



# ECU

## BRODY SCHOOL OF MEDICINE

### Supplemental Fringe Benefits Program, Class II Benefits



The supplemental fringe benefits indicated in this document are offered by the Brody School of Medicine to faculty (class II) who support the success of the Brody School of Medicine and who meet the eligibility requirements as outlined below. The Brody School of Medicine reserves the right to periodically revise its fringe benefits programs and timely notifies participants of such revisions and their effective dates.

#### **Class II – Eligibility Requirements for BSOM Supplemental Fringe Benefits:**

- MD, DO, or equivalent, or Medical Physicist Resident, with the title of Clinical Instructor; or
- PhD, Pharm D, DVM, EdD, or equivalent with the rank of Assistant Professor, Associate Professor, Professor, Teaching Assistant Professor, Teaching Associate Professor, Professor, Research Assistant Professor, Research Associate Professor, Research Professor, Clinical Associate Professor, Clinical Assistant Professor, Clinical Professor; or
- Midwives and Medical Physicists (non-physicians faculty generating clinical revenues); or
- MD, DO, or equivalent, or Clinical PhD, PsyD, or equivalent, who is no longer clinically active; and
- Employed in a permanent position with a full-time equivalent (FTE) of 0.75 or greater.

#### **Class II – BSOM Supplemental Fringe Benefits Package Includes:**

- Employer Paid Dependent Health Insurance
- Accidental Death & Dismemberment (AD&D) Insurance
- Group Term Life Insurance
- Voluntary Group Term Life Insurance (*employee paid through payroll deduction*)
- Voluntary Disability Income Protection (*employee paid through self-pay*)

## Dependent Health Insurance

The University provides partially paid health insurance coverage for permanent full-time employees with a full-time equivalent (FTE) of 0.75 or greater. The State Health Plan offers employees the choice between two Preferred Provider Organization (PPO) plans: the Enhanced 80/20 Plan or Basic 70/30 Plan. The cost of employee coverage varies by plan, but employees can reduce their premiums by completing the tobacco attestation wellness premium credit as a new hire and during open enrollment annually.

Participants who enroll in State Health Plan coverage are responsible for paying their portion of coverage but as a benefit under the BSOM Supplemental Fringe Benefits Program, the monthly premiums for dependent coverage (if enrolled) are employer paid. Premiums paid for dependent coverage are included as part of gross income for the purpose of calculating federal and state taxes.

Newly hired or newly eligible employees can enroll in the State Health Plan coverage the first day of the month following the month in which they are hired or become eligible.

## Accidental Death & Dismemberment Insurance (AD&D)

The Class II Supplemental Fringe Benefits Program includes AD&D insurance for the eligible faculty member and each of their qualifying dependents under a group policy with the Lincoln National Life Insurance Company. Premiums for this coverage are employer paid.

### **Faculty Coverage:**

Class II Faculty - \$100,000

### **Dependent Coverage:**

Legal Spouse - \$50,000

Dependent Child(ren) - \$50,000 per child

AD&D insurance benefits for faculty are reduced by 35% of the original amount by age 70 and an additional 15% of the original amount by age 75. Dependent children are eligible for coverage until age 26.

## Group Term Life Insurance

The Class II Supplemental Fringe Benefits Program includes group term life insurance for the faculty member and each of their qualifying dependents under a group policy with the Lincoln National Life Insurance Company. Premiums for this coverage are employer paid.

### **Faculty Coverage:**

Class II Faculty - \$100,000

### **Dependent Coverage:**

Legal Spouse - \$10,000

Dependent Child(ren) - \$10,000 per child

Life insurance benefits for faculty are reduced by 35% of the original amount by age 70 and an additional 15% of the original amount by age 75. Dependent children are eligible until age 26.

IRS regulations require that the imputed value of term life insurance in excess of \$50,000 be reported on an 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 are withheld monthly from an employee's paycheck on the 15<sup>th</sup> of each month.

## Voluntary Group Term Life Insurance

Additional voluntary term life insurance may also be purchased through payroll deduction under a group policy with the Lincoln National Life Insurance Company for faculty, their legal spouse, and/or eligible dependent children. A faculty member must purchase additional term life insurance for themselves to purchase additional voluntary term life insurance for a dependent. Premiums for voluntary group term life insurance are paid for by the employee through payroll deduction on a post-tax basis.

**Faculty Coverage** - A faculty member or administrator may purchase additional term life insurance in \$10,000 increments, subject to a maximum of five times their annual earnings with an overall maximum of \$1,000,000. Newly eligible faculty under age 70 can enroll in coverage up to \$200,000 without providing evidence of insurability if coverage is purchased within the first 31 days of employment. The maximum coverage for newly eligible faculty 70 years of age or older is \$50,000. Coverage is reduced by 35% when a faculty member reaches age 70 and an additional 15% when the faculty member reaches age 75.

**Spouse Coverage** - A faculty member or administrator may purchase additional term life insurance for a spouse in increments of \$5,000 when coverage is purchased on the faculty member. Coverage is subject to a minimum of \$5,000 and an overall maximum of \$250,000. Newly eligible faculty may purchase coverage up to \$30,000 for a spouse under age 60 without providing evidence of insurability if purchased within the first 31 days of employment. Coverage amounts are reduced by 35% when a spouse reaches age 70 and an additional 15% when a spouse reaches age 75.

**Dependent Child(ren) Coverage** - A faculty member or administrator may purchase additional term life insurance for a dependent child when coverage is purchased on the faculty member. Coverage in the amount of \$10,000 may be purchased for dependent children (up to age 26).

To enroll in this voluntary benefit, faculty should contact the Supplemental Fringe Benefits Office to request an enrollment form. Coverage purchased in excess of the guarantee issue or after the initial guaranteed issue period (first 31 days of employment) will be subject to evidence of insurability.

## Voluntary Disability Income Protection Insurance

Faculty can maximize income protection with voluntary disability coverage. Voluntary disability coverage can pay benefits through a maximum benefit period if a faculty member cannot perform the substantial and material duties of their specialty, regardless of whether he or she is working in another job.

Premiums for this coverage are paid by the faculty member with after-tax income and therefore, benefits could be received tax-free. Because of the program's buying power, the plan includes discounted premiums. If a faculty member separates from the University, coverage is portable, and the discounted rate will remain with the policy.

To request personalized information, please contact the Human Resources Supplemental Fringe Benefits Office.

## 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.

## Qualifying Life Events

If a faculty member enrolled in the Supplemental Fringe Benefits Program experiences a qualifying life event, the faculty member should contact the Supplemental Fringe Benefits Office within 30 days of the event to ensure all necessary benefit adjustments are made timely.

Qualifying life events may include, but are not limited to:

- Birth of a child
- Adoption
- Marriage
- Divorce
- Legal Separation
- Death

Dependent children are automatically removed from these benefits as of their 26<sup>th</sup> birthday, unless documentation is submitted verifying the dependent is disabled.

For additional information about the Brody School of Medicine  
Supplemental Fringe Benefits Program,  
please contact the Supplemental Fringe Benefits Office.

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BSOM Faculty Fringe Benefits: <https://humanresources.ecu.edu/bsom-faculty-benefits/>  
Other University Benefits: <https://humanresources.ecu.edu/benefits/>