

LOCKHART ISD EMPLOYEE BENEFITS 2004-2005

Lockhart Independent School District Offers:

Medical Insurance	Life Insurance
Dental Insurance	Accident Indemnity Plan
Vision Insurance	Prepaid Legal Insurance
Cancer Insurance	Medical Reimbursement Account
Heart Attack and Stroke	Dependent Care Reimbursement Account
Personal Sickness Indemnity	Retirement Plans (Required and Voluntary)
Disability Income	

Introduction

Below is an explanation of benefits that Lockhart ISD offers to employees that work a minimum of six hours per day, 30 hours per week. Medical, dental, vision and catastrophic illness benefits are pre-tax plans. Therefore, employees do not have to pay federal taxes on these deductions. However, when an employee elects a pre tax plan they may not make any changes to those plans until next open enrollment (September), unless there is a change in family status.

Supplemental Compensation

Lockhart Independent School District is providing a supplemental compensation for a total \$83.33 to employees who are actively contributing members of TRS, providing you do not have a 90-day waiting period. The 90-day waiting period applies to individuals hired after September 1, 2003, and do not have a TRS retirement account still active. The supplement will be paid to you as additional compensation and you will be taxed on the entire supplement in the same manner as you are taxed on your regular pay. Unless you elect insurance plans offered as a pre-tax plan. Pre-tax insurance plans are the medical insurance, cancer, dental and vision insurance, medical and dependent care reimbursement accounts or the personal sickness and accident indemnity plans.

Medical Insurance

TRS ActiveCare is the school district's medical insurance for the 2004-2005 school year. Blue Cross/Blue Shield administers this medical insurance. It is a Preferred Provider Organization (PPO) type plan and under this plan there are three different options. For plan option highlights refer to the TRS website at www.trs.state.tx.us, then click on "TRS-ActiveCare/Funding" and choose the option "2004-2005 Highlights of Approved Plan." It briefly explains the different medical coverage options and the cost of each option.

TRS ActiveCare is a PPO Plan, therefore to receive a higher level of coverage, the school district contributes \$174.00 toward the employee premiums, along with the supplemental compensation of \$83.33 and an additional \$75.00 from State of Texas for employees who participate in TRS Activecare. These amounts will help the employee pay for medical benefits. The following table lists the premium rate that Lockhart ISD will charge employees after 90 days of service.

BLUE CROSS/BLEU SHIELD MEDICAL RATES 2004-2005 SCHOOL YEAR

Local compensation and the District/State contribution is available to employees after 90 calendar days of employment. The exception to this rule is employees which are Teacher Retirement System members and have not taken out their retirement contributions. TRS members may receive compensation and the district/state contribution immediately.

TRS Group #85000

ACTIVECARE I	EE Cost	Local/State Compensation	District/State Contribution	Total Premium
EE Only	(83.33)	83.33	249.00	249.00
EE/Spouse	233.67	83.33	249.00	566.00
EE/Child(ren)	63.67	83.33	249.00	396.00
EE/Family	299.67	83.33	249.00	623.00

ACTIVECARE 2	EE Cost	Local/State Compensation	District/State Contribution	Total Premium
EE Only	(1.33)	83.33	249.00	331.00
EE/Spouse	420.67	83.33	249.00	753.00
EE/Child(ren)	194.67	83.33	249.00	527.00
EE/Family	495.67	83.33	249.00	828.00

ACTIVECARE 3	EE Cost	Local/State Compensation	District/State Contribution	Total Premium
EE Only	86.67	83.33	249.00	419.00
EE/Spouse	619.67	83.33	249.00	952.00
EE/Child(ren)	334.67	83.33	249.00	667.00
EE/Family	714.67	83.33	249.00	1047.00

For additional information, insurance forms and a list of participating physicians, utilize the TRS website:

<http://www.trs.state.tx.us/TRS-ActiveCare/Index.htm>

Dental Insurance

With Lockhart ISD's dental plan you are able to obtain care from any dentist of your choosing. This plan is a pre-tax plan, therefore, individuals are eligible to enroll during open enrollment or during 31 days of a change in status. If an employee or dependent does not enroll within 31 days from the date the person qualifies for insurance that person will be a late entrant. If an employee or dependent becomes a late entrant, the employee or dependent's benefits will be limited to exams, cleanings & child fluorides for the first 12 months.

Note: If an employee does not elect medical insurance Lockhart ISD will use the district contribution toward the dental premium of the employee's choice. Thus dental will be free.

Insurance Rates:

Rates:	Monthly
Employee	\$24.08
Employee & Spouse	\$46.48
Employee & Children	\$60.16
Employee & Family	\$82.56

Plan Pays:

Procedure	% Paid
Preventive Procedures (exams, cleanings, child fluoride treatments)	100%
Basic Procedures (oral surgery, fillings, extractions)	80%
Major Procedures (bridges, dentures, crowns, root canals, gum disease)	50%
Orthodontia Procedures (Adult and Child)	50%

Deductible Amount:

Procedure	Amount
Preventive Procedures	\$0
Basic & Major Procedures (3 family max.)	\$50

Maximums:

Procedure	Amount
Preventive, Basic, and Major Procedures (Annual Maximum)	\$1,100
Orthodontia Procedures (Lifetime Maximum)	\$1,000

For additional information and insurance claim forms, utilize Ameritus' website at:

<http://www.yourdentalsolutions.com>

Vision Insurance

Rates

Rates:	Monthly:
Employee Only	\$10.60
Employee and One Dependent	\$20.64
Employee and Family	\$30.32

Co-payment: \$10.00 Exam

In-Network co-payment is paid directly to the provider.

Non-network co-payment will be deducted from the non-network reimbursement.

Gold Premium Plan Services/Frequency

Services	Frequency
Comprehensive Exam	12 months
Lenses	12 months
Frames	24 months
Contact Lenses	12 months

Benefit Coverage

Benefits	In Network	Out-of-Network
Comprehensive Exam Ophthalmologist (MD)/ Optometrists(OD)	Covered in Full	Up to \$42.00
Standard Lenses (per pair):		
Single Vision	Covered in Full	Up to \$32.00
Bifocal	Covered in Full	Up to \$46.00
Trifocal	Covered in Full	Up to \$61.00
Lenticular	Covered in Full	Up to \$84.00
Contact Lenses (per pair):		
Medically Necessary*	Covered in Full	Up to \$210.00
Cosmetic-Elective**	Up to \$100.00	Up to \$100.00
Frames Standard	Up to \$100.00	Up to \$48.00

*Contact lenses are in lieu of eyeglass lenses and frames benefit.

**The insured is responsible for paying any charges in excess of this allowance.

For additional information, insurance claim forms, and a list of participating doctors, utilize Superior Vision's website at:

<http://www.superiorvision.com>

Cancer/Specified Disease Insurance

Cancer Insurance pays benefits for actual expenses an insured incurs because of hospital confinement and certain other expenses resulting from treatment for cancer, subject to limitations defined in the policy. This policy pays benefits in addition to any other hospital or major medical coverage you have, even HMO or PPO plan. All benefits are paid directly to you unless you specify otherwise.

Heart Care Plus Insurance

American Heritage Life Insurance Company also offers the Heart Care Plus insurance which protects you and your family against the high cost of medical treatment, in the event of heart disease and stroke. Also, this insurance pays benefits directly to you, unless you assign them, pays in addition to any other coverage you may have and you can keep it if you change jobs or retire.

Personal Sickness Indemnity

AFLAC insurance offers a medical supplemental policy. It pays the insured a flat amount for a variety of medical expenses. Plan benefits are physician visits, initial hospitalization, hospital confinement, major diagnostic exams, surgical, plus more.

Disability Income Insurance

Most of us depend on a regular paycheck to pay the bills. But a disabling illness or injury could stop you from earning that paycheck. Then how would you pay for housing, utilities, transportation, and food? Lockhart ISD does have a sick leave policy; however, it might only provide you an income for a limited period of time. Disability insurance can help. It pays a portion of your income if you were to become sick and not able to work for a period of time. If you do not enroll when you are first eligible you must provide evidence of insurability during next open enrollment.

You can purchase your disability plan to start payments on:

Plan	Start Pay on:
Plan VIII	on the 15th day of total disability due to covered accident or illness.
Plan IX	on the 31st day of total disability due to covered accident or illness.
Plan X	on the 61st day of total disability due to covered accident or illness.
Plan XI	on the 91st day of total disability due to covered accident or illness.
Plan XII	on the 151st day of total disability due to covered accident or illness.

Life Insurance

Employee Life Insurance:

Lockhart ISD provides a \$10,000 life insurance policy for employees working four or more hours per day, 20 hours per week.

Optional Life Coverage:

You may obtain between \$10,000 to 200,000 of Optional Life insurance for yourself through Metropolitan Life. This coverage is available, in \$10,000 increments, for you without medical evidence of insurability if you select amounts between \$10,000 and \$100,000 provided enrollment takes place within 31 days of becoming eligible, and you have not been hospitalized within 90 days of enrollment. A full statement of health is required if you have been hospitalized within the 90 days prior to enrolling.

Continued

Life Insurance, Continued

Dependent Life Coverage:

Metropolitan Life also offers life insurance coverage for your dependents without medical evidence of insurability provided enrollment takes place within 31 days of the date of eligibility and your dependents have not been hospitalized within 90 days of enrollment. A full statement of health is required if your dependent has been hospitalized in the 90 days prior to enrolling. Coverage is available in the amount of \$10,000 for your spouse as long as the amount does not exceed the maximum allowable of 50% of the employee amount permitted by the State of Texas. Coverage in the amount of \$5,000 is available for your dependent child(ren) 15 days to 19 years (23 if full time student).

Voluntary Accidental Death & Dismemberment Coverage:

You may also choose Voluntary Accidental Death and Dismemberment coverage regardless of whether you purchase optional life insurance coverage. VAD&D is available in increments of \$25,000 up to maximum of the lesser 10 times salary or \$500,000. If you are enrolled for VAD&D coverage, you may also choose Voluntary Accidental Death and Dismemberment coverage for your dependents.

Accident Plan

AFLAC insurance offers an accident plan. This plan pays on medical expenses incurred due to an accident. Plan benefits are emergency treatment, initial hospitalization, hospital confinement, specific-sum injuries, accidental death, wellness, plus much more.

Prepaid Legal Insurance

Provides employees with attorney representation at the lowest possible cost.

Expense Reimbursement Accounts

Medical Reimbursement account permits you to pay for unreimbursable out-of-pocket medical expenses for your family with before-tax dollars. It is a benefit where you choose the monthly amount to be taken from your paycheck through payroll deduction. You select the amount based upon your estimate of projected out-of-pocket expenses. That amount selected is then sent to a special medical reimbursement account set up in your name. When medical costs are incurred, you may turn in your receipts showing the amount paid for those costs and complete a Reimbursement voucher. You can then send the voucher and receipt to First Financial. A check is then sent to you from the reimbursement account, thus avoiding taxes on those expenses.

Dependent Care Reimbursement account allows families to pay for their dependent care expenses with before-tax dollars. It is a benefit where you choose the monthly amount to be taken from your paycheck through payroll deduction. That amount which you choose is then sent to a special dependent care account set up in your name. When dependent care costs are incurred, you will turn in a receipt showing the amount paid for that care and complete a reimbursement voucher. You will send the voucher and receipt to First Financial Administrators. First Financial will, in turn, send the funds in your account back to you at your home address. First Financial can also deposit the amount directly into your bank account. First Financial can only return funds equal to the account balance, which may be less than your actual costs each month.

For additional information and online reimbursement forms, utilize First Financial's website at:

<http://www.ffga.com>

Retirement Plans

Required Plans:

Teacher Retirement System (TRS): Currently covered employees must contribute 6.4% of their salary to the plan, an additional .25% of their salary is deducted for TRS-Care from public school employees', for a total of 6.65% towards TRS.

Alternate Retirement Plan for Substitutes and Part-Time Employees: Part-time, seasonal, and temporary (PST) employees are not eligible to participate in the Teacher Retirement System program. In order to provide some sort of retirement plan for these employees, Lockhart ISD has established an alternate retirement plan, the 457 Annuity through MidAmerica Life Insurance Company of America. Employees contribute 6.2% of your pay to your plan account on a pre-tax basis. Lockhart ISD makes an employer contribution of 1.3% to your account.

Voluntary Plans:

403(b) Tax Deferred Annuity and Mutual Fund Plan
457 Deferred Compensation Plan (Section 457 - Internal Revenue Code)

Questions?

Please contact Lockhart ISD Human Resources, at (512) 398-0000.