

SENATE COMMITTEE ON FACULTY BENEFITS

2007 Yearly Costs of Healthcare Plans

(Informational)

Penn State offers its employees many benefits as part of their total compensation package. A “snapshot” summary of these benefits is shown in Figure 1. More detailed information about each benefit is available via the Office of Human Resources (OHR) Web page at www.ohr.psu.edu/benefits.

Although Penn State offers many employee benefits, healthcare benefits (health, dental, and vision plans) are the most important to many Penn State employees. The intent of this report is not to provide the variables used to determine healthcare costs and Penn State’s contribution to those costs. Rather, the intent is to simply provide the yearly cost of health care benefits and Penn State’s and employee’s financial and percent contributions to the health, dental, and vision plans available to Penn State employees. In part, this is being done so that employees have a better understanding of Penn State’s financial contribution to their healthcare benefits as part of their total compensation package.

Every November Penn State employees are allowed to choose whether or not they would like to enroll in a healthcare plan for the following calendar year. If an employee chooses to enroll they typically have several healthcare benefit plans to choose from. Table 1 summarizes the 2007 health, dental, and vision plans, type of coverage, yearly cost, and Penn State’s and employee financial and percent contribution.

Health Plans: For 2007 Penn State offered employees 16 health plans where each plan included prescription drug coverage. However, the eligibility for each health plan is based on the employee’s county of residence. Regardless of health plan, Penn State’s contribution is 80 percent for single and 74 percent for family coverage of the yearly cost. Unfortunately, each health plan has a different yearly cost ranging from \$2,904.36 for the Keystone Western HMO single coverage plan to \$17,693.16 for the Aetna HMO-North Virginia family coverage plan. Consequently, because of Penn State’s percent of contribution an employee’s financial contribution (20 percent for single coverage and 26 percent for family coverage of the yearly cost) varies across health plan and type of coverage ranging from \$580.92 for the Keystone Western HMO single coverage plan to \$4,600.20 for the Aetna HMO-North Virginia family coverage plan. About 70 percent of Penn State employees select the HealthAmerica HMO having a yearly cost of \$3,383.64 for single and \$8,911.68 for family coverage. Given Penn State’s percent contribution, Penn State pays \$2,706.96 for single and \$6,594.60 for family coverage as part of an employees total compensation package.

Dental Plans: For 2007 Penn State offered employees two dental plans called basic and basic plus. The yearly cost of the basic plan single coverage is \$314.76 of which Penn State contributes 80 percent or \$251.76 while the cost for family coverage is \$828.12 of which Penn State contributes 74 percent or \$612.84. The yearly cost of the basic plus plan single coverage is \$485.76 of which Penn State contributes 52 percent or \$251.76 while the cost for family coverage is \$1,240.08 of which Penn State contributes 49 percent or \$612.84. Thus, regardless

of plan Penn State pays \$251.72 for single and \$612.84 for family coverage as part of an employees total compensation package.

Vision Plan: For 2007 Penn State offered employees one vision plan with three types of coverage. The yearly cost of the plan for: (a) single coverage is \$47.04 of which Penn State contributes 80 percent or \$37.56, (b) single plus one dependent coverage is \$93.96 of which Penn State contributes 74 percent or \$69.60, and (c) family coverage is \$141.36 of which Penn State contributes 74 percent or \$104.64.

As reported above, the intent of this report is to provide the yearly cost and Penn State's and employee's financial and percent contributions to health, dental, and vision plans available to Penn State employees. If an employee elects to participate in one or all of these plans, their total compensation package increases due to Penn State's financial contribution. For example, if an employee elects to participate in family coverage in the HealthAmerica HMO, dental basic, and vision plan, Penn State contributes \$7,312.08 to the employee's total compensation package.

SENATE COMMITTEE ON FACULTY BENEFITS

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Figure 1. “Snapshot” summary of employee benefits.

Benefits Snapshot

Your benefits package may include more than you think!

Penn State’s total compensation includes all of the following employee benefits:

☑ **Medical Coverage**

Penn State’s comprehensive medical plans are designed to provide quality, affordable, and accessible healthcare coverage for Penn State employees and their families. Most employees may choose from the freedom-based Penn State Choice plan or the value-focused HealthAmerica HMO.

www.ohr.psu.edu/benefits

☑ **Prescription Drug Coverage**

Comprehensive prescription drug coverage is included in all Penn State medical plans. Participants in Penn State Choice and HealthAmerica HMO have access to a formulary of more than 900 approved prescription drugs.

www.ohr.psu.edu/benefits

☑ **Dental Coverage**

Penn State’s dental partnership with United Concordia offers a competitive dental plan designed to promote a brighter smile and complete oral wellness.

www.ohr.psu.edu/benefits

☑ **Vision Coverage**

NVA’s vision plan allows all participants access to preventive eye exams as well as affordable glasses and lens coverage.

www.ohr.psu.edu/benefits

☑ **Retirement Savings**

Penn State offers two premier retirement options to all full-time employees. TIAA-CREF and the State Employees’ Retirement System ensure your peace of mind for the future.

www.ohr.psu.edu/benefits

☑ **Supplemental Retirement Plans**

Penn State makes it even easier to save for retirement with five different supplemental retirement plans. Choose from 403(b) and 457(b) plans offered by Fidelity, Vanguard, TIAA-CREF, AXA Equitable, and AIG VALIC.

www.ohr.psu.edu/benefits

☑ **Health Matters**

As Penn State’s employee wellness program, Health Matters offers a diverse range of classes and activities designed to enhance the well-being of you and your family.

www.ohr.psu.edu/healthmatters

☑ **Professional Development**

Expand your horizons through more than 240 different professional development courses offered by Penn State’s Human Resource Development Center.

www.ohr.psu.edu/hrdc

☑ **Tuition Discount**

Education is a lifelong journey. To help you and your family along the way, Penn State offers a 75% tuition discount to all full-time employees and their eligible dependents.

www.ohr.psu.edu/benefits

☑ **Life Insurance**

All full-time employees receive a \$5,000 Prudential life insurance policy at no cost. Additional coverage may be purchased each year during “Time To Choose”.

www.ohr.psu.edu/benefits

☑ **Flexible Spending Accounts**

A flexible spending account can lead to an increase in spendable income. Pay for select medical and child care expenses on a pre-tax basis.

www.ohr.psu.edu/benefits

☑ **Employee Assistance Program**

Penn State’s Employee Assistance Program is a confidential and free way for employees and their household members to resolve personal challenges. Information, consultation, and assistance are provided by professionally trained counselors.

www.ohr.psu.edu/eap

☑ **Dual Career Program**

Penn State’s Dual Career Program helps spouses and partners of recently hired employees locate employment in and around the Centre Region.

www.ohr.psu.edu/dualcareers

☑ **Career Counseling & Planning**

Still struggling to find a career path that’s right for you? Penn State Career Services can help you find the right match.

See your Human Resources Representative

☑ **Penn State Discounts**

Discover the “extra” benefits of being a Penn State employee. Save on everything from cell phones to amusement park tickets to cars.

www.ohr.psu.edu/discounts

☑ **Long-Term Disability**

Penn State’s disability benefits provide up to 60% of salary with total benefits.

www.ohr.psu.edu/benefits

☑ **Family-Friendly Policies & Flexible Work Schedules**

Telecommuting, job sharing, and flexible work schedules are just some of the ways Penn State employees are ensuring a proper work/life balance.

www.ohr.psu.edu/worklife

☑ **Voluntary Accidental Death & Dismemberment Insurance**

Penn State’s Voluntary Accidental Death & Dismemberment insurance through The Hartford covers Penn State employees both on and off the job, anywhere in the world.

www.ohr.psu.edu/benefits

☑ **Vacation & Paid Holidays**

Most full-time staff employees annually earn between 18 and 24 vacation days plus 12 paid holidays, allowing you to enjoy life as you please.

www.ohr.psu.edu/worklife

☑ **Sick Leave**

Nobody wants to be sick. But if you should feel under the weather, Penn State’s sick leave allows you time to recover. Full-time staff employees accumulate up to 12 sick days each year.

www.ohr.psu.edu/worklife

☑ **Child Care Resources**

Penn State provides on-site child care at five University locations. The University’s Work/Life office also provides additional child care resources and guides, including an annual guide to summer programs for school-age children.

www.ohr.psu.edu/worklife

☑ **Athletic Facilities**

Penn State employees are eligible to purchase discounted passes to many state-of-the-art fitness and recreation facilities, including the Penn State Fitness Pass.

fitnessmembership.psu.edu

☑ **Football Tickets**

Do your part to help support the Nittany Lions. Full-time employees may purchase season football tickets at a reduced rate.

www.gopsusports.com/tickets

Table 1. 2007 Penn State health, dental, and vision plans, type of coverage, yearly cost, and Penn State's and employee's yearly financial (cost) and percent contribution.

Health Plan	Coverage	Yearly Cost	PSU Contribution		Employee Contribution	
			Cost	Percent	Cost	Percent
HealthAmerica HMO	Single	\$3,383.64	\$2,706.96	80%	\$676.68	20%
	Family	\$8,911.68	\$6,594.60	74%	\$2,317.08	26%
Penn State Choice	Single	\$5,289.96	\$4,231.92	80%	\$1,058.04	20%
	Family	\$13,612.20	\$10,073.04	74%	\$3,539.16	26%
Aetna HMO-Berks	Single	\$4,119.48	\$3,295.56	80%	\$823.92	20%
	Family	\$16,568.40	\$12,260.64	74%	\$4,307.76	26%
Aetna HMO-Delaware	Single	\$6,078.84	\$4,863.12	80%	\$1,215.72	20%
	Family	\$16,498.56	\$12,208.92	74%	\$4,289.64	26%
Aetna HMO-New Jersey	Single	\$5,427.24	\$4,341.84	80%	\$1,085.40	20%
	Family	\$13,551.24	\$10,027.92	74%	\$3,523.32	26%
Aetna HMO-North Maryland	Single	\$5,001.12	\$4,000.92	80%	\$1,000.20	20%
	Family	\$12,869.88	\$9,523.68	74%	\$3,346.20	26%
Aetna HMO-South Maryland	Single	\$4,983.36	\$3,986.64	80%	\$996.72	20%
	Family	\$12,824.40	\$9,490.08	74%	\$3,334.32	26%
Aetna HMO-North Virginia	Single	\$6,875.28	\$5,500.56	80%	\$1,374.72	20%
	Family	\$17,693.16	\$13,092.96	74%	\$4,600.20	26%
Aetna HMO-Philadelphia	Single	\$5,305.20	\$4,244.16	80%	\$1,061.04	20%
	Family	\$13,557.48	\$10,032.48	74%	\$3,525.00	26%
Aetna HMO-Pittsburgh	Single	\$4,696.92	\$3,757.56	80%	\$939.36	20%
	Family	\$12,211.68	\$9,036.60	74%	\$3,175.08	26%
Aetna POS-Southeast	Single	\$6,953.52	\$5,562.84	80%	\$1,390.68	20%
	Family	\$17,641.44	\$13,054.68	74%	\$4,586.76	26%
Blue Cross of NEPA	Single	\$3,262.20	\$2,609.76	80%	\$652.44	20%
	Family	\$8,478.24	\$6,273.84	74%	\$2,204.40	26%
Geisinger HMO	Single	\$3,940.08	\$3,152.04	80%	\$788.04	20%
	Family	\$10,377.00	\$7,679.04	74%	\$2,697.96	26%
Geisinger POS	Single	\$5,295.72	\$4,236.60	80%	\$1,059.12	20%
	Family	\$13,947.36	\$10,321.08	74%	\$3,626.28	26%
Keystone Central HMO	Single	\$4,828.92	\$3,863.16	80%	\$965.76	20%
	Family	\$14,061.96	\$10,405.80	74%	\$3,656.16	26%
Keystone Western HMO	Single	\$2,904.36	\$2,323.44	80%	\$580.92	20%
	Family	\$8,538.60	\$6,318.60	74%	\$2,220.00	26%
Dental Basic	Single	\$314.76	\$251.76	80%	\$63.00	20%
	Family	\$828.12	\$612.84	74%	\$215.28	26%
Dental Basic - Plus	Single	\$485.76	\$251.76	52%	\$234.00	48%
	Family	\$1,240.08	\$612.84	49%	\$627.24	51%
Vision	Single	\$47.04	\$37.56	80%	\$9.48	20%
	Single + 1 Dependent	\$93.96	\$69.60	74%	\$24.36	26%
	Family	\$141.36	\$104.64	74%	\$36.72	26%