

# **5.08 Insurance Programs**

## **Section 125 Plan**

Section 125 of the Internal Revenue Code allowed McPherson College to establish an employee benefit plan whereby employees can choose among various benefits and purchase the benefits through deductions from pay on a pre-tax basis. The employee receives the selected benefits free of federal and state income taxes and social security taxes. The plan year begins January 1st annually. Enrollment in the insurance programs can occur within 30 days of hire or 30 days after the introductory period if applicable, within 30 days of a qualifying event, and during annual open enrollment (November). Additional information regarding each insurance plan is available in the human resource office. These benefits are subject to termination or change at any time.

## **Medical Insurance**

Participation in a medical insurance coverage program is available to all employees working at least one-half time. Premiums for this coverage are paid monthly. The College and the employee each pay a portion of the health insurance premium. Eligible persons working less than full-time are eligible for premium contributions from the College on a pro rata basis. The employee contribution is paid through monthly payroll deductions.

The employee may select single coverage, employee and spouse coverage, employee and children coverage, family coverage, or decline coverage. A benefits summary and a list of premium prices for each plan are provided annually during open enrollment or can be obtained by contacting the Human Resource office.

## **Life Insurance**

The College provides each employee who works at least half-time (1080 hours) with a \$10,000 group term life insurance policy. A newly hired employee is guaranteed the right to the life insurance policy regardless of any health issue or concern if enrolled within 31 days of hire date.

### **Dental Insurance**

All regular employees are eligible for dental insurance. All dental insurance premiums are paid by the employee through payroll deductions. Detailed information about dental insurance coverage and premiums is available in the Human Resource office.

### **Vision Insurance**

All regular employees are eligible for vision insurance. All vision insurance premiums are paid by the employee through payroll deductions. Detailed information about vision insurance coverage and premiums is available in the Human Resource office.

### **Supplemental Insurance**

Supplemental benefits could include accident, cancer, specific event, and intensive care insurance and short-term disability. This is not an all-inclusive list and is subject to change at any time dependent upon benefits negotiations.