

## EXPLANATION OF BENEFITS\*

(\*These benefits and procedures are subject to change at the sole discretion of Workforce Connections, Inc.)

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### GROUP INSURANCE COVERAGES

WCI offers a comprehensive suite of group insurance benefits to eligible regular employees. Participation is optional, and coverage becomes available following two months of continuous employment.

- **Health Insurance**– WCI contributes 80% of the monthly premium for Single, Employee + Spouse, Employee + Child, or Family plans under the employer-sponsored health insurance plan. Employees are responsible for the remaining premium, which is deducted through pre-tax payroll unless the employee waives this option.
- **Health Reimbursement Arrangement (HRA)** – Available to employees enrolled in WCI’s group health insurance. The HRA assists with deductible and coinsurance-related expenses. Employees are responsible for a portion of their deductible and out-of-pocket costs, after which WCI contributes up to the full deductible amount.
- **Life Insurance** – WCI pays 100% of premiums for group life insurance coverage up to \$100,000, including dependent coverage up to \$2,000 and spousal coverage up to \$5,000. Coverage equals twice the employee’s annual salary, rounded to the nearest \$1,000, up to a maximum of \$75,000. For employees over age 65, the maximum is \$7,500. IRS regulations require premiums in excess of \$50,000 to be treated as taxable income.
- **Dental** – WCI pays 100% of the premium for employee-only coverage or **90%** for Employee + Spouse, Employee + Children, or Family coverage. Any employee contribution is deducted through pre-tax payroll unless they are waived.
- **Vision**- WCI pays 100% of the premium for employee-only coverage or **90%** for dependent and spouse coverage. Employee contributions are handled through pre-tax payroll deductions unless waived.

**Note:** Employees who opt out of a specific group benefit are not entitled to apply WCI’s contribution toward other coverages.

If an employee is medically denied coverage by the group insurance carrier, WCI will reimburse the cost of alternative coverage obtained independently, up to the equivalent corporate contribution amount. Documentation of coverage and cost is required.

### SECTION 125 (CAFETERIA) PLAN

WCI offers an IRS Section 125 Plan, allowing employees to set aside pre-tax wages for qualified expenses such as insurance premiums, unreimbursed medical expenses, and dependent care. Participation is annual and governed by IRS rules. Any unused funds at the end of the benefit period are forfeited. Eligibility begins the first of the month after two months of continuous employment for staff working 30+ hours per week or 1,000+ hours per year.

### HEALTH SAVINGS ACCOUNT (HSA)

Available to employees enrolled in WCI’s HSA-eligible high-deductible health plan, this account is fully employee-owned. Funds may be used for IRS-approved medical expenses. Participation is subject to annual IRS contribution limits and begins at the same time as insurance eligibility.

### PENSION/ RETIREMENT

WCI contributes a percentage of each eligible employee’s gross wages into a SEP retirement account. Employees must be **21 years or older** and have **two years of continuous service**. Employees are fully vested upon their first contribution.

Length of Service	Percent Of Gross Salary		
2– 5 years	7%	16-25 years	9%
6 - 15 years	8%	>25 years	10%

#### 403(b) Tax Sheltered Annuity

Employees may contribute additional pre-tax earnings to a 403(b)-retirement account through payroll deductions. Employees are responsible for ensuring contributions stay within IRS limits.

#### **DISABILITY**

WCI offers short- and long-term disability coverage to eligible employees after 12 consecutive months of service. A physician’s certification is required to initiate coverage. WCI reserves the right to request a second medical opinion at the organization’s expense.

#### **Short-Term Disability**

Begins after 5 qualifying workdays and provides income continuation for up to 12 weeks:

<b>Short- Term Program (Maximum 12 Weeks)</b>		
Qualifying Period	5 working days ( <i>1 week</i> )	Personal/ Annual Leave
Monthly Benefit	Weeks 2-6 ( <i>5 weeks</i> )	100% Income continuation
	Weeks 7-9 ( <i>3 weeks</i> )	80% Income Continuation
	Weeks 10-12 ( <i>3 weeks</i> )	60% Income Continuation
Maximum Benefit Duration – 85 days ( <i>11 weeks</i> )		

- All other forms of paid leave are suspended during disability leave.
- Employees are not entitled to cash out disability leave upon separation.
- Benefits are reinstated after six consecutive months of active work following a previous leave.

#### **Long -Term Disability**

Available to regular employees working 30+ hour/week.

<b>Long-Term Program</b>	
Elimination Period	90 days
Benefit Duration	To age 67
Monthly Benefit	60% of monthly earnings to a maximum of \$5,000 per month

Long-term disability coverage may continue after separation if it was initiated prior to separation and the policy remains in effect.

#### **EMPLOYEE ASSISTANCE PROGRAM**

EAP services are available through Gundersen Health System.