lifetime No Limit
Type I Preventive Services	100% Oral exams bitewing X-rays cleanings full mouth x-rays sealants space maintainers pain treatment
Benefit Waiting Period	None for new employees
Type II Basic Services	80% fillings, anesthesia simple & surgical extractions endodontics, oral surgery periodontics
Benefit Waiting Period	None for new employees
Type III Major Services	50% crowns, inlays, onlays dentures, bridges, implants
Benefit Waiting Period	12 months
Contract Year Maximum	\$1,500
Type IV Orthodontia Child(ren) Only Lifetime Maximum Deductible	50% Child(ren) Only \$1000 None
Benefit Waiting Period	12 months
Monthly Cost	
Employee	\$33.58
Employee Plus Spouse	\$67.15
Employee Plus Child(ren)	\$76.54
Employee Plus Family	\$111.83

If you elect to enroll in this benefit and are a new enrollee, please complete the application found on our website under staff forms, or contact Carrie Eurek or LaDonna Jackman for an application. Additional information regarding the policy can be obtained by calling Laura Patton at 515-270-8178 or toll free 1-800-798-6772. Employees who are not new will be assigned a 12 month waiting period before any services are paid for, this includes preventative! This dental policy also offers discounts on hearing and vision services. See the information included at the end of the dental application for more information.

### Option 4

### TERM LIFE INSURANCE

Term life insurance is a contract between an investor and an insurance company to protect survivors against hardship due to the death of the insured. The insurance proceeds are paid to the beneficiary, or beneficiaries, free of ordinary income tax, at the time of death. There are no investment attributes to term life insurance and no cash build up, which makes the initial premium less expensive than that on permanent insurance. Term life insurance is often referred to as temporary life insurance.

The amount of premiums payable under a term insurance plan depend on age and health. Over time, the premiums will increase with advancing age. The insurance company generally cannot cancel the policy, but the policy owner may cancel at any time. The insured must meet the company’s insurability standards at the time of purchase.

#### Objective

To provide death benefits as economically as possible with the idea of eventually canceling the policy.

#### Suitability

Term insurance is primarily suited for investors with short-term life insurance needs (10 years or less) or for those with a long-term need but whose budget won’t allow for the higher premiums. Ideally, the term insurance buyer will eventually be self-insured.

#### Product Features

- Low Cost – Term life insurance is inexpensive. This is especially attractive to younger investors who have a smaller net worth.
- Convertibility-Term life insurance may be convertible to a permanent policy without insurability requirements.
- Fewer Long-term Benefits-Term insurance provides no retirement benefits or cash value later on.
- Rising Premiums-Premiums rise with age and may eventually become unaffordable.

Rates vary with age and health issues. A representative \$250,000 dollar policy’s monthly premium *example* for a non-smoker aged 25 is featured below:

Guaranteed Level Premium Period

Classification	10 year level	15 year	20 year
Female-non-smoker	\$ 14.00	\$ 17.94	\$ 19.69
Male-non-smoker	\$ 15.75	\$ 19.04	\$ 23.19

For additional information or for an application contact Ben Homan at Edward Jones at 308-237-0500 or toll free 1-888-237-1237.