

The Brody School of Medicine
at East Carolina University
Supplemental Fringe Benefit Program
Paid from the ECU Physicians Practice Plan
For
Practicing Physicians
(Class I Phased Retirement)

The following Supplemental Benefits are offered by the Brody School of Medicine to the faculty who participate in the ECU Physicians Practice Plan and who meet the eligibility requirements for Phased Retirement.

The Brody School of Medicine reserves the right periodically to revise its fringe benefit programs. The Brody School of Medicine will timely notify you of such revisions and of their effective date.

Class I – Phased Retirement Benefits for ECU Physicians Benefits:

Group Term Life Insurance	\$100,000
Voluntary Term Life Insurance (<i>Payroll Deduction</i>)	
Group Long Term Disability Insurance	
Voluntary Disability Income Protection (<i>Self Pay</i>)	
Dental Reimbursement Plan	
Dependent Health Insurance Reimbursement	
Medical Reimbursement Plan (SHERPA)	

Class I Phased Retirement – Coverage for ECU Physicians Benefits:

GROUP TERM LIFE INSURANCE - Coverage in the amount of \$100,000 on each faculty member is provided at no cost to the faculty member. In addition, coverage on the faculty member's legal spouse and each eligible dependent child is provided in the amount of \$10,000 at no cost to the faculty member. Premiums are paid by the ECU Physicians Practice Plan. Coverage is portable at Group rates. This policy is with The Lincoln National Life Insurance Company.

Note: The Internal Revenue Service regulations require that the imputed value of term life insurance in excess of \$50,000 be reported on the employee's W-2 form as taxable income. Applicable Social Security, Federal, and State taxes based on the imputed value of the employee's coverage will be withheld from the pay period that falls on the 15th of each month.

For more information on the Group Term Life Insurance, please see the booklet provided by The Lincoln National Life Insurance Company with the issue date of July 1, 2009.

ADDITIONAL VOLUNTARY TERM LIFE INSURANCE - coverage on the employee, employee's legal spouse, and eligible dependents may also be ***purchased*** through payroll deduction:

Employee Elected Voluntary Term Life Insurance - Employee may purchase additional Voluntary Term Life Insurance in any \$10,000 increments; subject to a maximum of five times Basic Annual Earnings (rounded to the next higher \$10,000). Coverage is subject to a minimum of \$10,000 and an overall maximum of \$1,000,000 (the \$100,000 provided by ECU Physicians Practice Plan does not count towards the \$1,000,000 coverage). Guaranteed issue of \$200,000 (no medical questions or physical required) if purchased within the first 31 days of employment.

Spouse Elected Voluntary Term Life Insurance - Employee may purchase Spouse Voluntary Term Life Insurance in any \$5,000 increment. Coverage is subject to a minimum of \$5,000 and an overall maximum of \$250,000. Guaranteed issue of \$30,000 (no medical questions or physical required) if purchased within the first 31 days of employment.

Employee must purchase additional voluntary term life insurance coverage in order for Spouse to be eligible for the additional voluntary term life insurance. Spousal amount is subject to a maximum of 50% of the employee elected Voluntary Term Life Insurance Benefit (rounded to the next higher \$5,000).

Dependent Child Elected Term Life Insurance – Employee may purchase Dependent Voluntary Term Life Insurance.

If the eligible child dependent is 14 days of age to six months the coverage amount is \$250. Newborn children to age 14 days are not eligible for a benefit.

If the eligible child dependent is six months of age to 19 years of age, or up to 25 years of age if a full-time student, the coverage amount is \$10,000.

Employee must purchase additional voluntary term life insurance coverage in order for Dependent to be eligible for additional voluntary term life insurance.

GROUP LONG-TERM DISABILITY INSURANCE - The ECU Physicians Practice Plan provides disability insurance at no cost to the individual faculty member under a group policy with The Lincoln National Life Insurance Company. Coverage is 60% of annual salary at the time of disability with a maximum benefit payment up to \$20,000 per month. The benefit is reduced by amounts paid by the Social Security Disability Program and most group disability programs, and is also reduced by the amount of the Disability Income Plan of North Carolina. Benefit payments are taxable to the recipient, since the ECU Physicians Practice Plan funds this coverage. This Policy also requires that the employee file for all other disability benefits to which the employee is entitled and must inform The Lincoln National Life Insurance Company about any other disability benefits that become payable. There is an Elimination Period (waiting period) of 180 calendar days of Disability caused by the same or a related sickness or injury.

For more information on the Group Long-Term Disability Insurance, please see the booklet provided by The Lincoln National Life Insurance Company with the issue date of July 1, 2009.

Upon approval of long-term disability benefits, the individual is no longer considered an employee of the University. While the employee's Disability Payments from the Lincoln National Life Insurance Disability Program continues all other *Fringe Benefits under the ECU Physicians Supplemental Fringe Benefit Program end at the time the long-term disability benefits begin.*

VOLUNTARY DISABILITY INCOME PROTECTION - Faculty have the opportunity to maximize income protection with Voluntary Disability coverage.

Voluntary Disability coverage can pay benefits through age 67. Since premiums would be paid by you with after-tax income, benefits could be received tax-free. Because of ECU Physician's buying power, the plan includes discounted premiums and unisex rates. Once your policy is put in force these premiums cannot increase prior to age 65. If you leave ECU, the coverage is portable and the discount will remain with your policy.

To request personalized information, contact The Benefit Planning Group at info@mybpginc.com or (800) 225-7174.

DENTAL BENEFIT – This is a self-insured dental reimbursement program of the ECU Physicians Practice Plan. Coverage is for the faculty member, the faculty member’s legal spouse and the faculty member’s eligible dependent children. Reimbursement will be made for 100% of dental expenses not to exceed \$500.00 for each faculty and each eligible dependent family member each plan year (the plan year runs January through December). **Reimbursement for orthodontics, appliances (i.e., occlusal guard, night guard, etc.), implants or any cosmetic dentistry, such as teeth whitening is not covered.**

If the faculty member enters the phased retirement program mid-year, he/she would be restricted to \$1,000 for that plan year and then \$500 for each plan year thereafter, while in phased retirement.

If the employee or any eligible dependent of the employee has another dental insurance plan (i.e., family or dependent coverage under a spouse or another family relationship) that dental plan becomes the primary dental plan.

If a Primary Dental Insurance Plan is in place in addition to the Brody School of Medicine dental plan, follow these steps for reimbursement of eligible expenses:

- File with Primary Dental Insurance
- Submit the explanation of benefits from the primary dental insurance plan along with itemized statement of services to the Supplemental Fringe Benefit Office (SFBO)
- Provide proof of payment for portion that the primary dental plan did not cover

The Supplemental Fringe Benefit Office will seek verification of expenses and dental insurance reimbursement prior to approving and processing payment from the Brody School of Medicine self-insured dental plan.

This formally notifies you that failure to file first with your primary dental plan as indicated above, may subject you to disciplinary action in a manner consistent

with applicable University policies and state statutes. *In addition*, a person may be committing insurance fraud, if he or she submits a claim containing a false or deceptive statement with intent to defraud (or knowing that he or she is helping to defraud) an insurance company. If changes occur after submission of claim, it is the employee's responsibility to notify the Supplemental Fringe Benefits Office of such changes immediately.

If there is no Primary Dental Insurance Plan, follow these steps for reimbursement of eligible expenses:

- Pay the dental bill
- Request an itemized receipt showing the services rendered and whom the services were for
- Submit the itemized receipt to the Supplemental Fringe Benefits Office
- Provide proof of payment for itemized receipt

Reimbursement will be in the pay period that falls on the 15th of each month. If proper documentation reaches the Supplemental Fringe Benefit Office (SFBO) by the 20th of the month, reimbursement will be in the next month's 15th pay check (example: submit proper receipts July 20th to SFBO, reimbursement will be in the August 15th pay check – if you submit proper receipts July 21st to SFBO, reimbursement will be in the September 15th pay check). The reimbursement will be included as part of the monthly gross income for the purposes of calculating the State and Federal taxes.

For each plan year (January 1st through December 31st) claims with a date of service on or before December 31st must be submitted within 6 months of the plan year end, or July 1st each year.

Upon separation from the Brody School of Medicine at East Carolina University employment, all claims must be submitted within 30 days of separation date.

DEPENDENTS HEALTH INSURANCE - The ECU Physicians Practice Plan reimburses **50%** of the faculty members out-of-pocket cost for dependent health coverage through the State Health Plan.

For Coverage Options please visit the following website:

<http://www.shpnc.org>

Click on the Tab “Medicare Retiree Medical Benefits”

The **faculty member will be responsible for providing proof of out-of-pocket cost for dependents health insurance premiums** to the Supplemental Fringe Benefits Office. Once proof is provided, the faculty member is reimbursed for 50% of this expense on a monthly basis.

Reimbursement will be in the pay period that falls on the 15th of each month. The reimbursement will be included as part of the monthly gross income for the purposes of calculating the State and Federal taxes.

Medical Reimbursement Plan - Supplemental Health Expense Reimbursement Plan Agreement (SHERPA). SHERPA is a self-insured program for eligible out-of-pocket expenses (co-pays, co-insurance, deductibles) for services which are payable under the primary health insurance plan, paid for by the ECU Physicians Practice Plan.

Professional and technical services provided by the following are eligible:

ECU Physicians
Vidant Medical Center - *located at 2100 Stantonsburg Road, Greenville, NC*
Vidant SurgiCenter
East Carolina Endoscopy Center (Vidant ECEC GI)
Leo Jenkins Cancer Center/Vidant Radiation Oncology
Vidant Medical Group Neurosurgery

Anesthesiology (*surgical only*), Radiology, Lab Services and Facility Fees provided as part of care received at:

ECU Physicians
Vidant Medical Center
Vidant SurgiCenter
East Carolina Endoscopy Center (Vidant ECEC GI)
Leo Jenkins Cancer Center/Vidant Radiation Oncology
Vidant Medical Group Neurosurgery

Care provided by the following within Greenville, NC:

Orthopedics
Ear, Nose, and Throat
Radiology (Imaging and Interpretation)
Urology
Ophthalmology, *excluding* routine eye exams and eyewear

SHERPA will follow the North Carolina State Health Plan limitations and exclusions for medical services.

If the service is provided by ECU Physicians, the ECU Physicians Billing System will submit a claim to your primary health insurance plan. After receiving payment from the primary health insurance plan, ECU Billing will then direct bill the Supplemental Fringe Benefits Office (SFBO). The SFBO will then pay the remaining balance.

Out-of-pocket expenses for services provided listed above are eligible for reimbursement provided expense is for an eligible service as defined by the State Health Plan, and a timely claim is submitted to the Supplemental Fringe Benefits Office. Reimbursement will be in the pay period that falls on the 15th of each month. For reimbursement of eligible services rendered by the providers listed above, follow the steps below:

- Complete a SHERPA Claim form
- Submit the Explanation of Benefits from the base health insurance plan along with itemized statement of services to the Supplemental Fringe Benefit Office (SFBO) or;
- Attach an itemized bill from the provider which includes the patient's name, provider's name, date of service, diagnosis or description of services provided, the charge and the amount the base health insurance plan covered. **Previous balance or balance forward bills are not accepted.**
- Provide proof of payment for portion that the Base Health Insurance Plan did not cover (e.g., canceled checks, credit card receipts, etc.)

For each SHERPA Plan Year (January through December) claims with a date of service on or before December 31th must be submitted within 6 months of the plan year end, or July 1st each year.

Upon separation from the Brody School of Medicine at East Carolina University employment, all claims must be submitted within 30 days of separation date.

Upon becoming ineligible (i.e. FTE below 75%), all claims must be submitted within 30 days of that date.

As an added benefit prescriptions purchased from the ECU Physicians Pharmacies are 100% covered when the drug has full, unrestricted FDA market approval and is covered by the primary health plan.

The maximum annual benefit under SHERPA is \$50,000 per Plan Year (January – December) for faculty member and all dependents combined and a limit of \$5,000 per Plan Year for any one occurrence.

Any amount paid to ECU Physicians or ECU Physicians Pharmacies on your behalf will be included as part of the monthly gross income for the purposes of calculating the State and Federal taxes.

Reimbursement will be in the pay period that falls on the 15th of each month. If proper documentation reaches the Supplemental Fringe Benefit Office (SFBO) by

the 20th of the month, reimbursement will be in the next month's 15th pay check (example: submit proper receipts July 20th to SFBO, reimbursement will be in the August 15th pay check – if you submit proper receipts July 21st to SFBO, reimbursement will be in the September 15th pay check). The reimbursement will be included as part of the monthly gross income for the purposes of calculating the State and Federal taxes.

The faculty hired by the Brody School of Medicine whose primary work assignment requires them to work and reside 30 miles outside of Greenville will be eligible for reimbursement of services comparable to eligible services outline.

IMPORTANT NOTICE: A person may be committing insurance fraud, if he or she submits a claim containing a false or deceptive statement with intent to defraud (or knowing that he or she is helping to defraud) an insurance company. If changes occur after submission of claim, it is the employee's responsibility to notify the Supplemental Fringe Benefits Administrator of such changes immediately. Failure to do so, may subject you to disciplinary action in a manner consistent with applicable University policies and state statutes.

LEAVE OF ABSENCE – All supplemental fringe benefits outlined in this document will stop the day an approved unpaid leave of absence begins. When the faculty member returns and meets all the qualifying requirements the supplemental fringe benefits will resume.

While the material in this summary of benefits currently available is accurate, it cannot be treated as a comprehensive or legal description of the various program components.

**APPROVED BY MFPP BOARD
September 25, 2003**

**Document Revised:
June 16, 2004
May 03, 2005
July 01, 2006
November 01, 2007
August 11, 2008
July 01, 2009
January 1, 2014**

**BENEFIT CHANGES APPROVED BY ECU PHYSICIANS BOARD
October 8, 2009**