



EMPLOYEE BENEFITS SUMMARY FOR

MANAGERS AND DEPUTY MEDICAL DIRECTORS

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INTRODUCTION

This Employee Benefits Summary contains information concerning some of the benefits you will receive as a New York City Transit employee. This Employee Benefits Summary is for informational purposes only and may be modified at any time. If a conflict exists between this Employee Benefits Summary and an official written document setting forth the benefit, policy, procedure, or rule, the official written document controls.

It is important to note that all benefits summarized herein are the benefits that are currently in effect at New York City Transit. These benefits are all subject to change, including termination, at any time in the sole discretion of New York City Transit, except to the extent that they are required by law. Some benefit programs, such as public retirement plans, are administered and interpreted outside of New York City Transit. If the information contained in this Employee Benefits Summary conflicts with the provisions of any benefit program, the program's policies control.

HEALTH PLANS

MEDICAL/HOSPITAL/PRESCRIPTION DRUG COVERAGE **ELIGIBILITY**

Effective November 1, 2014, all newly hired Non-Represented employees and eligible dependents coverage will be effective the first day of the month following their date of hire.

You are offered a choice of health plans under the New York State Health Insurance Program (NYSHIP):

- The Empire Plan 001- Participating Provider Organization (PPO) provides a full range of health care coverage for in-network and out-of-network providers. You do not need to choose a primary care physician nor need referrals for specialist visits. If you seek care with an in-network provider, you will only be responsible for the copayments. If you seek care with an out-of-network provider, you will be responsible for paying the provider. Once your annual deductible is satisfied, you will be responsible for the coinsurance and charges in excess of the reasonable and customary charge. Please refer to the NYSHIP General Information Book and other NYSHIP updates for detailed information.

or

- Health Maintenance Organizations (HMOs) provide a full range of health care services through a network of health care providers. You must choose a primary care physician (PCP) from the HMO's network for routine care. Specialist visits for medically necessary care are covered when authorized by your PCP. If you seek care outside the HMO network, you will be responsible for the cost of the service except in the event of an emergency as defined by the HMO. You may elect the following HMOs:

CDPHP	310(Hudson)
Empire	290
Empire BC/BS	320 (Mid-Hudson)
HIP (formerly GHI HMO)	350
HIP	050
MVP	340(Hudson)

Domestic Partner:

The following NYSHIP rule regarding domestic partners enrolling in Medicare Parts A and B applies whether the employee's status is active or retired:

- If your Domestic Partner is Medicare eligible by reaching age 65 or due to a disability, he/she must enroll in Medicare Part A (hospital) and Part B (medical) to minimize any out-of-pocket medical expenses.
- NYSHIP will automatically process all such claims as NYSHIP being the secondary coverage and Medicare as primary coverage for the domestic partner.
- The cost of Medicare Part B will be reimbursed by NYSHIP.

HEALTH PLANS CONT'D

HEALTH CARE REFORM (HCR) CHANGES FOR 2011

- A) GRANDFATHERED STATUS Our health plans are considered grandfathered plans. This means that our plans are not subject to certain coverage and benefit mandates under the HCR.
- B) COVERAGE FOR DEPENDENT CHILDREN FROM AGE 19 TO 26
 Dependent children from age 19 to 26 are eligible for medical, hospital and prescription drug coverage effective January 1, 2011 regardless of student or marital status:
 - If you wish to enroll a dependent child between the ages of 19 and 26, please complete the NYSHIP Health Insurance Transaction Form and submit the required documentation.

Note that this extended dependent child coverage does not apply to dental and vision coverage.

	WITHOUT F/T STUDENT VERIFICATION	WITH F/T STUDENT VERIFICATION
Age When Coverage Ends	AGE 19 End of month of birthday	AGE 25 End of month of birthday
Dental	√	√
Vision	√	√

*Full-time student verification must be submitted to the Business Service Center (BSC) every semester.

MANDATORY MEDICARE SECONDARY PAYER (MSP) REPORTING

Social Security Number Requirements: The Medicare, Medicaid and State Children’s Health Insurance Extension Act of 2007 (MMSEA) requires that we report social security numbers to the Federal Centers for Medicare and Medicaid Services (CMS) for all dependents who are at least age 45. You can check if your covered dependent’s Social Security Number is missing from your benefits record by signing into My MTA Portal at www.mymta.info. Log in and then click the “My Benefits” tab to view your benefits information. If your dependent’s Social Security Number is not shown under SSN (only the last four digits will show), please submit a copy of your dependent’s Social Security Card with your name and pass number noted on the copy to the Business Service Center (BSC).

CHANGING OPTIONS

You may change your health plan coverage during the Option Transfer Period (also known as the Annual Enrollment Period) usually in November thru the end of December with an effective date of coverage the following January 1st.

The only circumstance under which you may change your NYSHIP medical insurance plan outside the Option Transfer Period is in the event of a Qualifying Family Status Change. Examples of qualifying family status changes include losing a dependent through death or divorce, gaining a dependent through birth, marriage or adoption, or changing your employment status. Your NYSHIP General Information Booklet explains qualifying family status changes as well as other details about your NYSHIP coverage. To obtain a copy of the NYSHIP General Information Booklet, please contact the BSC.

OPT-OUT PROGRAM

You may Opt-Out of medical/hospital/prescription drug coverage, provided you have alternate coverage. The financial incentive for opting out is **\$1,000/individual coverage or \$3,000/family** coverage payable at the end of January the following year. Payment is subject to all applicable federal, state and local taxes. (Monies are not considered pensionable income and will not be included in any pension calculation.)

You should advise the BSC of your decision to enroll in the Opt-Out program when you are eligible to enroll in one of the health plans. You must complete an Agreement to Decline (Opt-Out) Medical Coverage Form (HR-BEN-036) adhering to the deadline for submitting it to the BSC.

If not enrolled at that time, you could enroll during the Annual Enrollment Period usually from October 15 to November 15 with an effective date of the change in coverage the following January 1st

Opting out of medical/hospital and prescription drug coverage does not affect your dental and vision coverage. These coverages remain in effect unless you decline dental and/or vision coverage. A financial incentive will not be paid if you decline dental and/or vision coverage. Your election to Opt-Out automatically renews each year.

If you waive medical/hospital/prescription coverage instead of Opting-Out, you will not be entitled to receive a financial incentive.

Active employees must opt-out for the entire year to receive the full incentive payment. If you separate from employment before the end of the opt-out period or your opt-out enrollment terminates due to a life event (loss of coverage/termination/resignation), payment will be prorated.

You may elect to defer your opt-out benefit amount to your 401(k) or 457 plans and thus defer taxes on that amount.

HEALTH PLANS CONT'D

The following is a summary of the Empire Plan, a PPO offered through NYSHIP:

THE EMPIRE PLAN MEDICAL UNITEDHEALTHCARE	
IN-NETWORK (PARTICIPATING PROVIDER PROGRAM)	OUT-OF-NETWORK (BASIC MEDICAL PROGRAM)
COMBINED ANNUAL DEDUCTIBLE – NONE	<p>THE EMPIRE PLAN HAS A COMBINED ANNUAL DEDUCTIBLE OF \$1,000 PER ENROLLEE, \$1,000 PER ENROLLED SPOUSE/DOMESTIC PARTNER AND \$1,000 PER ALL DEPENDENT CHILDREN COMBINED.</p> <p>THE MANAGED PHYSICAL MEDICINE PROGRAM HAS A SEPARATE \$250 DEDUCTIBLE THAT IS NOT INCLUDED IN THE COMBINED ANNUAL DEDUCTIBLE.</p>
COPAYMENT – \$20/VISIT	AFTER YOU SATISFY THE COMBINED ANNUAL DEDUCTIBLE, THE EMPIRE PLAN PAYS 80 PERCENT OF REASONABLE AND CUSTOMARY CHARGES.
COINSURANCE MAXIMUM– N/A	THE EMPIRE PLAN HAS A COMBINED ANNUAL COINSURANCE MAXIMUM OF \$3,000 PER ENROLLEE, \$3,000 PER ENROLLED SPOUSE/DOMESTIC PARTNER AND \$3,000 PER ALL DEPENDENT CHILDREN COMBINED. AFTER YOU REACH THE COMBINED ANNUAL COINSURANCE MAXIMUM, YOU WILL BE REIMBURSED UP TO 100 PERCENT OF REASONABLE AND CUSTOMARY CHARGES.
MAXIMUM BENEFITS – UNLIMITED	MAXIMUM BENEFITS – UNLIMITED

HEALTH PLANS CONT'D

THE EMPIRE PLAN HOSPITAL EMPIRE BLUECROSS BLUESHIELD
ANNUAL DEDUCTIBLE – NONE, IF PRE-CERTIFIED*
INPATIENT COPAY – NONE, IF PRE-CERTIFIED*
OUTPATIENT COPAY – \$60 COPAYMENT, IF PRE-CERTIFIED*
EMERGENCY ROOM – \$70 COPAYMENT (WAIVED IF ADMITTED)**
<p>Benefit Management Program -- You must call the Medical/Surgical Program for Prospective Procedure Review at 1 877-769-7447 before an elective Magnetic Resonance Imaging (MRI), Magnetic Resonance Angiography (MRA), Computerized Tomography (CT), Position Emission Tomography (PET) scan or Nuclear Medicine tests unless you are having the test as an inpatient in a hospital. (see The Empire Plan Certificate for details).</p>
<p>Pre-Admission and Certification Requirement Under the Benefit Management Program-- if The Empire Plan is your primary coverage, you must call 1 877-769-7447 for certification of any inpatient stay:</p> <ul style="list-style-type: none">• before a maternity or scheduled (non-emergency) hospital admission• within 48 hours or as soon as reasonably possible after an emergency or urgent hospital admission• before admission or transferred to skilled nursing facility
<p>If you do not follow the preadmission certification requirement for the Hospital Program you must pay:</p> <ul style="list-style-type: none">• a \$200 hospital penalty if it is determined that any portion was medically necessary and all charges for any day's care determined not to be medically necessary

HEALTH PLANS CONT'D

THE EMPIRE PLAN MENTAL HEALTH AND SUBSTANCE ABUSE BEACON HEALTH OPTIONS, INC	
(INPATIENT) IN-NETWORK	(INPATIENT) OUT-OF-NETWORK
COMBINED ANNUAL DEDUCTIBLE -NONE	<p>THE EMPIRE PLAN HAS A COMBINED ANNUAL DEDUCTIBLE OF \$1,000 PER ENROLLEE, \$1,000 PER ENROLLED SPOUSE/DOMESTIC PARTNER AND \$1,000 PER ALL DEPENDENT CHILDREN COMBINED.</p> <p>AFTER YOU SATISFY THE COMBINED ANNUAL DEDUCTIBLE, THE EMPIRE PLAN PAYS 80 PERCENT OF REASONABLE AND CUSTOMARY CHARGE.</p>
COPAYMENT – NONE	THE EMPIRE PLAN HAS A COMBINED ANNUAL COINSURANCE MAXIMUM OF \$3,000 PER ENROLLEE, \$3,000 PER ENROLLED SPOUSE/DOMESTIC PARTNER AND \$3,000 PER ALL DEPENDENT CHILDREN COMBINED.
MAXIMUM VISITS – UNLIMITED WHEN MEDICALLY NECESSARY	MAXIMUM VISITS – UNLIMITED WHEN MEDICALLY NECESSARY
(OUTPATIENT) IN-NETWORK	(OUTPATIENT) OUT-OF-NETWORK
COPAYMENT-\$20/VISIT	THE EMPIRE PLAN HAS A COMBINED ANNUAL DEDUCTIBLE OF \$1,000 PER ENROLLEE, \$1,000 PER ENROLLED SPOUSE/DOMESTIC PARTNER AND \$1,000 PER ALL DEPENDENT CHILDREN COMBINED.
COMBINED ANNUAL COINSURANCE-NONE	<p>THE EMPIRE PLAN HAS A COMBINED ANNUAL COINSURANCE MAXIMUM OF \$3,000 PER ENROLLEE, \$3,000 PER ENROLLED SPOUSE/DOMESTIC PARTNER AND \$3,000 PER ALL DEPENDENT CHILDREN COMBINED.</p> <p>AFTER YOU HAVEREACHED THE COMBINED ANNUAL COINSURANCE MAXIMUM, YOU WILL BE REIMBURSED UP TO 100 PERCENT OF REASONABLE AND CUSTOMARY CHARGES.</p>
MAXIMUM VISITS – UNLIMITED WHEN MEDICALLY NECESSARY	MAXIMUM VISITS – UNLIMITED WHEN MEDICALLY NECESSARY

HEALTH PLANS CONT'D

THE EMPIRE PLAN PRESCRIPTION DRUG PROGRAM CVS/CAREMARK, INC.			
	GENERIC COPAYMENT	PREFERRED BRAND-NAME COPAYMENT*	NON-PREFERRED BRAND- NAME COPAYMENT*

UP TO A 30-DAY SUPPLY			
PARTICIPATING RETAIL PHARMACY	\$5	\$25	\$45
MAIL SERVICE	\$5	\$25	\$45

31 TO 90-DAY SUPPLY			
PARTICIPATING RETAIL PHARMACY	\$10	\$50	\$90
MAIL SERVICE	\$5	\$50	\$90

***GENERIC SUBSTITUTION**

If your prescription is written for a brand-name drug but a generic equivalent exists, you will pay the non-preferred brand-name copayment **PLUS** the difference in cost between the brand-name drug and generic drug (unless DAW is not checked), not to exceed the full cost of the drug.

HEALTH PLANS CONT'D

DENTAL COVERAGE

You and your dependents have a choice of two (2) dental insurance plans:

- **MetLife - Participating Provider Organization (PPO) or**
- **Healthplex (Dentcare) - Dental Maintenance Organization (DMO)**

METLIFE DENTAL PLAN

The MetLife PPO Dental plan gives you the opportunity to use participating dentists as well as non-participating dentists. If you choose to visit a non-participating dentist, you will incur higher out-of-pocket expenses.

HEALTHPLEX (DENTCARE) DENTAL PLAN

There is no out-of-network benefit coverage with Healthplex DMO. You must select a Healthplex participating provider to treat your dental needs. If you need to see a specialist, your Healthplex provider will provide you with a referral. You may change your provider at any time; however, you must wait until Healthplex approves the change before visiting the new provider.

Summaries of the MetLife and Healthplex (Dentcare) Dental Plans:

	METLIFE		HEALTHPLEX (DENTCARE)
	IN-NETWORK	OUT-OF-NETWORK	IN-NETWORK
ANNUAL DEDUCTIBLE	NONE	INDIVIDUAL - \$50 / FAMILY - \$150	NONE
ORTHODONTIC DEDUCTIBLE	NONE ¹	\$50/PERSON (1)	NONE
ANNUAL MAXIMUM	\$2,500/YEAR (IN- AND OUT-OF-NETWORK COMBINED)		NONE
ORTHODONTIC MAXIMUM	\$2,300/LIFETIME (IN- AND OUT-OF-NETWORK COMBINED) (1)		NONE
ORTHODONTIC OUT-OF-POCKET MAXIMUM	N/A	N/A	\$300/LIFETIME
TYPE A EXPENSES PREVENTIVE & DIAGNOSTIC	100% (2)	100% NO DEDUCTIBLE (2)	NO CHARGE
ORAL CANCER SCREENING	100% (2)	100% NO DEDUCTIBLE (2)	NOT COVERED
TYPE B EXPENSES MINOR RESTORATIVE	80% (2)	80% AFTER DEDUCTIBLE (2)	NO CHARGE
TYPE C EXPENSES MAJOR RESTORATIVE	80% (2)	60% AFTER DEDUCTIBLE (2)	FROM \$0 - \$100
IMPLANTS	80% (2)	60% AFTER DEDUCTIBLE (2)	NOT COVERED
TYPE D EXPENSES (1) ORTHODONTICS	80% (1, 2)	60% AFTER DEDUCTIBLE (1, 2)	\$300

1 BENEFIT IS ONLY AVAILABLE TO DEPENDENT CHILDREN UP TO AGE 19.

2 PERCENTAGE APPLIES TO THE REASONABLE AND CUSTOMARY CHARGES.

HEALTH PLANS CONT'D

VISION COVERAGE

Vision care services for you and your covered dependents are provided through the EyeMed Vision Care. This plan has in-network and out-of-network benefits. General Vision Services (GVS) centers are in-network providers. If you use a non-participating provider, you will be responsible for any amounts exceeding the maximum allowable reimbursement. You are eligible for reimbursement for one exam and one pair of eyeglasses or contact lenses per calendar year.

Schedule of the maximum allowable reimbursement you will receive under EyeMed Vision Care:

PLAN NUMBER:	IN-NETWORK PROVIDERS BENEFITS		OUT-OF-NETWORK BENEFITS
9749458	Below represents the amount that you will pay out-of-pocket.	Additional glasses or contact lenses: Below represents the amount that you will pay out-of-pocket.	You pay the full cost of service and then submit a claim form to receive the following REIMBURSEMENT.
EYE EXAM (Eyeglasses):	\$0	\$0	Up to \$40
EYE EXAM (Contact Lenses):	\$0*	\$0*	Up to \$40
FRAMES:			
Priced up to \$60 retail	Retail less \$90	\$25	Up to \$45
Priced from \$61 to \$80 retail	Retail less \$90	\$35	Up to \$45
Priced from \$81 to \$100 retail	Retail less \$90	\$45	Up to \$45
Priced \$101 and over	Retail less \$90	65% of retail	Up to \$45
LENSES (Standard Uncoated Plastic):			
Single Vision	\$0	\$30	Up to \$40
Bifocal	\$0	\$50	Up to \$60
Trifocal	\$0	\$60	Up to \$60
Lenticular	\$0	\$100	Up to \$150
Progressive	R&C** less \$120	\$50	Up to \$180
CONTACTS:			
Daily & Extended Wear-in lieu of lenses	R&C** less \$100	R&C** less \$100	\$100
Medically Necessary-in lieu of lenses	R&C** less \$100	R&C** less \$100	\$100

*Contact lenses fitting fees may vary and are set by the provider.

**R&C = Reasonable and Customary Charges

HEALTH PLANS CONT'D

FLEXIBLE SPENDING ACCOUNT (FSA)

A Flexible Spending Account (FSA) allows you to set aside money on a pre-tax basis for certain health care and dependent care expenses. There are two types of FSAs:

- **Health Care Spending Account**
- **Dependent Care Spending Account**

HEALTH CARE SPENDING ACCOUNT

The Health Care Spending Account pays eligible health care expenses not covered by insurance for yourself and anyone you claim as a qualifying dependent. You can set aside a minimum of **\$100** and up to **\$2,650** each year. Examples of eligible expenses are medical, vision, dental and prescription drug plan copayments and deductibles, if applicable, and certain health care products. Contact the FSA administrator for a complete listing of covered items.

You have until March 15th of the year following the plan year to incur expenses; you then have until June 30th to claim reimbursement for the previous plan year. **Any unused funds will be forfeited.**

DEPENDENT CARE SPENDING ACCOUNT

The Dependent Care Spending Account pays eligible dependent care expenses for eligible dependents. Eligible dependents include children under age 13, or a person of any age whom you claim as a dependent on your federal income tax return who is mentally or physically unable to take care of himself/herself. You can set aside a minimum of **\$100** and up to **\$5,000** each year. Examples of eligible expenses include daycare and nursery schools, regular babysitting or au pair, adult daycare centers, before-school and after-school programs. Contact the FSA administrator for a complete listing of criteria for qualified dependent care services.

You have until March 15th of the year following the plan year to incur expenses; you then have until June 30th to claim reimbursement for the previous plan year. **Any unused funds will be forfeited.**

ENROLLMENT:

New employees hired on or before September 2nd are eligible to enroll during their first 90 days of employment. If you do enroll, coverage is effective on the 91st day. New employees hired after September 2nd and all other employees may enroll during the annual enrollment period generally held in November. Your coverage would then become effective January 1st of the following plan year.

You **must** re-enroll each year to continue FSA coverage from one year to the next; re-enrollment is **not** automatic.

HEALTH PLANS CONT'D

COBRA - CONTINUATION OF COVERAGE

The Consolidated Omnibus Budget Reconciliation Act (COBRA) allows you and/or your covered dependents to continue coverage in the event that health care coverage is lost as a result of one of the following qualifying events. You are responsible to pay the full cost of the coverage plus a 2% administrative fee.

<u>Qualifying Events</u>	<u>Maximum Coverage Period</u>
Reduced Work Hours	18 months
Termination of Employment	18 months
Death of Employee	36 months
Divorce/Legal Separation	36 months
Over-Age Child/Graduation/Not a full-time student	36 months

Upon termination of your employment, a COBRA notice will be sent to your home address on file. Under COBRA, you or your dependent(s) are responsible for notifying BSC of a qualifying event such as divorce/legal separation or a child's loss of dependent status within 60 days of the qualifying event. Once BSC is notified, you or your dependent(s) will receive information regarding continuation of coverage. Failure to notify BSC within the required time frame may result in you losing the right to elect COBRA continuation.

You have 60 days from the date you receive the COBRA notice to elect coverage continuation. If elected, you will have 45 days from the date of your election to pay the first premium. Coverage will be retroactively reinstated to the date coverage terminated.

You and/or your dependent(s) who continue coverage under COBRA will stay in the same option in which you were enrolled. A COBRA enrollee may change health options during the annual enrollment period.

HEALTH INSURANCE CONTINUATION

If you die while in active service and have at least ten (10) years of Credited Service in a pension plan offered by MTA NYC Transit or other MTA agency, health benefits for your covered spouse and dependents will be continued provided they were enrolled for coverage on the date of your death. Coverage for your spouse will continue for life or until remarriage. Dental and Vision coverage will end for your dependent children when they attain age 19 (25 if they are full-time students) or when the surviving spouse remarries, whichever comes first.

There is no health benefits continuation for your spouse and/or dependents if they were not enrolled in the plan(s) at the time of your death.

HEALTH PLANS CONT'D

LIFE INSURANCE

The following summarizes life insurance benefits for you and your eligible dependents. Please refer to your current Life Insurance booklet/Certificate of Coverage for further details.

BASIC LIFE INSURANCE

Your basic life insurance coverage is equal to two (2) times your annual base salary up to a maximum of \$750,000 at no cost to you.

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

Your accidental death and dismemberment insurance coverage is equal to two (2) times your annual base salary up to a maximum of \$750,000 at no cost to you.

BASIC DEPENDENT LIFE INSURANCE

Basic dependent life insurance for your eligible dependents equal to: \$5,000(spouse)/\$1,000(dependent children) provided at no cost to you.

SUPPLEMENTAL LIFE INSURANCE

You have the option to purchase additional life insurance of one to five times your base annual salary, up to a maximum of \$750,000. If you apply for coverage within 30 days of your eligibility date, you will not be required to submit Evidence of Insurability (EOI), except if the coverage selected exceeds three times your base salary, or \$200,000, whichever is less.

Supplemental life insurance applications received outside your eligibility period require EOI regardless of the amount requested. Premiums are taken through automatic payroll deductions. When there are three pay periods in a month, premiums are deducted only on the first two paychecks of the month.

SUPPLEMENTAL DEPENDENT LIFE INSURANCE

You have the option to purchase additional dependent life insurance for your spouse and dependent children. There are four (4) options available to you. You may elect a benefit from \$5,000(spouse)/\$1,000(dependent children) up to \$20,000(spouse)/\$4,000(dependent children). If you apply for coverage within 30 days of your eligibility date, you will not be required to submit Evidence of Insurability (EOI).

Supplemental dependent life insurance applications for your spouse/dependent children received outside your eligibility period require EOI. Premiums are taken out through automatic payroll deductions from the first paycheck of each month.

SHORT -TERM DISABILITY

If you are absent from work due to a prolonged, major or catastrophic illness, you may submit an application for short-term disability (STD). If your application is approved, this benefit entitles you to full salary continuation for up to 26 weeks from the onset of your illness. You must, however exhaust your available leave balances except for two (2) weeks of accrued vacation before STD will be paid. Your leave balances are comprised of all of your accumulated sick leave, all accrued vacation (including frozen), personal leave, floating holidays and compensatory time (if applicable). This is provided to you at no cost.

LONG-TERM DISABILITY

After six (6) months of disability and subject to approval by the carrier, you will be eligible for Long Term Disability (LTD) benefits in the amount of 60% of your monthly salary (less offsets by sick leave payments, workers compensation payments, disability pension payments and Social Security benefit payments) up to a maximum of \$10,000 per month. This is provided to you at no cost.

ADDITIONAL BENEFITS

NEW YORK'S 529 COLLEGE SAVINGS PROGRAM

The New York's 529 College Savings Program (NYCSP) is an opportunity to help make college more affordable. It was designed to help employees of all income levels save for college in the most convenient, flexible and affordable way. You can set up an account for a child, grandchild, relative or friend. Employees can also enroll themselves in the program. New York taxpayers are allowed an annual New York State income tax deduction for contributions of up to \$5,000 for individuals and up to \$10,000 for married couples filing jointly. Earnings from qualified withdrawals are exempt from federal and New York State income taxes.

You can contribute a minimum of \$15 per paycheck through payroll deductions.

TRANSITCHEK PREMIUM PROGRAM

The TransitChek Premium program enables you to pay for your work-related transportation expenses on a pre-tax or post-tax basis. TransitChek benefits are used to purchase public transportation, such as train or bus fares.

- You may set aside up to \$130 pre-tax per month (\$1,560 per year) for transit expenses.
- You may set aside up to \$250 per month (\$3,000 per year) for commuting parking expenses.

TransitChek QuickPay Card (similar to a credit/debit card) allows you to purchase your transit tickets/passes and/or pay for commuter parking at participating transit and parking locations that accept credit and/or debit cards.

TransitCheck vouchers are also available to use when transit and parking locations do not accept the TransitChek QuickPay Card except Long Island Rail Road and Metro North effective July 1, 2011.

RETIREMENT PLANS

MTA DEFERRED COMPENSATION 401(K)/457 PLANS & ROTH IRA –PRUDENTIAL

You may choose to participate in either or both the 401(k) and 457 Plans. These tax-deferred retirement savings plans offer you the opportunity to achieve your retirement goals through the convenience of pre-tax payroll deductions. Saving on a pre-tax basis helps reduce your current tax liability. Effective June 2011, in addition to the traditional pre-tax contributions, both the 401(k) Plan and 457 Plan now allow you to make after-tax Roth contributions. The new Roth contribution option combines the savings and investment features of a traditional retirement plan with tax-free distribution features of the Roth IRA.

Income taxes on pre-tax contribution amounts are deferred until your account is distributed (for example, at retirement). Roth contributions, on the other hand, are made on an after-tax basis - so the amount contributed is included in your W-2, just like regular income, in the year you make the contribution. However, earnings on Roth contributions may be distributed tax-free in retirement if you meet certain requirements.

You may contribute a dollar amount or percentage of your includible compensation to either or both of the plans. IRS regulations state that you may contribute up to 100%. However, there are mandatory deductions that must come out of your paycheck. Therefore, Payroll estimates that you should contribute no more than 85% to allow for these deductions. The minimum contribution is \$260 per year and the maximum contribution is \$18,500 per year. You can contribute up to \$24,500 if you are age 50 or older, to each Plan. It is important to note that the IRS maximum contribution limit applies to a combination of the pre-tax and Roth Contributions in the plan year. You may change or stop your contributions at any time.

You have a choice of funds available for investment. You may make unrestricted changes among the investment options or redirect your investments as often as you wish.

BENEFICIARIES

You may designate one or more persons as the beneficiary and change the beneficiary designation at any time. In the event of death before disbursement has commenced, monies will be paid to your designated beneficiary who will be responsible for all taxes.

“AGE 50 CATCH-UP” PROVISION

Starting in the year you will be age 50, you will be eligible to contribute additional amounts to both the 401(k) and 457 Plans. You can elect to have the catch-up deduction start as early as January 1 of the year you attain age 50. This enables you to increase your retirement savings in later years. At age 50+, you can elect to contribute an extra \$6,000 for a total of \$24,500 for that year. Catch-up limits, set by the federal government, are available on TENS.

RETIREMENT PLANS CONT'D

“LAST THREE-YEAR CATCH-UP” PROVISION

During the last three years prior to retirement, you may contribute up to two (2) times the IRS limit in effect for those years (e.g., for 2018, a participant may contribute a maximum of \$37,000; \$18,500 in regular contributions plus \$18,500 in catch-up contributions) in the 457 Plan, provided deferrals in previous years were underutilized. Underutilized deferrals are the amounts you were eligible to contribute to a deferred compensation plan minus the amounts you actually contributed, during a particular year.

PLEASE NOTE: If you are taking advantage of the “Last Three-Year Catch-Up”, you are not eligible for the “Age 50 Catch-Up” in the 457 plan.

Disbursement Options (Pre-Retirement)

The following options are available

For both the 401(k) and 457 Traditional and Roth Plans:

Loans: You may borrow the lesser of \$50,000 or 50% of your total account balance. Roth contributions and any applicable earnings are included in calculating how much is available for a loan. However, loans can only be taken from Pre-Tax contributions. The minimum loan amount is \$1,000. You have up to 5 years to repay your loan – up to 20 years if the money is used to purchase your primary residence. You are only permitted to have a total of two outstanding loans at any point in time. There is a 14-day waiting period between the time you pay off a loan and when you can initiate a new loan.

For the 401(k) Plan

Hardships: If you are in need of money for major medical expenses, tuition and related higher educational expenses, the purchase of a primary residence or to prevent eviction, you may request a hardship withdrawal. Hardship withdrawals are subject to voluntary 10 percent federal income tax withholding. Taxes, early withdrawal penalties and other consequences may apply.

For the 457 Plan:

Emergency Withdrawal: The 457 Plan allows you to withdraw monies from your account, subject to Plan Administrator approval, should you encounter an unforeseeable emergency as defined by the IRS. Ordinary income taxes will apply to any withdrawal you make.

RETIREMENT PLANS CONT'D

DISBURSEMENT OPTIONS (RETIREMENT/SEPARATION OF SERVICE)

The following options are available

For both the 401(k) and 457 Plans:

Distribution:	Lump-sum payment or periodic payments in the form of systematic disbursements. Disbursements are taxable.
Rollover:	Roll over to one or a combination of 401(k), 457, 403(b), IRA, or other eligible retirement plan.
Deferral:	Defer receipt of monies to the later of age 70 ½ or retirement.

Disbursement Options (Retirement/Separation of Service)

The following options are available

For both the 401(k) and 457 Plans Roth Distributions::

Distribution:	<p>Each withdrawal is a pro-rata combination of contributions and earnings.</p> <p>No federal taxes are due upon taking a “qualified” distribution from the Plan. A distribution is “qualified” if:</p> <ul style="list-style-type: none">• Your Roth money has fulfilled the 5-taxable-year period of participation; and• You are over age 59½, disabled, or deceased at the time of withdrawal. <p>If your distribution is not qualified, the earnings portion is taxable. However, the contribution portion is never taxable.</p>
Rollover:	<p>Roth contributions can be rolled into a Roth IRA; however, a Roth IRA cannot be rolled into the MTA Deferred Compensation Program</p> <p>Roth contributions can be rolled into a Roth IRA but a Roth IRA cannot be rolled into the 401K/457 Roth Plans.</p>

To learn more about the 401K/457 Roth Plans, you can make an appointment with a Prudential Education Consultant at www.prudential.com/mta or call the Participant Service Center at 877-756-4682, Monday – Friday between 8:00am – 9:00pm to speak to a Prudential Representative. Prudential’s Interactive Voice Response Unit (IVR) is also available at 877-756-4682

RETIREMENT PLANS CONT'D

SIRTOA PENSION PLAN

MTA Staten Island Rapid Transit Operating Authority (SIRTOA) employees should refer to their pension plan summary for further information. You may obtain the booklet from the MTA Business Service Center Pension Department by calling 646-376-0244.

NYC TRANSIT/MABSTOA EMPLOYEES PENSION PARTICIPATION:

- *New York City Employees' Retirement System (NYCERS)*
- *MaBSTOA Pension Plan*

TIER VI (63/10 BASIC PLAN)

The following summary is applicable to NYC Transit (NYCERS members) and MaBSTOA employees (MaBSTOA Pension Plan) in the following title:

Managers (Career and Salary -Union Code 35)

Employees hired after April 1, 2012 are eligible to participate in the Tier VI (Age 63/10 Pension Plan. [NYC Transit /MaBSTOA employees who joined the pension system before April 1, 2012 should contact MTA Pensions at 646-376-0123 for information regarding their pension plan].

The following are Tier VI pension plan highlights:

Age/Service Age 63 with at least ten (10) years of *Credited Service*.
Payability
Requirement:

Contribution to Plan: Pre-tax deduction ranging from 3% to 6% depending on your wages. These percentages are subject to review and will be adjusted accordingly beginning each "Plan Year" which will begin on April 1st each year.

Annual Wages Earned During Plan Year	Contribution Rate
Up to \$45,000	3%
\$45,001 to \$55,000	3.5%
\$55,001 to \$75,000	4.5%
\$75,001 to \$100,000	5.75%
Greater than \$100,000	6%

RETIREMENT PLANS CONT'D

Pension Benefits Calculation:

- 1) For participants with less than 20 years of Credited Service:
1.67% times Final Average Salary (FAS) \times Years of Credited Service
- 2) For participants with 20 or more years of Credited Service:
35% of FAS for the first 20 years of Credited Service; **plus**
2% times each year of Credited Service in excess of 20 years

Pension Loans:

Participants on active pay status with at least one year of pension membership may borrow up to 75% of the amount last posted to their pension account. The minimum amount for a loan is \$1,000. You may repay the loan from 1 – 5 years.

Disability Retirement:

Qualified members with ten or more years of Credited Service are eligible to file for an Ordinary Disability Retirement benefits at any age. There is no minimum service requirement for a service connected Accidental Disability Retirement. Both Ordinary and Accidental Retirement are subject to approval from NYCERS.

Death Benefit:

If eligible, the pension plan will issue a lump sum benefit to your designated beneficiary if you die before retirement and you are still a member of the retirement system. The benefit amount will be based on years of credited service and current salary.

Please Note:

- Permanent employees are required to join the pension plan.
- Provisional employees are not required to join the pension plan.
- MaBSTOA employees hired after January 1, 1999 may opt out of the pension plan by completing the Pension Opt-Out Form.
- Employees who leave NYC Transit or MaBSTOA with less than ten (10) years of Credited Service are not vested and therefore will

RETIREMENT PLANS CONT'D

not be qualified for a monthly pension benefit. They will receive their employee contributions plus interest upon application. Vested employees leaving with more than 10 Credited Service will receive a monthly pension benefit at age 63.

- **To receive health insurance at retirement, employees must have at least 10 years of Credited Service in the pension plan plus meet other eligibility requirements. Please refer to the Retiree Benefits section of the summary for further details.**

TIER VI (TRANSIT OPERATING 25- YEAR/ AGE 55 PLAN)

The following summary is applicable to NYC Transit and MaBSTOA employees in the following title:

Managers (Operating - Union Code 45)

Employees hired on or after April 1, 2012 are mandated to join the Transit 25/55 Plan. (NYC Transit/MaBSTOA employees who joined the pension system on or before April 1, 2012, should contact MTA pension at 646-376-0123 for information regarding their pension plan). The following are Tier IV pension plan highlights:

Age/Service Payability Requirement: Age 55 with at least twenty-five (25) years of Credited Service.

Contribution to Plan: Pre-tax deductions ranging from 3% to 6% depending on your wages. These percentages are subject to review and will be adjusted accordingly beginning each “Plan Year” which will begin on April 1st each year.

Annual Wages Earned During Plan Year	Contribution Rate
Up to \$45,000	3%
\$45,001 to \$55,000	3.5%
\$55,001 to \$75,000	4.5%
\$75,001 to \$100,000	5.75%
Greater than \$100,000	6%

RETIREMENT PLANS CONT'D

Pension Benefits Calculation:

- 1) Pension benefit for members with less than 20 years of *Credited Service*:
1.67% times Final Average Salary (FAS)¹ x Years of *Credited Service*

- 2) For participants with 20 or more years of *Credited Service*:
35% of FAS for the first 20 Years of *Credited Service*: **plus**
2% times each year of *Credited Service* in excess of 20 years

Pension Loans:

Participants on active pay status with at least one year of pension membership may borrow up to 75% of the amount last posted to their pension account. The minimum amount for any loan is \$1,000. You may repay the loan from 1 – 5 years.

Disability Retirement:

Qualified members with ten or more years of *Credited Service* are eligible file for Ordinary Disability Retirement benefits at any age. There is no minimum service requirement for a service-connected Accidental Disability Retirement. Both the Ordinary and Accidental Retirements are subject to approval from NYCERS. NYCERS determines eligibility for NYCT & MaBSTOA

¹ Final Average Salary (FAS) is defined as the average of wages earned by a member during any continuous period of employment for which members were credited with five years of service. However, wages earned during any year used in an FAS calculation cannot exceed the average of the previous four years by more than 10 percent. Some wages are excluded from the FAS calculation. Tier 6 definitions of wages includes “overtime ceiling” which limits overtime compensation for pension purposes to no more than \$15,000; this amount is indexed annually according to the Consumer Price Index. Any overtime compensation at a range greater than the standard rate. The definition of wages also excludes: 1. Wages in excess of the annual salary paid to the Governor of the State of New York; 2. Lump-sum payments for deferred compensation, sick, leave, accumulated vacation or other credits for time not worked; 3. Any form of termination pay; 4. Any additional compensation paid in anticipation of retirement; 5. In the case of employees who receives wages from three or more employers in a twelve month- period, the wages paid by the third and each successive employer.

RETIREMENT PLANS CONT'D

Death Benefit

If eligible, the pension plan will issue a lump sum benefit to your designated beneficiary if you die before retirement and you are still a member of the retirement system. The benefit amount will be based on years of credited service and current salary.

Please Note:

- Permanent employees are required to join the pension plan.
- Provisional employees are not required to join the pension plan.

RETIREE BENEFITS

Upon separation from service, if you have at least ten (10) years of Credited Service in NYCERS, MaBSTOA or SIRTOA pension system **and** you are immediately collecting pension payments, medical, dental and vision coverage will continue for you and your eligible dependents for life. If you work for NYC Transit as a Transfer Contributor, and your pension benefit is with the Board of Education Retirement System or the Teachers Retirement System, you will also be eligible for retiree health benefits if you have at least ten (10) years of Credited Service.

When you become Medicare eligible at the age of 65 or due to disability, you must apply for both Medicare Part A & Part B. Medicare will be primary and your medical coverage with the New York City Transit will be secondary. You will receive a reimbursement for the cost of Medicare Part B.

SURVIVOR BENEFITS

Upon death of the retiree, health benefits for the covered spouse and dependents will be continued provided they were enrolled for coverage on the date of death. Coverage for the spouse will continue for life or until remarriage. Medical, hospital and prescription coverage will end for the dependent children when they attain age 26 (dental and vision will end when they attain age 25 subject to full time student verifications every semester; otherwise, it will end at age 19) or when the surviving spouse remarries, whichever comes first.

There is no health benefits continuation for the spouse and/or dependents if they were not enrolled in the plan(s) at the time of retirement.

VESTEE BENEFITS

VESTEE BENEFITS

If you terminate employment with NYC Transit and have at least ten (10) years of credited service in the NYCERS or MaBSTOA pension system, but you do not meet the age requirement for collecting pension benefits, you may still be eligible for health insurance continuation when you attain your retirement age.

In order to be eligible for health insurance continuation when you attain your retirement age, you must maintain uninterrupted medical coverage by paying the full cost of your medical coverage. Premium payments will end once your pension payment commences. ***If you do not enroll for vestee benefits or do not maintain your vestee benefits continuously, medical, dental and vision benefits will not be available to you when your pension payments commence.***

Employees and their covered dependents who do not qualify for retiree or vestee benefits upon separation from service may continue their health care coverage under COBRA. **Please refer to the Continuation of Coverage – COBRA section for more information.**

LEAVE POLICIES

HOLIDAYS

NYC Transit recognizes and celebrates major national and local holidays. The following is a schedule of holidays for which you will be paid:

New Year's Day
Martin Luther King Day
President's Day
Memorial Day
Independence Day
Labor Day
Veteran's Day
Thanksgiving Day
Day after Thanksgiving
Christmas Day

If you work on a scheduled holiday, your supervisor can grant an alternate day off in its place. In addition to the above holidays, Managers are also eligible for two (2) Floating Holidays which will be credited on January 1 and may not be carried over to the next year. Floating Holidays not used by December 31 will be forfeited.

VACATION/PERSONAL LEAVE

NYC Transit provides vacation time and personal leave days to its employees. Vacation time accrues on a monthly basis and will be credited on the first day of the vacation year. During the first year of employment, vacation is prorated. The Timekeeping Unit will advise employees of their leave balances at the beginning of the vacation year.

ACCRUAL

Your vacation year begins on May 1 and ends on April 30 of the following year. Vacation and personal day leave accruals are based on length of service according to the following schedule:

<u>YEARS OF SERVICE</u>	<u>VACATION</u>	<u>NUMBER OF DAYS PERSONAL</u>	<u>TOTAL</u>
1	15	0	15
2	20	1	21
3-4	20	2	22
5-7	20	3	23
8-14	24	3	27
15 or more	25	3	28

Personal leave days must be used by the end of the vacation year or will be forfeited.

LEAVE POLICIES CONT'D

CARRYOVER

You may carry over unused vacation days from one vacation year to the next, provided you receive approval from the manager, and up to the maximum days listed:

<u>YEARS OF SERVICE</u>	<u>MAXIMUM LIMIT</u>
1 – 8	40 days
9 – 14	48 days
15 or more	52 days

Vacation days credited on May 1 will also apply to the maximum limit. Vacation time in excess of the limit will be lost.

VOLUNTARY SEPARATION OF SERVICE VACATION PAYOUT

Upon voluntary separation from service, you may receive a lump sum, non-pensionable cash payment for unused earned vacation days up to a maximum of 108 days. Payment will be at the salary rate in effect at the time of separation.

SICK LEAVE

ACCRUAL

You are allowed twelve (12) sick leave days, which will be credited on May 1 of each year. New employees will receive one (1) sick leave day per calendar month from their hire date until April 30. Sick leave days may be used for absence due to your personal illness or medically related care for you as well as a family member or domestic partner.

CARRYOVER

Unused sick leave days may be carried over with unlimited accumulation.

CASHOUT

Upon separation of service, if you have completed ten (10) years of service you may be eligible to receive a non-pensionable lump sum payment of one-half of your accumulated sick leave bank up to a maximum payment of 120 days (240 days of accumulated sick leave).

BEREAVEMENT LEAVE

Up to five (5) working days of bereavement leave is available in the case of death in the immediate family. Immediate family is defined as spouse, domestic partner, child, sibling, parent, parent-in-law, grandparent or grandchild.

JURY DUTY

You are eligible for a paid leave of absence if you are summoned for jury duty. You should submit a copy of the notice to report for jury duty to your Human Resources representative as soon as you receive the summons. If you are called to serve on a jury in the State of New York, you will be required to check “yes” on the court questionnaire with respect to status as a state or local government employee. Upon completion of jury duty, please submit the certificate obtained from the court showing the number of days actually served.

If you have questions regarding the leave policies, please contact your timekeeper.

ADDITIONAL INFORMATION

Detailed information about what is contained in this summary is available to you on My MTA Portal at www.mymta.info. You may also obtain information directly from your health plan carriers and from the BSC Office.

MTA Business Service Center

Visit the walk in center at:

180 Livingston Street, Room 6008, Brooklyn, NY 11201

Office Hours: 8:30 a.m. to 5:00 p.m., Monday thru Friday

Telephone Number: 646-376-0123

Fax Number: 212-852-8700

Mail: MTA Business Service Center
333 W. 34th Street, 9th Floor
New York, NY 10001

HEALTH PLAN CARRIERS

Medical

Single toll-free number to access

	Phone number	Website
all providers under the Empire Plan:	877-769-7447	www.cs.ny.gov
CDPHP	800-777-2273	www.cdphp.com
Empire BC/BS HMO	800-453-0113	www.empireblue.com
HIP of New York	800-447-8255	www.emblemhealth.com
MVP Healthcare	888-687-6277	www.mvphealthcare.com

ADDITIONAL INFORMATION

For COBRA, retiree and vested medical information:

Medical	Phone number	Website
State of NY Department of Civil Service	800-833-4344	www.cs.ny.gov
Dental		
MetLife Dental	800-942-0854	www.metlife.com
Healthplex (Dentcare)	800-468-0600 516-542-2200	www.healthplex.com
Vision		
EyeMed Vision Care	800-334-7591	www.eyemedvisioncare.com
General Vision Services	800-847-4661	www.generalvision.com
Pension		
NYC Transit Pension		
NYC Employee Retirement System (NYCERS)	347-643-3000	www.nycers.org
Out-of-State	877-6-NYCERS (877-669-2377)	
MaBSTOA Pensions		
BSC	646-376-0123	
<u>MTA Deferred Compensation 401(k)/457 Plans</u>		
Administered by Prudential	877-PLN-4MTA (877-756-4682)	www.prudential.com/mta
<u>New York's 529 College Savings Program</u>		
Program information	800-420-8580	www.ny529atwork.com
<u>Flexible Spending Accounts (FSA)</u>		
Administered by P&A Group		
Health Care & Dependent Care	800-688-2611	www.padmin.com
<u>Premium TransitChek Program</u>		
Program information	888-618-2435	www.tams.transitcenter.com
<u>New York State Public Employee & Retiree Long Term Care Insurance Plan</u>		
Plan information	866-474-5824	www.nyperl.net