3.6 Employee Benefits Policy (Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

3.6.1 Employee Benefits (Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

It is the intent of KCTCS to provide a benefits program with a broad foundation upon which employees can build for the security and well-being of their families. You are encouraged to call the Personnel department and inquire about the plans/programs. KCTCS reserves the right to modify, change or eliminate these programs and plans as deemed appropriate.

Eligible employees must complete all required processes to enroll in benefit plans. Enrollment is not automatic. Failure to enroll pursuant to plan guidelines may result in the loss of this enrollment right. It is the new employee’s responsibility to complete the enrollment process. The narrative and other descriptions of the various programs and plans are not intended to provide you with in-depth understanding. This need is met through the brochures and other publications issued. Read all of the literature carefully in order that you enroll only in optional programs/plans that you need and want.

While every attempt has been made to be as accurate as possible, the benefits coverage is governed by the specific contracts that are issued and provided to you following enrollment.

3.6.2 Life Insurance (Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

Regular full-time employees are insured under the Basic Life Insurance Program for $20,000. The life insurance is term insurance and no cash values accumulate. The premium is paid by KCTCS. This insurance terminates at retirement or upon separation from KCTCS employment, whichever is earlier. Employees may, at the time of employment termination or retirement and for a period of 30 days thereafter, convert part or all of their group insurance to an individual plan. No evidence of insurability is required for this guaranteed conversion privilege. Rates are determined by the life insurance company and will differ considerably from KCTCS’ group rate.
3.6.3 Accidental Death and Dismemberment Insurance
(Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

This insurance offers death and dismemberment insurance coverage of $20,000. Premiums are paid by KCTCS. It provides coverage twenty-four hours a day, every day of the year, worldwide, for accidents on or off the job. This insurance terminates when you terminate your employment with KCTCS or retire. It cannot be converted to an individual (non-group) policy.

3.6.4 Medical Insurance Plans
(Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

KCTCS offers employees various medical insurance plans. As an alternative approach to the health insurance plans, we also offer Health Maintenance Organizations (HMOs) where they are available. You are encouraged to read the medical insurance brochures which come with this handbook or are available through your Personnel department.

KCTCS contributes to the monthly cost of the plans you choose. The contributed amount is, up to the cost of the plan you choose, available to every full-time employee. You pay the additional cost, if any, for the plan of your choice through payroll deduction. Premiums are paid one month in advance.

3.6.5 Insurance Premium Payment During Leaves of Absence

KCTCS will continue to pay its share of insurance premiums while you are on a paid leave of absence. While you are on any other type of unpaid leave of absence from KCTCS, you will be responsible for paying the total premiums for your coverage and that of your dependents. Failure to do so may result in loss of coverage and possible refusal by the insurance carrier to allow your coverage to be reinstated. Please consult with the appropriate human resources office to establish a payment schedule.

For faculty on paid sabbatical leave all benefits are paid by KCTCS.

3.6.5.1 Insurance Coverage During Leave Without Pay
(Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

In the event you are in a leave without pay status for part or all of a pay period and/or your paycheck is not large enough to cover insurance premiums, it is your responsibility to contact the Personnel department and make arrangements for payment of the required premiums in advance and in full. Failure to do so may result in loss of insurance coverage.
3.6.6 Long-Term Disability Insurance (Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

KCTCS provides long-term disability insurance to regular, full-time employees choosing a defined contribution 403(b) retirement plan after one year of service. Employees who had coverage through their previous employer may be immediately eligible. The benefit provides 60% of the employee's monthly wage base (not to exceed $5,000 per month) in the event of long-term disability. For employees whose retirement is through a Defined Benefit Plan, a disability retirement option is available.

3.6.7 Conversion of Insurance Upon Termination of Employment (Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

Employees or dependents, or both, who lose their coverage under the health plan because of termination of employment, loss of dependent status as defined by the health plan, death of the employee, divorce, etc., may continue coverage under the group plan as provided by federal law. Information about the continuation of coverage under these provisions may be obtained by contacting the Personnel department.

3.6.8 Workers' Compensation (Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

All KCTCS employees are covered by provisions of the Kentucky Workers’ Compensation Act. This entitles employees to the benefits prescribed by statute for injury, occupational disease, or death without regard to fault, is such injury, occupational disease, or death occurs as a result of employment. KCTCS pays the cost of this program which provides benefits in the form of payment of medical expenses, compensation and death benefits. All on-the-job injuries must be reported to your supervisor to assure prompt treatment and proper handling of claims.

3.6.9 Retirement Plan Policies (Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998, but prior to January 1, 2014)

All employees enrolled in existing plans prior to January 1, 2014, shall maintain all eligibility, rights, and privileges that relate to the plans, subject to any plan changes.
All eligible employees not enrolled in a KCTCS sponsored retirement plan as of January 1, 2014, shall be required to enroll in a KCTCS sponsored 403(b) defined contribution plan. Eligible employees are all regular full time employees and any other employees who work an average of 25 or more hours per week or an average of 100 hours per month. Employees who work between one and 24 hours per week or less than an average of 100 hours per month are not eligible. Student workers, including federal work study, ready-to-work, work and learn, and student wage workers, are not eligible for participation in KCTCS sponsored 403(b) defined contribution plan.

Eligible employees employed prior to January 1, 2014, shall have 60 days to select a carrier and enroll in the 403(b) plan.

Regular full time employees hired on or after January 1, 2014, must select a carrier and enroll in the 403(b) plan within 30 days of the date of hire.

All other eligible employees hired on or after January 1, 2014, must select a carrier and enroll in the 403(b) plan within 180 days of the date of hire.

Once enrolled in the 403(b) plan, employees shall remain eligible for continued participation in the plan regardless of any change in their eligibility as defined in this policy.

3.6.10 Flexible Spending Accounts (Technical College Employees Hired on/or after July 1, 1998; Community College and System Employees Hired on/or after January 14, 1998)

This program allows eligible employees to pay for health insurance premiums, dependent care expenses, and health care expenses not covered by insurance with tax-free earnings. Tax sheltering under this plan provides exemption of these expenses from Social Security tax and federal and state income taxes.

Enrollment may occur within the first 30 days of employment or during subsequent open enrollment periods. Health care spending accounts are limited to $2,400 per year. Dependent care accounts are limited to $5,000 per year.

Re-enrollment is required each year to continue the dependent care and health care spending portions of the plan. Enrollment forms and additional information may be obtained by contacting the appropriate human resources office.

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Recommended by Date President, KCTCS Date