

Benefits Enrollment Guide

As a faculty or staff member new to the University of Michigan or newly eligible for U-M benefits, this document is designed to help you find the information you need to make your benefits choices and to guide you through the online enrollment process. Please be aware that enrollment for most benefits is not automatic and you will need to enroll in benefits within **30 days** or as specified by your collective bargaining agreement.

Resources

<p>U-M Shared Services Center Contact Center – Call for help with benefits or enrollment Monday – Friday, 8:00 a.m. – 5:00 p.m. Eastern Time. Call: 5-2000 from the U-M Ann Arbor campus 734-615-2000 (locally) 866-647-7657 (toll free)</p>	<p>SSC Benefits Transactions – Fax number for submitting benefits forms Fax: 734-763-0363</p>
<p>Websites To review benefits information, including details on U-M benefits plans, options, eligibility, and links to plan books and forms:</p>	<p>University Human Resources Website hr.umich.edu/benefits-wellness</p>
<p>To view your rates, enroll in benefits, update your home mailing address and phone numbers, sign up for U-M emergency alerts, view your paycheck, and access other password-protected personal university information:</p>	<p>Wolverine Access wolverineaccess.umich.edu</p>

Key Points:

- 1) You must enroll for most benefits (particularly those health-related) within 30 days of your date of hire or the date you became eligible for benefits**, or as specified by your collective bargaining agreement if you are a union member. See the Benefits Enrollment Deadlines and Defaults document at hr.umich.edu/sites/default/files/benefits-enrollment-deadlines.pdf.

Enrollment for most benefits is NOT automatic; it requires online enrollment, plus a few paper forms.

- 2) Visit the University Human Resources website at hr.umich.edu/benefits-wellness for details on eligibility for you and your dependents and information on the available benefits plans, options, and rates.**
 If considering an HMO or managed care health plan, be certain your family’s personal care physicians participate in the plan you are considering. If you want to know if your provider participates with a particular plan, contact your provider and ask.
- 3) Please set aside time to review the [benefits](#) AND [enrollment](#) websites carefully.**
- 4) Once enrolled online, your health benefits are retroactive to the date of hire or date of eligibility and remain in effect until December 31, 2021** (as long as you remain eligible). Compare options carefully; the next opportunity to choose differently will be during the next Open Enrollment event unless you experience a qualified family status change. See hr.umich.edu/changing-your-benefits for details.

Quick Guide to U-M Benefits Plans

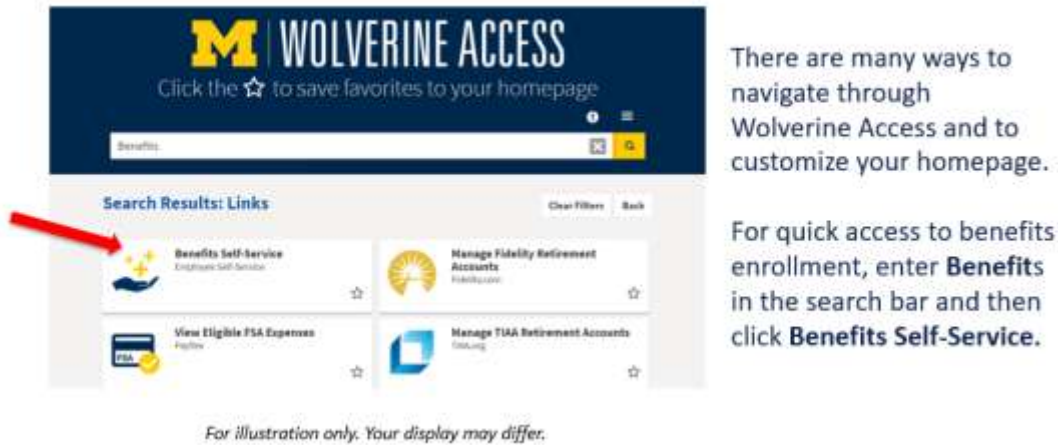
Following is a list of the benefits plans U-M currently offers to benefits-eligible faculty, staff and students and the enrollment steps for each plan. Your eligibility for benefits is based on your job/career family or benefit group, your appointment percentage, and the duration of your appointment. To see the plans for which you and your dependents are eligible and your monthly rates, see the University Human Resources website at hr.umich.edu/benefits-wellness. **Enrollment for most benefits is NOT automatic**; it requires online enrollment, plus a few paper forms. Benefits are subject to change.

Benefit Plan	Fast Facts	Steps for Enrollment
Health Plan Includes Prescription Drug Plan	Choose Traditional, PPO, or Managed Care.	Enroll online through Wolverine Access/Self Service within 30 days of hire or benefits eligibility.*
Dental Delta Dental Plan	Three plan options available. Choose Option 1, Option 2, or Option 3.	Enroll online through Wolverine Access Benefits Self-Service to change option for self and/or enroll dependents within 30 days of hire or benefits eligibility.*
Vision Davis Vision Plan	Exam, eyeglasses and/or contact lens coverage.	Enroll online through Wolverine Access Benefits Self-Service within 30 days of hire or benefits eligibility.*
Legal MetLife Legal Plan	General legal services for you and your family.	Enroll online through Wolverine Access Benefits Self-Service within 30 days of hire or benefits eligibility.*
Flexible Spending Accounts (FSA)	Set aside pretax dollars for Health Care and/or Dependent Care eligible expenses.	Mail/Fax the FSA enrollment form to SSC Benefits Transactions within 30 days of hire or benefits eligibility.*
Expanded Long-Term Disability	Continue 65% of base salary, benefits, and U-M's retirement contribution if totally disabled. Plan limitations may apply.	Enroll online through Wolverine Access Benefits Self-Service within 30 days of hire or benefits eligibility.* No proof of insurability is required as a new hire only.
Retirement Savings Plans <ul style="list-style-type: none"> • Basic Retirement Plan • Supplemental Retirement Account (SRA) • 457(b) Deferred Compensation Plan • Roth after-tax option 	You may enroll with TIAA-CREF and/or Fidelity Investments. Individuals hired or newly eligible on or after January 1, 2010 must complete a 12-month waiting period to become eligible to receive U-M contributions to the Basic Retirement Plan.	Enroll any time online through Wolverine Access Benefits Self-Service.
University Group Term Life Insurance	Automatic on date of hire; no cost for self (\$30,000 term life policy).	Designate your beneficiaries with MetLife at: www.metlife.com/mybenefits .
Optional Group Term Life Insurance	Amounts available: \$5,000, \$50,000, or 1 to 8 times salary.	Enroll online through Wolverine Access Benefits Self-Service within 30 days of hire or benefits eligibility.* No proof of insurability is required as a new hire only.
Dependent Spouse or Other Qualified Adult Term Life Insurance	Employee is beneficiary, possible to apply for a \$10,000, \$25,000, \$50,000, or \$100,000 policy.	Enroll online through Wolverine Access Benefits Self-Service within 30 days of hire or benefits eligibility.* Mail/Fax proof of insurability forms to MetLife. Requires short or long health statement.
Dependent Child Term Life Insurance	Employee is beneficiary; choose a \$2,000 or \$5,000 policy.	Enroll online through Wolverine Access Benefits Self-Service within 30 days of hire or benefits eligibility.* No proof of insurability is required at any time.
Business Travel Accident Insurance	Automatic for self on date of hire.	No application required. Enrollment is automatic.

*Enrollment deadlines may differ for those covered by collective bargaining agreements.

STEP-BY-STEP Online Enrollment Instructions

- To identify the benefits plans and options that best meet your needs and those of your eligible dependents, review options online at hr.umich.edu/benefits-wellness.
 - To enroll in benefits plans, go to Wolverine Access at wolverineaccess.umich.edu, or click the **Wolverine Access** link located under “quick links” on the U-M gateway, umich.edu.
- 1) Enter **Benefits** in the search bar, and then select **Benefits Self-Service**. Enter your unickname Login ID and UMICH password. (If you don't have a unickname or UMICH password, contact your supervisor.)
 - 2) Click **Log In**, which displays the **Benefits Self Service** page.



- 3) Click the **Select** button on the **Benefits Enrollment** page.
 - 4) Follow the online instructions to make your benefits selections. Choose (or edit and store) each benefit for you and your eligible dependent(s). For assistance, click on “help.” or call the **SSC Contact Center** at 5-2000 from the U-M Ann Arbor campus, 734-615-2000 locally or toll-free 866-647-7657 (8:00 a.m. -5:00 p.m. Eastern Time).
- 5) Click **SUBMIT** to finalize your benefits choices and click **SUBMIT** again to send them for processing. **At this time, all selections are final and no further changes can be made.** A confirmation statement summarizing your choices will be displayed and emailed to you. Record the confirmation number or print a copy of the confirmation statement for reference. *If you are unable to enroll online, call the SSC Contact Center immediately.* Review your Benefits Summary on the Self Service page in Wolverine Access the day after you finalize your benefits.

NOTES

- **DEADLINES:** To obtain coverage for you and your eligible dependents, you must enroll in your benefits within **30 days** of your date of hire or eligibility, or by the deadline specified by your collective bargaining agreement.
- **LIMITATIONS:** Once you have submitted your benefits elections, or after your enrollment deadline has passed, you will not be able to change health, dental, legal or vision plans, or your FSA, until the next Open Enrollment period, unless you experience a qualified family status change that impacts eligibility for benefits. Open Enrollment is usually in October and new benefits elections go into effect January 1.
- **DUAL U-M FAMILIES:** If two members of a household work at U-M and/or have U-M benefits as a retiree, special conditions may apply. You cannot cover under your U-M benefit plans: (1) Anyone who works for U-M and has his or her own coverage as an employee of U-M; (2) Any eligible dependents who are already covered by another employee of U-M, unless you are court-ordered to provide such coverage; (3) Anyone who is not your legal spouse or eligible dependent; (4) Yourself if you are covered by another U-M employee as a dependent on their benefit plan.
- **WAIVE BENEFITS:** You may elect to waive your U-M benefits. When you waive health coverage you also waive prescription drug coverage. Before you waive your U-M coverage, be sure to read and understand the conditions that may allow you to enroll in a U-M health plan if you should lose your coverage through another employer or group health plan.
- **EFFECTIVE DATE:** All health benefits are retroactive to your date of hire or date of eligibility. Flexible Spending Account enrollments begin the first of the month after the appropriate forms are received by SSC Benefits Transactions. Retirement Savings Plan enrollments generally become effective with the next available paycheck after your enrollment is completed.

Benefit Enrollment Deadlines and Defaults

Important

To obtain coverage for you and your eligible dependents, you must enroll in your benefits within the election deadline for your career/job family or bargaining unit as specified below.

Benefits elections you make, including waiving coverage, remain in effect until the next open enrollment with continuous eligibility unless you experience a qualified family status change.

Career/Job Family	Election Deadline	Default Enrollment if No Elections Received by Deadline
Faculty and Staff	30 days	<ul style="list-style-type: none"> Failure to submit elections within the 30-day deadline will result in no health coverage or prescription drug coverage. Dental Option 1 – you only
Research Fellows	30 days	Comprehensive Major Medical and Dental Option 1 – you only
Temporary employees and other groups covered under Employer Shared Responsibility (ESR). For more information, visit hr.umich.edu/esr	30 days	Failure to submit elections within the 30-day deadline will result in no health coverage or prescription drug coverage.

Bargaining Unit	Election Deadline	Default Enrollment if No Elections Received by Deadline
AFSCME	30 days	Comprehensive Major Medical and Dental Option 1 – you only
House Officers Association	30 days	UM Premier Care and Dental Option 1 – you only
International Union of Operating Engineers	30 days	Comprehensive Major Medical and Dental Option 1 – you only
Lecturers' Employees Organization	30 days	<ul style="list-style-type: none"> Failure to submit elections within the 30-day deadline will result in no health coverage or prescription drug coverage. Dental Option 1 – you only
Police Officers Association of Michigan	30 days	Comprehensive Major Medical and Dental Option 1 – you only
Michigan Nurses Association	30 days	Comprehensive Major Medical and Dental Option 1 – you only
Trades	30 days	<ul style="list-style-type: none"> Failure to submit elections within the 30-day deadline will result in no health coverage or prescription drug coverage. Dental Option 1 – you only

Notes

You may only submit your benefit elections one time within the election period. Once you have submitted your elections or your election deadline has passed, you will not be eligible to change health, dental, vision, or legal plans or enroll in a flexible spending account until the next Open Enrollment period (usually in October with elections effective January 1 of the following year) or until your next period of eligibility under the Affordable Care Act, unless you experience a qualified family status change.

If eligible, you can enroll in or change Basic Retirement, Supplemental Retirement and Child Life insurance at any time of the year. If eligible, you can enroll in Expanded Long-Term Disability, Optional Group and Dependent Spouse or Other Qualified Adult Group Term Life Insurance at any time by providing proof of insurability in the form of a health statement.

Questions?

You may review benefits information at hr.umich.edu/benefits-wellness. If you have any questions about the benefits plans or the enrollment process, please call the SSC Contact Center at 734-615-2000 (5-2000 from U-M Ann Arbor) or 1-866-647-7657 (toll free for off-campus calling within the U.S.), Monday through Friday from 8 a.m. to 5 p.m.



Benefit Enrollment Deadlines and Defaults

Important

To obtain coverage for you and your eligible dependents, you must enroll in your benefits within the election deadline for your career/job family or bargaining unit as specified below.

Benefits elections you make, including waiving coverage, remain in effect until the next open enrollment with continuous eligibility unless you experience a qualified family status change.

Career/Job Family	Election Deadline	Default Enrollment if No Elections Received by Deadline
Graduate Student Research Assistants	30 days	GradCare and Dental Option 1 – you only
Benefit Eligible Fellowship Students	30 days	GradCare and Dental Option 1 – you only
Benefit Eligible Medical School Students	30 days	GradCare – you only
Temporary employees and other groups covered under Employer Shared Responsibility (ESR). For more information, visit hr.umich.edu/esr	30 days	Failure to submit elections within the 30-day deadline will result in no health coverage or prescription drug coverage.

Bargaining Unit	Election Deadline	Default Enrollment if No Elections Received by Deadline
GEO Members (Greater than 25% appointment)	30 days	GradCare and Dental Option 1 – you only
GEO Members (Less than 25% appointment)	30 days	GradCare and Dental Option 1 – you only

Notes

You may only submit your benefit elections one time within the election period. Once you have submitted your elections or your election deadline has passed, you will not be eligible to change health, dental, vision, or legal plans until the next Open Enrollment period (usually in October with elections effective January 1 of the following year) or until your next period of eligibility under the Affordable Care Act, unless you experience a qualified family status change.

Medical School Students are required to provide their source of other health coverage in order to waive coverage from the university.

Transferring Between Career/Job Families

When you change between an employed student and a benefit-eligible fellowship, the Benefits Transaction Team will automatically continue plans in which eligibility does not change. If you become newly eligible for a plan, you will receive an email with enrollment instructions. Please review your confirmation statement to determine if you have lost eligibility for a plan.

Graduate Student Research Assistants and GEO Members can enroll in or change Supplemental Retirement and Child Life insurance at any time of the year. Graduate Student Research Assistants and GEO Members can enroll in Optional Group and Dependent Spouse or Other Qualified Adult Group Term Life Insurance at any time by providing proof of insurability in the form of a health statement.

Questions?

You may review benefits information at hr.umich.edu/benefits-wellness. If you have any questions about the benefits plans or the enrollment process, please call the SSC Contact Center at 734-615-2000 (5-2000 from U-M Ann Arbor) or 1-866-647-7657 (toll free for off-campus calling within the U.S.), Monday through Friday from 8 a.m. to 5 p.m.

FA

University of Michigan

2021 Flexible Spending Account Deduction Authorization Form

For All Eligible Faculty and Staff Members.

Please use this form to make your elections. Print all information in **black** ink. Return your completed and signed form to SSC Benefits Transactions **within 30 days** (or as specified by your bargaining agreement) after your first day of employment at the university, or within 30 days after your qualified family status change. **These elections remain in effect from your effective date* through December 31, 2021 unless you experience a qualified family status change.** You must re-enroll in a Flexible Spending Account each year that you wish to participate.

1. Faculty or Staff Member Information.

Name (Last, First, Middle Initial)		UMID	U.S. Social Security Number (If UMID is unknown)
Street Address		City, State, Zip	Home Phone Number
Title	I am paid: <input type="checkbox"/> bi-weekly <input type="checkbox"/> monthly	Email Address	Daytime Phone Number

2. Annual Deduction Amounts.

- Be sure the correct annual election amount is entered under each type of account. Inaccurate estimates of expenses may cause you to forfeit money.
- Funds cannot be transferred between dependent care and health care accounts or from one spouse to another.
- For annual contribution information, see the Flexible Spending Accounts section at hr.umich.edu/flexible-spending-accounts

Health Care Flexible Spending Account
Covers eligible health care expenses for you and your eligible dependents. For information on eligible expenses, go to hr.umich.edu. Only eligible expenses incurred on or after your effective date* through March 15, 2022 are reimbursable. You may contribute from \$120 up to \$2,750 per year to a Health Care FSA.

Total annual amount you want to contribute to a Health Care FSA \$ _____ **From effective date* through December 31, 2021**

Dependent Care Flexible Spending Account
Covers eligible dependent daycare expenses so you can work or go to school full time. For information on eligible dependent daycare expenses, go to hr.umich.edu. Only expenses incurred on or after your effective date* through March 15, 2022 are reimbursable. You may contribute from \$120 up to a possible maximum of \$5,000 per year to a Dependent Care FSA. Highly compensated employees are limited to \$3,600 per year. For information on contribution limits, see hr.umich.edu/fsa-eligibility-enrollment

Total annual amount you want to contribute to a Dependent Care FSA \$ _____ **From effective date* through December 31, 2021**

Is your spouse also employed by U-M? If yes, spouse's name _____

Spouse's SSN or UMID _____

3. Flexible Spending Account Participants Release of Liability.

I release the University of Michigan and its Flexible Spending Accounts claims processor, PayFlex, from any liability incurred if I submit ineligible expenses for reimbursement or if I fail to follow the regulations for the Flexible Spending Account. I have read the Flexible Spending Accounts plan book available from hr.umich.edu and I understand the agreement and confirmation set out on page 2 of this form concerning flexible spending accounts.

***Effective Date: Your account becomes effective the first of the month following the date the enrollment form is received by SSC Benefits Transactions, your date of hire, or the date you become newly-eligible, whichever is later.** For example, if your date of hire is March 1, and your Flexible Spending Account enrollment form is received March 10, your account becomes effective April 1, and only eligible expenses incurred on or after your April 1 effective date through March 15 of the following year would be eligible for reimbursement from your current FSA. You must re-enroll each year you wish to participate.

Effective* (month) _____ through December 31, 2021, I authorize the University of Michigan to make the above pretax deductions on a monthly or bi-weekly basis, as appropriate, to fund my Flexible Spending Account(s) for health care expenses and/or dependent care expenses.

I certify that the Health Care Flexible Spending Account debit card will only be used for eligible medical care expenses for myself and my eligible dependents.

Signature of Faculty or Staff Member

Date Signed

2021 Flexible Spending Account Deduction Authorization Form

Agreement and Confirmation

By my signature on the Flexible Spending Account Authorization Form, I confirm that I understand and agree to the following requirements of participation in a flexible spending account.

Annual Contribution Amounts

1. There are minimum and maximum amounts that can be contributed to the Flexible Spending Accounts each year. For a Health Care FSA, the minimum annual contribution is \$120 and the maximum is \$2,750. You and your spouse may each open a Health Care FSA, however, you cannot file claims for the same expenses on both accounts. For example, if your spouse claims your expenses under his or her FSA, then you can't also claim them under your FSA.

The Dependent Care FSA contribution limit is per household. The minimum annual contribution is \$120 and the maximum is up to \$5,000 (\$2,500 if married and filing separately). Keep in mind, this amount may be less based on your family gross earnings and tax filing status. See "Special Limits for Highly Compensated Faculty and Staff" below for information on IRS rules that may impact your Dependent Care FSA contribution amount.

Visit the PayFlex website at payflex.com for help estimating your eligible annual expenses and determining how much to contribute to a Health Care FSA and/or a Dependent Care FSA.

Deductions

2. Deductions will occur over 12 paychecks for faculty and staff members paid monthly, and over 24 paychecks for staff members paid bi-weekly. Deductions for mid-year enrollments will be based on the number of paychecks remaining in the calendar year after the effective date. Deductions cannot be taken from stipend or fellowship funds. No deductions will be taken during periods such as a leave when the enrollee is not receiving a salary from the university.

3. **Deductions cannot be changed or canceled during the current election period unless a qualified family status change occurs (marriage, divorce, birth of baby, etc.) in which event the coverage change must be consistent with the change in status.** If such a change occurs, the participant must provide documentation of the change by submitting a Health Care FSA and/or Dependent Care FSA Request for Change in Status form to SSC Benefits Transactions **within 30 days** of the event. Otherwise, the change cannot be made until the next Open Enrollment period.

4. Changes in deduction amounts will be effective the first day of the month following the receipt of the authorization form or date of eligibility, whichever is later.

Claims

5. Eligible expenses incurred on or after the effective date of coverage through March 15 of the following year can be claimed for reimbursement. Duplicate reimbursement is not allowed. That is, expenses cannot be reimbursed by another source (such as a health insurance plan) or taken as an income tax deduction *and* reimbursed under a flexible spending account.

6. Be sure to sign your claim form. PayFlex will not process a claim if the form does not include your signature.

7. A claim form for reimbursement from a Health Care Flexible Spending Account must be accompanied by an itemized receipt and/or an Explanation of Benefits (EOB) form. An EOB form is provided by the health insurance company after a claim is filed. HMOs do not provide EOB forms. Participants who are enrolled in an HMO should submit an original itemized bill to document expenses.

8. For Health Care FSA expenses not covered by insurance, reimbursement requests will not be processed without acceptable evidence of your expenses. PayFlex will not accept canceled checks in lieu of a bill or receipt. Receipts must include the type of service, date expense was incurred, patient's name, name of the provider of service, and amount of expense. Statements showing only previous balances, or the amounts paid or balances due are not acceptable documentation.

9. You can fax your claims forms. PayFlex has established a toll-free fax number, (855) 703-5305, for the exclusive use of U-M FSA participants. Keep a copy of the fax transmission report as documentation the fax was successfully transmitted and received by PayFlex.

10. Keep a copy for your personal files for all documentation submitted to PayFlex. Bills or receipts cannot be returned.

11. Flexible Spending Account claims received by PayFlex, claims processor for the university's FSA accounts, will generally be reimbursed within 15 business days from the date PayFlex receives your claim form. Dependent care reimbursements will not exceed the balance in the account as of the first of that month.

12. Funds cannot be transferred between the two types of accounts. Participation cannot be transferred to a spouse.

13. All eligible claims must be submitted to PayFlex by the cutoff date, May 31 of the following year. Any funds that remain in the accounts as of June 1 of the following year will be forfeited in accordance with IRS regulations. There are no exceptions to this rule. In accordance with IRS regulations, the university uses forfeited funds to pay administrative costs of the FSA program.

Special Limits for Highly Compensated Faculty and Staff

14. The IRS allows pre-tax contributions to an FSA as long as the plan does not favor highly compensated employees (HCE) as defined by the IRS. You are considered "highly compensated" if you had family gross earnings of \$130,000 or more in the prior calendar year. In accordance with IRS regulations against discrimination, the Benefits Office examines FSA plans each year to ensure that they do not disproportionately benefit employees the IRS considers "highly compensated." The Benefits Office determines the amount that can be contributed to a Dependent Care FSA by an HCE at the beginning of each year (\$3,600), but if at any time during the year that ratio is not being met, the university will reduce contributions made by participants whose family gross earnings are \$130,000 or more to ensure compliance with IRS rules. If you are an HCE, your deduction may not exceed \$3,600 per family for a married couple filing jointly, or for a single parent. For an HCE married person filing separately the limit is \$2,500. If a Dependent Care FSA fails the nondiscrimination test, highly-compensated employees will be taxed on all of the dependent care assistance benefits they received during the calendar year. Employees who are not highly compensated are not affected by this rule.

General

15. This agreement expires no later than December 31, 2021. A new agreement is required each year you wish to participate.



HUMAN RESOURCES
BENEFITS OFFICE
UNIVERSITY OF MICHIGAN

Questions?

If you have any questions, view hr.umich.edu/benefits-wellness, or call the SSC Contact Center at 734-615-2000 or 866-647-7657 (toll free for off-campus long-distance calls within the U.S.), Monday through Friday from 8 a.m. to 5 p.m.

Receipt Confirmation

A confirmation email will be sent to your UMICH email address within 72 hours of receipt of your form.

How to Return Your Signed and Completed Form

By FAX

Fax it to 734-763-0363.

Keep a copy of the fax transmission report with your form in your records.

By Mail Only

Make a copy for your records and send the original by **Campus Mail or U.S. Mail** to:
SSC Benefits Transactions
Wolverine Tower
3003 South State Street
Ann Arbor, MI 48109-1276



U-M Retirement Savings Plans

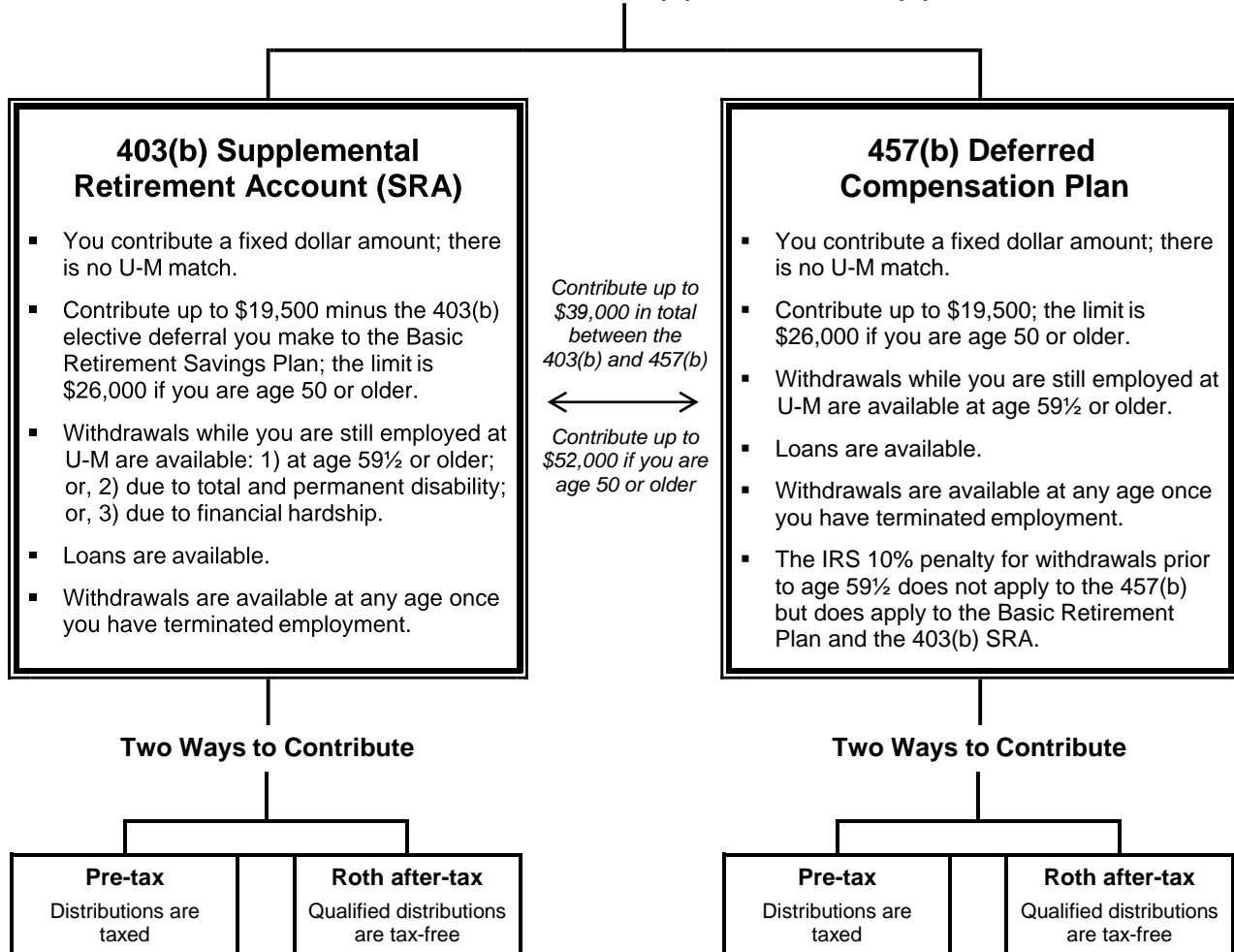
Your Guide to Saving for Retirement at U-M

Enroll in the Basic Retirement Plan: Receive the Two-for-One Match

Basic Retirement Savings Plan

- The U-M Basic Retirement Savings Plan is a 403(b) and 401(a) plan with immediate vesting.
- You may enroll at any time.
- You contribute 5% of your pre-tax salary and U-M contributes 10% after 1 year of service once you are enrolled in the Basic Plan. If you are subject to a collective bargaining agreement, consult with the terms of the agreement to confirm the contribution rate.
- The Basic Plan does not offer loans and cash withdrawals are not available while you are still employed.
- You may cash out or rollover your contributions at any age after you have terminated employment; U-M contributions may be cashed out or rolled over at age 55 or older once you have terminated.

Save More with the 403(b) SRA and 457(b)



How to Enroll as a New Hire

The Basic Retirement Plan offers a two-for-one matching contribution, while the 403(b) SRA and 457(b) allow you to save more for retirement. You may enroll in any one plan or any combination of plans as a new hire or throughout the year. You may choose from over 200 investment funds available through TIAA and Fidelity Investments.

You may enroll in the Basic Retirement Plan using Wolverine Access when you select your other benefits such as medical and dental as a new hire. You need to create a separate enrollment event to enroll in the 403(b) SRA and another for the 457(b). Therefore, you will need three separate events to enroll in all three plans. Each enrollment is processed overnight after you enter your elections; allow up to 24 hours between enrolling in each type of plan. Your U.S. Social Security Number must be on file with Wolverine Access or your contributions will be rejected.

When you complete the online enrollment process a notice will be sent to TIAA and/or Fidelity to create your account(s) for the Basic Retirement Plan, 403(b) SRA and/or 457(b). You will need to follow up with TIAA and/or Fidelity to select your investment funds and designate your beneficiary.

EFFECTIVE DATE – The 457(b) is effective the month after you enroll while the Basic Retirement Plan and 403(b) SRA can take effect in the current month if your enrollment is completed by certain deadlines. For information on deadlines, synchronizing your plan enrollments to take effect with a specific paycheck and enrollment instructions visit: hr.umich.edu/retirement-enroll-deadlines

IF YOU ARE A REHIRE – If you have an existing U-M account for the type of plan in which you are enrolling, it will continue to be used and a new account will not be created. Be sure your name, address, beneficiary and investment funds with TIAA and/or Fidelity Investments are correct; they may have become outdated since your previous employment with the university.

1. Enroll in the Basic Retirement Plan

You may select the Basic Retirement Plan enrollment option while you are choosing other benefits like medical and dental as part of the new hire enrollment event. Be sure to also indicate how much of your contribution and the U-M contribution (when you are eligible) to invest with TIAA and/or Fidelity. You may change how much you allocate to either investment company or enroll in the Basic Retirement Plan throughout the year by creating an enrollment event (see step 2).

- Go to wolverineaccess.umich.edu, select **Benefits Self-Service** and log in, select **Retirement Self Service** on the Benefits Enrollment page. Select **Initiate Ret Savings Elections** and follow the screen prompts.

2. Enroll in the 403(b) SRA and/or 457(b)

You contribute a fixed dollar amount to the 403(b) SRA and/or 457(b) and you may choose to contribute as traditional pre-tax, Roth after-tax, or any combination of both. You need to create a separate enrollment event for each plan in which you want to enroll since they are not part of the new hire event that you use to enroll in the Basic Retirement Plan. You may also enroll in, or make changes to any retirement plan throughout the year by creating an enrollment event as follows:

- Go to wolverineaccess.umich.edu, select **Benefits Self-Service** and log in, select **Retirement Self Service** on the Benefits Enrollment page. Select **Initiate Ret Savings Elections** and follow the screen prompts.

3. Select Your Funds & Designate Your Beneficiary

Your beneficiary and investment fund for the Basic Retirement Plan, 403(b) SRA and 457(b) will be a default until you take action to change them. You can do this through the TIAA and Fidelity websites listed in this packet.

DEFAULT INVESTMENT FUND – The fund default is an age-appropriate Lifecycle Index Fund if you select TIAA and a Freedom Index Fund if you select Fidelity Investments. If you do not have a U.S. street mailing address, the default investment fund for TIAA will be CREF Money Market.

DEFAULT BENEFICIARY – For both TIAA and Fidelity the default beneficiary will be according to the person or persons surviving you in the following order: a) spouse, b) children, c) parents, d) brothers or sisters, e) personal representative (executor or administrator).

IMPORTANT – You need to make your fund and beneficiary designations for each type of plan in which you enroll and for each investment company you select. For example, if you enroll in the Basic Retirement Plan and the 403(b) SRA with TIAA you need to designate your fund choices and beneficiary for each plan even though both are with the same company.

BASIC RETIREMENT PLAN CONTRIBUTION

New hire and newly eligible faculty and staff must complete 12 consecutive months of eligible service to become eligible for the university contribution to the Basic Retirement Plan.

- Eligible faculty and staff contribute 5% of salary; U-M provides a 10% matching contribution subject to fulfilling the waiting period.
- Individuals subject to a collective bargaining agreement should consult with the terms of the agreement to confirm the contribution rate; the waiting period also applies to U-M contributions

ROTH 403(b) SRA & ROTH 457(b)

You may save more for retirement through the 403(b) SRA and 457(b) programs by making contributions as pre-tax, Roth after-tax, or any combination of both. Roth contributions are taxed when taken from your paycheck but offer the incentive that qualified distributions are tax-free when made after a 5-taxable-year period of participation **and** is either made on or after the date you attain age 59½, made after your death, or attributable to your being disabled. In contrast, pre-tax contributions are not subject to income tax when deducted from your paycheck, but are taxed when you take a distribution.

Another incentive to the after-tax Roth 403(b) SRA and Roth 457(b) plans is that you may postpone distributions indefinitely during your lifetime (requires rollover to a Roth IRA) and you can even pass assets tax-free to your heirs.

Who may benefit from a Roth 403(b) or Roth 457(b)?

- Those not eligible for a Roth IRA due to IRS income restrictions which do not apply to the U-M Roth plans.
- Young faculty and staff who have a long retirement horizon that will allow time to amass significant tax-free assets.
- Those who believe their income tax rates will rise in the future.
- Those who want tax diversification of having both after-tax and tax-deferred assets as a hedge against potential tax increases.

COMPULSORY PARTICIPATION

You may enroll in the Basic Retirement Plan at any time. Participation is compulsory for regular staff age 35 or older, who have a 100% appointment, and have at least two years of eligible service. If you are not participating in the Basic Retirement Savings Plan once you meet all three criteria you will be enrolled and the contribution rate will be the Reduced Benefit Option. Under the Reduced Benefit Option on earnings below the FICA wage base (\$142,800) you do not contribute and the U-M contribution is half the normal match rate. On earnings exceeding FICA the two-for-one contribution rate applies. You may change between participating at the Reduced Benefit Option and the full matching rate anytime.

DO YOU HAVE ANOTHER RETIREMENT PLAN?

Elective deferrals you make to another retirement plan in the same calendar year will reduce how much you may contribute to the Basic Retirement Plan and the 403(b) SRA. These include the following types of plans:

- Federal Thrift Savings Plan (ex. if you are a VA Rotator)
- 403(b)
- 401(k)
- 408(k)(6) SARSEP
- SIMPLE (Savings Incentive Match Plans for Employees)

If you have already made significant contributions to these plan types during the calendar year, you may have limited ability to save through the U-M 403(b) SRA and the Basic Retirement Plan. If this is the case, consider the 457(b) as an option to make additional contributions to save for retirement. Also, 457(b) elective deferrals you make at another employer will reduce how much you contribute to the 457(b) at U-M.

Contributions made to certain plans also reduce the amount you may contribute to the U-M plans. These include certain plans with respect to self-employment income, another 403(b) plan outside of the U-M plans, or certain types of plans sponsored by a corporation, partnership, or sole proprietorship in which you have more than a 50% ownership interest. Visit: benefits.umich.edu/plans/retire/irc415.html

Consult with a tax advisor to ensure you do not exceed the IRS contribution limits. Contact the Benefits Office if you have questions on how much you may contribute to the U-M plans.

DIRECT TRANSFERS

You may transfer accumulations between TIAA and Fidelity at any time but you must have an account at the company who will receive the transfer. The transfer application **does not** create your account, which you must do as a separate action. A transfer only moves existing balances. You will need to direct future contributions to the newly chosen investment company or they will continue to be deposited with your current company.

Visit: hr.umich.edu/retirement-plan-rollovers-direct-transfers

ROLLOVERS INTO U-M

You can rollover assets from another employer's retirement plan into an IRA with TIAA and/or Fidelity to consolidate your assets alongside your U-M retirement plan accounts, and it provides you a single quarterly statement. However, you will not have access to the low-cost share class of mutual funds that are available through the U-M plans. Assets you roll into any of the U-M plans are available for withdrawal while you are working for the university or after you terminate employment. In addition, the 403(b) SRA and 457(b) plans also offer the option to take a loan on your account.

Visit: hr.umich.edu/retirement-plan-rollovers-direct-transfers

SELECT YOUR FUNDS & BENEFICIARY

The enrollment process will default your investment fund and your beneficiary for each plan in which you enroll. You may change these at any time after your account has been created, for example, after you receive the welcome packet from the company. You may also create your account online through the TIAA and Fidelity websites listed below. You need to make your designations for each type of plan in which you enroll and for each investment company you select. For example:

- You enroll in the Basic Retirement Plan with TIAA and designate your fund choices and beneficiary.
- You enroll in the 403(b) SRA with TIAA.
- You will need to designate your fund choices and beneficiary again, this time for the 403(b) SRA even though it is with the same company as the Basic Retirement Plan.

TIAA

Online

You can create your account, select your investment funds and designate your beneficiary online at any time instead of waiting for your welcome packet by going to: TIAA.org/umich

- Select “**Enroll Now**”
- Click on the type of plan for which you are creating an account: Basic Retirement Plan, 403(b) SRA, 457(b).
- Follow the online prompts and enter your selections.

By Phone

Call TIAA at 1-800-842-2252, Monday through Friday from 7 a.m. to 9 p.m. and Saturday from 8 a.m. to 5 p.m. (CT). A consultant will help you make the appropriate beneficiary designations for your retirement planning needs and record your investment fund selections.

FIDELITY INVESTMENTS

Online

You can create your account, select your investment funds and designate your beneficiary online at any time instead of waiting for your welcome packet by going to: netbenefits.com/uofm

- Select “**Enroll**”
- Click on the type of plan for which you are creating an account: Basic Retirement Plan, 403(b) SRA, 457(b).
 - **NOTE:** You will need to open an account under two different plans for the Basic Retirement Plan. Open an account under **401(a) Base Plan 86503** for the U-M contribution and open an account under **403(b) Base Plan 72104** for your contribution.
- Follow the online prompts and enter your selections.

By Phone:

Contact a Fidelity Retirement Services Specialist by calling 800-343-0860, Monday through Friday, 8:00 a.m. to midnight, Eastern time if you have questions or need assistance.

THE DEFAULT INVESTMENT FUND

A TIAA Lifecycle Index Fund or Fidelity Investments Freedom Index Fund is a mutual fund that is a diversified portfolio of other mutual funds offered by that company; essentially a fund of other funds. This includes domestic and international stock funds, bond funds, and money market funds. Each Lifecycle Index or Freedom Index Fund automatically selects the allocation of stock, bond, and money market funds that are appropriate for a target retirement date of approximately age 65.

The Lifecycle Index and Freedom Index Funds gradually adjust over time to become more conservative by decreasing the underlying equity holdings and increasing the fixed income holdings as the fund's target retirement date nears. The gradual shift into fixed income from equities provides the potential for growth while reduces volatility as the retirement date approaches.

TIAA Lifecycle Index and Fidelity Freedom Index Funds are actively managed; however, the underlying mutual funds within each portfolio are index mutual funds. An index fund is a passive investment strategy that aims to replicate the movements of a specific benchmark that are held constant, regardless of market conditions. Using underlying index funds are a lower cost option to meet your retirement savings goals.

Your date of birth will be included in the enrollment notice sent to your chosen investment company. This will determine the specific Lifecycle Index or Freedom Index Fund into which you will be enrolled.

Lifecycle Index and Freedom Index Funds provide a simple solution if you lack the time, confidence, or investment knowledge to create and manage a well-diversified portfolio. Each fund is professionally managed and provides you with a simple, single investment fund.

LIMITS ON CASH WITHDRAWALS AND ROLLOVERS

Basic Retirement Plan

Employee contributions are not available for cash withdrawals or rollovers until you have terminated employment. University contributions are not available for cash withdrawals or rollovers until you have terminated employment and you are age 55 or older. Loans and in-service cash withdrawals are not available under any circumstance.

403(b) SRA

Cash withdrawals and rollovers are available upon termination of employment at any age and at age 59½ or older while you are still working at U-M. Withdrawals due to disability and hardship that meet IRS qualifications are also available.

457(b)

Cash withdrawals and rollovers are available upon termination of employment at any age, and at age 70½ while you are still working at U-M.

Loans

Loans are available for both the 403(b) SRA and the 457(b) but not from the Basic Retirement Plan.

TIAA

What is TIAA?

TIAA is the nationwide retirement and financial services system for people who work at more than 15,000 colleges, universities, independent schools, and other nonprofit education, hospital and health care, and research institutions throughout the United States. In fact, the University of Michigan was the first in the nation to offer TIAA in 1919.

TIAA has the highest rating for insurance financial strength from all four major rating agencies: Moody's; S&P; Fitch; A.M. Best and received the highest ranking for trust in the financial services and insurance industries by The Harris Poll (2010).

What are my investment choices?

The investment fund is automatically defaulted to an age-appropriate TIAA Lifecycle Index Fund. You may change this at any time. TIAA offers more than 40 fund choices, including mutual funds, and fixed and variable annuities. Domestic and international stock funds, bond funds, money market funds and real estate funds are available, along with a guaranteed fixed annuity and socially responsible funds. Several Vanguard funds are also available.

TIAA Institutional Class Mutual Funds

All TIAA mutual funds available through the University of Michigan plans are offered under the Institutional share class. This is the share class with the lowest management fees and expenses TIAA offers. The Institutional share class charges 25 basis point ($\frac{1}{4}$ of a percent) less in expenses than the Retirement share class that is typically offered through most employers. The lower fees mean more of your money remains in your account to work toward your financial future, and your retirement account balances have more earning potential.

Where can I find more information?

Visit: TIAA.org/umich

You can schedule an appointment with a TIAA investment professional by calling **1-800-732-8353**

Fidelity Investments

What is Fidelity Investments?

Fidelity Investments was founded in 1946 by Edward C. Johnson II and today is the largest mutual fund company in the world. Fidelity is one of the nation's top providers of 403(b) retirement savings plans for not-for-profit organizations, including colleges and universities, healthcare institutions, foundations, and charitable organizations. The University of Michigan added Fidelity Investments to its retirement plan in 1989.

What are my investment choices?

The investment fund is automatically defaulted to an age-appropriate Freedom Index Fund. You may change this at any time. Fidelity Investments offers over 200 mutual funds, including domestic and international stock funds, bond funds, money market funds and real estate funds. In addition, the Select Portfolio Funds allow you to invest in highly specialized sectors of the economy. Several Vanguard funds are also available.

Fidelity Freedom Index Funds: Class W

The Fidelity Freedom Index Funds available through the University of Michigan plans are offered as Class W shares. Class W is the share class with the lowest management fees Fidelity offers for the Freedom Funds. The low fees mean that more of your money goes to purchasing investments and you keep a higher percentage of the potential returns generated, which can help you reach your retirement goals faster.

Fidelity Class K Funds

Twenty-nine Fidelity fund options are available through the institutional Class K shares. These include funds like Blue Chip Growth, Contrafund and Magellan, among others. These 29 funds have lower fees and expenses than their non-Class K counterparts but have the same investment strategy and risk.

Where can I find more information?

netbenefits.com/uofm

You can schedule an appointment with a Fidelity Investments professional by calling **1-800-642-7131**

TAKE CHARGE

Review your paystub and quarterly statements; meet regularly with TIAA and Fidelity to review your savings goals and rebalance your portfolio; keep your name, address, and beneficiary updated; periodically increase your 403(b) SRA and 457(b).