Dear Fellow State Employee,

As representatives of North Carolina, state employees are entrusted with a great deal of responsibility because you serve as ambassadors of our great state. With this responsibility comes many benefits. From multiple leave options to retirement to employee recognition and more, the State of North Carolina has much to offer its employees, but sometimes it can be confusing to determine what's right for you and your family.

Choosing the right plans doesn't have to be hard. In this brochure you'll find a brief description of the benefits available to state employees to help simplify the selection process. We want to help you make smart choices so you can get the coverage you need while also maximizing your savings.

The NCFlex State Insurance Plans are the best value for state employees. You can choose among a variety of high-quality, low-cost, voluntary benefits by having premiums deducted from your paycheck on a pre-tax basis. With NCFlex, the state can provide reduced rates for employees, allowing you to keep more of your well-earned money in your pocket. In fact, there are two benefits options that are available at no cost to you – Core Vision and Core Accidental Death & Dismemberment.

Whether you are saving money for planned expenses or preventing illnesses with screenings and fitness activities, I encourage you to take that next step toward your physical and financial wellness and consider enrolling in NCFlex State Insurance Plans today.

To learn more about benefits, visit oshr.nc.gov/state-employee-resources/benefits. For more information about NCFlex, visit www.ncflex.org.

Thank you for all that you do to serve the people of North Carolina.

Sincerely,
The Office of State Human Resources

Preferred Provider Organization (PPO) plans:

<table>
<thead>
<tr>
<th>Monthly Premiums for PPO Traditional 70/30 Plan</th>
<th>Monthly Premiums for PPO Enhanced 80/20 Plan</th>
<th>Monthly Premiums for PPO Consumer-Directed Health Plan 85/15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of Coverage</strong></td>
<td><strong>Employee Cost</strong></td>
<td><strong>Type of Coverage</strong></td>
</tr>
<tr>
<td>Employee</td>
<td>$0.00*</td>
<td>Employee</td>
</tr>
<tr>
<td>Employee &amp; Child(ren)</td>
<td>$218.14*</td>
<td>Employee &amp; Child(ren)</td>
</tr>
<tr>
<td>Employee &amp; Spouse</td>
<td>$562.10*</td>
<td>Employee &amp; Spouse</td>
</tr>
<tr>
<td>Employee &amp; Family</td>
<td>$598.70*</td>
<td>Employee &amp; Family</td>
</tr>
</tbody>
</table>

*If you complete the wellness activities, you pay this lower cost.
NCFLEX STATE INSURANCE PLANS

For over 20 years, the NCFlex State Insurance Plans have provided a variety of pre-tax plans to meet the needs of state employees and their family.

To be eligible, employees must work 20 hours or more per week in a permanent, probationary, or time-limited position.

All deductions are withdrawn from your pay on a pre-tax basis, which lowers your taxable income and saves you money.

You may enroll in any or all of the benefit plans. Choose from the following:

Dental

Taking care of your teeth benefits more than your smile; research shows that good dental health reduces the risk of diabetes, heart disease, and other medical conditions.

NCFlex offers two affordable plan options to fit your health and budget needs. Monthly rates are shown below:

<table>
<thead>
<tr>
<th>Rate Tier</th>
<th>High Option</th>
<th>Low Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>$36.10</td>
<td>$21.22</td>
</tr>
<tr>
<td>Employee &amp; Spouse</td>
<td>$72.40</td>
<td>$42.78</td>
</tr>
<tr>
<td>Employee &amp; Child(ren)</td>
<td>$78.20</td>
<td>$45.94</td>
</tr>
<tr>
<td>Family</td>
<td>$123.70</td>
<td>$73.22</td>
</tr>
</tbody>
</table>

You choose your dentist: in-network or non-network. You can save more money by visiting an in-network provider.

Vision

The NCFlex Vision Plan offers a choice of over 2,000 providers with this vision plan, including: ophthalmologists, optometrists, and optical companies. Everything is paid at the counter, and there is no need to file claims.

All three NCFlex Vision Plans offer comprehensive eye exams and materials. Monthly rates are shown below:

<table>
<thead>
<tr>
<th>Plans</th>
<th>Employee Only</th>
<th>Employee &amp; Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Wellness Plan</td>
<td>No Cost to Employee</td>
<td>N/A</td>
</tr>
<tr>
<td>Basic Plan</td>
<td>$5.56</td>
<td>$15.46</td>
</tr>
<tr>
<td>Enhanced Plan</td>
<td>$8.58</td>
<td>$22.88</td>
</tr>
</tbody>
</table>

SPENDING ACCOUNTS

Health Care Spending Account

The Health Care Flexible Spending Account (HCFSA) is a special account that allows you to set aside a portion of your pre-tax income to pay for certain out-of-pocket health care costs. You never have to pay taxes on the money you receive from your HCFSA for qualified expenses.

With HCFSA, you may use an NCFlex Convenience Card, which works like a credit card or debit card when paying for these health care expenses. HCFSA is simple and easy to use for qualified medical expenses not covered by a medical, dental and/or vision plan.

When determining how much pre-tax income to set aside in your HCFSA, plan carefully by writing down all the medical expenses you know you will have during the plan year. You may contribute as little as $120 per plan year or as much as $2,550 per plan year to your HCFSA. If your spouse is also a state employee, he/she may also contribute as much as $2,550 per plan year.

Dependent Day Care Spending Account

Similar to the Health Care Flexible Spending Account, you may contribute pre-tax funds to be used for Child Care and Adult Day Care. You may contribute up to $5,000 per household per plan year.

Group Term Life Insurance

This plan pays a benefit to your beneficiary(ies) if you die while covered under the policy. Please note that this is strictly a Term Life Policy with no cash value.

Group Term Life Insurance

For spouse coverage, the amount of premium will depend on the employee’s age.

Child(ren) Coverage:
- $5,000 per $0.68 per dependent unit
- $10,000 per $1.36 per dependent unit

Core Accidental Death & Dismemberment

This insurance plan pays a benefit of up to $10,000 to you or your beneficiary upon death or if certain disabling injuries occur as the result of a covered accident.

If you plan on traveling 100 miles from home, you may access the services Voya Travel Assistance. If you are in an accident, just call the phone number provided to arrange any assistance needed related to the accident.

Core Accidental Death & Dismemberment is a benefit that covers employees only and is available at NO COST to you. All you have to do is enroll!
NCFLEX STATE INSURANCE PLANS continued

Voluntary Accidental Death & Dismemberment
This insurance plan pays a benefit if you suffer a loss or certain disabling injuries as a result of a covered accident.

If you and your spouse are both eligible to elect this coverage, you may both elect employee coverage, but only one of you may elect employee plus family coverage.

Monthly premium rates are as follows:

<table>
<thead>
<tr>
<th>Principle Sum</th>
<th>Employee Only</th>
<th>Employee &amp; Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td>$0.85</td>
<td>$1.35</td>
</tr>
<tr>
<td>$100,000</td>
<td>$1.70</td>
<td>$2.70</td>
</tr>
<tr>
<td>$150,000</td>
<td>$2.55</td>
<td>$4.05</td>
</tr>
<tr>
<td>$200,000</td>
<td>$3.40</td>
<td>$5.40</td>
</tr>
<tr>
<td>$250,000</td>
<td>$4.25</td>
<td>$6.75</td>
</tr>
<tr>
<td>$300,000</td>
<td>$5.10</td>
<td>$8.10</td>
</tr>
<tr>
<td>$350,000</td>
<td>$5.95</td>
<td>$9.45</td>
</tr>
<tr>
<td>$400,000</td>
<td>$6.80</td>
<td>$10.80</td>
</tr>
<tr>
<td>$450,000</td>
<td>$7.65</td>
<td>$12.15</td>
</tr>
<tr>
<td>$500,000</td>
<td>$8.50</td>
<td>$13.50</td>
</tr>
</tbody>
</table>

If you plan on traveling 100 miles from home, you and/or your family may access the services of Voya Travel Assistance. If you are in an accident, just call the phone number provided to arrange any assistance needed related to the accident.

Cancer & Specified Disease
Choose among three plan options depending on your cancer insurance needs and specified diseases. All three plan options offer the same type of benefits and/or services. In most cases, however, the amount of coverage differs. The monthly premium you pay for cancer coverage is based on the plan you choose and whether you choose to cover only yourself or yourself plus your family. The monthly rates for the Low, High, and Premium Options are below:

<table>
<thead>
<tr>
<th>Plan</th>
<th>Employee Only</th>
<th>Employee &amp; Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Option</td>
<td>$6.38</td>
<td>$10.56</td>
</tr>
<tr>
<td>High Option</td>
<td>$15.18</td>
<td>$25.16</td>
</tr>
<tr>
<td>Premium Option</td>
<td>$20.28</td>
<td>$33.54</td>
</tr>
</tbody>
</table>

This benefit pays an annual wellness benefit for you and your family. The benefit amount depends on the type of coverage selected. If you are a new state employee or if you are enrolling in cancer insurance during annual enrollment, no physical exam is required.

Critical Illness
This insurance policy pays a benefit in the event of critical illnesses, such as heart attack, stroke, cancer, and more. The coverage pays a lump sum benefit of up to $15,000 or $25,000 per diagnosis, depending on the plan you choose. You can use your benefit as you see fit.

Critical Illness monthly premium rates are based on age.

<table>
<thead>
<tr>
<th>Your Age 40 - 44</th>
<th>Monthly Premium</th>
<th>Your Age 45 - 49</th>
<th>Monthly Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>$15,000 Election</td>
<td>$7.40</td>
<td>$15,000 Election</td>
<td>$7.40</td>
</tr>
<tr>
<td>$25,000 Election</td>
<td>$12.34</td>
<td>$25,000 Election</td>
<td>$12.34</td>
</tr>
</tbody>
</table>

Spouse’s rate is based on employee’s age. There is no cost for dependent child(ren).

TRICARE Supplement Plan
If you currently have TRICARE Standard/Extra, Prime, or TRS benefits offered through the military community, you may be eligible for this plan, which pays a benefit for costs not covered by TRICARE. TRICARE and the TRICARE Supplement Plan work together to maximize your benefits and minimize your out-of-pocket expenses.

<table>
<thead>
<tr>
<th>Coverage Tier</th>
<th>Monthly Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>$60.50</td>
</tr>
<tr>
<td>Employee + Child(ren)</td>
<td>$119.50</td>
</tr>
<tr>
<td>Employee + Spouse</td>
<td>$119.50</td>
</tr>
<tr>
<td>Employee + Family</td>
<td>$160.50</td>
</tr>
</tbody>
</table>

To obtain additional information on coverage, or to learn more about NCFlex Benefits, visit www.ncflex.org.

LEAVE BENEFITS

Vacation Leave
Permanent, probationary, trainee, and provisional employees are allowed at least 112 hours (14 days) of vacation leave annually. As length of service increases, the amount of earned leave increases. (Leave is prorated for part-time employees.) Leave is accrued after an employee has worked at least half of the work days in each month.

Sick Leave
Permanent, probationary, and trainee employees are allowed 96 hours (12 days annually) of sick leave. (Leave is prorated for part-time employees.) Leave is accrued after an employee has worked at least half of the work days in each month.

Community Service Leave (CSL)
State employees are allowed up to 24 hours per calendar year to volunteer in support of schools, communities, citizens, and nonprofit organizations. Parents may also use the leave for child involvement. State employees wishing to mentor or tutor a student may receive one hour per week (up to 36 hours) instead of 24 hours annual CSL. State employees wishing to volunteer for the literacy program may receive five hours per month (up to 45 hours a calendar year) instead of the 24 hours annual CSL.

State employees receive 12 paid holidays annually.
**Family Medical Leave**
Permanent employees with at least one year of current service who have worked at least 1,040 hours during the previous 12 months are eligible for up to 12 weeks of unpaid leave in any given 12-month period for a qualified family medical event. This may include the birth and care of a family member who has a serious health condition, as well as for the employee’s own serious health condition.

**Family Illness Leave**
State employees with at least 12 months of service, and who have worked at least 1,040 hours during the previous 12 months, are eligible for up to 52 weeks of leave without pay during a five-year period to care for the employee’s immediate family member with a serious health condition.

**Voluntary Shared Leave**
State employees may donate leave to another employee who has been approved to receive voluntary shared leave. This leave may be used for medical conditions of the employee or for a member of the employee’s immediate family.

**Civil Leave**
Leave with pay is provided to employees when serving on a jury or when subpoenaed as a witness. Civil leave may not be used for voting.

**Military Leave**
A maximum of 120 hours of leave may be granted for active duty training each Federal fiscal year (October-September) to eligible employees.

**Adverse Weather Leave**
Adverse Weather Leave (AWL) may be granted (to non-essential employees) when catastrophic, life-threatening weather conditions occur, as created by hurricanes, tornadoes, or floods, and it becomes necessary for employees to remain out of work. When designated, AWL is used for accounting for time off when employees are released from work due to weather.

**Retirement Benefits**
If you are a permanent full-time employee and work at least 30 hours per week for nine months per year, you automatically contribute six percent of your compensation to TSERS on a pre-tax basis. As a result, your taxable income is lowered and the amount of your annual taxes are reduced. The state also pays a percentage of your compensation to TSERS. All contributions are invested by the Department of State Treasurer.

You are vested in TSERS after you have five years of retirement membership service. This means that once you meet retirement eligibility requirements, you may apply for a guaranteed monthly lifetime benefit based on a retirement formula.

**Death Benefit**
If you die and you were an active state employee with at least one year of retirement contributing membership service, your beneficiary will receive a lump sum payment equal to your salary of no less than $25,000 but no higher than $50,000. This benefit is paid by the Retirement System.

**NC Total Retirement Plans**
The NC 401(k), NC 457, and the NC 403(b) are defined contribution plans. Under these plans, choose your contribution rate and your investments. The benefit you receive at retirement is based on your contribution and the investment performance of the plan you choose.

Saving on your own is one important way to enjoy the retirement you envision. Consider contributing to the NC 401(k), NC 457 or NC 403(b) supplemental retirement plans. Each of these supplemental plans, along with your NC pension plan, and any additional outside assets, will help you achieve a more secure retirement.

More Info @ [www.myncretirement.com](http://www.myncretirement.com)
DISABILITY BENEFITS

Disability Income Plan of North Carolina (DIPNC)

DIPNC provides a monthly replacement income in the form of short-term, extended short-term, and long-term disability benefits in the event you become disabled while you are a permanent employee. To be eligible, you must meet certain requirements.

Short-Term Disability

In order to qualify for this benefit, you must have at least one year of contributing retirement membership service earned within the 36 calendar months preceding your disability, and meet all plan requirements.

Benefits are paid by the employer after a 60-day waiting period and provide monthly income (before any offsets) equal to 50 percent of one-twelfth of your annual base salary. This benefit is payable up to 365 calendar days.

Extended Short-Term Disability

An additional period of Short-Term Disability may be approved, not to exceed 365 days. You must meet all disability requirements and be approved by the plan’s medical board.

Long-Term Disability

To be eligible for Long-Term Disability (LTD), employees must have five years of contributing retirement service earned within the 96 calendar months immediately prior to becoming disabled, or the date of completion of uninterrupted salary continuation payments. If you meet all requirements, LTD pays a monthly income (before any offsets) of 65 percent of one-twelfth of your annual base salary. You must be approved by the plan’s medical board in order to qualify for LTD payments.

More Info @ www.mynretirement.com

WELLNESS

The state offers worksite wellness programs to address the primary components of a healthy lifestyle. One program, Miles for Wellness, challenges employees to walk their way to a healthy lifestyle. See your Wellness Coordinator for a list of available healthy living activities.

More Info @ www.wellness.nc.gov

EMPLOYEE RECOGNITION PROGRAMS

Governor’s Awards for Excellence

This prestigious award is the highest award given to state employees. Each year a committee honors a handful of state employees for their dedication and exceptional service.

More Info @ www.excellenceawards.nc.gov
Excellence in Service Awards
The Service Awards recognize state employees' total state service and marks employees' career milestones at two years and in increments of five years through retirement.

More Info @ www.serviceawards.nc.gov

NC EMPLOYEE ASSISTANCE PROGRAM
State employees may face a variety of personal issues. As a part of our commitment to employees, the State offers an Employee Assistance Program (EAP) at no cost to employees and their families. This program serves as a valuable resource in times of need.

More Info @ www.oshr.nc.gov/state-employee-resources/employee-relations/employee-assistance-program

OTHER BENEFITS
Longevity
Longevity Pay recognizes the long-term service of state employees who have worked at least ten years. The employee receives an annual lump sum payment based on a percentage of their salary up to 4.5 percent.

Workers’ Compensation Leave
Workers’ Compensation Leave provides medical benefits, compensation for lost time from work, and compensation for any permanent, total disability, or permanent partial disability that results from a compensable job-related injury.

More Info @ www.oshr.nc.gov/state-employee-resources/workers-comp

OTHER SERVICES
WeSave
WeSave partners with more than 3,000 local and statewide merchants and businesses to offer discounted products and services. This is a free service available to all active and retired state and local government employees.

Log on to www.wesave.com to search for participating vendors, download the mobile app, and print coupons.

State Employees’ Credit Union (SECU)
State Employees’ Credit Union is a not-for-profit financial cooperative owned by its members who are North Carolina’s state and public school employees. SECU provides consumer financial services (savings, checking, loans, and financial advisory services). Employees of state government and their families are eligible to become members/owners in SECU. For more information, employees can log on to www.ncsecu.org or call 1-888-732-8562 or 1-800-ASK-SECU.

DISCLAIMER
This guide gives you a brief summary of the benefits for which you may be eligible. It is not intended to be a complete description of any plan. Every attempt has been made to ensure that the information listed is accurate. If there is any discrepancy between information on this brochure and the official plan documents and contracts, the documents and contracts will determine your benefits. For further details on your benefits, please contact your Human Resources representative or visit the Office of State Human Resources website www.oshr.nc.gov for more information.