

# HIGHLIGHTS OF YOUR TOTAL COMPENSATION PACKAGE



## Benefits Paid by Your Employer (no cost to you)

- Retirement/Survivor Benefits  
*(if employed in a benefit-eligible position prior to January 1, 2011)*
- Basic Life Insurance *(term)*
- Long-Term Disability Insurance
- Education Assistance *(where available)*
- Paid Holidays
- Annual Leave & Sick Leave
- Workers' Compensation
- Unemployment Compensation
- Strive Employee Life & Family (SELF) Program

## Benefits Paid by You & Your Employer *(cost is shared)*

- Retirement/Survivor Benefits  
*(if employed in a benefit-eligible position on or after January 1, 2011)*
- Medical Insurance
- Social Security Retirement
- Medicare

## Optional Benefits *(you pay premiums/fees)*

- Optional Life Insurance (term)
- Universal Life Insurance
- Spouse & Dependent Life Insurance
- Dental & Vision Coverage

## Optional Tax-Saving Benefits *(you contribute money toward tax and retirement savings)*

- Cafeteria Plan
- Deferred Compensation
- Health Savings Account  
*(for those who are eligible)*



As a benefit-eligible employee with the State of Missouri, your total compensation is more than just the dollars you receive in your paycheck. Benefits are a significant part of your compensation package, but are often overlooked. The ongoing contributions from your employer (*salary and benefits*) represent a significant financial commitment to you and your family. Core benefits are provided to you through various administrators as described in this summary. These benefits are intended to improve your quality of life and assist you in your pursuit of financial security.



The benefit package, as a whole, assists the state in recruiting and retaining qualified employees, which not only reduces the amount of time and money spent on rehiring and retraining new employees, but also preserves institutional knowledge within an agency improving services to Missourians.

## Retirement & Survivor Benefits

[www.mosers.org](http://www.mosers.org)

In an effort to help you build a financially secure future, your employer makes monthly contributions to finance your retirement benefit. As an eligible state employee, you are automatically enrolled in the Missouri State Employees' Retirement System (MOSERS). Once you meet certain age and service requirements and retire under a MOSERS defined benefit plan, you are guaranteed a lifetime pension benefit.

One of the ways the state rewards your continued employment is by increasing the value of your retirement benefit for each additional year of service. In general, the longer you work in a benefit-eligible position, the higher your retirement benefit will be. You will receive a personalized *Annual Benefit Statement* to keep you informed about your benefits.

MOSERS is a defined benefit (DB) pension plan. A DB plan can be either contributory or noncontributory. MOSERS is a noncontributory DB plan for employees who worked in a benefit-eligible position prior to January 1, 2011, but is a contributory DB plan for members employed in a MOSERS benefit-eligible position for the first time on or after January 1, 2011 (*members of MSEP 2011 and the Judicial Plan 2011*).

Employer and employee contributions account for about one-third of system funding. The rest comes from investment earnings. MOSERS invests and professionally manages these funds.

## Term Life Insurance<sup>1</sup>

[www.mosers.org](http://www.mosers.org)

*Life insurance provides your family with financial stability and security when it matters most.*

Group term life insurance protects you and your family from financial hardship in the case of your death. Term life insurance does not accumulate cash value and results in a benefit payment only upon the death of the covered individual.

- **Basic Coverage** – As a benefit-eligible employee, the state automatically provides coverage of one times your annual salary (*\$15,000 minimum*) in basic life insurance at no cost to you. If your death is determined by the insurance carrier to be duty-related, your beneficiaries will receive three times your basic life insurance coverage.
- **Optional & Dependent Coverage** – You may also be eligible to purchase additional term life insurance coverage for yourself, your spouse, and your dependent children. Contact MOSERS to learn how. The premium will be deducted from your paycheck and will be based on your age and the amount of coverage you select.



<sup>1</sup> MOSERS life insurance benefits are not available to employees of the Department of Conservation or state colleges and universities (except State Technical College of Missouri and Lincoln University).

## Long-Term Disability Insurance

[www.mosers.org](http://www.mosers.org)

*Disability insurance is an important part of securing a sound financial future for you and your family because it protects you by providing partial income replacement in the event of a disability.*

Will you be able to pay your bills if you become disabled? People insure their lives, health, homes and other possessions. Unfortunately, they often overlook their most important asset - their ability to earn an income. As a member of a plan administered by MOSERS, the state provides long-term disability (LTD) insurance at no cost to you.<sup>2</sup>

LTD insurance provides partial income replacement in the event you become disabled, helping to bridge the gap from your date of disability to your recovery or retirement. LTD coverage is intended to help you get back to work.

If you are determined by the insurance carrier to be disabled, your monthly LTD benefit will replace up to 60% of your pre-disability salary. Before disability benefits begin, you must complete a 90-day benefit waiting period or exhaust your unused sick leave as you are entitled to through your employer's sick leave program, whichever is longer. If you receive LTD benefits, you will continue to accrue credible service toward retirement benefits.

<sup>2</sup> MOSERS long-term disability benefits are not available to employees of state colleges and universities (except State Technical College of Missouri and Lincoln University).

## Universal Life Insurance

[www.mhgmovlic.org](http://www.mhgmovlic.org)

In addition to the term life insurance provided by the state, you may purchase universal life coverage through the Missouri Voluntary Life Insurance Commission (MoVLIC). Universal life coverage offers an easy and affordable way to safeguard your future and provide benefits.

Besides providing death benefits to your family, your universal life insurance plan builds a cash value that can help you with more immediate needs such as sending your children to college or supplementing your retirement income. The premium can be deducted from your paycheck and will be based on your age and the amount of coverage you select. It also offers a long-term care rider.

## Medical Insurance

[www.mchcp.org](http://www.mchcp.org)

*Whether your health care program is administered by MCHCP or your employer, affordable, quality health care is the ultimate goal.*

Your health care benefits provide you and your family access to medical care at subsidized group rates. All three of MCHCP's medical plans – the Health Savings Account (HSA) Plan, the PPO 1250 Plan, and the PPO 750 Plan – offer the same basic coverage. Benefits also include prescription drugs, 100% coverage for preventive care, Diabetes Support Services, and access to a nationwide network of providers. If you choose medical coverage, your employer makes a monthly contribution that helps subsidize your premium as well as the premium for spouse and/or dependent coverage.

## Dental & Vision Coverage

[www.mchcp.org](http://www.mchcp.org)

MCHCP offers statewide vision and dental coverage to members of MOSERS, including Department of Conservation employees. By giving you the option of choosing benefits you need, neither you nor MCHCP pays for benefits for which you choose not to have coverage. Both plans offer network and non-network services.

Vision coverage includes two plan options – basic or premium– with specific copayments for services received. Both options include coverage for routine vision exams, and provide eyeglasses and contact lenses at discounted rates through network providers. Dental benefits include diagnostic and preventive care services, basic and restorative services, and major services.

MO Deferred Comp is the state-sponsored retirement savings plan designed to help you to save a little money out of each paycheck to supplement your defined benefit pension from MOSERS and Social Security in retirement. Besides providing additional income, other saving advantages include:

- Penalty-free access to your savings after you leave state employment
- Access to a simplified, low-cost, professionally managed investment lineup
- FREE seminars and one-on-one consultations
- 24/7 online access to your account and numerous tools and resources, such as handy calculators and educational videos.

### How can you enroll in MO Deferred Comp?

If you're new to state employment,<sup>3</sup> **you have been automatically enrolled in the plan,**<sup>4</sup> unless you opted out, at the minimum of 1% contribution per pay period. Made through automatic payroll deductions, you can adjust your contribution at any time. If you have never enrolled in the plan, do so by visiting [www.modeferrredcomp.org](http://www.modeferrredcomp.org) and clicking the red **Join Now!** button in the top right corner of the page.

### How much should you be saving?

While contributing 1% of your paycheck is a great start to saving, it may not be enough to establish a healthy savings account for retirement. In fact, the majority of employees should contribute much more. For example, the average 25-year state employee will replace approximately 70% of their pre-retirement paycheck with their MOSERS defined benefit pension and Social Security benefits;<sup>5</sup> **leaving 30% of their pre-retirement income unfunded in retirement!** Saving with MO Deferred Comp can help reduce that income gap by providing an additional source of pay in retirement. To replace:

- 15% of income in retirement, you **would need to save at least 6.5% or 1.5% with 0.5% annual automatic increases** over 25 years.<sup>6</sup>
- 30% of income in retirement, you should **save at least 13%** over 25 years.<sup>6</sup>

<sup>3</sup> *Hired on or after July 1, 2012 and are a new permanent full-time or part-time employee*

<sup>4</sup> *University and previous temporary or seasonal non-benefit-eligible employees are excluded from automatic enrollment. If you were newly hired on or after July 1, 2012 and left state employment on or after January 31, 2017, at rehire your contribution will be what was previously on file.*

<sup>5</sup> *Assumes normal retirement and a single life annuity from MOSERS defined benefit pension plan. Social Security is an average estimate; replacement income will vary based on when you choose to receive Social Security benefits and its ability to pay 100% of scheduled benefits. For a more accurate Social Security calculation, visit [www.ssa.gov](http://www.ssa.gov).*

<sup>6</sup> *Assumes 6% return and 1.5% average annual salary increases while employed and a 4% return, 2% inflation and 25 years in retirement. Annual contribution limits will apply.*

*Would you like to increase your spendable income?*

If you are in the 25% tax bracket, you can save \$25 or more in federal, state, and Social Security taxes for each \$100 paid for such things as:

- State-sponsored medical, dental, and vision insurance premiums
- Out-of-pocket medical, dental, and vision expenses
- Child/adult dependent care expenses

You can also save taxes on work-related parking and/or mass transit expenses. You can sign up at any time for these benefits.

The state offers a cafeteria plan program in which you are automatically enrolled to have your medical, dental, and vision insurance premiums deducted from your paycheck before taxes. If you wish to save taxes on health care expenses or dependent care expenses, you have to enroll when you are first eligible or during the annual open enrollment period (*October 1 - December 1*).



## Additional Benefits

### Flexible Work Schedule

The state recognizes the need of many employees to work schedules other than traditional work hours. In an effort to accommodate these needs, employees may request a flexible work schedule.

Because of safety, security, customer service, and other concerns, not all agencies offer flexible work schedules. Check with your supervisor to determine whether alternative work schedules are available at your agency.

### Strive Employee Life & Family (SELF) Program

Previously called the Employee Assistance Program (EAP), the SELF program can help you deal with life's challenges, at no cost to you. State employees eligible for MCHCP medical coverage, and members of their household, may use this program 24 hours a day, every day of the year. You can keep using the SELF program for 18 months following retirement and through the month after if you are laid off. Your household members can use the SELF program for six months after your death.

### Workers' Compensation

As a state employee, you may receive workers' compensation for injuries and illnesses arising out of and in the course of your employment. Benefits can include: medical care, payment based on lost wages, and physical therapy.

## Social Security

[www.ssa.gov](http://www.ssa.gov)

Your Social Security benefit provides you with disability benefits, supplemental income at retirement or survivor income for your family in the event of your death. Medicare is a government health insurance program for people age 65 or older (and some people younger than age 65 with certain medical conditions).

## Medicare

[www.medicare.gov](http://www.medicare.gov)

Medicare helps with the cost of health care, but does not cover all medical expenses or the cost of long-term care. State retirees may wish to continue their state sponsored health care benefit or purchase a Medicare supplement policy. When eligible, you may sign up for Social Security and Medicare through your local Social Security office. Each pay period, you pay 7.65% of your earnings to Social Security and Medicare and the state matches your contribution to these federal programs.

## Unemployment Compensation

Unemployment compensation coverage provides you with partial compensation in the event you are laid off or terminated from work for reasons other than misconduct.

## Education Assistance

Some agencies offer reimbursement for tuition, fees, and materials to employees in permanent positions who either desire to continue their education or receive a request from their department to pursue continued education. Each department is responsible for approving requests on the basis of the courses being consistent with the department's stated mission. Check with your supervisor to determine whether education assistance is available at your agency.



## Paid Holidays

As an eligible state employee, by law, you receive 12 paid holidays each year. (Additional days may be granted by the Governor.)

## Annual Leave

(May be different for college & university members – Check with HR)

The state's annual leave policy provides eligible employees time off with pay. The amount of annual leave earned is based on your length of service.

Years of Service	Hours Earned/Month	Maximum Balance
Up to 10 years	10 hours	240 hours
10 - 15 years	12 hours	288 hours
15+ years	14 hours	336 hours

## Sick Leave

As an employee of the state, you may earn sick leave that can later be used when you are ill and cannot report to work. Sick leave for eligible state employees is accrued at the rate of 10 hours per month. This benefit provides you with income during periods of absence due to illness.

- **Creditable Service at Retirement** – If eligible, there are provisions through MOSERS that allow you to receive one month of creditable service for every 168 hours of unused sick leave. At the time you retire, your unused sick leave is converted to creditable service and is added to your total service. It will be used in calculating the amount of your benefit, but not your eligibility for a benefit.

*Each administrator has its own contact information and website. For questions regarding a specific benefit, please contact that provider or your human resources (HR) representative.*

## Overview of Benefits

Employee Classification	Retirement/ Survivor Benefits	Term Life Insurance	Disability Insurance	Medical Insurance	Dental/Vision Insurance	Employee Assistance
General Employees	MOSERS	MOSERS	MOSERS	MCHCP	MCHCP	MCHCP
Conservation	MOSERS	Conservation	MOSERS	Conservation	MCHCP	Contact HR
College/University*	MOSERS	Contact your HR department for information about these benefits.				
State Technical College of Missouri	MOSERS	MOSERS	MOSERS	State Technical College of Missouri	State Technical College of Missouri	Contact HR
Lincoln University	MOSERS	MOSERS	MOSERS	Lincoln University	Lincoln University	Contact HR
Legislators	MOSERS	MOSERS	MOSERS	MCHCP	MCHCP	MCHCP
Judges	MOSERS	MOSERS	MOSERS	MCHCP	MCHCP	MCHCP

\* University of Missouri employees are not members of MOSERS. They receive benefits from the University of Missouri system.