



Benefits

Options to Meet Your Needs

2012

U.S. Benefits Options

Important Terms

403(b) tax-deferred account	403(b) refers to the section of the Internal Revenue Service (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 noncovered 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 Account (FSA)	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 to be able to take advantage of HSAs.
High Deductible Health Plan	A health insurance plan that includes higher deductibles (as determined by the IRS) and lower premium costs; an individual must have a High Deductible Health Plan to open an HSA.
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 copays 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/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 descriptions for more detailed definitions.

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: 2012 Benefits Program

At RTI International, a comprehensive benefits package is available through our **Benefits** program. In this booklet, you will find details about a variety of benefits that are available to RTI U.S.-based staff and eligible dependents.

Choosing your benefits depends on your own personal and specific needs. To help you consider your benefit options for 2012 and to ensure that you choose the benefits that work best for you and your family, we encourage you to do the following:

- Read the information in this booklet.
- Visit StaffNet at staffnet.rti.org/services/benefits/domestic.cfm for detailed plan information and other resources.

Eligibility for Benefits Coverage

To be eligible for benefits 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 chart will help you determine your general eligibility for benefits coverage.

For the following benefits ...	You must be scheduled to work at least ...
Medical Insurance	25% time
Dental Insurance	25% time
Group Term Life/ Accidental Death and Dismemberment Insurance	50% time
Short-Term Disability Insurance	37.5% time
Long-Term Disability Insurance	37.5% time
Flexible Spending Accounts	25% time

Paying for Your Benefits Plans

Generally, you and RTI share the cost for your **Benefits** plans. You pay for some of your benefits with pre-tax dollars and others with post-tax dollars.

At Hire

Listed below are the **Benefits** plans available on your date of hire and a summary of how you pay for the plans:

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*.

Flexible Spending Accounts (FSAs)

- You can choose to contribute to a health care FSA or a dependent care FSA, or both.
- Your contributions are made 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*.

Basic Term Life and Accidental Death and Dismemberment Insurance

- RTI provides basic term life 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 term life/AD&D insurance coverage provided by RTI, you can purchase additional supplemental term life/AD&D insurance 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).¹

Dependent Life Insurance

- You can purchase life insurance for your eligible dependents.¹
- 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 a 403(b) account 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.

What If I Don't Enroll When First Hired?

If you do not enroll within 31 days of your hire date (or date first eligible for coverage), you will have no coverage **except** for group term life/AD&D insurance. Your next opportunity to enroll in benefits will occur at the next scheduled open enrollment period. If you are scheduled to work 50% time or more, RTI automatically provides group term life/AD&D coverage at 2 times your base annual salary at no cost to you.

If you do not enroll when first eligible, you cannot enroll in medical/vision coverage, dental coverage, or FSAs during the year unless you or your family member has a "life status change." Examples of life status changes include birth, marriage, divorce, and other qualifying events that affect your and your family members' eligibility for group insurance benefits. You will have to wait until the next annual open enrollment period to enroll in medical/vision coverage, dental coverage, and FSAs for the following year.

You may elect life/AD&D and disability coverage any time during the year. However, you must submit a Statement of Health if you do not enroll within your first 31 days of your hire date or date first eligible for coverage. Any request to enroll for the first time or increase coverage made 31 days after your first eligibility will require completion of a Statement of Health and approval by MetLife or CIGNA before changes to your coverage will be made.

¹If you enroll yourself and your dependents within 31 days of hire or date first eligible for coverage, no medical evidence of insurability, known as a Statement of Health, is required for coverage amounts up to \$500,000 for you, \$30,000 for your spouse, or \$10,000 for your dependent children. Any coverage amounts in excess of these will require Statements of Health.

Important Enrollment Tips

Enrolling in Benefits

The benefit elections you make will remain in effect until the end of the 2012 plan year (January 1 to December 31, 2012).

You don't have to elect the same family members for each plan (e.g., you may enroll your entire family in medical/vision coverage and enroll only yourself in dental coverage). How you enroll in your benefits is entirely up to you.

If you are a full- or part-time employee and (1) waive medical/vision coverage for yourself and (2) are not covered as a dependent under any RTI medical/vision plans, then you will be eligible to receive a monthly credit in your paycheck.

- Full-time employees will receive a \$60 monthly credit for waiving coverage.
- Part-time employees will receive a \$30 monthly credit for waiving coverage.
- The monthly credit you receive is a taxable benefit.

If you and your spouse/domestic partner both work for RTI, you cannot have "double coverage." This means you cannot be covered under dependent life insurance of another RTI employee if you are both working for RTI. You also cannot cover the same dependent children under each of your dependent life plans if you and your spouse/domestic partner are both RTI employees.

Coverage for Dependent Children Age 19 up to Age 26

Medical and Vision Coverage Only

Dependent children age 19 and up to age 26 who are not full-time students are eligible for the RTI medical/vision plan only, provided these eligible dependents do not have access to a group medical plan offered through their employer.

- Eligible dependent children up to age 26 include the following:
 - Your biological son, biological daughter, stepson, or stepdaughter
 - Your legally adopted child or a child who has been legally placed for adoption and legally placed foster children
 - A child who is placed with you by an authorized placement agency or by a judgment decree or court order
- Eligible dependent children up to age 26 do not need to be your tax dependents (no residency or support requirements apply).
- Eligible dependent children up to age 26 can be married. However, you may not cover their spouses, partners, or children.
- Eligibility for dependent children will end on the date they turn 26.

Dental and Life Insurance Coverage

Dependent children age 19 and up to age 26 who are full-time students are eligible for RTI dental and life insurance coverage, provided you have verified full-time student status in GEMS Employee Self Service at staffnet.rti.org/gems/ (see "Certifying Your Dependents and Verifying Student Status" section of this booklet). The Benefits department will request that you provide proof of student status each year for those children age 19 and up to age 26 you have enrolled and certified as full-time students in GEMS Employee Self Service.

Dependent Certification for Spouse/Domestic Partner and Dependent Children

During open enrollment, you will need to certify whether the dependents you wish to enroll are eligible for coverage under another employer's health plan. These dependents include (1) your spouse or domestic partner and (2) your dependent children age 19 and up to age 26 who are not full-time students. **NOTE:** *This process needs to be completed only for (1) newly enrolled dependents or (2) currently enrolled dependents if there has been a change in eligibility for coverage under another employer's health plan or a change in student status.*

- **Spouse/Domestic Partner Certification:** If you are enrolling your spouse or domestic partner in medical/vision coverage, you must access GEMS Employee Self Service at staffnet.rti.org/gems/ and certify other coverage status. *If your spouse/domestic partner is eligible for another employer's health plan, you may enroll him/her; however, a spousal surcharge will apply.* Any employee who enrolls a spouse/domestic partner and does not complete the dependent certification process will be charged a surcharge beginning with his/her paycheck at the end of January. You will also be required to complete an Affidavit of Domestic Partnership within 30 days of enrolling a domestic partner for the first time.

- **Dependent Children Certification:** If you are enrolling a dependent child age 19 and up to age 26 who is not a full-time student, you must access GEMS Employee Self Service and certify that the dependent child is not eligible for a health plan offered by his/her employer. If your dependent child is eligible for another employer's health plan and he/she is not a full-time student, you may not enroll him/her in the CIGNA medical/vision plans.
- **Dependent Students:** Children age 19 and up to age 26 who are full-time students at accredited educational institutions are eligible for coverage as dependent students. No certification is needed regarding other health plan coverage, if your dependent child age 19 and up to age 26 is a full-time student and you have verified student status in GEMS Employee Self Service.

Certifying Your Dependents and Verifying Student Status

The dependent certification process allows you to certify whether the dependents you wish to enroll are eligible for coverage under another employer's health plan and to verify student status. This process can also be completed any time throughout the year, if there is a change in your dependent's eligibility for coverage under another employer's health plan or a change in student status.

Please follow the steps below to properly certify your dependents.

- **Step 1:** Log into **GEMS** and select **Self Service>Benefits>Dependent Info**. On this screen, you will see information about your dependents and the **Dependent Certification** link.

- **Step 2:** Click the dependent's name to modify the student status information, if applicable. Scroll to the bottom of the screen and select **Edit** to modify the dependent's information, then select **Save** and click on the **Return to Beneficiary/Dependent Summary** link.
- **Step 3:** Select the **Dependent Certification** link to certify whether your dependent is eligible for coverage under another employer's health plan. Once you have indicated the correct eligibility statement, select **OK**.

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 2012, you must remain enrolled in the Premier Plan through the end of 2013.

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 website, **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**.
- Employees in the Massachusetts area will be able to choose from CIGNA medical plans in addition to the preferred provider organization (PPO) plans offered by Tufts.
- RTI will impute income to you for tax purposes on the company-paid portion of your employee life insurance over \$50,000 and on any dependent life coverage subject to the IRS imputed income rules. Premiums for the domestic partner portion of the coverage are paid with post-tax dollars.
- Contact **hrhelp@rti.org** if you have questions about your benefits coverage. You can also call 919.541.1200 or 1.800.334.8571, ext. 21200. The address for HR Help is:

RTI International
 Human Resources Help Desk
 3040 East Cornwallis Road, Hanes Building
 Research Triangle Park, NC 27709

Medical Plans

As an employee, 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 preferred provider organization (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% time or more.

Eligibility

All regular employees scheduled to work 25% 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); and
- Dependent children.

See the “Coverage for Dependent Children Age 19 up to Age 26” section for the definition of eligible dependents and enrollment requirements.

NOTE: Dependents of domestic partners are not eligible for medical/vision or dental insurance coverage.

Important Facts to Remember

- 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, most insurance carriers 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% of medical costs.

Four Options for Coverage

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

Options	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

CIGNA Open Access Plans

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

- Premier Plan—with a \$300 individual/\$600 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 an HSA. (For this plan, deductibles are determined by the Internal Revenue Service [IRS] and are subject to change each year.)

Open Access 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 that 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 staffnet.rti.org/services/benefits/ or CIGNA at 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 on to fully determine coverage.

Table 1. CIGNA Medical Plans Comparison

	CIGNA Open Access Premier		CIGNA Open Access Standard		High Deductible Health Plan/HSA	
	In Network	Out of Network	In Network	Out of Network	In Network	Out of Network
Deductible						
Individual	\$300	\$1,200	\$500	\$750	\$1,200	\$2,400
Family	\$600	\$3,600	\$1,000	\$2,250	\$2,400	\$7,200
Out of Pocket						
Individual	\$1,800	\$9,000	\$3,000	\$7,500	\$5,950	\$11,900
Family	\$3,600	\$18,000	\$6,000	\$15,000	\$11,900	\$23,800
Copays						
PCP	\$20	70/30%*	\$25	60/40%*	80/20%*	60/40%*
Specialist	\$35	70/30%*	\$50	60/40%*	80/20%*	60/40%*
Coinsurance (CIGNA's portion/your portion)						
Lifetime Maximum Benefit: Unlimited						
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	\$155	\$155 (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	\$35 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 (30-day supply)						
Generic	\$10	No coverage	\$10	No coverage	80/20%*	50/50%*
Preferred Brand	\$35	No coverage	\$50	No coverage	70/30%*	50/50%*
Nonpreferred 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 (90-day supply)						
Generic	\$20	No coverage	\$20	No coverage	80/20%*	No coverage
Preferred Brand	\$70	No coverage	\$80	No coverage	70/30%*	No coverage
Nonpreferred 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.

Special Rules for High Deductible Health Plan/Health Savings Accounts

If you enroll in the High Deductible Health Plan/HSA, you must open a JPMorgan Chase bank account to receive RTI employer contributions for your HSA. If you do not open a bank account by December 1, 2012, 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 2012 is \$3,100 for employee-only coverage and \$6,250 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/HSA through December 31, 2013, to avoid paying income tax and a 10% penalty on the amount in the account.

If you enroll in the High Deductible Health Plan/HSA, RTI will contribute the following amounts to your account:

For coverage for ...	RTI contributions:
Employee only	\$500 per year (\$41.67 per month)
Employee plus spouse	\$750 per year (\$62.50 per month)
Employee plus children	\$750 per year (\$62.50 per month)
Family	\$1,000 per year (\$83.33 per month)

If you enroll in the High Deductible Health Plan/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. Any drugs that you purchase that are not on the list will be subject to the annual deductible before the plan pays.

Mental Health and Substance Abuse Coverage

Mental health and substance abuse benefits for CIGNA members are provided through CIGNA Behavioral Health (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 for the first time or change your coverage level. CIGNA will mail you an ID card for you 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.

Vision Plan

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

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 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% discount on LASIK and PRK laser vision correction procedures

Table 2. Ameritas VSP Benefits Summary

Benefits	In-Network Benefit	Out-of-Network Benefit
Annual exams	\$10	Up to \$52
Materials deductible for lenses and/or frames	\$25	\$25
	VSP pays:	VSP pays:
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
	You receive:	
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; or
- 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 **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% time or more.

Eligibility

All regular employees scheduled to work 25% 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); and
- Dependent children.

See the “Coverage for Dependent Children Age 19 up to Age 26” section for the definition of eligible dependents and enrollment requirements.

NOTE: Dependents of domestic partners are not eligible for medical/vision or dental insurance coverage.

Important Facts to Remember

- 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, most carriers 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 dental plan as either the primary or secondary payor will pay only up to the RTI plan maximum percentage. This means benefits will not be coordinated between the insurance companies to pay 100% of dental costs.

Four Options for Coverage

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

Options	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% of the usual, customary, and reasonable (UCR) charges for diagnostic/preventive services (not subject to the deductible);
- 80% of the UCR charges for maintenance, oral surgery, and periodontic services;
- 50% 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); and
- Up to \$1,000 lifetime maximum orthodontia benefit per covered child up to age 19.

Premier Plan

The Premier Plan pays

- 100% of the UCR charges for diagnostic/preventive services (not subject to the deductible);
- 90% of the UCR charges for maintenance, oral surgery, and periodontic services;
- 60% 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); and
- Up to \$2,000 lifetime maximum orthodontia benefit per covered child up to age 19.

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 2012, you must remain enrolled in the Premier Plan through the end of 2013.

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 checkups. 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 Rewards 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 UCR charges 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% 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% of UCR under the Standard Plan and 90% 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 surgery
- Periodontal scaling and root planing

Prosthetic and Complex Restorative Services

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

Orthodontia services are payable at 50% 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 **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.

When you begin employment you can choose to set up a health care FSA, a dependent care FSA, or both. Flores & Associates is the administrator of the FSA plan.

To enroll in Flexible Spending Accounts, you must be scheduled to work 25 % or more.

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.
- The amount(s) you designate will be deducted automatically from paychecks throughout the year and credited to the account(s) you indicate.

How the Account Works

There are two types of FSAs:

- Health Care FSA: for reimbursement of out-of-pocket health care expenses such as copays, deductibles, coinsurance, dental expenses, and vision expenses
- Dependent Care FSA: for reimbursement of dependent care expenses such as nursery care, after-school programs, and elder care

For each account (health care and dependent care FSA), you can elect an annual contribution amount between \$120 and \$5,000.

A per-pay-period contribution is automatically calculated and deducted from your paycheck throughout the year. The contributions are credited to your account after each paycheck. You can then get reimbursed with pre-tax dollars in your spending account.

- Any amounts that remain unused in your health care or dependent care FSAs 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 FSAs. **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 FSA 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 FSA (only) may be extended through COBRA (see the “COBRA” section of this booklet for more details).

Plan Wisely...

Review your health care and dependent care expenses from the last year or two to estimate your 2012 expenses for the FSAs. It may be helpful to have certain records handy, such as the following:

- 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

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 (Federal Insurance Contributions Act [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 care 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 Flexible Spending Account

The health care FSA covers certain expenses as shown below.

You are the best judge of what amount needs to be designated for the health care FSA. ***Estimate carefully because you will lose any money that you do not use.*** Because of federal regulations, the money cannot be returned to you.

Eligible Expenses

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

Medical

- Copays
- Deductible
- Coinsurance
- Noncovered expenses
- Prescription drug copays

NOTE: Over-the-counter medications are not reimbursable under the health care FSA (with the exception of insulin) unless prescribed by a physician.

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 FSA.

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

You are the best judge of what amount needs to be designated for the health care FSA. ***Estimate carefully because you will lose any money that you do not use.*** Because of federal regulations, the money cannot be returned to you.

Using the CIGNA Health Savings Account and the Flexible Spending Account

If you enroll in the CIGNA High Deductible Health Plan/HSA, you can use the health care FSA, defined as a “limited purpose” FSA, only for dental and vision expenses. Once you meet the deductible under the High Deductible Health Plan, you can then use the health care FSA for medical expenses as well as for prescriptions and other eligible expenses.

Debit Card

The health care FSA includes a debit card for your convenience. Keep in mind that if you use the debit card, you must keep your receipts to substantiate your expenses. You may be asked by Flores & Associates to send your receipts to substantiate any expenses you are claiming for reimbursement (e.g., any copays that do not match RTT's health care plan) 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 2012 and are asked to send your receipt to Flores for substantiation during the year. If you do not send your receipts by March 31, 2013, you will be subject to taxation in 2013 on any unsubstantiated expenses that were reimbursed on your debit card.

Dependent Care Flexible Spending Account

The dependent care FSA allows you to receive pre-tax reimbursement for eligible day care expenses for your children under age 13 and other qualifying dependents. If you and your spouse both contribute to a dependent care FSA, 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 an FSA. A "dependent" is someone you may claim as a dependent on your federal income tax return.

Eligible dependents generally include

- Your dependent children under age 13, and
- 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, and
- Household services (such as maid or cook services), provided they are related to the care of a qualifying individual.

The tax rules governing dependent care reimbursement benefits are complex. If you are not sure whether a dependent of yours is an eligible dependent, whether an expense is an eligible work-related dependent care expense, or how the rules apply to your situation, you should consult your personal tax advisor for further guidance. Information is also available from the IRS in IRS Publication 17. For information about the child and dependent care credit and how the dependent care reimbursement benefits impact your federal income taxes, refer to IRS Publication 503, *Child and Dependent Care Expenses*.

How the Account Works

Money set aside in the dependent care FSA 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, or
- Room and board expenses incurred outside of the home for 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, or
- 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 FSA 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 FSA expenses. The chief IRS limitations for childcare are as follows:

- The child must be a dependent on your IRS Form 1040.
- 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 FSA 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 an FSA and a tax credit, provided you do not claim the same expenses for both. 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 FSA or the tax credit, consult a professional tax advisor. For additional information, see IRS Publication 503, Child and Dependent Care Expenses, at www.irs.gov.

Group Term Life/ Accidental Death and Dismemberment 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/accidental death and dismemberment (AD&D) insurance for eligible employees.

The **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% 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 premium 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.

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 term life/AD&D coverage, to a maximum of \$1,000,000. This coverage is in addition to basic term 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"> • 15 days to age 19 or from age 19 to age 26 if a full-time student—\$5,000 to \$25,000

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

For example, if you purchase an additional 2 times supplemental term life/AD&D, your total coverage is 4 times group term life/AD&D. Your 4 times coverage includes 2 times basic term life/AD&D and 2 times supplemental term life/AD&D.

Insurability

During Your First 31 Days of Hire

You can purchase an additional 1 to 2 times your base annual salary for supplemental term life/AD&D insurance, 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.

You can elect coverage for your spouse or domestic partner up to \$30,000 without providing a Statement of Health. For amounts above \$30,000, your spouse or domestic partner must complete a Statement of Health and be approved by MetLife before any additional coverage is provided.

You can elect coverage for your dependent children up to \$10,000 without providing a Statement of Health. Any amounts above \$10,000 require a Statement of Health, and MetLife must approve before any additional coverage is provided.

After 31 Days of Hire

You can make changes to your supplemental term life/AD&D insurance at any time during the year. However, if you request to increase your supplemental term life insurance after 31 days of your hire date, you must complete a Statement of Health. For example, if you

elected basic term life insurance (2 times your base annual salary) and would like to purchase supplemental term life insurance at 3 or 4 times your base annual salary after 31 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.**

If you wish to enroll your spouse or domestic partner or increase his/her coverage in dependent spouse life insurance during the year, your spouse or domestic partner must complete a Statement of Health for any coverage level (\$10,000, \$20,000, \$30,000, \$40,000, or \$50,000). Underwriting approval from MetLife must be obtained before any changes can be made.

If you wish to enroll your dependent children or increase their coverage in dependent children coverage during the year, a Statement of Health must be provided for any coverage level (\$5,000, \$10,000, \$15,000, \$20,000, and \$25,000). Underwriting approval from MetLife must be obtained before any changes can be made.

You may apply for term life insurance for currently eligible dependents at any time with submission of a completed Statement of Health form. MetLife will then inform you of the status of your request for dependent life insurance. Contact HR Help at 919.541.1200 or 1.800.334.8571, ext. 21200, to request a Statement of Health form.

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/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 Employee Benefits site on StaffNet for the contact information for the beneficiary designation form.

Short-Term Disability Insurance

Another 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 childbirth. 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 37.5% time or more.

Eligibility

To be eligible for this plan, you must

- Be a regular employee,
- Be a resident of the United States or a U.S. citizen working outside the United States,
- Be actively working,
- Be scheduled to work a minimum of 37.5% time (employees scheduled to work less than 37.5% are not eligible for STD coverage), and
- Be covered for STD insurance 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 within 31 days of hire—as well as anyone who had coverage and later discontinued it—will be required to complete a Statement of Health form, which must be approved by CIGNA. CIGNA 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 pre-existing condition is an illness, injury, or condition for which you receive treatment within the 3 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. The plan has the following two elimination periods, which will apply before STD benefits begin:

- 7 calendar days for injury
- 14 calendar days for illness

Coverage

Following the elimination period, this plan pays a weekly benefit of 60% of your weekly base salary for up to 25 weeks (or 12 weeks for U.S. citizens working outside the United States) for approved disabilities. Under the STD plan, your weekly maximum benefit is \$2,500.

To receive disability payments, you must file a claim form with the insurance carrier, be under the care of a physician, and receive approval from CIGNA. Contact hrhelp@rti.org to request an STD claim form or contact CIGNA directly at 1.800.362.4462 to initiate your STD claim. Upon approval of your claim, CIGNA will mail benefit checks directly to you. 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. Insurance industry statistics have shown that one out of seven employees between the ages of 35 and 65 will experience a period of disability.

To enroll in LTD insurance, you must be scheduled to work 37.5% time or more.

Eligibility

If you are a regular employee and are scheduled to work 37.5% time or more, you may elect to be covered under RTI's group plan beginning on your first day of employment (except for pre-existing conditions).

Insurability

New employees who do not enroll in the plan within 31 days of hire—as well as anyone who had coverage and later discontinued it—will be required to complete a Statement of Health form and must be approved by CIGNA to enroll. CIGNA 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 pre-existing condition is an illness, injury, or condition for which you receive treatment within the 3 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 60% 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 CIGNA, you will begin receiving a benefit.

If you are a regular part-time salaried or regular hourly employee working 37.5% time or more, your benefit is based on 60% of your regular monthly earnings. The monthly rate of earnings for regular hourly employees is based on the average number of hours worked per month multiplied by your hourly pay rate.

If you reduce your scheduled work hours to less than 37.5% time for any reason (other than an approved disability), you will automatically lose your eligibility for disability coverage.

To receive LTD, you must be under the care of a physician and file a claim with CIGNA. Contact 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 CIGNA. 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 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 CIGNA at 1.800.362.4462 for more details.

Table 4. Schedule of Benefits for Disability

Your benefits continue according to the latter of your Social Security Normal Retirement Age or the following schedule, depending on your age at the time you become disabled.

Age on Date of Your Disability	Maximum Benefit Period
Under age 63	To age 65 or the date the 42nd monthly benefit is payable, if later
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and older	12 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% 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% 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% of your own voluntary contributions regardless of your years of service. For more information about RTI's retirement plan, go to staffnet.rti.org/services/benefits/domestic.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 IRS limits shown in Table 5.

Table 5. 2012 IRS Annual Contribution Limits for 403(b) Tax-Deferred Accounts

If you are ...	You may contribute up to ...
Under age 50	\$17,000
Age 50 and older	\$22,500

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, please contact a personal or financial advisor.

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 Human Resources Web page, e-mail 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. Medical coverage is offered through CIGNA or NEBCO, depending on your retirement age, 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

Your medical/vision, dental, and FSA 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 for you to be enrolled in these plans. Most of your benefit elections will remain in effect through December 31, 2012. 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 FSA 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 day after the date the election is properly filed. This means that you cannot file any claims (e.g., medical, dental, and health care FSA) 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.

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		✓					✓	✓

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 status to a different part-time status does not qualify as a life status change.

- 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)
- Loss of 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 FSA contributions.

You may make permitted election changes if you complete and submit an RTI Life Status Change form to HR Help within 30 days of a qualifying event. You have 30 days prior to the event and 30 days after the event to submit the required form and documentation. Except for special enrollment rights in the event of birth, adoption, or placement for adoption, all changes in your benefit coverage elections are prospective and are effective the day after you file a complete election form to change your coverage. If you would like your requested changes to be effective on the date of your qualified event, the RTI Benefit Election Change form must be submitted prior to the qualifying event. Any documentation received after 30 days of the qualifying event will not be processed.

The Life Status Change form can be found on StaffNet. Send the completed form to:

RTI International
Human Resources Help Desk
3040 East Cornwallis Road, Hanes Building
Research Triangle Park, NC 27709

Contact Human Resources at 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 919.541.6506.

Other Benefits Information

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

Salaried employees accrue paid time off (PTO) at a rate between 13.33 and 23.33 hours of PTO per month, based on length of service. Hourly employees accrue PTO at a rate of 0.08 and 0.14 hours for each hour worked. The rate is determined based on your length of service. You can use PTO to cover absences for any reason: vacation, illness, doctors' appointments, and so forth. The maximum accrual is limited to twice the annual accrual rate, and limited borrowing privileges are allowed.

Length of Service	Full-Time Salaried Accrual Rate	Hourly Accrual Rate
0–9 years	13.33 hours per month	.08 hour per hours worked
10–19 years	16.66 hours per month	.10 hour per hours worked
20–24 years	20.00 hours per month	.12 hour per hours worked
25+ years	23.33 hours per month	.14 hour per hours worked

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 statement showing gross income, all deductions (taxes and benefits), and net pay on StaffNet at the GEMS link (staffnet.rti.org/gems/). 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 and 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% 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 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.mygroup.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, stepchildren, 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.

Supplemental (Buy-up) Individual Long-Term Disability Insurance

U.S.-based employees scheduled to work 30 or more hours per week are eligible to purchase supplemental (buy-up) individual LTD insurance through Guardian Life Insurance Company. This voluntary benefit allows you to purchase LTD protection of up to 75% of your eligible income. Enrollment is restricted to once a year during open enrollment. The next opportunity to enroll will be in November 2012.

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 in effect only 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 Flexible Spending Accounts (FSAs) 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 FSA (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, or
- 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 and make the required premium payment, 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.

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 and make the required premium payment, 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 FSAs 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 pre-existing 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
Member Services 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)

CIGNA Group Insurance
Claims/Customer Service 800.362.4462 or 1.800.36CIGNA
www.cigna.com

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.mygroup.com

