



U.S. Benefit Options



# Spectrum

RTI Benefit Options to Meet Your Changing Needs

# 2010

## Important Terms

403(b) tax-deferred account	403(b) refers to the section of the IRS code that established this type of account. You can save for retirement by making payroll contributions into tax-deferred accounts under this type of arrangement.
Coinsurance	The percentage share of eligible medical expenses that the plan pays for a covered service.
Coinsurance limit	A specific dollar amount of the coinsurance you have paid for covered services in a benefit period. This amount does not include deductibles, charges in excess of allowable amounts, or amounts paid for non-covered services.
Copay	A specific dollar amount that you pay each time you use a covered service; services reimbursed with a copay are not subject to a deductible.
Deductible	The amount that you must pay for covered services each year before the plan provides any benefit for the service.
Elimination period	Under the disability plans, a period of continuous disability before benefits can begin.
Flexible spending accounts (FSAs)	Tax-free money deducted from your pay and placed in accounts to be used for certain health and dependent care expenses.
Health savings account (HSA)	A special tax-advantaged account that allows individuals to pay for current health expenses and save for future qualified medical and retiree health expenses on a tax-free basis. An individual must be covered by a high-deductible health plan (HDHP) to be able to take advantage of HSAs.
High-deductible health plan (HDHP)	A health insurance plan that includes higher deductibles (as determined by the IRS) and lower premium costs; an individual must have an HDHP to open a health savings account.
Insured plan	A plan where RTI pays a fixed per-employee premium to the insurance carrier, and the insurance carrier assumes the cost of health care claims.
Maximum reimbursable charge (MRC)	The allowable charge for CIGNA out-of-network services, providers, and supplies. This method is indexed off Medicare's fee schedule rather than using the usual, customary, and reasonable (UCR) payment method.
Out-of-pocket maximum	The maximum employee liability for the cost of services within the plan, which includes coinsurance only; generally, it does not include co-pays and deductibles. NOTE: The annual deductible does not apply to the out-of-pocket maximum under the Premier and Standard medical plans. The annual deductible does apply to the out-of-pocket maximum under the High Deductible Health Plan/Health Savings Account (HSA).
Preferred provider organization (PPO)	A PPO is a traditional insurance plan with deductibles and coinsurance features. You may choose any licensed providers for your medical care, and benefits are not restricted to any service area.
Premium	The portion of the fixed cost that the employee pays, usually monthly, through payroll deduction.
Self-insured plan	A plan where RTI finances health care costs by paying claims from its own employer funds.
Usual, customary, and reasonable (UCR)	The fee charged by most providers in a given geographical area for a particular service.

Please see your Summary Plan Description for more detailed definitions.

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The information in this booklet has been prepared as a descriptive summary of benefits provided by RTI. In the event of any discrepancy or disagreement regarding benefits, the provisions in the summary plan descriptions or plan documents will prevail. RTI reserves the right to modify or terminate these plans at any time.

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# Introduction: Spectrum Benefits Program

Your benefits make up an important part of your total compensation. RTI International offers a comprehensive benefits package through our **Spectrum Benefits** program for employees and their eligible dependents. RTI's **Spectrum Benefits** program provides a flexible approach to your benefits, allowing you to select coverage levels that best meet your needs.

This section provides a brief overview of the **Spectrum Benefits** options offered by RTI for 2010.

## Eligibility

To be eligible for benefit coverage, you must be a regular full-time or part-time employee. Your employment status affects your eligibility for some of these benefits. The following will help you determine your general eligibility for benefit coverage.

For the following benefits ...	You must be scheduled to work at least ...
Medical Insurance	25% time
Dental Insurance	25% time
Group Term Life/AD&D Insurance	50% time
Long-term Disability Insurance	50% time
Short-Term Disability Insurance	50% time
Flexible Spending Accounts	25% time

# Spectrum Benefits

## At Hire

These are your **Spectrum Benefits** options upon your date of hire:

### Medical Insurance

- You and RTI share the cost for coverage.
- Your share of the cost of insurance (the premiums) is paid with **pre-tax dollars**.

### Dental Insurance

- You and RTI share the cost for coverage.
- Your share of the premiums is paid with **pre-tax dollars**.

### Short-Term Disability Insurance

- You and RTI share the cost for coverage.
- Your share of the premiums is paid with **post-tax dollars**.

### Long-Term Disability Insurance

- You and RTI share the cost for coverage.
- Your share of the premiums is paid with **post-tax dollars**.

### Flexible Spending Accounts

- You can choose to contribute to a Health Care Spending Account or a Dependent Care Spending Account, or both.
- Your contributions are made with **pre-tax dollars**.

## At Hire and At Any Time During the Year

The following benefit elections can be made at your date of hire or any time during the year:

### Basic Life and Accidental Death and Dismemberment Insurance (AD&D)

- RTI provides Basic Group Term Life Insurance and Accidental Death and Dismemberment (AD&D) Insurance (2 times your annual base salary at no premium cost to you).
- In addition to the Basic Group Term Life Insurance/AD&D coverage provided by RTI, you can purchase additional Supplemental Term Life Insurance/AD&D with **post-tax dollars**. You pay the full cost of coverage.

You can purchase an additional

- 1 times annual salary (total 3 times) or
- 2 times annual salary (total 4 times).<sup>1</sup>

### Dependent Life Insurance

- You can purchase life insurance for your eligible dependents.
- Your premiums are made with **post-tax dollars**.

### Retirement Savings Plans—403(b) Tax-Deferred Accounts

- You can choose from among three providers and put **pre-tax dollars** into 403(b) accounts for your retirement savings.

## After 1 Year of Service and Age 19

When you complete a year of service and are at least 19 years old, RTI establishes a retirement account for you.

### RTI Retirement Plan

- RTI makes monthly contributions to your account based on a percentage of your salary.
- You can also elect to put **post-tax dollars** into your account.
- Upon retirement, the Retirement Plan provides you with a number of distribution options.

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<sup>1</sup>Medical evidence of insurability (EOI), known as a Statement of Health, is required for amounts in excess of \$30,000 for your spouse and \$10,000 for your dependent children. Four times your annual base salary is the maximum amount of Group Term Life/AD&D you can purchase. You must provide a Statement of Health if your basic or supplemental life insurance coverage is \$500,000 or more.



## Important Enrollment Tips

### Medical

- When you enroll in coverage for 2010, you'll need to provide Social Security numbers for all dependents enrolled in coverage. The Centers for Medicare and Medicaid Services now requires all insurance carriers to report a Social Security number for everyone enrolled in medical plans (including dependents).
- If you enroll in the High Deductible Health Plan/Health Savings Account (HSA), you must open a JPMorgan Chase bank account to receive RTI employer contributions for your health savings account. If you do not open a bank account by December 31, 2010, you will forfeit all RTI employer contributions that would have gone into your account and your own contributions will be returned to you as taxable income.
- If you enroll in the High Deductible Health Plan/HSA, the maximum annual contribution amount for 2010 is \$3,050 for employee-only coverage and \$6,150 for family coverage, which includes RTI employer contributions. Individuals who are 55 or older may make a special catch-up contribution of \$1,000. If you contribute the annual maximum contribution amount, you must remain enrolled in the High Deductible Health Plan through December 31, 2011, to avoid paying income tax and a 10% penalty on the amount in the account.
- If you enroll in the High Deductible/Health Savings Account (HSA), you can save out-of-pocket costs for certain prescriptions. Preventive medications used to treat chronic diseases will be covered at 100% and will not be subject to your annual deductible. A New Preventive Drug List that includes generic and preferred brand drugs is being added to the Plan. "Preventive medications" are found on the Preventive Drug List located on CIGNA's website at [www.mycigna.com](http://www.mycigna.com). Any drugs that you purchase that are not on the list will be subject to the annual deductible before the Plan pays.

### All Three CIGNA Plans

- Out-of-network payment for non-emergency services and charges is subject to the "maximum reimbursable charges." The maximum reimbursable charge will be based on a percentage of a fee schedule that uses a Medicare-based methodology rather than usual and customary charges. This method will result in increased costs for you when you obtain **out-of-network** medical care. You are still responsible for any amount above the maximum reimbursable charge for claims that are paid, in addition to applicable copayments, deductibles and coinsurance. To lower your costs, consider seeing doctors or other providers who are in-network. For an example of how the maximum reimbursable charge works, see the *2010 Frequently Asked Questions and Answers* guide.

### Dental

- A 2-year lock-in applies for the Dental Premier Plan. If you elect the Premier Plan, you must remain enrolled in this Plan for 2 years. For example, if you enroll in this coverage for 2010, you must remain enrolled in the Premier Plan through the end of 2011.



### Other Important Facts to Remember

- If you are enrolled in any of the CIGNA medical plans, your basic vision coverage is offered through Ameritas–VSP and not through CIGNA. Contact Member Services at Ameritas–VSP at 1.800.877.7195 if you have any questions about your vision coverage. Check for participating providers at their Web site, **[www.vsp.com](http://www.vsp.com)**.
- If you are enrolled in any of the CIGNA medical plans, your mental health and substance abuse coverage is offered through CIGNA Behavioral Health. You must obtain prior authorization for inpatient mental health and substance abuse benefits by calling 1.800.926.2273. You can identify CIGNA providers at **[www.cignabehavioral.com](http://www.cignabehavioral.com)**.
- Employees in the Massachusetts area will be able to choose from CIGNA medical plans in addition to the PPO Plans offered by Tufts.
- RTI will impute income to you for tax purposes on the company-paid portion of life insurance over \$50,000. Premiums for the domestic partner portion of the coverage are paid with post-tax dollars.
- You cannot be covered under dependent life insurance of another RTI employee if you and your spouse/domestic partner both work for RTI. You also cannot cover the same dependent children under each of your dependent life coverage if you and your spouse/ domestic partner are both RTI employees.
- Contact [hrhelp@rti.org](mailto:hrhelp@rti.org) if you have questions about your benefit coverage. You can also call 1.919.541.1200 or 1.800.334.8571, ext. 21200. The address for HR Help is:

RTI International  
HR Help  
300 Park, 1st Floor  
PO Box 12194  
Research Triangle Park, NC 27709-2194

## Medical Plans

For many employees, one of the most important decisions you must make is choosing the medical plan option that is best for you and your family. Through CIGNA HealthCare, you can select from among three PPO plans with a variety of coverage options to meet your needs. This coverage can protect you and your family from high and often unexpected medical expenses.

To enroll in medical insurance, you must be scheduled to work 25 percent time or more.

## Eligibility

All regular employees scheduled to work 25 percent time or more are eligible for medical coverage beginning on the first day of employment. You may also enroll eligible dependents, who include your:

- Spouse.
- Domestic partner (opposite or same sex; in accordance with applicable state laws, registration may be required).

**NOTE: Dependents of domestic partners are not eligible for medical insurance coverage.**

- Unmarried children from birth to the end of the month during which they turn 19, including legally adopted, foster, and step children; children placed for adoption; and children for whom legal guardianship has been awarded to you.

- Unmarried dependent children from their 19th to 26th birthday if they attend a licensed vocational or technical school or accredited school, college, or university as full-time students.
- Unmarried children who are mentally or physically handicapped and incapable of self-support, regardless of age.

## Four Options for Coverage

There are four ways to cover yourself and your eligible dependents:

Option	Who Is Covered
Individual	Covers employee only
Employee/ spouse	Covers employee and spouse/domestic partner
Employee/ children	Covers employee and all dependent children
Family	Covers employee, spouse/domestic partner, and employee's dependent children



## Important

- If you choose not to be covered by RTI's medical insurance because you have coverage elsewhere, you may not join/rejoin until the following calendar year unless you experience a qualified life status change, as described in the **Making Changes During the Year** section.
- If you don't enroll your dependents when they are first eligible to be enrolled, you can't enroll them until the next open enrollment unless you experience a qualified Life Status Change, as described in the **Making Changes During the Year** section.
- For those dependents covered by both your **and** your spouse's insurance, the insurance industry will consider the policy belonging to the parent whose birthday occurs earlier in the calendar year to be the primary policy.
- If you and your spouse have other coverage, the RTI medical plan as either the primary or secondary payor will only pay up to the RTI plan maximum percentage. This means benefits will not be coordinated between the insurance companies to pay 100 percent of medical costs.

## CIGNA Open Access Plans

Through CIGNA, RTI is offering the following three medical plan options:

- Premier Plan—with a \$250 individual/\$500 family annual deductible for in-network coverage
- Standard Plan—with a \$500 individual/\$1,000 family annual deductible for in-network coverage
- High Deductible Health Plan/Health Savings Account (HSA)—with a \$1,200 individual/\$2,400 family annual deductible for in-network coverage paired with a health savings account. (For this plan, deductibles are determined by the IRS and are subject to change each year.)

In-network advantages:

- Higher benefits—You pay less for in-network care.
- Preventive care—Physical examinations, mammograms, well-baby care, immunizations, and other preventive services are covered.
- Convenience—No claim forms to file, and hospital precertifications requirements are handled by your network doctors.

The three medical plans are centered around a network—a group of doctors, hospitals, and other health care providers. When you need medical care, you decide to either use the providers in the network or seek services from a provider outside the network. The key point is you always have a choice.

You minimize your costs when you use hospitals and doctors in the Open Access Plus Network. You can select a primary care physician (although this is not required) to coordinate your care. No referrals are required to access services from network specialists.

You can seek care outside the network, but keep in mind that you will pay higher out-of-pocket costs when you use out-of-network providers.

**NOTE:** For more details about the medical plans, visit StaffNet at <http://staffnet.rti.org/services/benefits> or CIGNA at [www.myCIGNA.com](http://www.myCIGNA.com).

These benefit plans will not cover all of your health care expenses. More complete descriptions of benefits and the terms under which they are provided are contained in the plan descriptions available online on StaffNet.

Table 1 compares the benefits between the three CIGNA medical plans. It is intended only to highlight your benefits and should not be relied upon to fully determine coverage.

## Mental Health and Substance Abuse Coverage

Mental health and substance abuse benefits for CIGNA members are provided through CIGNA Behavioral Health ([www.cignabehavioral.com](http://www.cignabehavioral.com)), which provides inpatient and outpatient services. Prior authorization for inpatient mental health and substance abuse benefits is required; call 1.800.926.2273 to obtain prior authorization. Prior authorization for routine outpatient care such as individual and group counseling is not required.

## ID Cards

You **will** receive a new ID card if you enroll in CIGNA medical coverage. In this case, you will receive an ID card for yourself and each of your enrolled family members. Each enrolled family member needs to use his or her own card.

You can receive up to four ID cards per package from CIGNA. If you enroll more than four family members, you will receive an additional package from CIGNA with extra ID cards for your family—so don't throw away any extra packages from CIGNA.

**Table 1. CIGNA Medical Plans Comparison**

	CIGNA Premier		CIGNA Standard		High Deductible Health Plan/HSA	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible						
Individual	\$250	\$1,000	\$500	\$750	\$1,200	\$2,400
Family	\$500	\$3,000	\$1,000	\$2,250	\$2,400	\$7,200
Out of Pocket						
Individual	\$1,500	\$7,500	\$3,000	\$7,500	\$5,950	\$11,900
Family	\$3,000	\$15,000	\$6,000	\$15,000	\$11,900	\$23,800
Copays						
PCP	\$15	70/30%*	\$25	60/40%*	80/20%*	60/40%*
Specialist	\$30	70/30%*	\$50	60/40%*	80/20%*	60/40%*
Coinsurance (CIGNA's portion/your portion)						
MRI, CT/PET Scans	90/10%*	70/30%*	80/20%*	60/40%*	80/20%*	60/40%*
Hospital–Inpatient	90/10%*	70/30%*	80/20%*	60/40%*	80/20%*	60/40%*
Hospital–Outpatient	90/10%*	70/30%*	80/20%*	60/40%*	80/20%*	60/40%*
Emergency Room	\$150	\$150 (for true emergency only; otherwise, 70/30%*)	\$150	\$150 (for true emergency only; otherwise, 60/40%*)	80/20%*	80/20%* (for true emergency only; otherwise, 60/40%*)
Mental Health and Substance Abuse (MH/SA) Combined						
MH/SA–Inpatient	90/10%*	70/30%*	80/20%*	60/40%*	80/20%*	60/40%*
MH/SA–Outpatient	\$30 copay	70/30%*	\$40 copay	60/40%*	80/20%*	60/40%*
Preventive Benefit	Office copay	N/A	Office copay	N/A	100%	100% to \$500
Retail Pharmacy						
Generic	\$10	No coverage	\$10	No coverage	80/20%*	50/50%*
Preferred Brand	\$35	No coverage	\$50	No coverage	70/30%*	50/50%*
Non-preferred Brand	\$70	No coverage	\$100	No coverage	60/40%*	50/50%*
Deductible	\$25 (individual)** \$50 (family)**	No coverage	\$50 (individual)** \$100 (family)**	No coverage	Plan deductible	Plan deductible
Mail-Order Pharmacy						
Generic	\$20	No coverage	\$20	No coverage	80/20%*	No coverage
Preferred Brand	\$70	No coverage	\$80	No coverage	70/30%*	No coverage
Non-preferred Brand	\$140	No coverage	\$160	No coverage	60/40%*	No coverage
Deductible	0	N/A	N/A	N/A	N/A	N/A

\* After the plan deductible is met, CIGNA and you share the cost of services. The first number is CIGNA's percentage of coinsurance, and the second number is the percentage you pay.

\*\*Deductible is waived for purchase of generic drugs.

## Vision Plan

(Applies Only to Employees Enrolled in the CIGNA Medical Plans)

Protecting your eyesight is very important, which is why you should have your vision checked on a regular basis. If you elect any of the CIGNA medical plans, you and any covered dependents are also automatically provided vision coverage through Ameritas-VSP. Table 2 shows a summary of your vision plan benefits.

To use your VSP benefit, make an appointment with the VSP provider and tell the provider you are a VSP member. VSP will take it from there. You'll never have to show an ID card, fill out claim forms, or wait for reimbursement.

Visit [www.vsp.com](http://www.vsp.com) for a list of providers. For out-of-network benefits, see Table 2.

## Vision Plan Highlights

- Approximately 30,000 providers
- One-stop shopping: exams, frames, and lenses, plus discounts for additional services
- Personalized self-service on the Web
- Laser VisionCare Program
  - Educational information on the Web
  - Personalized evaluation from your doctor
  - Surgical care from credentialed laser centers
  - Up to 20 percent discount on LASIK and PRK laser vision correction procedures.

**Table 2. Ameritas-VSP Benefits Summary**

Benefits	In-Network Benefit	Out-of-Network Benefit
	<b>You pay:</b>	<b>VSP pays:</b>
Annual exams	\$10	Up to \$52
Material deductible for lens and/or frames	\$25	\$25
	<b>Ameritas-VSP pays:</b>	
Frame	\$120 allowance toward any frame of your choice plus 20% off any amount over the allowance	Up to \$45 per pair
Single lenses	100%	Up to \$55 per pair
Bifocal lenses	100%	Up to \$75 per pair
Trifocal lenses	100%	Up to \$95 per pair
Lenticular lenses	100%	Up to \$125 per pair
Contact lenses—necessary	100%	Up to \$210 per pair
Contact lenses—elective	\$105 allowance toward the contact lens exam and contact lenses plus a 15% discount off the contact lens exam before the allowance	Up to \$105 per pair
	<b>You receive:</b>	
Frequency	Exam every 12 months; lenses every 12 months; frames every 24 months—based on the date of receipt for services or materials	

NOTE: Lenses **or** contacts may be covered at the highest level in the table above, but not both. There are additional charges for special features added to lenses (e.g., compounded, progressive).

## Limitations

Covered expenses will not include and no benefits will be payable for expenses incurred for:

- More than one eye exam in any 12-month period.
- More than one pair of lenses in any 12-month period.
- More than one set of frames in any 24-month period.
- More than one pair of contact lenses in any 12-month period. When chosen, contact lenses will be in lieu of any other lenses benefit during the 12-month period and in lieu of any other frame benefit during the 24-month period. When lenses are chosen, expenses for contact lenses are not “covered expenses” during the 12-month period.

## Dental Care

Good dental care is important to your health, and the **Spectrum Benefits** program offers a range of dental benefits for you and your dependents. RTI offers two dental plan options that provide comprehensive benefits: the Standard Plan and the Premier Plan.

The Premier Plan provides a higher level of coverage with a higher premium cost. Both plans are preferred provider organizations (PPOs) and offer a network of dentists through Ameritas. With both plans, you may visit any licensed dentist, whether the dentist is considered in-network or out-of-network. However, you may want to use participating network dentists for lower out-of-pocket costs.

To enroll in dental insurance, you must be scheduled to work 25 percent time or more.

## Eligibility

All regular employees scheduled to work 25 percent time or more are eligible for dental coverage beginning on the first day of employment. You may also enroll your eligible dependents, who include your:

- Spouse.
- Domestic partner (opposite or same sex; in accordance with applicable state laws, registration may be required).

**NOTE: Dependents of domestic partners are not eligible for dental insurance coverage.**

- Unmarried children from birth to their 19th birthday, including legally adopted, foster, and step children (you may enroll children who live outside your home only if you are legally responsible for their health care).



## Important

- If you choose not to be covered by RTI’s dental insurance because you have coverage elsewhere, you may not join/rejoin until the following calendar year unless you experience a qualified Life Status Change, as described in the **Making Changes During the Year** section.
- If you don’t enroll your dependents when they are first eligible to be enrolled, you can’t enroll them until the next open enrollment unless you experience a qualified family status change, as described in the **Making Changes During the Year** section.
- When making your decision about coverage for your dependent children, keep in mind the insurance industry’s “birthday rule.” If your dependents are covered by your insurance and your spouse’s insurance, the industry will consider the policy belonging to the parent whose birthday occurs earlier in the calendar year to be the primary policy.
- NOTE: If you and your spouse have other coverage, the RTI Dental Plan as either the primary or secondary payor will only pay up to the RTI plan maximum percentage. This means benefits will not be coordinated between the insurance companies to pay 100 percent of dental costs.

- Unmarried children from their 19th to 26th birthday if they attend a licensed vocational or technical school or accredited school, college, or university as full-time students.
- Unmarried children who are mentally or physically handicapped and incapable of self-support, regardless of age.

## Four Options for Coverage

There are four ways to cover yourself and your eligible dependents in dental coverage:

Option	Who Is Covered
Individual	Covers employee only
Employee/spouse	Covers employee and spouse/domestic partner
Employee/children	Covers employee and all dependent children
Family	Covers employee, spouse/domestic partner, and employee’s dependent children

## Dental Benefits Summary

### Standard Plan

The Standard Plan pays:

- 100 percent of the usual, customary, and reasonable (UCR) charges for diagnostic/preventive services (not subject to the deductible).
- 80 percent of the UCR charges for maintenance, oral surgery, and periodontic services.
- 50 percent of the UCR charges for prosthetic/complex restorative services.
- Up to \$1,500 after a \$50 per-member deductible is met each calendar year (no more than 3 times the individual deductible must be satisfied in each benefit period per family).
- Up to \$1,000 lifetime maximum orthodontia benefit per covered child up to age 19.

## Premier Plan

The Premier Plan pays:

- 100 percent of the usual, customary, and reasonable (UCR) charges for diagnostic/preventive services (not subject to the deductible).
- 90 percent of the UCR charges for maintenance, oral surgery, and periodontic services.
- 60 percent of the UCR charges for prosthetic/complex restorative services.
- Up to \$1,750 after a \$50 per-member deductible is met each calendar year (no more than 3 times the individual deductible must be satisfied in each benefit period per family).
- Up to \$2,000 lifetime maximum orthodontia benefit per covered child up to age 19.

2-Year Lock-in Applies

**NOTE: If you elect the Premier Plan, you must remain enrolled in this Plan for 2 years. For example, if you enroll in this coverage for 2010, you must remain enrolled in the Premier Plan through the end of 2011.**

## Dental Rewards

Ameritas offers a dental rewards program for both the Standard and Premier Plans. Dental Rewards is a program that encourages good dental habits through regular dental check-ups. If you file at least one claim during the year and benefits paid are less than \$750 for the year, you will qualify for a reward of a \$250 increase in your annual maximum the following calendar year. This continues until you reach a total reward of \$1,000. The Dental Reward amount earned is reduced by any amount used in any year. Dental Rewards applies to each person who is enrolled in coverage, including any of your covered family members.

The program has a cap of \$1,000 on the total rewards you can earn. If you use the entire \$1,000 in rewards, you can earn rewards during the next year. Ameritas will use your annual dental maximum benefit first and then use any available funds from your Dental Rewards balance. All deductibles and coinsurance limitations still apply.

### Dental Rewards Program

Benefit Amount	\$750	Your annual dental benefits cannot exceed this amount.
Annual Carryover Amount	\$250	This is the total amount you can carry over to the following year's annual maximum.
Annual PPO Bonus	\$150	You can earn an additional bonus during the year if you see a network dentist.
Maximum Carryover	\$1,000	This is the maximum you can accumulate and carry over.

**The following benefits are based on usual, customary, and reasonable (UCR) for your geographic area. You are strongly encouraged to contact Ameritas for preauthorization of services totaling over \$300.**

## Diagnostic and Preventive Services

(paid at 100 percent of UCR under Standard and Premier Plans)

Because many dental expenses result from problems that could have been prevented by regular checkups, all diagnostic and preventive services are paid without a deductible. This part of the program helps you avoid such expenses by paying for preventive treatment. Diagnostic and preventive services include the following:

- Routine examinations, teeth cleaning, and scaling (2 per calendar year)
- X rays (full series of X rays every 3 years; bitewing twice per calendar year)
- Prophylaxis/fluoride application to prevent decay (twice per calendar year, with fluoride application limited to dependents under age 19)
- Sealants for first and second molars for members age 5 through 15
- Space maintainers (limited to dependents under age 19)

## Maintenance, Oral Surgery, and Periodontic Services

(paid at 80 percent of UCR under the Standard Plan and 90 percent of UCR under the Premier Plan)

Your dental benefits cover many maintenance procedures, including the following:

- Palliative emergency treatment and emergency oral examination, not including permanent restorations or services

- Biopsies of oral tissue
- Routine fillings to restore diseased teeth
- Repair of removable dentures
- Re-cementing of inlays, crowns, and bridges
- Stainless steel crowns

Your dental benefits cover many surgical procedures, including the following:

- Simple extractions
- Hemisection and apicoectomy
- Oral surgery, including surgical removal of teeth and maxillary or mandibular intrabony cysts and procedures performed to prepare the mouth for dentures
- General anesthesia administered in connection with a covered dental service, only if administered by an individual licensed to administer general anesthesia

You can receive benefits for treatment of disease of the gum and tissues around the teeth, including the following:

- Gingival curettage
- Gingivectomy and gingivoplasty
- Osseous and mucogingivoplasty surgery
- Periodontal scaling and root planing

## Prosthetic and Complex Restorative Services

(paid at 50 percent of UCR under the Standard Plan and 60 percent of UCR under the Premier Plan)

Your dentist may use an artificial device to restore your natural teeth. In this case, your dental program covers the following:

- Inlays and onlays (not part of bridge)
- Crowns (not part of bridge)—one per tooth every 5 years (must be over age 16)
- Denture adjustments and relining within 6 months of initial denture placement

- Dentures, full and partial and fixed bridges (once every 5 years)
- Fixed bridge repairs

## Orthodontia Services

(paid at 50 percent of UCR under Standard and Premier Plans)

Orthodontia services are payable at 50 percent of UCR for covered expenses. The plan has a lifetime maximum of \$1,000 for orthodontia services under the Standard Plan and \$2,000 under the Premier Plan for members up to age 19.

## Flexible Spending Accounts

Flexible Spending Accounts (FSAs) are an important feature of the **Spectrum Benefits** program. An FSA allows you to set aside a certain amount of your paycheck into an account before it is taxed. An FSA lets you pay yourself back, on a tax-free basis, for certain eligible expenses.

To enroll in flexible spending accounts, you must be scheduled to work 25 percent or more.

When you begin employment you can choose to set up a Health Care Spending Account, a Dependent Care Spending Account, or both. Flores & Associates is the administrator of the FSA Plan.

## Special Rules

- Separate accounts must be established for health care and dependent care expenses. The plans operate on a calendar year basis. Each year you should decide whether you want to participate in one or both accounts. You decide how much you want to contribute, up to an annual maximum limit of \$5,000 for each account.
- The amount(s) you designate will be deducted automatically from paychecks throughout the year and credited to the account(s) you indicate.
- If you use your debit card for the Health Care Savings Account, make sure you keep your receipts. You may be asked by Flores & Associates to send your receipts to substantiate any expenses you are claiming for reimbursement (e.g., any copayments that do not match RTI's health care plan, over-the-counter payments), in accordance with IRS guidelines. If you're asked to substantiate the expenses and do not submit debit card receipts during the year, you will be subject to taxation in the following plan year on the amounts that were reimbursed during the prior plan year. For example, suppose you use your debit card in 2010 and are asked to send your receipt to Flores for substantiation during the year. If you do not send your receipts by March 31, 2011, you will be subject to taxation in 2011 on any unsubstantiated expenses that were reimbursed on your debit card.



## Plan Wisely...

Review your health care and dependent care expenses from the last year or two to estimate your 2010 expenses for the Flexible Spending Accounts. It may be helpful to have certain records handy such as:

- Explanations of benefits (EOBs) for medical and dental expenses
- Receipts for other health care expenses that may not have been covered by a benefit plan
- Any expense records for dependent care costs.

- Any amounts that remain unused in your **Health Care or Dependent Care Spending Accounts** at the end of the year are forfeited. This is known as the IRS “use it or lose it” rule. To reduce the risk of forfeiture, think about your benefits and your expenses carefully.
- You may submit claims for any amount to receive reimbursement for eligible expenses from the Health Care and/or Dependent Care Spending Accounts. **Important Reminder: Expenses for both accounts must be incurred by December 31 of each year. You must submit claims for both accounts by March 31 of the following year in order to receive reimbursement.**
- If you leave RTI, for the rest of that year you may continue to submit Health Care or Dependent Care Spending Account claims for eligible expenses incurred during your employment period until the account has been exhausted or up to 90 days past the end of the following calendar year. However, all expenses must have been incurred during the period of coverage to be eligible for reimbursement. The period of coverage for the Health Care Spending Account (only) may be extended through COBRA.

## Tax Advantages

When you set up an FSA, you put aside money from your pay before taxes are applied and withheld. Then, when you submit a claim for eligible, out-of-pocket health care and dependent care expenses, you are reimbursed with tax-free dollars from your accounts.

- You never pay federal or state income taxes on your FSA contributions. If your earnings are below the maximum amount taxed for Social Security purposes each year, then having money for the FSA deducted from your paycheck pre-tax will also reduce your Social Security (FICA) taxes. Since your benefits from Social Security are based on the FICA taxes that you and RTI pay, your ultimate Social Security benefit could be slightly smaller than if you choose not to participate in the FSA.
- Reducing your salary for health and/or dependent care expenses does not affect the value of your salary-based RTI benefits—life insurance coverage, disability benefits, and retirement plan contributions will continue to be based on your gross salary before any salary reduction.

## Health Care Spending Account

The Health Care Spending Account lets you receive reimbursement on a pre-tax basis for eligible expenses not reimbursed under your health care plans. You may choose to contribute from a minimum annual amount of \$120 to a maximum of \$5,000 to your Health Care Spending Account.

### How the Account Works

If you choose to enroll in a Health Care Spending Account, an amount you choose will be added to your Health Care Spending Account each month from your paycheck (if you are hourly, one-half of this amount will be taken out each pay period).

You are the best judge of what amount needs to be designated for the Health Care Spending Account. ***Estimate carefully because you will lose any money that you do not use.*** The money cannot be returned to you due to federal regulations.

### Eligible Expenses

Through this account, you can get reimbursed for certain out-of-pocket expenses such as the following:

#### Medical

- Copayments
- Deductible
- Coinsurance
- Noncovered expenses
- Prescription drug copays
- Over-the-counter drugs such as antacids, allergy medicines, pain relievers, and cold medicines.

#### Dental

- Deductible
- Coinsurance
- Noncovered expenses

#### Vision care

- Examinations
- Glasses, contacts
- Laser surgery
- Other allowable expenses

Any health care expense (**except** for insurance premiums) considered deductible by the IRS can be reimbursed with money from your Health Care Spending Account.

If you reimburse your eligible health care expenses through your Health Care Spending Account, you cannot claim those same expenses as deductions on your income tax return. Currently, only health care expenses that exceed 7.5 percent of your adjusted gross income are deductible for income tax purposes.

### Using the CIGNA Health Savings Account and the Flexible Spending Account

If you enroll in the CIGNA High Deductible Plan/Health Savings Account (HSA), you can only use the Health Care Spending Account, defined as a “limited purpose” FSA, for dental and vision expenses. Once you meet the deductible under the High Deductible Health Plan, you can then use the Health Care Spending Account for medical expenses as well as for prescriptions, over-the-counter pharmacy, and other eligible expenses.

## Dependent Care Spending Account

The Dependent Care Spending Account allows you to receive pre-tax reimbursement for eligible day care expenses for your children under age 13 and other qualifying dependents. You may choose to contribute from a minimum annual amount of \$120 to a maximum of \$5,000 to your Dependent Care Spending Account. If you and your spouse both contribute to a Dependent Care Spending Account, your combined contributions for day care expenses cannot exceed \$5,000, according to IRS regulations.

Because expenses for dependent care are usually fairly predictable, this is one of the best opportunities to use a Flexible Spending Account. A “dependent” is someone you may claim as a dependent on your federal income tax return.

Eligible dependents include:

- Your dependent children under age 13.
- An adult living with you whom you claim as a legal dependent and who is physically or mentally incapable of self-care.

Eligible dependent care services include:

- Service for the full- or part-time care of a qualifying individual.
- Household services (such as maid or cook services), provided they are related to the care of a qualifying individual.

## How the Account Works

Money set aside in the Dependent Care Spending Account may be used to pay only those dependent care expenses necessary because you (or if you are married, you and your spouse) work. The expenses must have been incurred to enable you and your spouse to remain gainfully employed during a period in which there was at least one qualifying individual residing in your household.

## Eligible Expenses

In addition to fees or salaries paid for dependent care, specific expenses eligible for reimbursement might include:

- FICA and FUTA (federal unemployment) taxes on wages paid to a caregiver.
- Room and board expenses incurred outside of the home for a caregiver.
- Transportation expenses of a caregiver.

You may not claim dependent care expenses that exceed the lesser of:

- The fixed dollar maximum of your plan (\$5,000; \$2,500 if married and filing separately).
- Your spouse’s earned income.
- Your earned income.

## Special Rules

- If your spouse has no earned income, you cannot use this account unless your spouse is disabled or a full-time student for at least 5 months during the year. The IRS then considers his or her income to be \$200 a month if you have one qualified dependent or \$400 a month if you have more than one.
- If you use the services of a “dependent care center,” the center must meet all requirements of state and local law. A dependent care center is any facility that provides care for more than six individuals (other than individuals who reside there) and received a payment or grant for providing dependent care services.
- You cannot be reimbursed for expenses incurred for transportation of a dependent to a day care center or for expenses paid to one of your dependents for the care of other dependents.
- You will have to provide with your tax return the Tax Identification Number or the Social Security number of the dependent care provider in order to be eligible for the tax credit and/or tax exclusion for dependent

care assistance benefits. IRS Form 2441 is used for this purpose.

- Money must be in your Dependent Care Account in order for you to use it and receive reimbursement for a claim.

## Childcare Expenses

In general, you may be reimbursed for any childcare expenses you are currently allowed to report on your IRS tax filing as eligible dependent care spending account expenses. The chief IRS limitations for childcare are as follows:

- The child must be a dependent on your IRS 1040 form.
- The child must be under the age of 13 years.
- Childcare must be considered “employment-related expenses,” meaning that the childcare is necessary in order for you to work.

If you have a new child arrive during the year, you may add or increase your dependent care spending account if you do so within 30 days of the birth (or arrival, if adopted) of the child.

## Spending Account vs. Tax Credit

You can use both a spending account and a tax credit, provided you do not claim the same expenses for both. Under the Family Support Act of 1988 (H.R. 1720), work-related dependent care expenses reimbursed from your Dependent Care Spending Account will directly offset on a dollar-for-dollar basis the \$3,000 or \$6,000 annual limits for qualifying expenses that can be considered when applying the appropriate percentage to determine the dependent care tax credit. In some cases it is more advantageous to claim your work-related dependent care expenses as a tax credit when you file your tax return. Before making a decision about using the Dependent Care Spending Account or the tax credit, consult a professional tax advisor. For additional information, see IRS Publication 503, Child and Dependent Care Expenses, at <http://www.irs.gov>.

## Group Term Life/ Accidental Death and Dismemberment (AD&D) Insurance

Providing economic security for your family in the event of your death or accidental dismemberment is a major consideration. To help meet this important need, RTI provides group term life/AD&D insurance for eligible employees.

The **Spectrum Benefits** program allows you to select the level of coverage that best meets your needs (maximum coverage is \$1 million for Group Term Life/AD&D insurance with approved evidence of insurability for life insurance coverage). Your coverage amount is rounded up to the nearest \$1,000.

To be eligible for Group Term Life/AD&D insurance, you must be scheduled to work 50 percent time or more. Once enrolled in Group Term Life Insurance, you are automatically enrolled in AD&D insurance.

## Basic Term Life/AD&D Insurance

On your first day of work, RTI provides you with Basic Term Life/AD&D insurance in the amount of \$50,000 or 2 times your base annual salary **at no cost to you**. Basic Term Life and AD&D coverage is combined. If 2 or more times your annual salary is more than \$50,000, there are tax implications for Basic Term Life Insurance. If you want to avoid imputed income for Basic Term Life Insurance, you may elect only \$50,000 of coverage. There are no tax implications for AD&D coverage. See more on life insurance imputed income in the 2010 Benefits Costs document on StaffNet.

Example: If you purchase an additional 2 times Supplemental Term Life/AD&D, your total coverage is 4 times Group Term Life Life/AD&D. Your 4 times coverage includes 2 times Basic Term Life/AD&D and 2 times Supplemental Term Life/AD&D.

## Supplemental Term Life/ AD&D Insurance and Dependent Life Insurance

You may also purchase additional Supplemental Term Life/AD&D insurance coverage for yourself and Dependent Life coverage for your spouse, same or opposite sex domestic partner, or dependent children on your first day of work and during open enrollment. See Table 3 for your coverage options.

**Table 3. Supplemental Term Life/AD&D and Dependent Life Insurance Coverage Options**

Supplemental Term Life/AD&D coverage options	
You can purchase...	
For you	1 to 2 times your base annual salary for Supplemental Group Term Life/AD&D coverage, to a maximum of \$1,000,000. This coverage is in addition to Basic Life/AD&D insurance.
Dependent Life coverage options	
You can purchase...	
For your spouse or domestic partner*	Up to \$50,000 of Supplemental Spousal Life coverage in \$10,000 increments
For your dependent children	Up to \$25,000 of Dependent Life coverage in \$5,000 increments. The coverage for your dependent children is shown below: <ul style="list-style-type: none"> <li>• 15 days old up to 6 months—\$5,000</li> <li>• At least 6 months old to age 19 or from age 19 to age 26 if a full-time student—\$5,000 to \$25,000</li> </ul>

\* In accordance with applicable state laws, registration may be required.

## Insurability

- During your first 30 days of hire, you can purchase an additional 1 to 2 times your base annual salary for Supplemental Group Term Life/AD&D, up to \$500,000, without completing a **Statement of Health**, also known as evidence of insurability.
- If your annual salary results in a benefit of over \$500,000 (Basic or Supplemental Life), you must complete a **Statement of Health** to obtain any additional coverage above this amount. Underwriting approval from MetLife must be obtained before any additional coverage is provided.

**NOTE: If your annual salary results in a benefit over \$500,000, your coverage will be capped at \$500,000 until an approved Statement of Health is received from MetLife.**

- You can make changes to your Supplemental Life Insurance at any time during the year. However, if you request to increase your Basic or Supplemental Life Insurance **after** 30 days of your hire date, you must complete a **Statement of Health**. For example, if you elected Supplemental Life insurance (3 times your base annual salary) during your first 30 days of hire and requested to increase it to 4 times your base annual salary after 30 days of hire, you must complete a **Statement of Health**. **Your coverage will not be increased until RTI receives an approved Statement of Health from MetLife.**
- To elect coverage of more than \$30,000 for your spouse or domestic partner, your spouse or domestic partner must complete a **Statement of Health form**. Underwriting approval must be obtained before the additional coverage is provided.
- To elect coverage for your dependent children, a **Statement of Health** is required for amounts over \$10,000.

- To elect or increase Supplemental Life coverage due to a qualifying event, a **Statement of Health** is required.
- A **Statement of Health form** can be found on Staffnet in the Forms Library.

You may apply for term life insurance for currently eligible dependents at any time with submission of a completed **Statement of Health form**. Complete the form and send it to MetLife. MetLife will inform you of the status of your request for dependent life insurance.

- If both spouses/domestic partners are employed by RTI, they may not cover the same dependent children.
- If you are an RTI employee, you cannot be covered under dependent life insurance of another RTI employee (spouse/domestic partner or dependent child).

## Naming a Beneficiary

When you enroll in the Group Term Life and AD&D Insurance Plan, you must name a beneficiary. You may change your beneficiary at any time. You are automatically the beneficiary for the Dependent Life Insurance Plan. See the 2010 Employee Benefits site on StaffNet for the link to the beneficiary designation form.

## Short-Term Disability Insurance

Another **Spectrum** benefit you may elect is Short-Term Disability (STD) insurance. This program provides weekly benefits to replace a portion of your earnings if you are unable to work due to an accident, illness, pregnancy, or child birth. Benefits are not provided for work-related illnesses or injuries, which would be covered under Workers' Compensation (contact the Office of Finance for more information).

To enroll in STD insurance, you must be scheduled to work 50 percent time or more.

## Eligibility

In order to be eligible for this plan, you must:

- Be a regular employee.
- Be a resident of the United States.
- Be actively working.
- Be scheduled to work a minimum of 50 percent time (employees scheduled to work less than 50 percent are not eligible for STD coverage).
- Be covered for short-term disability prior to the disability.

New employees may enroll in this coverage at the time of hire or within 31 days of their hire date.

## Insurability

New employees who do not enroll in the plan upon joining RTI—as well as anyone who had coverage and later discontinued it, and anyone who was eligible but did not enroll at the first available opportunity—will be required to complete a **Statement of Health form**, which must be approved by MetLife. MetLife may require a medical exam, at the employee's expense, to provide evidence of insurability.

**Pre-existing conditions, including pregnancy, may preclude benefits coverage during the first 12 months of enrollment.** A preexisting condition is an illness, injury, or condition for which you receive treatment within the three months prior to your enrollment date. Neither your coverage nor your premium deductions will begin until the underwriters have approved you for coverage and RTI has been notified.

## Elimination Period

An elimination period is an amount of time you must be disabled before coverage begins. There is an elimination period of 7 calendar days before STD benefits begin.

## Coverage

Following the elimination period, this plan pays a weekly benefit of 66.66 percent of your weekly base salary depending upon your medical

condition for up to 11 weeks. Under the STD Plan, your weekly maximum benefit is \$2,500.

In order to receive disability payments, you must file a claim form with the insurance carrier, be under the care of a physician, and receive approval. Contact [hrhelp@rti.org](mailto:hrhelp@rti.org) to request an STD claim form or contact MetLife directly at 1-800-225-2460 to initiate your STD claim. Upon approval of your claim, MetLife will mail you benefit checks. Disability benefits will not be paid if you are on paid RTI leave.

## Long-Term Disability Insurance

If you are unable to work for an extended period of time due to a disability resulting from an accident or illness, you may be provided with continued income through RTI's Long-Term Disability (LTD) insurance plan. This is a very important benefit, as supported by insurance industry statistics that one out of seven employees between the ages of 35 and 65 will experience a period of disability.

To enroll in LTD, you must be scheduled to work 50 percent time or more.

## Eligibility

If you are a regular employee and are scheduled to work 50 percent time or more, you will be covered under RTI's group plan beginning on your first day of employment (except for preexisting conditions).

## Two Plans

The **Spectrum Benefits** program offers you two plans with different elimination periods. An elimination period is the amount of time you must be disabled before coverage begins. You may choose between plans with an elimination period of either 90 calendar days or 120 calendar days. To choose the 120-day option, you must have a minimum leave accrual balance of 400 hours (PTO plus reserve leave).

## Insurability

New employees who do not enroll in the plan upon joining RTI—as well as anyone who had coverage and later discontinued it or anyone who was eligible but did not enroll at the first available opportunity—will be required to complete a **Statement of Health form** and must be approved by MetLife to enroll. MetLife may require a medical exam, at the employee's expense, to provide evidence of insurability.

**Preexisting conditions, including pregnancy, may preclude benefits coverage during the first 12 months of enrollment.** A preexisting condition is an illness, injury, or condition for which you receive treatment within the three months prior to your enrollment date. Neither your coverage nor your premium deductions will begin until the underwriters have approved you for coverage and RTI has been notified.

## Coverage

Following the elimination period, LTD pays a monthly benefit of 66.66 percent of your monthly base salary, up to \$15,000 per month, for up to the maximum benefit period shown in Table 4.

If you are unable to perform the essential elements of your job, the elimination period is over, and you have been approved by MetLife, you will begin receiving a benefit.

If you are a regular part-time salaried or regular hourly employee working 50 percent time or more, your benefit is based on 66.66 percent of your average monthly earnings for the previous 6 months. The monthly rate of earnings for regular hourly employees is based on the average number of hours worked per month during the prior 6 calendar months multiplied by your hourly pay rate.

If you are scheduled to work less than 50 percent time for a reason other than your disability, you are automatically ineligible for disability coverage.

In order to receive LTD, you must be under the care of a physician and file a claim with MetLife. Contact [hrhelp@rti.org](mailto:hrhelp@rti.org) to request an LTD claim form. Upon approval of your claim and once you have completed the elimination period, benefit checks will be mailed to you by MetLife. Benefits will not be paid if you are on paid RTI leave. Partial benefits may be available if you have a disability but are able to work part-time.

## Maximum Benefit

The maximum time you are eligible for payment is based on your age at the time you start to receive benefits. Benefits for both plans are provided according to the schedule in Table 4.

Your benefit will be reduced by income from other sources, such as Social Security benefits, disability or retirement, and Workers' Compensation. Please contact MetLife at 1-800-858-6506 for more details.

**Table 4. Schedule of Disability Benefits for Physical Disability**

Age on Date of Your Disability	Maximum Benefit Period
Less than 60	to age 65
60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months

NOTE: If you are disabled primarily due to a mental or nervous disorder or disease due to schizophrenia, dementia, or organic brain disease or alcohol, drug, or substance abuse or addiction, you will be limited to a lifetime maximum of 24 months.

# Retirement

## RTI Retirement Plan

RTI sponsors the RTI Retirement Plan. This plan is a defined contribution pension plan that provides retirement benefits to Plan participants upon retirement, disability, or death.

Once you are a participant, RTI contributes 10 percent of your base salary into your account each month.

## Becoming a Participant

You will automatically become a Plan participant on the first day of the month following completion of 1 year of service if you are at least 19 years old. If you meet these qualifications on the first working day of a month, then you automatically become a participant as of the first day of that month.

## Contributions to the Plan

Once you are a participant, RTI contributes 10 percent of your base salary into your account each month. Your initial hiring date determines the contribution schedule. You may also make voluntary post-tax contributions to your retirement account by monthly payroll deductions. All RTI contributions in the Plan and all earnings are tax-deferred.

## Years of Service and Vesting

A year of service is any 12-month period beginning on the date you were hired or any anniversary of the date after which you completed 12 months of service. Vesting is a term that describes the percentage of RTI's contributions to which you have a nonforfeitable right upon leaving RTI. The vesting schedule is as follows:

Length of Service	Percent Vested
Less than 2 years	0%
2 years	20%
3 years	40%
4 years	60%
5 years	100%

You will always be entitled to 100 percent of your own voluntary contributions regardless of your years of service. For more information about RTI's Retirement Plan go to <http://staffnet.rti.org/services/retirement/docs/summary.cfm>.

## RTI 403(b) Tax-Deferred Accounts

As a nonprofit organization, RTI is eligible to participate in a tax-deferred retirement savings program, under IRS Code 403(b). This program is an option available to you that allows you to use a portion of your eligible earnings to invest in tax-deferred accounts. This contribution reduces your current taxable income by delaying federal and state income taxes on investments or any earnings until the funds are withdrawn from the account.

The 403(b) accounts are separate from the RTI Retirement Plan.

### How the Accounts Work

The money you invest in a 403(b) account does not affect your RTI Retirement Plan. The three providers of 403(b) accounts at RTI are Fidelity, Vanguard, and VALIC. All regular staff may participate immediately upon hire. All investments are handled directly by these providers.

If you choose to enroll in the 403(b) accounts, you may contribute up to the following IRS limits as shown in the table below:

**Table 5. 2010 IRS Annual Contribution Limits for 403(b) Tax-Deferred Accounts**

If you are...	You may contribute up to...
Under age 50	\$16,500
Age 50 and older	\$22,000

It's important to pay close attention to the contribution limits set by the IRS if you enroll in the 403(b) tax-deferred accounts. If you join RTI during the year and participated in another employer's qualified plan such as a 401(k) Plan or 403(b) Plan, your contributions under the RTI 403(b) accounts cannot exceed the annual

IRS contribution limits. If you do elect more than the maximum contribution limits, you may be subject to a "corrective distribution" of any excess contributions that you elected. This means that any additional contributions over the annual IRS contribution limits will be returned to you as taxable income and may be subject to other possible tax penalties. If you have any questions about this, please contact a personal or financial advisor.

In order to invest money in a 403(b) account, you must sign a **payroll deduction authorization** authorizing RTI to reduce your eligible earnings by the amount of money you want invested. RTI will then send the money to the company(ies) you have designated.

The payroll deduction authorization, along with the application, must be signed and returned to Human Resources by the 10th of the month in which it is to be effective.

If you want forms or printed material on any of the provider companies, see the **HR Web page**, e-mail [hrhelp@rti.org](mailto:hrhelp@rti.org), or call 919-541-1200 or 1-800-334-8571, ext. 21200.

**NOTE:** Other than making this retirement savings opportunity available to you and forwarding a portion of your salary contributions as you direct, RTI is not responsible for the funds you invest. It is important that you understand the investment philosophy and strategy of the various investment options and that the investment options may involve some risk of loss. You are encouraged to meet or speak with the providers' representatives and discuss the investment options thoroughly before making any investments.

## RTI Retiree Health Care Program

RTI offers a Retiree Health Care Program to employees who meet the program's eligibility requirements. This program applies only to U.S.-based employees with medical and/or dental coverage at the time of retirement. Retiree medical and dental coverage is available only through the medical and dental plans available to the majority of active RTI staff. Medical coverage is offered through CIGNA, and dental coverage is offered through Ameritas.

### Eligibility

The eligibility requirements are shown in Table 6.

**Table 6. Retiree Health Care Program Eligibility Requirements and Premium Credits**

If you meet the following age, retirement date, and service requirements...	Then your medical premium credits are...
If you are at least age 60 and have 5 years of service or age 55 with 10 years of service (and retire after January 1, 2004)	\$1,000 per year of credited regular service up to \$20,000. Your premiums will be deducted from your credits; once you exhaust your credits, you pay the full premium to RTI by check.
If you are severed from RTI service at age 50–65 on or after January 1, 2005, and have 10 years of creditable service	\$1,000 per year of credited regular service (prior to severance) up to \$20,000

## Premium Credits

The premium credits shown in Table 6 apply only to **retiree medical** premiums, not dental premiums and not spouse or dependent medical premiums. The premium credits **cannot** be used for dental premiums, even if you do not continue medical coverage. You may continue dental coverage by paying the full premium cost. Any unused credits **will not** be paid out in cash, nor can they be used to pay insurance premiums for dental or other medical coverage purchased outside of RTI.

## Making Changes During the Year

### Making Changes to Your Benefits

Employee medical, dental, and flexible spending accounts benefit selections must be made before the start of each calendar year during open enrollment or within 30 days of your hire date in order to be enrolled in these coverages. Most of your benefit elections will remain in effect through December 31, 2010. However, you may make certain changes in your coverage during the year if you or a family member experiences a qualified change in status, also known as a “life status change.”

You may terminate your employment with RTI or experience certain changes in your life that may have an impact on your RTI benefits. Some changes must meet the IRS definition of a life status change in order for you to be able to change your benefits during the year; others are strictly your choice. Suggestions of benefit changes you might want to consider upon various life changes are provided in Table 7.

The IRS has strict regulations regarding changes to medical, dental, and flexible spending account plans that allow payroll deductions on a pre-tax basis. Once you have elected the amount to contribute, you cannot start, change, or cancel your contribution amount during the year unless you have a qualifying change in your life status, as described below.

Keep in mind that all changes to your benefits are “prospective” and become effective no earlier than the first day of the pay period that begins on or immediately after the date the election is filed. This means that you cannot file any claims (e.g., medical, dental, and healthcare flexible spending account) for services before the effective date of the change except in the case of enrolling a new baby or adding a newly adopted child to your coverage.

## Life Status Changes

The following are examples of qualifying life status changes:

- Marriage or divorce
- Death of your spouse or child
- Birth, placement for adoption, or adoption of a child
- Commencement of or returning from an unpaid leave for employee/spouse
- Change in employment status (full-time to part-time or part-time to full-time or switching from salaried to hourly-paid or vice versa, but only if medical and dental costs are affected)

**Note: Change in employment status from part-time to part-time status does not qualify as a life status change.**

**Table 7. Possible Benefit Changes**

Take these actions	For the following events:							
	Marriage	Divorce	Add a new child	Change in name or address	Move out of medical service area	Spouse's employment terminates	Child no longer eligible for coverage	Your employment terminates
Enroll newly eligible dependents for medical or dental plans	✓		✓			✓		
Change your FSA contributions	✓	✓	✓		✓	✓	✓	
Update medical or dental plan records (remove ex-spouse or other dependents)		✓					✓	
Change medical plans					✓			
Change RTI records	✓			✓				✓
Enroll yourself, ex-spouse, or other dependents in health care coverage under COBRA		✓					✓	✓

- Change in residence or work site for employee/spouse/dependent
- Termination/commencement of spouse's or dependent's employment
- Open enrollment for spouse
- Over-age dependent (age 19 if not in school, age 26 if in school)
- College graduation of dependent
- Registration or termination of a domestic partnership (in accordance with applicable state laws, registration may be required)
- Entitlement to Medicare or Medicaid for employee/spouse/dependent (may cancel coverage for the person affected and make a change to your salary reduction election)
- Lose entitlement to Medicare or Medicaid for employee/spouse/dependent (may begin or increase health coverage for the person affected)

Your new benefit election must be consistent with the life status change. Financial hardship is not a change in life status that qualifies for changing or stopping your Flexible Spending Account contributions.

**If you experience a Qualifying Change in Status, please notify HR Help within 30 days of the event.** You will also be asked to submit supporting documentation (e.g., marriage, birth, or death certificate or adoption papers). The **Life Status Change** form can be found on StaffNet. Send to:

RTI International  
 HR Help  
 300 Park, 1st Floor  
 PO Box 12194  
 Research Triangle Park, NC 27709-2194

Contact HR at [hrhelp@rti.org](mailto:hrhelp@rti.org), 919-541-1200, or 1-800-334-8571, ext. 21200. You can fax the **Life Status Change** form to HR Help at 1.919.541.6506.

## Other Benefits Information

In addition to the benefit elections made upon hire or during open enrollment, RTI offers the following additional benefits:

### *Holidays*

RTI observes 10 holidays per year; 2 of these are floating holidays and may be used at the employee's discretion. New employees hired between January 1 and June 30 have access to two floating holidays in that calendar year. Those hired July 1 or after have one floating holiday in that calendar year. Floating holidays must be used within the calendar year, in 8-hour increments (for full-time employees), and may not be carried over into the next year.

### *Paid Time Off (PTO)*

Employees accrue PTO at a rate between 13.33 and 23.33 hours of PTO per month, based on length of service. You can use PTO to cover absences for any reason: vacation, illness, doctors' appointments, etc. The maximum accrual is limited to twice the annual accrual rate, and limited borrowing privileges are allowed.

Length of Service	Full-Time Accrual Rate
0–9 years	13.33 hours per month
10–19 years	16.66 hours per month
20–24 years	20.00 hours per month
25+ years	23.33 hours per month

### *Direct Payroll Deposit*

All employees are required to have their pay direct-deposited in a bank of their choice by an electronic funds transfer. On scheduled paydays, you may access your pay advice showing gross income, all deductions (taxes and benefits), and net pay on StaffNet at the GEMS link (<http://gems.rti.org/>). After logging in, click on the Self Service button.

### *Adoption Assistance Reimbursement Program*

RTI will reimburse eligible employees for qualifying legal adoption-related expenses up to a maximum of \$10,000 per adoption up to a lifetime maximum of \$30,000.

### *Educational Assistance Program*

RTI encourages employees to pursue further education to enhance their current job skills and knowledge, which may improve future career opportunities at RTI. Active regular full- or part-time employees (50 percent or more per week) who have been employed for a minimum of 6 months and meet required performance expectations are eligible to apply for reimbursement. RTI will reimburse eligible employees up to a maximum established amount per calendar year for educational expenses approved by RTI; this amount will be prorated for part-time staff based on their standard hours. Approval for reimbursement to pursue further education will be based on its relevance to the employee's current or potential future position and other RTI business considerations, including departmental budget constraints.

### *Employee Assistance Program*

We all face difficulties at times in our lives. Having outside help can make the difference between solving a problem or continuing to struggle through periods of confusion, indecision, and personal crisis. It is at these times that the Employee Assistance Program (EAP) is most helpful to you and your family.

The EAP offers help for personal and/or professional concerns by providing free, confidential, short-term counseling and personal consultation. The EAP has a network of counselors located near your home and/or work site. They can help you improve or resolve personal difficulties, whether big or small, personal or work-related.

Some examples of concerns that the EAP addresses include the following:

- Family conflict
- Depression and anxiety
- Relationship issues
- Communication breakdowns
- Grief and loss
- Financial difficulties
- Stress
- Balancing work and family
- Work-related issues
- Alcohol or drug use/abuse

RTI cares about your health and well-being and has paid for your EAP services. All employees and immediate family members in the household can use the EAP at no cost.

Confidentiality is an essential part of the EAP. RTI will not know of your participation in the EAP nor have access to any information without your consent. The only exceptions are when someone's safety is in question.

In addition, your EAP can help you balance your work and personal life through Web-based Work-Life Services. When a personal problem presents itself, you and your family have free, unlimited access to the appropriate tools and resources for childcare, elder care, and other conveniences.

Our provider of these services is McLaughlin Young Employee Services (**www.myemployeeservices.com**), an independent company that provides professional EAP counseling and consultation services to RTI employees and family members.

To access your free, confidential EAP services, call 1-800-633-3353. Help is available 24 hours a day, 7 days a week.

### *Bereavement Leave*

RTI grants time to regular salaried and regular hourly employees for attendance at funerals for members of the employee's family and coworkers. Bereavement leave applies in the event of the death of your spouse, domestic partner, children, step-children, grandchildren, father, mother, brothers, sisters, sons-in-laws, daughters-in-law, and grandparents. It also applies in the event of the death of your spouse's mother, father, brothers, sisters, and grandparents.

### *Long-Term Care Insurance*

Long-term care insurance is available through payroll deduction upon request. Contact **hrhelp@rti.org**, 919-541-1200, or 1-800-334-8571, ext. 21200.

### *Merit Scholarships*

The George Watts Hill Scholarship Program was established in 1983 for children of RTI employees. The annual merit scholarship competition is administered by the National Merit Scholarship Corporation, an independent, nonprofit organization whose purposes are to identify and honor academically talented high school students and to aid as many as possible in obtaining a college education. The National Merit Scholarship Corporation handles the selection of winners and the administration of their awards.

### *Military Leave*

RTI recognizes the importance of employees' serving as active or reserve members in the U.S. military or U.S. Public Health Service. The reemployment rights of individuals serving in the reserve units of the military and Public Health Service are protected by the same federal law that guarantees the rights of returning veterans. This law covers periods of active duty for training, whether on an active or inactive basis, such as regularly scheduled weekend drills, summer camps, and special courses of instruction, and active duty performed in response to federal or state orders.

### *Professional Development Awards*

RTI's success largely depends on the ability of its staff to ensure a continuing high level of professional performance. To provide new opportunities for the growth and expansion of these capabilities, RTI has established a Professional Development Awards program. The awards, made to individuals on a competitive basis, support continued growth in professional skills through activities that are beyond the scope of existing operations and programs.

### *Relocation Expenses*

At the hiring manager's discretion, RTI may reimburse new or existing employees who are eligible for reasonable expenses incurred in the moving of their families and personal effects. Reimbursement will be allowed only for relocation to the area and not for relocation within the area once the initial move is completed.

### *Travel and Accident Insurance*

RTI provides, at no cost to the staff, a travel accident insurance policy that covers all active employees on travel status. RTI coverage is only in effect when employees have adequately documented their travel. You must also name a beneficiary under the **Travel and Accident Insurance Plan**.

## **COBRA**

Federal law requires that most employers who sponsor group health plans and health care spending accounts offer employees and their families the opportunity for a temporary extension of coverage (called "continuation coverage"), commonly referred to as COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985), on an after-tax basis in certain instances where coverage under a plan would otherwise end. This section summarizes your rights and obligations under the continuation provisions of the law. Both you and your spouse, if applicable, should take the time to read this section carefully.

## **Employee**

If you are an employee of RTI covered by RTI's medical or dental plans, or health care spending account (if applicable), you have a right to choose this continuation coverage for yourself and your covered dependents if:

- You lose your coverage under the plan because of a reduction in your hours of employment.
- Your employment is terminated for reasons other than gross misconduct on your part.

Once notified that one of these events has happened, RTI will in turn notify you that you have the right to choose continuation coverage. You have 60 days from the date you receive the necessary election forms from the vendor, Flores & Associates, to elect continuation coverage.

If you do not choose continuation coverage, your coverage under the plan will end. If you choose continuation coverage, you will receive coverage identical to the coverage currently provided under the plan. The law requires that you be given the opportunity to maintain coverage for 18 months due to loss of coverage resulting from a termination of employment or reduction in hours.

If you or a dependent on continuation becomes disabled for purposes of Social Security during the first 60 days of continuation coverage, the affected individual qualifies for 29 months of continuation coverage. RTI must receive notification of the disability determination within 60 days (and before the expiration of the original 18-month period) in order for the affected individual to qualify for this extension. You must also notify RTI within 30 days of any final determination that the individual is no longer disabled.

## Dependents

If you are the **spouse** of an RTI employee, you are entitled to elect COBRA if you lose coverage under the plan for any of the following reasons:

- Your spouse dies.
- You become divorced from your spouse.
- Your spouse's employment is terminated (for reasons other than gross misconduct) or your spouse's work hours are reduced.
- Your spouse becomes eligible for Medicare and chooses Medicare as the primary payor.

**NOTE: In accordance with federal law, domestic partners are not eligible for COBRA continuation of health care.**

If you are the **dependent child** of an employee, you are entitled to elect COBRA if you have a loss of coverage under the plan for any of the following reasons:

- Your parent employed by RTI dies.
- Your parent employed by RTI becomes divorced.
- Your parent employed by RTI is terminated (for reasons other than gross misconduct) or his/her work hours are reduced.
- Your parent employed by RTI becomes eligible for Medicare and chooses Medicare as the primary payor.
- You stop being eligible under the plan.

Under the continuation coverage law, the employee or a family member is responsible for informing Human Resources of a divorce or a child's losing dependent status within 30 days after this event occurs. Once notified that one of these events has happened, RTI will in turn notify you that you have the right to choose continuation coverage. You have 60 days from the date you receive the necessary election forms from the vendor, Flores & Associates, to elect continuation coverage.

If you do not choose continuation coverage, your coverage under the plan will end. If you choose continuation coverage, you will receive coverage identical to the coverage currently provided under the plan. The law requires that you be given the opportunity to maintain coverage for 36 months.

## General

The law also provides that your continuation coverage may end for any of the following reasons:

- RTI no longer provides health care spending accounts to any of its employees.
- The after-tax contribution for your continuation coverage under the plan is not paid by the due date or within the grace period permitted by the plan.
- You become entitled to Medicare (in this event, your covered spouse and children are entitled to continue coverage independently for up to 36 months from the date you become entitled to Medicare).
- You become covered under another group plan (as an employee or otherwise) containing no exclusion or limitation as to any preexisting condition of you or any covered spouse or child.

# Benefits Directory

## General RTI – Benefits Information

HR Help Desk ..... 919-541-1200  
hrhelp@rti.org ..... 800-334-8571, ext. 21200

## Medical

CIGNA Health Care  
Customer Services ..... 800-244-6224  
www.cigna.com

## Behavioral Health (Mental Health/Substance Abuse)

CIGNA Behavioral Health ..... 800-926-2273  
www.cignabehavioral.com

## Vision

Ameritas–VSP  
Member Services ..... 800-877-7195  
www.vsp.com

## Dental

Ameritas  
Customer Relations ..... 800-487-5553  
www.ameritasgroup.com

## Group Term Life Insurance

MetLife Insurance Company  
Customer Service ..... 800-638-6420  
Conversion to individual policy ..... 877-275-6387, option 1  
www.metlife.com

## Disability Insurance (STD and LTD)

MetLife Insurance Company  
Claims/Customer Service ..... 800-858-6506  
www.metlife.com ..... Fax: 866-690-1264

## Flexible Spending Accounts

Flores & Associates ..... 800-532-3327  
www.flores247.com

## Retirement (RTI Retirement Plan and 403(b) Plan)

The Vanguard Group  
Customer Service ..... 800-523-1188  
www.vanguard.com

Fidelity Investments—403(b)  
Customer Service ..... 800-343-0860  
www.fidelity.com

VALIC, American General Financial Group—403(b)  
Client Service ..... 800-448-2542  
www.valic.com

## Employee Assistance Program

McLaughlin Young Employee Services ..... 800-633-3353  
www.myemployeeservices.com