




# 2016 EMPLOYEE BENEFITS GUIDE



# NRECA

A Touchstone Energy® Cooperative 

**A**s part of its total compensation strategy, NRECA provides its employees with a comprehensive benefits package. The benefits program is designed to provide you with the opportunity to select benefit options that best fit your lifestyle and personal choices.

The decisions you make regarding your enrollment in benefits deserves your careful consideration. Your choices will be in effect for the plan year. You will be able to make changes during the plan year only in the event of a qualifying life event.

Keep in mind that this guide provides an overview of the benefits available to you. It does not include details of all covered expenses or exclusions and limitations. Please refer to each Summary Plan Description for the terms and conditions of coverage.

NRECA reserves the right to change, amend or terminate any or all of the benefits shown in this guide as necessary.

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# CONTACT DIRECTORY

EXTERNAL CONTACTS		
Plan	Website	Contact Information
<b>Health Plans</b>		
Medical, Dental, Vision, Disability	<a href="http://www.cooperative.com">www.cooperative.com</a>	866-673-2299; <a href="mailto:contactcenter@nreca.coop">contactcenter@nreca.coop</a>
United Healthcare (Medical)	<a href="http://www.umar.com">www.umar.com</a>	
CVS/Caremark (Prescription drugs)	<a href="http://www.caremark.com">www.caremark.com</a>	888-796-7322
SHARE Program	<a href="http://www.cooperative.com">www.cooperative.com</a>	800-526-7322
Connection Dental (Dental)	<a href="http://www.connectiondental.com">www.connectiondental.com</a>	877-277-6872
Health Equity (Health Savings Account)	<a href="http://www.healthequity.com">www.healthequity.com</a>	800-766-0525
Flexible Spending Accounts (FSA)	<a href="http://www.cooperative.com">www.cooperative.com</a>	402-483-9385
MyHealth Coaches	<a href="http://www.cooperative.com">www.cooperative.com</a>	866-696-7322
<b>Retirement Plans</b>		
401(k) and Pension Plans	<a href="http://www.cooperative.com">www.cooperative.com</a>	866-673-2299; <a href="mailto:contactcenter@nreca.coop">contactcenter@nreca.coop</a>
Personal Investment Retirement Consulting		866-673-2299 (option 5,2); <a href="mailto:pirc@nreca.coop">pirc@nreca.coop</a>
<b>Additional Resources</b>		
Legal Resources	<a href="http://www.legalresourcesplan.com">www.legalresourcesplan.com</a>	800-728-5768
Life Strategy Counseling (Employee Assistance)	<a href="http://www.apshelplink.com">www.apshelplink.com</a> company code: nreca	888-225-4289
Flexible Spending Accounts (FSA)	<a href="http://www.cooperative.com">www.cooperative.com</a>	402-483-9385
InSight Program (Employee Assistance)	<a href="http://www.insighteap.biz">www.insighteap.biz</a>	402-488-1032
Haslett Management (Long Term Care Insurance)	<a href="http://www.hmgltc.com">www.hmgltc.com</a>	David Hillelsohn 703-709-1160
Veterinary Pet Insurance	<a href="http://www.petinsurance.com/SingleLP/National_Rural_Electric_Cooperative_Association.aspx">http://www.petinsurance.com/SingleLP/National_Rural_Electric_Cooperative_Association.aspx</a>	877-738-7874
Agricultural Federal Credit Union (AFCU)	<a href="http://www.agriculturefcu.org">www.agriculturefcu.org</a>	800-368-3552

**INTERNAL CONTACTS**

Function Area	Name	Contact Information
Employee Relations Employee Safety Family Medical Leave Leave Administration Primary HR Contact Recruitment Worker's Compensation Wellness Program	Carmen Wiles	x275; carmen.wiles@nreca.coop
Payroll 401(k) Loan Payoffs	Stephanie Currie	x5913; stephanie.currie@nreca.coop
Benefits Enrollment/Deductions Life Events COBRA Administration Education Assistance Adoption Assistance Adjusted Service Dates RE Excellence Program Legal Resources	Rosi Esra	x5985; rosi.esra@nreca.coop
Benefits Administration Retirement Benefits Total Compensation Statements Open Enrollment Benefits Analysis	Patricia Navin	x5904; patricia.navin@nreca.coop
Employment Verification	Brianna Creedon	x5992; brianna.creedon@nreca.coop

# DEDUCTION RATES

All rates are reflected as per pay period deductions (24 deductions per year).

<b>Health Plans</b>				
	<b>MyChoice HDHP</b>		<b>NRECA Traditional PPO</b>	
Employee	\$29		\$50	
Annual Salary	up to \$70,000	\$70,000 and over	up to \$70,000	70,000 and over
Employee & Spouse*	\$77.50	\$103.50	\$150	\$190
Employee & Child(ren)	\$65	\$86	\$120	\$150
Family	\$107.50	\$140	\$290	\$325
	<b>Dental</b>		<b>Vision</b>	
Employee	\$13.50		\$4.75	
Employee & Spouse*	\$29.75		\$10	
Employee & Child(ren)	\$35.50		\$6.75	
Family	\$50		\$12	

<b>Supplemental Life Insurance</b>		
<b>Employee Age</b>	<b>Employee Rate (per \$1,000 per pay period)</b>	<b>Spouse Rate (per \$1,000 per pay period)</b>
<25	\$0.0145	\$0.025
25-29	\$0.0175	\$0.030
30-34	\$0.0235	\$0.040
35-39	\$0.0265	\$0.045
40-44	\$0.0295	\$0.050
45-49	\$0.0440	\$0.075
50-54	\$0.0675	\$0.115
55-59	\$0.1260	\$0.215
60-64	\$0.1930	\$0.330
65-70	\$0.3720	\$0.635
>70	\$0.6035	\$1.030

<b>Additional Benefits</b>		
Supplemental AD&D	Employee (per \$1,000 per pay period)\$0.0135	Family (per \$1,000 per pay period)\$0.021
Long Term Disability	Annual Salary x \$0.00011225	
Legal Resources	\$9.50	

# PAYROLL CALENDAR

## 2016 PAYROLL CALENDAR

Pay Period	Start Date	End Date	Pay Date
1	12/27/2015	1/9/2016	1/8/2016
2	1/10/2016	1/23/2016	1/22/2016
3	1/24/2016	2/6/2016	2/5/2016
4	2/7/2016	2/20/2016	2/19/2016
5	2/21/2016	3/5/2016	3/4/2016
6	3/6/2016	3/19/2016	3/18/2016
7	3/20/2016	4/2/2016	4/1/2016
8	4/3/2016	4/16/2016	4/15/2016
9	4/17/2016	4/30/2016	4/29/2016*
10	5/1/2016	5/14/2016	5/13/2016
11	5/15/2016	5/28/2016	5/27/2016
12	5/29/2016	6/11/2016	6/10/2016
13	6/12/2016	6/25/2016	6/24/2016
14	6/26/2016	7/9/2016	7/8/2016
15	7/10/2016	7/23/2016	7/22/2016
16	7/24/2016	8/6/2016	8/5/2016
17	8/7/2016	8/20/2016	8/19/2016
18	8/21/2016	9/3/2016	9/2/2016
19	9/4/2016	9/17/2016	9/16/2016
20	9/18/2016	10/1/2016	9/30/2016*
21	10/2/2016	10/15/2016	10/14/2016
22	10/16/2016	10/29/2016	10/28/2016
23	10/30/2016	11/12/2016	11/11/2016
24	11/13/2016	11/26/2016	11/25/2016
25	11/27/2016	12/10/2016	12/9/2016
26	12/11/2016	12/24/2016	12/23/2016

### Payroll Deductions: 26 vs. 24

What deductions will be taken out of your paycheck? NRECA has 26 pay periods per year. However, many benefit deductions will only be taken from 24 pay periods.

#### Deductions from all 26 paychecks\*

- Federal and State Taxes
- 401(k) contributions
- FSA Contributions
- HSA Contributions
- Homestead Fund Contributions
- Deferred Compensation
- 401(k) Loan Repayment
- Tuition Advance Repayments
- Garnishments

#### Deductions from 24 paychecks

- Medical Premiums
- Dental Premiums
- Vision Premiums
- Long Term Disability Premiums
- Legal Resources
- ACRE Contributions
- Garage Parking

#### Credits into 24 paycheck

- Medical Opt-Out Credit

# ELIGIBILITY

Benefits are generally available to regular employees scheduled to work at least 20 hours per week. Eligibility details for the various plans can be found in the appropriate Summary Plan Descriptions. Contractors, Interns, Telephone Interviewers, Short Term Overseas and Project Employees are not eligible for benefits.

## Benefits Waiting Periods

### Effective on Your Date of Hire

- Health Insurance (Medical, Dental, Vision)
- Life and AD&D (Basic & Supplemental)
- Health Savings Account
- Business Travel Accident
- Short Term Disability
- Long Term Disability
- Legal Resources
- Employee Assistance Program (EAP)
- Flexible Spending (Health Care & Dependent Care)

### Effective on the First of the Month After 30 Days of Service

- 401(k) Pension (including NRECA match)

### Effective After Six Months of Service

- Educational Assistance

### Effective After One Year of Service

- Retirement Security Plan (Service Accrual)
- Adoption Assistance

## Eligible Dependents:

- Your legal spouse.
- Your domestic partner.
- Your child(ren) up to age 26\*, that are unmarried and/or married; who are your biological, adopted, stepchildren, or for whom you are the legal guardian.

\*Coverage for your child will terminate at the end of the month in which they turn 26.

In the event your dependent(s) are later found to be ineligible for coverage, coverage will be cancelled retroactively to the effective date of coverage and the Plan will seek to recover any claims paid on the ineligible dependents' behalf.

## Domestic Partner Coverage Tax Impact

Please consult your personal tax advisor regarding the tax consequences of covering your domestic partner. Per IRS regulations, the difference in the total monthly premium for domestic partner coverage is taxable to the employee, and the employer portion of the domestic partner premium will be reflected on the employee's W-2 as imputed income.



## Life Events & Special Enrollment Periods

After your hire date, you have **30 days** in which to make your benefit elections. Thereafter, you can only change your benefits coverage outside of the annual Open Enrollment period, if you experience a qualifying life event. Qualifying life events that permit coverage changes include:

- Birth/Adoption
- Gain of Coverage
- Marriage
- Court Order
- COBRA Qualifying Event
- Death
- Status Changes
- Loss of Coverage
- Divorce

**In order to make changes to your benefits due to a life event, you must contact HR within 30 days of the life event.**

# MEDICAL

NRECA offers medical plan options with access to United Healthcare's ChoicePlus national PPO provider network. A more comprehensive explanation of the covered medical services is available in the Plan's Summary Plan Description. The Plan's notice of privacy practices is located in the Disclosure section of this guide.

## SCHEDULE OF BENEFITS

	High Deductible Health Plan		Traditional PPO	
	In-Network	Out-of Network	In-Network	Out-of Network
Preventive Care	100%, no deductible	80%, no deductible	100%, no deductible	80%, no deductible
Individual Deductible	\$3,000	\$6,000	\$500	\$1,000
Family Deductible	\$6,000	\$12,000	\$1,500	\$3,000
Ind. Out-of-pocket Max	\$0	\$3,000	\$0	\$1,500
Family Out-of-pocket Max	\$0	\$6,000	\$0	\$3,000
Emergency Room/Urgent Care		100% after deductible	\$50 copay after deductible	\$50 copay after deductible
Primary Care Visit	100% after deductible	80% after deductible	\$15 copay	80% after deductible
Specialist Visit			\$15 copay	
Diagnostic X-Ray/Lab			100% after deductible	
Outpatient Surgery			100% after deductible	
Hospitalization			100% after deductible	
Prescription Drugs	Retail 30-day supply		Retail 30-day supply	
Generic*	\$5	80% after deductible	\$15	80% after deductible
Brand Formulary	greater of \$30 or 25%		\$25	
Non-Formulary	greater of \$50 or 40%		\$35	
All Non-Preventive	100% after deductible		same as preventive	
Prescription Drugs	Mail Order (90-day supply)		Mail Order (90-day supply)	
Generic*	\$12.50	80% after deductible	\$30	80% after deductible
Brand Formulary	greater of \$65 or 25%		\$50	
Non-Formulary	greater of \$130 or 40%		\$70	
All Non-Preventive	100% after deductible		same as preventive	

\*Generic preventive drugs \$0 when purchased at CVS, Walmart or Sam's Club (includes 90 supply purchases).

## Medical Opt Out

Employees insured through another group health insurance plan may receive an opt out credit of **\$300 per month**. To receive the credit, proof of alternative group health coverage (i.e. your spouse's health plan) must be provided to Human Resources. The opt out credit is a taxable benefit.

The NRECA Medical Plan is a customized health care program that is designed with your health and wellness in mind. In addition to excellent coverage, the plans offer a variety of health and wellness resources and support programs.

### United Healthcare - ChoicePlus PPO Network

The medical plan provides access to a preferred provider organization (PPO) through United Healthcare's Choice Plus network. With a PPO plan, you are free to see the health care provider of your choice. However, you can maximize your benefit by accessing care through a participating PPO hospital, doctor or other medical provider.

**Note: Lab Corp is the preferred lab under United Healthcare.**

### Claims Processing & Customer Service - Cooperative Benefit Administrators (CBA)

CBA is a wholly owned subsidiary of NRECA that handles the claims processing and service matters associated with the health insurance programs.

### Prescription Drugs - CVS/Caremark

CVS/Caremark administers NRECA's prescription drug program that is included as part of your medical plan enrollment.

### SHARE Program

Simplified Hospital Admission REview is NRECA's precertification program. Please note that certain services must be pre-certified under the medical plan including but not limited to: all hospital admissions, outpatient MRIs, MRAs, CTs, PETs and nuclear cardiology tests. It is ultimately the responsibility of the participant to ensure proper precertification is obtained prior to receiving these services. **If a participant does not obtain precertification, the claim will be denied.**

### MyHealth Coaches

Available 24 hours a day 7 days a week, a health coach can discuss any health or lifestyle concern you may have. The service is private and easy to use.

### First Steps Maternity Program

All expectant mothers are encouraged to contact NRECA's First Steps Maternity Program during the first trimester of pregnancy. A registered maternity nurse will provide first-time and experienced moms support and educational materials throughout the pregnancy, labor and deliver.

### Centers of Excellence

The NRECA Centers of Excellence (COE) program offers medical plan participants access to high quality, specialized medical care performed at state-of-the-art medical facilities as well as personalized nurse support and case management. The COE Program is available for certain cancers, transplants and bariatric (weight loss) surgery.

# WELLNESS

The NRECA wellness program provides a variety of opportunities and resources to enable you to focus on personal goals for a healthier, happier lifestyle. The program is organized around the five power centers.

## Wellness Power Centers

MY DIET I eat healthy foods!

MY NUMBERS I know my biometric numbers!

MY MOVEMENT I move consistently!

MY HABITS I engage in behaviors that keep me healthy!

MY STRESS I stay mentally healthy!

By participating in the **Rewards for Life Program** and completing the **MyHealth Survey**, you can establish goals and track activities towards success while earning points to win incentives.

### Rewards for Life

This program rewards you for making healthy choices. You earn points when you complete health related activities, such as getting a physical, exercising and tracking your diet.

### My Health Survey

This personal health risk assessment is a brief and confidential questionnaire that measures your current health status. It also helps you understand your risk for future health problems with questions about your health history and behaviors. To encourage the completion of the health risk assessment on an annual basis, NRECA offers on-site health screenings during the year.

### WebMD Health Manager

The WebMD Health Manager is an online portal that provides a variety of powerful and easy-to-use tools from one of the most trusted sources of health and medical information. You can access critical information about preventing or managing serious diseases, select the right health care provider, watch videos and read articles on various health topics, develop personalized health improvement plans and much more.

### Employee Assistance Program (EAP)

NRECA is interested in the emotional and physical well-being of its employees and offer two EAP programs: **InSight** and **Life Strategy Counseling (LSC)**. Participation in the EAP is completely confidential. Both EAPs offer counseling services that can help you with personal problems before they result in deterioration of health, family life and/or job performance. In addition to providing support for dealing with personal challenges, the EAP professionals can assist you with finding a balance between your work and your personal life. Services include, but are not limited to, legal referrals, financial planning referral service, identity theft assistance, parenting, childcare resources, elder care resources, finding an apartment or home and relocation assistance.

### Fitness Reimbursement Program

NRECA offers a fitness subsidy program. NRECA will reimburse you up to **\$300** toward the cost of the following items after 25 days of use, over a 6 month period: an annual single or family fitness club membership; or the purchase of one piece of in-home exercise equipment (e.g. treadmill, weight bench and weights, bicycle, or other similar kinds of home exercise equipment); or the cost of an exercise program e.g. jazzercise, karate, personal trainer for you.

### Weight Watchers at Work

Discounted memberships are available for a Weight Watchers Monthly Pass as well as the Online only option. In addition to being able to attend meetings in your home community, NRECA offers weekly onsite meetings. To encourage active participation in the program, NRECA pays 50% of the membership for onsite meeting membership if the participant attends at least 80% of the onsite meetings.

### Seated Massages

Professional massage therapists provide massages for employees every Thursday afternoon. Sessions are \$12 per 15 minutes. Contact HR to schedule an appointment.

### Jenny Craig Meal Plan Discount

Join Jenny Craig and receive a FREE 30-day Program. Also, enjoy up to 30% off the 6-month Program or 20% off the 1-Year Premium Success Program. Discounts apply to membership fee only and do not include the cost of food and shipping when applicable. To get your free Jenny Craig discount coupon simply fill out the online form and click "Get My Coupon." Have the coupon ready when you visit or call Jenny Craig at 800.96.JENNY.

### Bike-to-Work Incentive

Because NRECA recognizes the health benefits, as well as environmental benefits, received by riding a bike to work on a regular basis, they will provide a subsidy to bikers - provided they meet the subsidy criteria - to help defray any maintenance costs that come as a result of riding a bike to work. Contact HR for more details.

# HEALTH SAVINGS ACCOUNT

Health Savings Account (HSA) is like an IRA for health care. It is a tax-exempt personal savings or investment account that you can use to save and pay for qualified medical expenses, now or in the future. Paired with a qualified high deductible health plan (HDHP), such as the MyChoice Medical Plan, an HSA is a financial tool that allows consumers to be more actively involved in their health care decisions. The account has an annual administrative fee of \$30 (\$2.50 per month).

## Qualified medical expenses can include:

- Hospital Charges
- Prescription Drugs
- Medical Supplies
- Eyeglasses
- Contact Lenses
- Dental Services

## ALERT: Dependent Medical Expenses

Parents are able to cover children up to age 26 under the medical plan (MyChoice and Traditional PPO). However, the money in your Health Savings Account (HSA) can only be used to pay for qualified medical expenses of anyone who qualifies as a dependent on your tax return.

For 2016, NRECA will contribute:

- **\$2,500** to HSA for individual
- **\$4,500** to HSA for a family

**Note:** Contribution amounts are prorated for new plan entrants after January 1st.

You can contribute an additional amount. The maximum 2016 HSA contributions are:

- \$3,350 for individual
- \$6,750 for a family
- \$1,000 catch-up for age 55 and older

## Qualifying for a HSA

To qualify for a HSA, you:

- Must be covered by a qualified HDHP
- Must be 18 years or older
- Cannot be enrolled in medicare
- Cannot be claimed as a dependent on someone else's tax return
- Have no other health coverage (i.e. TRICARE, DoD, FSA) except what is permitted by the IRS as other health coverage

**Note:** You cannot make active contributions to an HFSA and an HSA at the same time.

In compliance with the USA Patriot Act, Health Equity must verify the identity of all participants seeking to open an HSA. As part of this identity verification process you may be asked to provide additional information and/or documentation before your account can be established.

# FLEXIBLE SPENDING ACCOUNT

125 Plan Flexible Spending Accounts (FSAs) allow you to pay for predictable health care and dependent care expenses (child or elder) with pre-tax money.

**Note:** Contributions made to the FSA that are not used by December 31st cannot be used in the next year.

## Health Care Flexible Spending Account (HFSA) & Limited Use Flexible Spending Account (LFSA)

You can put money into an HFSA and LFSA to pay for qualified health expenses that may not be covered by your insurance plan. Expenses incurred by your spouse and/or eligible children can be claimed under the FSA even if they are not covered under an NRECA health plan. The HFSA/LFSA 125 Plan's notice of privacy practices is located in the Disclosures section of this guide. **You cannot make active contributions to an HFSA and an HSA at the same time. You may only select either the HFSA or LFSA. You may not be enrolled in both.**

	Health Care FSA (HFSA)	Limited Use FSA (LFSA)
Plan Compatibility	Traditional PPO; Medical Opt Out	MyChoice HDHP
Annual Contribution Limit	\$2,550	\$2,550
NRECA Matching Contribution	Up to \$500	No Match
Eligible Expenses	Medical/Rx; Dental; Vision	Dental; Vision
Reimbursement Method Options	Debit Card - OR - Auto-Reimbursement	Debit Card - OR - Auto-Reimbursement

## Dependent Care Flexible Spending Account (DFSA)

The Dependent Care FSA lets you pay for dependent day care costs that allow you and your spouse to work. Eligible expenses may be for your children under age 13. NRECA matches employee contributions to the DFSA \$1 for \$1 up to \$2,000. Employees in Career Track & Levels M4 and E may participate in the DFSA but **are not eligible** for the NRECA matching contribution. The maximum contribution to the DFSA is **\$5,000**, which includes your contribution and the NRECA's match.

# DENTAL

NRECA has teamed with **CONNECTION Dental**, a national PPO network. When you elect to go to a dentist in the network, you will receive covered services at discounted rates. You are free to select a dentist that is not in the service network at the same benefit percentage however you may be subject to charges above the "Reasonable and Customary" rates. The Plan's notice of privacy practices is located in the Disclosure section of this guide.

Note: A more comprehensive explanation of the dental services covered is available in the Summary Plan Description.

<b>SCHEDULE OF BENEFITS</b>	
Annual Deductible	\$50
Annual Maximum Benefit (per person)	\$2,000
Preventive & Diagnostic Services (semi-annual exams and cleanings)	100%*
Basic Services/Minor Restorative (fillings, extractions and endontics)	100%*
Major Services (crowns, bridges, dentures, implants)	80%*
Orthodontia -- Eligible Participants	Employee, spouse, eligible children
Orthodontic -- Lifetime Benefit	\$2,000 per person
Orthodontic -- Services	50% covered services, no deductible
*Of "Reasonable and Customary" charges for covered services	



# VISION

NRECA offers a vision plan benefit to support overall disease prevention. Annual eye exams can uncover signs of other health issues, including chronic conditions. The plan provides standard eye care and materials. The plan has no copayments and no networks. Participants receive the same benefit for any vision provider they use. The Plan's notice of privacy practices is located in the Disclosure section of this guide.

Note: A more comprehensive explanation of the vision services covered is available in the Summary Plan Description.

## SCHEDULE OF BENEFITS

Eye Exam	One exam during the current calendar year*
Frames	Maximum \$60 benefit once every 2 years
Lenses/Contact Lenses	One set of lenses every year* -- OR -- Two sets of contact lenses (up to a 12-month supply) during the current calendar year*
<b>*Paid at 100% of "Reasonable and Customary"</b>	

# LIFE INSURANCE

Life insurance provides important security for others who depend on you financially. That's why NRECA provides and fully pays for your basic life, accidental death and dismemberment (AD&D) and Business Travel Accident insurance. If you need insurance above what NRECA provides you automatically, you have the opportunity to purchase additional, supplemental life insurance.

	<b>Basic Coverage (paid by NRECA)</b>	<b>Supplemental Coverage (paid by employee)</b>
Business Travel Accident	3x Annual Salary up to \$1,000,000	N/A
Group Term Life	2x Annual Salary up to \$1,000,000	1x, 2x, 3x, 4x or 5x Annual Salary Guaranteed Issue up to 2x Annual Salary Maximum benefit up to \$1,500,000
Accidental Death & Dismemberment	2x Annual Salary up to \$1,000,000	1x, 2x, 3x, 4x or 5x Annual Salary Guaranteed Issue up to 2x Annual Salary Maximum benefit up to \$1,500,000
Spouse	\$10,000*	\$25,000 - \$100,000 Guaranteed Issue up to \$25,000 (Spouse coverage not to exceed Employee's combined volume of Basic and Supplemental coverage.)
Children	\$10,000*	N/A

\*NRECA provides \$10,000 in coverage for your spouse and dependent child(ren) (up to age 26). It is important that Human Resources has the names, birth dates and Social Security numbers of your spouse and dependent child(ren).

## Statement of Health

Required if you elect supplemental life insurance coverage above the Guaranteed Issue amount during your initial eligibility period and for coverage increases in future Open Enrollment periods. You will receive this statement in the mail.

## Will Preparation

Along with your Supplemental Life Insurance coverage, you will have access to the following preparation services from MetLife: will, living wills, and powers of attorney. If you use a lawyer that participates with Hyatt Legal Plans (1-800-821-6400), there is no charge to you for this service. If you go out-of-network and use a lawyer that doesn't participate in MetLife's program with Hyatt Legal Plans, you can be reimbursed a flat dollar amount based upon the services that you use. Services include wills and codicils, living wills and powers of attorney.

# DISABILITY



NRECA's disability programs, coupled with NRECA's Extended Illness policy (NRECA Policy 4.5), are designed to replace part of your salary if illness or injury prevents you from working for a period of time. NRECA provides paid leave to regular full-time and part-time employees who must be absent because of their own extended illness or injury or that of an immediate family member or the birth or adoption of a child. For the purposes of this policy, "immediate family" is defined as spouse or domestic partner, parent, grandparent, great-grandparent, child, grandchild, great-grandchild, brother, sister, step-relatives in these relationships, or someone who is a permanent member of the household.

DISABILITY		
Type of Leave	Duration	Purpose
Paid Time Off (PTO)	3 days	Three days of PTO must be used before Extended Illness leave can begin.
Extended Illness	7 days	Provides for your own illness or injury, or that of an immediate family member.
Short-Term Disability	55 days (11 weeks)	Short-term salary continuation (80% of salary) during an approved disability and benefit protection.
Family & Medical Leave	60 days (12 weeks)	Unpaid job protection.
Long-Term Disability	Undefined	Optional coverage that provides two-thirds of your salary when a covered, medically certifiable illness prevents you from working for more than 13 weeks.

## Extended Illness

NRECA provides paid leave to regular full-time and part-time employees who must be absent because of their own extended illness or injury or that of an immediate family member. Extended illness is designed to preserve your PTO balance and is accrued at a rate of 1.846 per pay period (up to a maximum of 248 hours or 31 days). See NRECA Policy 4.5.

## Short-Term Disability

NRECA provides salary continuation equivalent to 80% of your annual salary during an approved non-occupational disability. The benefit begins after two weeks of disability and provides income replacement of up to 11 weeks per qualifying event. Short-term disability payments may be delayed until medical certification is received. See NRECA Policy 4.3.

## Long-Term Disability (LTD)

When you elect to participate in the LTD insurance plan, NRECA covers 50% of the premium cost and you are responsible for the remaining 50%. The insurance provides you with salary continuation that is equivalent to 66 % % of your last salary from the date of the qualifying event. If you are approved, this benefit will begin after a 13 week elimination period of disability. See NRECA Policy 4.3.

## Worker's Compensation

NRECA provides all employees with Workers' Compensation Insurance to cover work-related injuries or occupational illnesses. You must notify Human Resources immediately of any work related accident, injury or illness. In the event of lost time due to a worker's compensation claim, you may be eligible to receive up to two-thirds of your salary on a tax-free basis after a 7-day grace period. See NRECA Policy 4.10.

# LEAVE

## Paid Time Off (PTO)

Employees who work at least 20 hours per week are eligible to receive paid time off for vacations, brief illnesses, and other personal needs. The amount of paid time off available is based on length of service. New employees may be given credit for prior service with a member system or NRECA by using an "adjusted service date" for determining combined years of service. Vacation and sick leave are available to overseas employees of the International Programs Division according to guidelines specified in their contracts.

### PTO SCHEDULE\*

Year	Days Per Year	Total Hours	PTO Hours Earned Per Pay Period
1st	0 to 18	0 to 144	5.538
2nd	18	144	5.538
3rd	19	152	5.846
4th	20	160	6.154
5th	21	168	6.462
6th to 10th	22	176	6.769
11th to 15th	24	192	7.385
16th to 25th	27	216	8.308
26th - on	30	240	9.231

\*Refer to NRECA Policy 4.2. Track and Levels P5-6, M and E accrue at 6.462 each pay for years 1-4.

## Holidays

NRECA observes 11 recognized holidays. You are also given one "use or lose" Floating Holiday.

- New Year's Day
- Independence Day
- Day after Thanksgiving
- Martin Luther King, Jr. Day
- Labor Day
- Christmas Eve
- Presidents' Day
- Veterans Day
- Christmas Day
- Memorial Day
- Thanksgiving Day

## Additional Leave

NRECA also provides Bereavement and Military leave. See NRECA Policies 4.5 and 4.6.

# RETIREMENT



## 401(k) Pension Plan

NRECA provides a 401(k) retirement plan that allows you to make pre-tax and Roth contributions. After you complete 30 days of service, you are eligible to participate in the plan beginning on the first day of the next month. **NRECA will match your contributions dollar for dollar up to 5% of your annual salary.** You choose how to allocate contributions among the available funds in the Plan. You are always 100% vested.

### 2016 Contribution Limits

- Pre Tax & ROTH (combined limit) \$18,000
- Catch-Up\* \$6,000

\*Available to participant ages 50 and older.

## Retirement Security (RS) Pension Plan

Once you complete one year of service (and have worked at least 1,000 hours), you are automatically enrolled in NRECA's defined benefit RS Pension Plan. The benefits available under the plan are designed to supplement any benefits available to you under Social Security and any other retirement plans in which you participate. The RS plan should be considered one source of retirement security along with your personal savings and investments.

$$\text{Annual Normal Retirement Benefit} = 1.7\% \times \text{Final Average Earnings} \times \text{Years of Service}$$

The benefit equation produces a Joint & Survivor 50% annual annuity. Final Average Earnings are the average of the highest five years of earnings during the last ten years of employment. Normal retirement age is 62 and eligibility for early retirement begins at age 55.

NRECA will make contributions to the plan in the amount required to fund your benefits. Those contributions will pay for a benefit that will be paid to you when you retire, terminate your employment, or die.

### VESTING SCHEDULE

Years of Service	Vesting Percent
2 years of service	20%
3 years of service	30%
4 years of service	40%
5 + years of service	100%

You are credited with a year of vesting service for each calendar year you are employed and work at least 1-hour. You are considered fully vested after 5 years of service or once you reach age 55, whichever comes first. Example: Jane is hired June 17, 2013. On July 1, 2014, Jane will become active in the RS plan and will have 2-years of vesting service. On January 1st of each year Jane remains with NRECA, she will gain an additional year of vesting service.

### Personal Investment and Retirement Consulting (PIRC) Team

To help develop your retirement strategy and better understand your retirement benefits, NRECA offers employees access to the PIRC team to no additional cost. The PIRC team's services aren't limited to employees who are nearing retirement. In fact, these experienced professionals encourage employees, regardless of career stage, to reach out for assistance.

Whether you choose to attend one of the annual onsite financial education seminars or schedule a confidential one-on-one appointment with a member of the PIRC team - you have the opportunity to gain investment guidance and answers to your specific questions.

In addition to specializing in NRECA's retirement benefit programs, PIRC team members can help employees on an array of financial topics. Whether you are the parents of a newborn hoping to get a jump on saving for college tuition or nearing retirement and trying to determine how to structure income in retirement, PIRC team members can help.

### PIRC Areas of Expertise

Whether you are just starting your career, hoping to retire in the next few years or somewhere in between, PIRC can help. These are some of the common areas where PIRC can lend a hand:

- Review of 401(k) Plan investment options
- Determining an appropriate investment mix
- Estimating retirement savings needs
- 401(k) and RS Plan account statement review
- Retirement plan distribution options
- IRA funding options
- IRA withdrawal options
- Developing a retirement plan

# PROFESSIONAL DEVELOPMENT

## Education Assistance

NRECA provides financial assistance for approved college or university courses to support you in your academic studies. To be eligible for this program, you must be a regular full-time employee for **at least six months** before the starting date of the requested course. You must also have a current performance rating of "Expected" or higher. Employees are eligible for up to **\$8,000** toward undergraduate courses and **\$10,000** toward graduate courses as part of a degree program or one-off course. Studies must be at an accredited college or university and are subject to approval from your manager and Vice President. Benefits **up to \$5,250 are non-taxable**. See NRECA Policy 5.2.

## Training & Professional Certifications

NRECA encourages all of its employees to take responsibility for their personal and professional development. To assist in upgrading employees' job skills and to enhance their personal job development, NRECA offers in-house training programs, and access to programs offered outside of NRECA. In addition to training programs, the pursuit of professional certifications can be an avenue in support of professional growth. NRECA also provides opportunities for employees to obtain professional certifications in their specific fields. See NRECA Policy 5.1.

# DISCOUNT PROGRAMS

## Co-op Connections

With the Co-op Connections card you can save money at restaurants, businesses and retail shops (including pharmacies). Just log onto [www.connections.coop](http://www.connections.coop) to search for deals in the area, as well as a vast array of national offers from companies such as Meineke, Red Roof Inn, Alamo rental cars, Best Western hotels and many more. You can even download a free smart phone app by searching "Co-op Connections".

## National Discounts Program

NRECA offers its members a variety of national discounts. In many cases, these discounts are also available to employees. You can access information about these discount programs, by logging onto [www.cooperative.com](http://www.cooperative.com).

## Long-Term Care Insurance

The Haslett Management Group ("Haslett"), a long-term care (LTC) brokerage firm, offers discounted individual LTC insurance policies through Genworth to employees that work 20 or more hours per week and to eligible family members. You can tailor individual coverage to fit your needs and budget and because you're getting an individual policy just for you, you can keep the coverage even if you leave NRECA. For more information, please contact Haslett.

## Veterinary Pet Insurance

Veterinary Pet Insurance (VPI) provides healthcare coverage for your dog, cat, bird, hamster, or other exotic pet. Receive a 5% group discount on coverage for a single pet or up to a 15% group discount on coverage of multiple pets.

## Verizon Wireless

Visit [www.verizonwireless.com/discounts](http://www.verizonwireless.com/discounts) to receive up to 18% off your monthly calling plans, discounts on the latest phones, PDAs and PC Cards. You could also receive a \$100 credit. Employees can sign-up for the discount by going to NRECANow>Resources>Employee Discounts and then click on Verizon Wireless discount link, or email Nadine Shurlanda, NRECA's Verizon Wireless Customer Service representative at [nadine.shurlanda@verizonwireless.com](mailto:nadine.shurlanda@verizonwireless.com), or call 703-915-1195.



# ADDITIONAL BENEFITS

## Employee Referral Bonus

An incentive is provided to current employees who refer qualified applicants for posted positions. An employee is eligible to receive \$3,000 (less applicable tax withholdings), when a qualified candidate, referred by the employee, is hired. See NRECA Policy 2.7.

## Legal Resources

NRECA's group legal plan gives you access to comprehensive legal coverage, services and expertise that can help you with planned and unplanned legal needs. Legal Resources offers assistance with a wide variety of services including identity theft, will preparation, estate advice, traffic violations, uncontested divorces, real estate transactions, tenant-landlord matters and more. The plan's coverage is also portable when you leave NRECA. Minimum of 1-year of participation required with enrollment.

## Volunteer Paid Time Off

NRECA recognizes its responsibility to be a good corporate citizen and to help enrich our surrounding communities. We encourage you to model our seventh cooperative principle, Commitment to Community, by lending your volunteer time and effort to programs that positively impact the quality of life in the communities where we live and work. For every 24 hours of volunteer work, you become eligible for 8 hours of Volunteer PTO, with a maximum of 24 hours or 3 business days per year. See NRECA Policy 4.2.

## Adoption Assistance

NRECA provides up to \$3,600 per child for cover adoption related expenses. Adoption leave of absence of up to six continuous weeks is also available for eligible employees that adopt children under the age of six. See NRECA Policy 4.17.

## US Postal Service Stamps

Employees are able to purchase stamps at the front desk, between 7:00 a.m. – 5 p.m.

## Credit Unions

Employees, employee family members, and persons retired as pensioners or annuitants of NRECA are eligible to join Agriculture Federal Credit Union.

# DISCLOSURES

The following pages contain important disclosures and legal information.