



2018 PLAN YEAR



# Benefits After Separation

A Guide in Transfer, Termination, & Retirement

Graduate Appointees, Fellowship Recipients, and  
Postdoctoral Fellows of Indiana University

## Foreword

Indiana University provides a variety of benefit plans for its Graduate Appointees, Fellowship Recipients, and Postdoctoral Fellows, including life insurance, as well as medical and dental coverage. This booklet describes participant rights and responsibilities associated with termination of coverage for each of these benefit plans.

Upon termination from the university or transfer to an ineligible class or position, active participation in group insurance, medical, and dental care ceases. However, participants in these plans have certain rights and privileges.

This booklet provides an overview of each benefit plan, the opportunities available after participation ceases, and contacts and follow-up actions that are required to take advantage of any residual value that these benefit plans may provide. Follow-up is the responsibility of each enrollee after coverage ceases. Some actions must take place within specific time frames, e.g. 30 days for conversion of insurance policies and 60 days for COBRA medical and dental plan continuation.

*Material in this booklet is for informational purposes only and is not intended to serve as a legal interpretation of benefits.* Indiana University reserves the right to amend or terminate all or any part of its benefit program. The information in this booklet describes termination rights and responsibilities for plans as of January 1, 2017.

Participants may direct questions to the benefit plan customer service contacts listed in each section of this booklet, or IU Human Resources at (812) 856-4650 or [studenhc@iu.edu](mailto:studenhc@iu.edu). For additional information, visit the IU Human Resources website at [hr.iu.edu](http://hr.iu.edu).

# Group Life Insurance Coverages

## Plan Summaries

**Basic Life Insurance.** Indiana University provides Basic Life Insurance to eligible enrollees. The amount of coverage is \$20,000 for eligible enrollees under 65. The benefit is reduced for those ages 65 and older. Indiana University pays the cost of this coverage.

**Basic Accidental Death and Dismemberment (AD&D) Insurance.** The university provides Basic AD&D Insurance to eligible enrollees in an amount equal to the enrollee's Basic Life benefit. Accident Insurance benefits will reduce the same as the Life Insurance benefits.

The policy number for Graduate Appointees and Postdoctoral Fellows is **004001710**. The policy number for Fellowship Recipients is **00244140**.

## Eligibility

Basic Life and Accidental Death & Dismemberment insurance is available to all eligible Graduate Appointees, Fellowship Recipients and Postdoctoral Fellows. The policy is underwritten by Anthem Life Insurance.

## Discontinuation of Participation

Participation ends on the date that the enrollee:

- terminates from the university; or
- ceases to be a member of the eligible class for coverage; or
- ceases to make any required contributions.

## Rights After Participation Ends

All terminated enrollees who were covered by the Basic Life and AD&D Insurance have conversion privileges as explained below.

## Conversion of Life Insurance

**Enrollee Conversion.** When life insurance coverage ceases under this group policy due to the enrollee terminating or ceasing to be in an

eligible class for coverage, the policy may be converted to an individual life insurance policy without providing proof of good health. The amount of individual life insurance purchased may not be more than the amount for which the enrollee was insured under this group policy when coverage ceased.

The enrollee must apply for an individual policy and pay the first premium for that policy within 31 days after the date life insurance coverage ends under the IU-sponsored Basic Life and AD&D Insurance Policy.

Every effort is made to provide a conversion offer upon discontinuation of Basic Life and AD&D Insurance coverage; however, it is the enrollee's responsibility to convert the policy in a timely manner, whether or not a conversion offer is extended at the time of termination.

## Participant Responsibilities

Summary of actions the participant must take to convert an individual policy:

1. Return the Conversion Offer Application to the address listed on the letter. If a conversion offer is not received, contact IU Human Resources at (812) 856-4650. In either case, the form must be submitted to the policy underwriter within 31 days after the date on which group coverage terminates.
2. Send the initial premium with the conversion form within 31 days after the date that group coverage terminates.
3. Pay subsequent premium payments on time.
4. Notify the policy underwriter of beneficiary, address, and/or name changes.

## Customer Service

To obtain information on converting Basic Life and AD&D Insurance to an individual policy, contact IU Human Resources at (812) 856-4650.

# Medical & Dental Plans

## Health Care Plan Summary

Indiana University sponsors a comprehensive medical care plan for eligible Graduate Appointees, Fellowship Recipients and Postdoctoral Fellows. Benefits under the plan include medical, prescription drug, mental health/substance abuse, and transplant coverage. The university also sponsors a dental plan.

## Eligibility

All Graduate Appointees appointed at 37.5% FTE or greater, all Fellowship Recipients who meet the requirements of award amounts and enrollments, and all appointed Postdoctoral Fellows are eligible to participate in IU-sponsored health care plans. Spouses and children who meet the definition of eligible dependents may also be covered by health plans.

## Discontinuation of Participation

Participation by the enrollee in an IU-sponsored health care plan ends on the date that the enrollee:

- terminates from the university; or
- ceases to be a member of the eligible class for coverage; or
- fails to make required contributions if prior to the date of termination.

A dependent's coverage will terminate on the date of the earliest of the following occurrences:

- the covered dependent ceases to meet the definition of dependent,
- the enrollee's coverage terminates,
- all dependent coverage is discontinued under the plan,
- the enrollee ceases to be in the eligible class,
- a dependent becomes eligible for IU coverage, or
- the enrollee fails to make required contributions if prior to the date of termination.

## Rights After Participation Ends

Under federal law, enrollees have the right to continue health care coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA), and in the case of termination for reason of military service, under the Uniformed Services Employment and Reemployment Rights Act (USERRA).

## COBRA Continuation Coverage

Enrollees and their covered dependents have the opportunity for a temporary extension of health coverage (COBRA) at group rates in instances where coverage under the plan would otherwise end. The enrollee or dependent is responsible for the entire premium for COBRA coverage, plus a 2% administrative charge. Enrollees have a right to choose COBRA benefits when coverage is lost due to:

- a reduction in work hours, or
- termination of employment (other than for gross misconduct), including retirement.

Covered dependents also have a right, independent of the enrollee's right, to COBRA coverage. The covered dependent may elect COBRA even if the enrollee does not. A spouse or qualifying dependent child covered under an enrollee's IU-sponsored health care plan has the right to elect COBRA continuation if they lose coverage due to:

- the enrollee's death;
- the enrollee's termination (other than for gross misconduct) or reduction in work hours at IU;
- divorce or legal separation from the enrollee;
- the enrollee's entitlement to Medicare; or
- if a covered individual ceases to meet the definition of a dependent.

*The university must depend on notice from the enrollee when certain events occur that would qualify the enrollee or dependent for COBRA.*

Under COBRA regulations, the enrollee or family member has the responsibility to inform Indiana University of such events, including: divorce, legal

separation, or a child losing qualifying dependent status. Such notice must be within 30 days of the later of the following dates: date of the event, or the date on which coverage would end under the plan because of the event.

When Indiana University determines that an enrollee or dependent has experienced an event that qualifies the enrollee for continuation coverage, IU provides a written notice of COBRA rights and an application for the enrollee and dependents. The enrollee and/or dependents have 60 days to elect coverage from:

- the date of the qualifying event; or
- the date of the COBRA offer letter, whichever is later.

The length of COBRA coverage is between 18 and 36 months depending on the circumstances:

- 18 months when coverage is lost due to termination or reduction in hours;
- 36 months when coverage is lost due to death, divorce, legal separation, or dependent losing eligibility due to age;
- 29 months if the enrollee becomes disabled within 60 days of termination.

If the enrollee does not elect COBRA within 60 days, the option to reinstate coverage under the IU-sponsored health plan ends and there is no coverage beyond the date that the active enrollee's coverage ended. If the enrollee elects COBRA, coverage may also end when:

- premiums are not paid on time;
- the enrollee becomes covered under another group health plan which does not limit coverage for an enrollee's pre-existing condition;
- the enrollee becomes entitled to Medicare;
- IU no longer provides group health coverage to any enrollee;
- the enrollee's COBRA coverage was extended due to disability, and there is a final determination that the enrollee is no longer disabled.

In considering whether to elect continuation coverage, take into account that a failure to continue group health coverage will affect future rights under federal law.

Take into account that there are special enrollment rights under federal law. An enrollee has the right to request special enrollment in another group health plan for which they are otherwise eligible (such as a plan sponsored by a spouse's employer) within 30 days after group health coverage ends because of a qualifying event. An enrollee will also have the same special enrollment right at the end of continuation coverage if continuation coverage is maintained for the maximum time available.

COBRA benefits are provided subject to continued eligibility for coverage. Indiana University has the right to terminate COBRA coverage retroactive to the date on which eligibility ends.

## USERRA Health Plan Protection

If an enrollee terminates employment in order to perform military service, the enrollee has the right under USERRA to elect to continue existing IU-sponsored health plan coverage including coverage for his or her dependents for up to 24 months while in the military. The university administers this coverage by extending the enrollee COBRA eligibility period to a total of 24 months. The enrollee is responsible for the entire premium plus a 2 percent administration fee.

Even if the enrollee doesn't elect to continue coverage during military service, the enrollee has the right to be reinstated in an IU-sponsored health plan upon reemployment, generally without any waiting periods or exclusions except for service-connected illnesses or injuries.

This is an overview of USERRA health plan coverage rights and actual coverage may vary depending on circumstances.

For additional information on USERRA health plan rights, contact VETS at 1-866-4-USA-DOL or visit their web site at [www.dol.gov/vets](http://www.dol.gov/vets). An interactive online USERRA Advisor is also at [www.dol.gov/elaws/userra.htm](http://www.dol.gov/elaws/userra.htm).

## Participant Responsibilities

Summary of actions that the participant must take:

1. Notify the university within 30 days of a life event such as divorce, or when a child loses eligibility.
2. Notify the university if termination is for military service.
3. Submit application to elect COBRA within 60 days of:
  - the date coverage ended; or
  - the date of the COBRA offer letter, whichever is later.
4. Pay initial COBRA premiums to-date within 45 days of electing COBRA.
5. Pay monthly COBRA premiums on time.
6. During COBRA coverage, notify the university of changes that will affect communications or eligibility, including:
  - address changes or changes in marital status;
  - changes in disability status;
  - entitlement under Medicare or coverage under another group health plan.

## Customer Service

Questions about initiating COBRA coverage may be directed to:

### IU Human Resources

(812) 856-4650 or [studenhc@iu.edu](mailto:studenhc@iu.edu)

For health claim questions, call the respective health plan claim administrator:

### Medical

GA/PostDoc Fellows: (844) 736-0920

Fellowship Recipients: (800) 345-2460

### Dental

GA/PostDoc Fellows: (800) 244-6224

Fellowship Recipients: (877) 604-2142

## IU 457(b) Retirement Plan

*(Graduate Appointees and Postdoctoral Fellows Only)*

### Plan Summary

The IU 457(b) Retirement Plan (457(b) Plan) is a defined contribution plan established in accordance with Internal Revenue Code Section 457(b). A defined contribution plan is a plan which provides an individual account for each participant, and benefits are based solely on the value of the account.

The 457(b) Plan allows a Graduate Appointee or Postdoctoral Fellow to save money for retirement by making salary deferrals to the plan. A salary deferral is a pre-tax deduction from an eligible participant's compensation that is contributed to the plan. This means that the participant determines the amount of compensation, if any, that he or she wishes to defer to the plan. Salary deferrals made to the plan are immediately 100% vested and non-forfeitable.

The 457(b) Plan is a participant directed plan. This means that each Graduate Appointee or Postdoctoral Fellow is responsible for directing the investment of his or her 457(b) Plan account. A participant may only withdraw funds from his or her 457(b) Plan account upon termination of employment with Indiana University.

### Eligibility

Graduate Appointees appointed at 37.5% FTE or greater and appointed Postdoctoral Fellows are eligible for participation in the plan. The following individuals are prohibited from participating in the plan:

- Students with non-FICA status;
- Non-resident fellows; and
- Fellowship Recipients.

### Discontinuation of Participation

A participant is no longer eligible to make salary deferrals to the 457(b) Plan if the participant:

- terminates from the university; or
- ceases to be an eligible Appointee or Fellow.

In the event an individual becomes ineligible to contribute to the 457(b) Plan, salary deferrals will stop being made to the plan with the last regular paycheck or the last paycheck attributable to employment in a participant's position.

Participants who are ineligible to contribute to the 457(b) Plan, including those who terminate employment with Indiana University, have the same rights as participants who are eligible to contribute to the 457(b) Plan, except that no additional salary deferral contributions can be made to the plan.

### Rights After Participation Ends

A participant remains 100% vested in his or her 457(b) Plan account after termination of employment with Indiana University. A participant is not required to cash out or transfer his or her 457(b) Plan account upon termination of employment. Upon termination of employment, a participant may:

- Leave accumulations in the 457(b) Plan account and continue to manage the investments;
- Withdraw all or a portion of 457(b) Plan account accumulations (subject to income taxes); or
- Roll over all or a portion of 457(b) Plan account accumulations to an eligible retirement plan (e.g., an individual retirement account (IRA)).

After terminating employment with Indiana University, most transactions related to a participant's 457(b) Plan account are handled directly by the participant with the applicable investment company.

### Plan Distributions and Withdrawals

A participant may withdraw funds from his or her 457(b) Plan account upon termination of employment with Indiana University. 457(b) Plan distributions are generally subject to a 20 percent mandatory federal income tax withholding rate. This mandatory withholding will reduce the amount a participant actually receives upon withdrawing funds from the plan. However, the amount withheld will be credited against any

taxes the participant owes for the year when the participant files his or her annual tax return.

There are exceptions to the mandatory federal income tax withholding rule, including receiving the 457(b) Plan distribution as an annuity payment or directly rolling over the 457(b) Plan distribution to an eligible retirement plan (e.g., an IRA).

Finally, federal law requires that a participant begin to receive at least a partial distribution of his or her 457(b) Plan account on or before the "required beginning date." The required beginning date is April 1st of the calendar year following the calendar year in which the participant attains age 70 ½ or terminates employment with Indiana University, whichever is later. This rule is known as the minimum required distribution rule.

### Participant Responsibilities

Summary of actions that the participant must take:

1. Handle withdrawals and rollovers directly with the investment company.
2. Continue to direct the investment of the 457(b) Plan account.
3. Notify the investment company of any name, address, and/or beneficiary change(s).
4. Begin to receive minimum required distributions on or before the required beginning date.

### Customer Service

Indiana University has approved the following investment companies under the 457(b) Plan:

Fidelity Investments  
900 Salem Street  
Smithfield, RI 02917  
(800) 343-0860  
[www.netbenefits.com/indiana](http://www.netbenefits.com/indiana)

TIAA  
730 Third Avenue  
New York, NY 10017  
(800) 842-2252  
[www.tiaa.org/indiana](http://www.tiaa.org/indiana)



# Indiana University Notice of Privacy Practices

This notice describes how medical information about you may be used and disclosed and how you can get access to this information. Please review it carefully.

**Effective Date:** April 14, 2003

**Updated:** October 23, 2017

As the Plan Sponsor of employee health care plans, Indiana University is required by law to maintain the privacy and security of your individually identifiable health information. We protect the privacy of that information in accordance with federal and state privacy laws, as well as the university's policy. We are required to give you notice of our legal duties and privacy practices, and to follow the terms of this notice currently in effect.

This notice applies to all employees covered under an IU-sponsored health plan, but particularly those enrolled in IU self-funded plans.

## **How The Plan May Use and Disclose Protected Health Information about Members**

Protected Health Information (PHI) is health information that relates to an identified person's physical or mental health, provision of health care, or payment for provision of health care, whether past, present or future and regardless of the form or medium, that is received or created by the Plan in the course of providing benefits under these Plans.

The following categories describe different ways in which Indiana University uses and discloses health information. For each of the categories Indiana University has provided an explanation and an example of how the information is used. Not every use or disclosure in a category will be listed. However, all of the ways Indiana University is permitted to use and disclose information will fall within one of the categories

### **Treatment**

Health information may be reviewed to provide authorization of coverage for certain medical services or shared with providers involved in a member's treatment. For example, the Plan may obtain medical information from or give medical information to a hospital that asks the Plan for authorization of services on the member's behalf, or in conjunction with medical case management, disease management, or therapy management programs.

### **Payment**

Medical information may be used and disclosed to providers so that they may bill and receive payment for a member's treatment and services. For example, a member's provider may give a medical diagnosis and procedure description on a request for payment made to the Plan's claim administrator; and the claim administrator may request clinical notes to determine if the service is covered. Similarly, a physician may submit medical information to a Business Associate for purposes of administering wellness program financial incentives. Medical information may also be shared with other covered entities for business purposes, such as determining the Plan's share of payment when a member is covered under more than one health plan.

Explanations of Payments are also mailed to the address of record for the employee, the primary insured.

### **Health Care Operations**

Health information may be used or disclosed when needed to

administer the Plan. For example, Plan administration may include activities such as quality management, administration of wellness programs and incentives, to evaluate health care provider performance, underwriting, detection and investigation of fraud, data and information system management; and coordination of health care operations between health plan Business Associates. Genetic information will not be used or disclosed for health plan underwriting purposes.

Medical information may also be used to inform members about a health-related service or program, or to notify members about potential benefits. For example, we may work with other agencies or health care providers to offer programs such as complex or chronic condition management.

### **Individuals Involved in Your Care or Payment of Care**

Unless otherwise specified, the plan may communicate health information in connection with the treatment, payment, and health care operations to the employee and/or any enrolled individual who is responsible for either the payment or care of an individual covered under the plan. Also, when a member authorizes another party in writing to be involved in their care or payment of care, the Plan may share health information with that party. For example, when an employee signs an authorization allowing a close friend to make medical decisions on his or her behalf, the Plan may disclose medical information to that friend.

### **Legal Proceedings, Government Oversight, or Disputes**

Health information may be used or disclosed to an entity with health oversight responsibilities authorized by law, including HHS oversight of HIPAA compliance. For example, we may share information for monitoring of government programs or compliance with civil rights laws. Health information may also be disclosed in response to a subpoena, court or administrative order, or other lawful request by someone involved in a dispute or legal proceeding.

### **Research**

Health information may be used or shared for health research. Use of this information for research is subject to either a special approval process, or removal of information that may directly identify you.

## **Uses and Disclosures Requiring Your Written Authorization**

In all situations, other than the categories described above, we will ask for your written authorization before using or disclosing personal information about you. The Plan will not share member information for marketing purposes, including subsidized treatment communications, or the sale of member information without written permission. Members can also opt-out of fundraising communications with each solicitation. If you have given us an authorization, you may revoke it at any time. This revocation does not apply to any uses or disclosures already made in reliance on the authorization.

Mental health information, including psychological or psychiatric treatment records, and information relating to communicable diseases are subject to special protections under Indiana law. Release of such records or information requires written authorization or an appropriate court order.



## **Member Rights Regarding Protected Health Information**

### **Right to Inspect and Copy**

Members have the right to inspect and obtain a copy of the Protected Health Information maintained by the Plan including medical records and billing records

To inspect and copy PHI, members must submit in writing a request to the plan administrator. Requests to inspect and copy PHI may be denied under certain circumstances. If a member's request to inspect and copy has been denied written documentation stating the reason for the denial will be sent to the member.

### **Right to Amend**

Members have the right to request an amendment to PHI if they feel the medical information is incorrect for as long as the information is maintained.

To request an amendment, members must submit requests, along with a reason that supports the request, in writing to the plan administrator.

The Plan may deny a member's request for an amendment if it is not in writing or does not include a reason to support the request. Additionally, the Plan may deny a member's request to amend information that:

- Is not part of the information in which the member would be permitted to inspect or copy;
- Is not part of the information maintained by the Plan
- Is accurate and complete

### **Right to an Accounting of Disclosures**

Members have the right to an accounting of PHI disclosures during the six years prior to the date of a request.

To request an accounting of disclosures, members must submit requests in writing to the plan administrator. Requests may not include permitted PHI disclosures made to carry out treatment, payment or health care operations included in the six categories listed above. The member's written request must include a date or range of dates and may not include any dates before the April 14, 2003, compliance date.

### **Right to Request Restrictions**

Members have the right to request restrictions on certain uses and disclosures of Protected Health Information to carry out treatment, payment or health care operations. Members also have the right to request a limit on the information the Plan discloses to someone who is involved in the payment of your care; for example: a family member covered under the plan.

The Plan is not required to agree to your request. To request restrictions, members must submit requests in writing to the Plan. Requests must include the following: (1) information the member wants to limit; (2) whether the member wants to limit our use, disclosure or both; and (3) to whom the member wants the limit to apply, for example, disclosures to a spouse.

### **Right to Request Confidential Communications**

Members have the right to request that the Plan communicate with them about health information in a certain way or at a certain location. For example, asking that the Plan contact a member only at work.

To request confidential communications, members must submit requests in writing to the health plan administrator and must include where and how members wish to be contacted.

The Plan will accommodate all reasonable requests.

### **Right to Receive Breach Notification**

If the Plan components or any of its Business Associates or the Business Associate's subcontractors experiences a breach of health information (as defined by HIPAA laws) that compromises the security or privacy of health information, members will be notified of the breach and any steps members should take to protect yourself from potential harm resulting from the breach.

### **Right to a Copy of This Notice**

Members have the right to a copy of this Notice by e-mail. Members also have the right to request a paper copy of this notice. To obtain a copy, please contact the Privacy Administrator or visit <http://hr.iu.edu/benefits/privacynotice.pdf>.

### **Changes Made to This Notice**

The Plan reserves the right to change this Notice. The Plan reserves the right to make the revised or changed notice effective for Protected Health Information the Plan already has about members as well as any information received in the future. The new notice will be available on our web site, upon request, or by mail.

### **Right to File a Complaint**

If a member believes that their privacy rights have been violated, they may file a complaint to the Privacy Administrator with Indiana University's Health Care Plans, see contact information below.

Members may file a complaint with the U.S. Department of Health and Human Services Office for Civil Rights by sending a letter to: 200 Independence Avenue S.W., Washington, D.C., 20201; calling 1-877-696-6775, or visiting <http://www.hhs.gov/ocr/privacy/hipaa/complaints/>.

Indiana University will not retaliate against any member for filing a complaint.

## **Contact Information**

Members may contact the health plan with any requests, questions or complaints. We will respond to all inquiries within 30 days after receiving a written request. The Plan will accommodate all reasonable requests.

Privacy Administrator  
Poplars E165  
400 E. Seventh Street  
Bloomington, Indiana 47405-3085  
812-856-1234  
[askHR@iu.edu](mailto:askHR@iu.edu)

## **Personal Representatives**

Members may exercise their rights through a personal representative. This person will be required to produce evidence of his/her authority to act on a member's behalf before they will be given access to PHI or allowed to take any action for a member. Proof of this authority may be one of the following forms:

- A power of attorney notarized by a notary public;
- A court order of appointment of the person as the conservator or guardian of the individual; or
- An individual who is the parent of a minor child.



## **IU HUMAN RESOURCES**

**400 East 7th Street, Poplars E165, Bloomington, IN 47405**

812-856-1234 | [hr.iu.edu](http://hr.iu.edu)

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