THE SCHOOL DISTRICT OF PHILADELPHIA

Welcome to the School District of Philadelphia

Benefits and Retirement Overview*

For

PHILADELPHIA FEDERATION OF TEACHERS EMPLOYEES (PFT)

Inside you will find a summary overview of the benefits for which you are eligible as a SDP PFT employee. Please visit our website often for updates, forms, and notifications.

Benefits Office, Suite G-10
Phone: 215-400-4630
Fax: 215-400-4631
Email: benefits@philasd.org

Retirement Office, Suite G-8
Phone: 215-400-4680
Fax: 215-400-4681
Email: retirement@philasd.org

Office Hours: Monday-Friday, 8:30am-4:30pm

Revised 08/2024
*This overview is for informational purposes only and is subject to change at the School District of Philadelphia's discretion.

Medical Health Plans

All PFT employees enrolled in medical coverage contribute 1.5% of their base salary towards the cost of their medical coverage in the form of biweekly deductions effective September 1, 2019. As a new employee of the School District of Philadelphia (SDP), you are eligible to enroll in Keystone Health Plan East, a health maintenance organization (HMO). This plan requires that you select a primary care physician (PCP) and you obtain a referral from your PCP before visiting a specialist. Please visit ibx.com or contact 1-800-ASK-BLUE for a list of participating providers.

Employees may elect the Personal Choice Plan upon completion of four (4) years of qualified PFT employment. Employees will be responsible for the prevailing Personal Choice premium based on who is enrolled in medical coverage in addition to the 1.5% gross salary deduction. Summary of benefits are available at https://www.ibx.com/sdp.

For employees who begin working by the 15th calendar day of the month, medical coverage becomes effective on the 1st day of the following month. For employees who begin working after the 15th calendar day of the month, coverage becomes effective on the 1st day of the next succeeding month.

This refers to medical coverage only. For a description of dental, prescription and optical benefits, contact your Health and Welfare fund for more information. Contact them at (215) 561-2722, visit their website at https://pfthw.org/, or visit the Health and Welfare office in the School District Administration Building, Room 175.

Spousal Surcharge

PFT employees who cover a spouse or life partner as a dependent on their medical coverage incur a $75 **monthly** surcharge if your spouse/life partner is eligible for medical coverage through his/her employer. The surcharge is waived if you sign an attestation on the reverse side of the medical insurance application certifying your spouse/life partner is either **not** eligible for medical coverage through his/her own employer or your spouse/life partner is also a SDP employee. You are obligated to notify the Benefits Office within 30 days if eligibility for your spouse/life partner changes.

Eligible Dependents for Health Plans

Dependents eligible to be enrolled in your SDP sponsored health coverage are married spouses, children under the age of 26 and children 26 and older who qualify as disabled as certified through Independence Blue Cross.
Same gender domestic partners are no longer permitted as of 10/1/2019 for Non-Represented employees. Existing enrollments are grandfathered.

You will be asked to provide documentation to enroll your dependent(s) listed below and at https://www.philasd.org/benefits/home/dependent-eligibility/.

The SDP reserves the right to audit this information and request current documents as needed. For some employees, there is a surcharge to cover a spouse if he/she/they are eligible (regardless of enrollment) for group health insurance coverage offered by an employer. Supporting spousal

documents must match your address of record with the SDP. Please contact the Payroll Department, payrollhelp@phillasd.org if you need to update your address.

Life Events

A life event that impacts either you or your dependent(s)' eligibility must be reported by submitting both a medical insurance application and proof of the life event within **thirty (30) calendar days to the SDP Benefits Department**. If these documents are not submitted to the Benefits office within 30 calendar days of the life event, the requested change(s) to add a dependent or change coverage will not be made. Failure to *remove* an **ineligible** dependent in a timely manner may result in charges for premiums and claims incurred by the ineligible dependent. You have the opportunity to submit changes during our annual Open Enrollment in May for changes to be effective July 1. The Benefits Department reserves the right to review all submitted life events.

Life events include but are not limited to:

- Marriage or divorce of the employee
- An enrolled family member dies
- Loss of alternative health coverage
- Birth or adoption of a child by the employee
- Termination of employment of the employee's spouse/life partner
- The employee or spouse/life partner has a significant change in employment status (e.g. part-time to full-time or vice versa, spouse/life partner gains employment)
- The employee's family member(s) loses coverage provided by other means

Open Enrollment

Open Enrollment occurs annually in May. Changes to your medical plan or dependents may be made during this time. Applications are accepted for the full month of May for a July 1 effective date. Please check your School District email as the Benefits Department may send emails requesting pertinent information regarding you or your dependent(s)' medical coverage that may not be accepted after the close of Open Enrollment.

Life Insurance

As a SDP employee represented by PFT, you are entitled to a term life insurance policy of $2,000 **or** $25,000 through The Hartford Life Insurance Company (formerly Aetna). The District pays 50% of the premium. Your contribution is deducted monthly during the second pay of each month, with a cost of $0.16 for the $2,000 policy or $2.00 for the $25,000 policy. If you waive life insurance coverage, you are required to wait until the annual Open Enrollment period.

For employees who begin working by the 15th calendar day of the month, life insurance becomes effective on the 1st day of the following month. For employees who begin working after the 15th calendar day of the month, life insurance becomes effective on the 1st day of the next succeeding month.

If you pass away during active service at the District, your beneficiaries receive the full benefit, pending Hartford's approval. If you have not designated a beneficiary(ies), the full benefit is assigned to your next of kin.

All employees, who leave active service (retired or otherwise), have 31 days to convert all or part of the non-paid-up portion ($2,000 in the case of eligible retirees) of their active policies to a self-billing policy directly with Hartford. All Life Insurance forms can be found on our website at https://www.philasd.org/benefits.

Supplemental Term Life Insurance

Benefit Harbor is the SDP's voluntary term life insurance provider. Coverage amounts are a minimum of $10,000 and a maximum of $1,000,000. You can also enroll your spouse and children in policies of their own – dependent on your participation in the plan. Eligible employees can call Benefit Harbor for general information, changes, and forms. The phone number is (888) 391-3841. To enroll in the Voluntary Life plan online, please click here: https://www.memberbenefitlogin.com/ees/psd.html.

Wage Continuation (Salary Continuance)

Wage Continuation is the School District of Philadelphia's (SDP) short-term salary continuance program. You may elect coverage to protect yourself from sustained salary loss due to an illness or non-work-related injury that extends beyond your sick time.

Should you become ill and exhaust all accumulated sick leave, at the conclusion of a short waiting period (0-7 days), you will be compensated a daily amount consistent with 75 percent of your salary for up to 26 weeks, pursuant to SDP approval.

PFT employees can elect Wage Continuation at any time during their first year of full-time service or during the annual Open Enrollment period. New hires are not eligible for the program and are not charged Wage Continuation premiums until the conclusion of five (5) months of service. Wage Continuation applications for new employees received after five (5) months of service but less than one (1) year of service will have a four (4) to six (6) week processing window. Employees must be actively at work to be approved for Wage Continuation. Employees may only cancel Wage Continuation coverage during the annual Open Enrollment period.
The cost of this program is based on your accumulated sick leave, number of years of service, and salary.

If you are unable to work because of an approved health related absence, you must exhaust all banked personal illness days, and at the conclusion of a short waiting period, you will be compensated a daily amount consistent with 75 percent of your salary for up to 26 weeks, pursuant to SDP approval.

The premium rates for this plan are as follows:

Accumulated Unused Sick Leave	Total Annual Waiting Period	Rates after 3 years of employment Rate per $100 grossed	Rates for first 3 years of employment Rate per $100 grossed
Less than 10 days	7 work days	$4.43	$2.95
10 but less than 30 days	6 work days	$3.15	$2.10
30 but less than 60 days	5 work days	$0.31	$0.31
60 but less than 90 days	4 work days	$0.00	

90 but less than 120 days	3 work days	$0.00
120 but less than 150 days	2 work days	$0.00
150 but less than 180 days	1 work days	$0.00
180 days and over	0 work day	$0.00

*Rates are based upon every $100 gross per pay.

Example: Based on an annual salary of $45,000 the deduction would be approximately $36.35 per paycheck at the $2.10 rate for a new employee who has 10 personal illness days in their bank. If any sick days are used during the 5-month waiting period, the associated deduction will be approximately $51.06 per paycheck at the $2.95 rate.

Formula	Biweekly Gross pay (before taxes)	÷	100	×	Rate listed in the chart above	=	Total biweekly premium
Less than 10 days	$2,200.00	÷	100	×	$2.95	=	$64.90 per pay
10 but less than 30 days	$2,200.00	÷	100	×	$2.10	=	$46.20 per pay
30 or more days	$2,200.00	÷	100	×	$0.31	=	$6.82 per pay

Please note: Enrollment in the Wage Continuation program does not guarantee eligibility of use. Payments made towards Wage Continuation are not refundable whether it is canceled, not used, or upon separation from the District.

Employees may only cancel Wage Continuation coverage during the Annual Open Enrollment period.

Leave Policy

As an employee of the SDP, you are entitled to leave for personal reasons (personal leave), personal illness and for vacation (for 12-month employees only) consistent with the following:

Personal Leave Days: If you begin SDP employment at the beginning of the school year, you will receive **three (3) days per year** for emergencies and for matters that cannot be accomplished during non-working hours. You will receive a prorated number of days if you begin employment after the beginning of the school year. The prorated amount will not exceed 3 days. At the beginning of the following school year after your original appointment, you will receive 3 full personal days. *Supportive Services Assistants are only entitled to 1 personal day per year.*

Personal leave cannot be accumulated for use in another year. If you do not exhaust your personal days by the end of the school year, the unused time is placed in a frozen personal leave bank, which you will be unable to utilize.

Personal Illness Days*:* If you begin SDP employment at the beginning of the school year, you receive **ten (10) days per year** for personal illness. You receive a prorated number of days for your first year if you begin employment after the start of the school year. The prorated amount will not exceed 10 days. At the beginning of the following school year after your original appointment, you

receive 10 full personal illness days. There is no limit on the number of personal illness days you may accumulate.

Vacation Days: Appointed 12-month SDP employees accrue vacation days on a monthly basis. ***10-month employees do not accrue vacation time; however, they are not required to work during winter, spring or summer breaks when schools are closed.***

Vacation leave is accrued during the pay covering the 15th calendar day of the month.

SDP employees may accumulate no more unused vacation days than an amount equal to twice their yearly allocation. Once you accumulate such an amount, you will not accrue additional days that would exceed that amount. Requests for such time should be submitted in the same manner as requests for vacation.

Eligible employees accrue vacation leave in accordance with the following schedule:

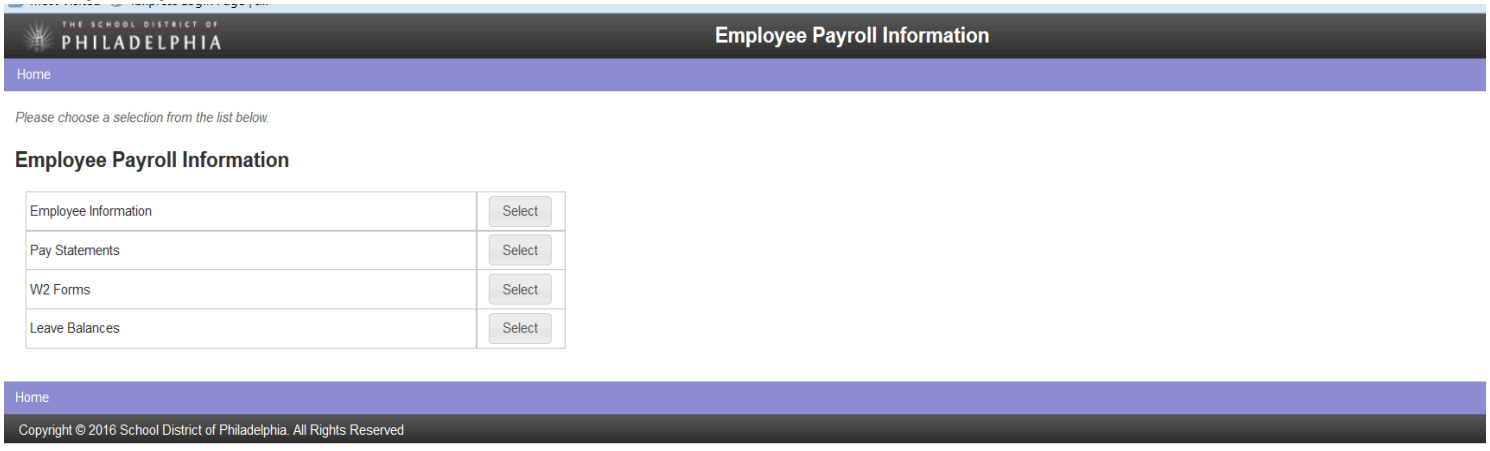
Length of Uninterrupted service to July 1	Vacation Days	Monthly Accrual	Vacation Bank Maximum
Appointed January 1 through April 30	5	.83	10
Six Months to Four Years	10	.83	20
Four Years to Eight Years	15	1.25	30
Eight Years to Fifteen Years	20	1.67	40
Over Fifteen Years	22	1.83	44

Tracking your leave balances

You can view your leave balance through the Employee Payroll Information application or by checking your paycheck. Your School District of Philadelphia email username and password are used for access. If you do not know the username and password, call the Technology Help Desk at (215) 400-5555 for assistance. Please note that the balances shown are all subject to a post separation audit. Your paycheck references this.

From the School District of Philadelphia main website (http://www.philasd.org) go to the Employee Portal. In the Employee section, enter your email username and password. Your email user name should exclude the "@philasd.org" designation.

Launch the “Payroll Information” application. Enter the last four digits of your social security number when prompted. You can then select Leave Balances tab.



403(b) and 457(b) Retirement Savings Plans

A 403(b) or 457(b) plan are voluntary retirement plans offered to employees of the School District of Philadelphia. At any time during your employment, you may contribute a portion of your salary on a pre-tax (traditional) or an after-tax (Roth) basis to an authorized SDP program-participating carrier. All contributions are made by employees only. While you are an active employee, you may be eligible to withdraw from these accounts per the rules of section 403(b) and 457(b) of the IRS Code and the School District of Philadelphia Plan Documents.

CONTACT INFORMATION

Please contact any of these agents directly to determine which plan best meets your financial needs and to begin the enrollment process. The carrier of your choice will assist you with the necessary forms.

The **approved** providers for the School District's 403(b) and 457(b) Plans are:

Corebridge Financial	(877) 889-1589
EQUITABLE Advisors (formerly AXA)	1-800-628-6673
Lincoln Investment Planning	1-800-242-1421

More information on the program, the benefits of participating and a comparison of the programs can be found on our website, http://philasd.org/offices/benefits.

Flexible Spending Accounts

Flexible Spending Accounts (FSAs) allow you to set aside money on a pre-tax basis through payroll deductions to pay for eligible health care, dependent care, and / or commuter/parking expenses. This provides a tax break to cover out-of-pocket health and dependent care expenses. When employees purchase benefits on a pre-tax basis, their compensation is reduced for purposes of calculating wages subject to federal and F.I.C.A. taxes and, in most states, state income tax. For residents of Pennsylvania, state taxes are saved on Health Care FSA elections, but not Dependent Care FSA elections.

The "Use It or Lose It" Rule:
If you do not use all the money you have contributed to any FSA account, you will lose any remaining balance in the account at the end of the eligible claims period. This rule exists under the IRS guidelines for tax-advantaged plans; **it applies to the medical and dependent care FSA only.** The plan runs from January 1 through December 31. You have a two-and-a-half-month grace period to use all deposited contributions. In summary, you have until March 15 of the next year to use up your balance from the previous year.

If you resign, retire or separate from the District any time during the year, you have 90 days to submit any claims from the beginning of the plan year to your separation date. Below are the tax-advantaged FSA accounts we offer through **Baker Tilly Vantegen**, our third-party administrator. You may elect to enroll in the flexible spending programs (Parking, Transit, Dependent, and/or Medical). You will be able to complete your enrollment beginning the second week of your employment by logging on to www.philasdflexbenefits.com to begin the enrollment process. Enrollment in Medical and Dependent Care must be completed within the first 90 days of employment or you will need to wait until the annual open enrollment in November.

Enrollment:
Enrollment is different for each program:

- Employees may enroll for the Commuter Reimbursement Accounts at any time throughout the year.
- The Dependent Care and Medical Flexible Spending Accounts become effective to newly hired employees after 90 days of service. You must complete your enrollment at http://www.philasdflexbenefits.com within 90 days of date of hire.
- Employees can enroll during the annual Open Enrollment period in November for a January 1 effective date.

Elections are made based on the calendar year (January through December) and are deducted from all paychecks during the year, with the exception that parking and transit are not taken in the last pay of three pay months, Medical and Dependent Care elections cannot be changed throughout the year.

Medical Flexible Spending Account (FSA)
Also known as Health FSA, you can use your pre-tax contributions to pay for eligible health care costs such as:

- medical and dental out-of-pocket expenses and co-pays
- eye exams, contact lenses/solutions and glasses
- prescription drugs
- orthodontia and dental care
- medical devices such as hearing aids and diabetic testing supplies

Please be aware that if you pay for a service in full and later receive a reimbursement from the insurer, only the out-of-pocket expense is eligible for the FSA reimbursement. *Example: You visit the dentist and pay for the full charge of $150. Your dental carrier then sends you a reimbursement check for $100. You may only claim the $50 out of pocket expense. Contact Employee Benefits Center at 1-800-307-0230 between 8:30AM – 5:30PM EST Monday through Friday if you need to make an adjustment.*

Dependent Care Account (DCA)

A DCA allows you to get reimbursed for eligible child care expenses that enable you and your spouse to be employed.
Typical eligible expenses are:

- The costs of a babysitter, daycare, after-school care, Pre-K program, and day camp for dependents **under** 13 years old, must be your dependent under federal tax rules.
- Services must be for the physical care of the child, not for education, meals, etc.
- Expenses for overnight camps and kindergarten are **not** eligible for reimbursement.

Commuter and Parking Reimbursement Accounts (CRA)

A CRA allows you to use pre-tax contributions to pay for eligible mass transit, parking, and van-pooling expenses.

- Transit Account – to be used for public transportation such as costs for SEPTA monthly passes, tokens, and regional rails. NOTE: the IRS does not permit manual claims for these benefits – you may only access this benefit by using your debit card.
- Parking Account – to be used for parking costs at or near your work location, or the parking costs at a train station where you get transportation to work.
- You have the ability to adjust future Transit or Parking contributions to avoid excess or shortage by completing election changes on the http://www.philasdflexbenefits.com site.
- You have to pay out of pocket (post tax) for any amount over the IRS monthly limits.

Contribution Limits:

The IRS sets a monthly reimbursement limit annually, please refer to the below for the current plan year and eligible expenses for each plan type. Review https://www.philasd.org/benefits/home/programsservices/flexible-spending-accounts/ for up to date information and yearly maximums.

Plan	Examples of Eligible Expenses
Medical	Copays for office visits and prescriptions, deductibles, amounts above plan limits, eye exams and glasses, contact lenses, orthodontia, not covered medical and dental expenses
Dependent Care	Day care, day camp, preschool, pre-kindergarten
Transit CRA	Subway or bus passes, van or car-pooling costs
Parking CRA	Parking expenses incurred to park your vehicle near your employer or near mass transit/commuter facilities

Bicycle Commuter Benefit	Purchase, maintenance, repair and storage expenses related to bicycle commuting. Cannot be enrolled in parking and/or Commuter program if electing the Bicycle benefit

Visit www.philasdflexbenefits.com for more information about the FSA plans, and a list of eligible expenses, and forms.

Additional Benefits Information

Tuition Discounts

The District does not offer tuition reimbursement at this time; however, we collaborate with several educational institutions to offer tuition discounts to District employees and their families. They are listed below:

Drexel Online
Holy Family University
Peirce College

Visit https://www.philasd.org/benefits/home/tuition-discounts-and-educational-partners/ for the most up to date information.

Lyra Health

We are excited to announce a new partnership with Lyra Health to provide coaching and therapy to how, when, and where our employees and their families need i**t**. Lyra gives our employees and their dependents access to the best care quickly and easily. No more endless searches for therapists, long wait times, or wondering how they'll pay for mental health care.

With Lyra, everyone gets personalized care recommendations and access to top-quality coaches and therapists who are available now, not weeks from now. Each employee and their dependents get eight (8) free sessions per person, per calendar year at no cost to them. See https://philasd.lyrahealth.com/ to get started and https://www.philasd.org/benefits/lyra-health/ for additional information.

Public School Employees' Retirement System (PSERS)-Mandatory Pension Plan

PSERS is one of the largest public pension plans in the nation. Participation in this benefit is **mandatory**. This defined benefit plan guarantees you a monthly lifetime benefit based on your age, final average salary and the number of credited service years after you reach a certain combination of age and/or service, provided you are vested.

Beginning July 1, 2019, employees who are members of PSERS will default into a hybrid retirement, pre-tax contribution plan called class T-G, if you are contributing to PSERS **and** hired for the first time on or after 7/1/2019. The hybrid plan consists of a defined benefit (DB) pension plan with PSERS and a 401(a) defined contribution plan (DC) with Voya Financial. You will have the option to switch to one of two other plans, a Class T-H, which is also a hybrid plan, or Class DC plan, which would be contributions to Voya only. **Switching plans is irrevocable**. More information is explained below.

PSERS Membership

When you become a new member of PSERS, you will receive a *Welcome Packet*. The *Welcome Packet* will include reference to creating a Member Self Service (MSS) account to access the *Active Member Handbook*, a *Nomination of Beneficiaries* (PSRS-187) form, and an *Application for Multiple Service Membership* (PSRS-1259). If applicable, you will also receive a *Class T-H and DC Election Packet*.

PSERS is a defined benefit retirement plan, which means your retirement benefit is determined by a defined formula. PSERS' basic formula to calculate retirement benefits is based on a pension multiplier, your credited years of service, and your final average salary.

All full-time and part-time salaried employees are members of PSERS from day one of employment and must make retirement contributions. "Full-time," for retirement purposes, is defined as employees who work 5 or more hours a day, 5 days a week or its equivalent (25 or more hours a week).

Part- time hourly and part-time per diem employees must meet minimum service requirements to qualify for PSERS membership (500 hours for hourly workers and 80 days for per diem workers in one school year). If you fall under this category, you may waive membership in PSERS and can only do so through the Member Self Service (MSS) account outlined in your welcome packet. The requirement to waive is detailed in the welcome packet and in MSS. Part-time hourly and per-diem employees who wish to waive must do so within 90 days of hire. If you attain membership by working the hours or days listed above, you will be required to contribute towards PSERS and Voya even if membership was waived prior. If you choose to contribute towards your pension, you will not contribute to a 401(a) with Voya until PSERS membership has been attained. If you do not meet the threshold for membership prior to the school year ending, you will receive a reimbursement of your contributions from PSERS. If you attain membership within the school year, you will see contributions towards your 401(a) with Voya deducted unless you opt to switch to the defined contribution only plan.

NOTE: If you are currently a PSERS retiree, your monthly benefit will stop upon re-employment unless you are hired under emergency or extracurricular employment (the provisions of Act 2004-63).

Voya Financial

Voya is one of the largest Defined Contribution record keepers in the country with 6,000 employees throughout the U.S. and 47,000 employer retirement plans to more than 4.5 million plan participants.

Membership Class of Service

The law governing PSERS sets the terms of membership classes as a Voya participant. Your membership class is determined by the date you become a member of PSERS or if you change your class election. The investment lineup for the 401(a) plan can be found on PSERS' website here:
https://www.psers.pa.gov/Employers/Pages/403(b)-Updates-and-Clarifications.aspx

Contributions

Employee contribution rates are based on a member's date of hire and class of service and are set by law. The rates are a based on a combined hybrid plan where contributions go to both a PSERS and Voya account or an account that goes only to Voya.

Effective July 1, 2021, the contribution rate for each class is below:

Membership Class	DB Member Contributions (PSERS)	DC Member Contributions (VOYA)	Total Contribution
Class T-G (default)*	**6.25%**	**2.75%**	**9.00%**
Class T-H	5.25%	3.00%	8.25%
Class DC	0.00%	7.50%	7.50%

*Part time hourly and part time per diem employees will default to class T-G only contributing to a PSERS account at 6.25% of gross salary

Each class has a "shared risk" provision that could cause the total contribution levels to fluctuate 3.00% in increments of .75% for the DC plan. With a "shared risk" program, you benefit when investments of the fund perform well and share some of the risk when investments underperform. The employee contribution rate may not go below the above listed base rates.

Purchase of Service

Purchasing service credit is when you add additional service to your PSERS account by paying contributions and interest for an eligible period that service and salary would have been reported, but was not. Please contact PSERS directly to check your eligibility to purchase service for the period you believe you did not receive credit.

Vesting will differ for both PSERS and Voya. Please contact PSERS and Voya individually or visit their websites to obtain more information about vesting and your vesting schedule.

The "Footprint" Rule

The "footprint rule" that was utilized in Act 120 of 2010 remains for current employees who leave and return. Therefore, **members who have pre-hybrid tier membership who leave and return to service will be re-enrolled in the class of service to which they belonged prior to the new plans effective 7/1/19.**

If you have former service credited with the Pennsylvania State Employees' Retirement System (SERS) for work performed for the Commonwealth of Pennsylvania (for example, Department of Public Welfare, Labor & Industry, Transportation, etc.), you may elect multiple service, which combines state and school service. You will receive an election form with the PSERS *Welcome Packet*. **You have only 365 days from the date of your enrollment letter to make your multiple service election.**

Keeping Your Data Current

Throughout the year, PSERS and Voya will send you important publications and notifications pertaining to your retirement account. For you to receive this information, you must ensure your demographic information is accurate and current. Please be sure to monitor your salary, service, and demographic information for accuracy. You may contact the Retirement Department if you notice any discrepancies.

Contacting PSERS: 1.888.773.7748. Hours of operation are each business day from 8:00 a.m. to 5:00 p.m. or you may also email ContactPSERS@pa.gov. Please visit psers.pa.gov for more, detailed information.

Contacting Voya: 1.833.432.6627. Hours of operation are each business day from 8:00 a.m. to 8:00 p.m. Please visit PSERSDCvoya.com for more, detailed information.

Resigning/Retiring

Upon your decision to resign/retire from the SDP, you must notify the Office of Talent by emailing the retirement/resignation form to separations@philasd.org. They are located on the 2nd Floor, Portal D in Suite 222 in the SDP's Central Office.

Continuation Coverage Rights Under COBRA

This notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to receive it. When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

What is COBRA continuation coverage?
COBRA continuation coverage is a continuation of Plan coverage when it would otherwise end because of a life event. This is also called a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.
If you're an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you're the spouse of an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your spouse dies
- Your spouse's hours of employment are reduced;
- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of the following qualifying events:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the Plan as a "dependent child."

When is COBRA continuation coverage available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. The employer must notify the Plan Administrator of the following qualifying events:

- The end of employment or reduction of hours of employment;
- Death of the employee; or
- The employee's becoming entitled to Medicare benefits (under Part A, Part B, or both).

****For all other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must provide this notice to the SDP's COBRA third party Administrator, WEX (formerly Discovery Benefits).* ***

How is COBRA continuation coverage provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage that generally lasts for 18 months due to employment termination or reduction of hours of work. Certain qualifying events, or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage.

Retirees with 30 or more years of service will also be entitled to continue medical health insurance under the Pennsylvania Law Acts 110/43 (COBRA) until age 65, after coverage is terminated by the District.

When the qualifying event is the end of employment or reduction of the employee's hour of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and children can last up to 36 months after the date of Medicare enrollment, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months). Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months.

There are also ways in which this 18-month period of COBRA continuation coverage can be extended:

Disability extension of 18-month period of COBRA continuation coverage

If you or anyone in your family covered under the Plan is determined by Social Security to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to get up to an additional 11 months of COBRA continuation coverage, for a maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of COBRA continuation coverage.

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event during the 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if the Plan is properly notified about the second qualifying event. This extension may be available to the spouse and any dependent children getting COBRA continuation coverage if the employee or former employee dies; becomes entitled to Medicare benefits (under Part A, Part B, or both); gets divorced or legally separated; or if the dependent child stops being eligible under the Plan as a dependent child. This extension is only available if the second qualifying event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

Special Enrollment Notice
If you are declining enrollment for yourself and/or your dependents (including your spouse) because of other health insurance coverage, you may be able to enroll yourself and/or your dependents in this pay in the future, provided that you request enrollment within 30 days after your other coverage terminates. In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

Are there other coverage options besides COBRA Continuation Coverage?
Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

If you have questions
Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) For more information about the Marketplace, visit www.HealthCare.gov.

Keep your Plan informed of address changes-To protect your family's rights, let the Plan Administrator know about any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

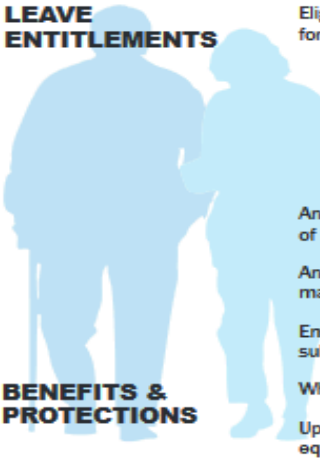
Other information-All employees are covered by Independence Blue Cross Family of Companies. The monthly cost to continue coverage under these plans depends on the type of coverage and family status. Other available health insurance plans include dental, vision, and prescription coverage. Please note: if you are represented by the Philadelphia Federation of Teachers (PFT), Local 1201, or Local 634 bargaining units, you must purchase COBRA for dental, vision and prescription plans through the Health and Welfare Office of your respective union. Non-Represented, CASA, and SPAP employees should contact the District's Third-Party Administrator, WEX (formerly Discovery Benefits) directly (see below).

Plan contact information-It is not necessary to contact the School District at the time of your separation from employment for information on COBRA. A notification of the COBRA election will be mailed to your home address by the District's Third-Party Administrator, WEX (formerly Discovery Benefits). If notice is not received within a timely manner, please free to call WEX (formerly Discovery Benefits) for more information:

WEX (formerly Discovery Benefits)
P.O. Box 2079
Omaha, NE 68103
866-451-3399

EMPLOYEE RIGHTS
UNDER THE FAMILY AND MEDICAL LEAVE ACT

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION



LEAVE ENTITLEMENTS

Eligible employees who work for a covered employer can take up to 12 weeks of unpaid, job-protected leave in a 12-month period for the following reasons:

- The birth of a child or placement of a child for adoption or foster care;
- To bond with a child (leave must be taken within 1 year of the child's birth or placement);
- To care for the employee's spouse, child, or parent who has a qualifying serious health condition;
- For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job;
- For qualifying exigencies related to the foreign deployment of a military member who is the employee's spouse, child, or parent.

An eligible employee who is a covered servicemember's spouse, child, parent, or next of kin may also take up to 26 weeks of FMLA leave in a single 12-month period to care for the servicemember with a serious injury or illness.

An employee does not need to use leave in one block. When it is medically necessary or otherwise permitted, employees may take leave intermittently or on a reduced schedule.

Employees may choose, or an employer may require, use of accrued paid leave while taking FMLA leave. If an employee substitutes accrued paid leave for FMLA leave, the employee must comply with the employer's normal paid leave policies.

BENEFITS & PROTECTIONS

While employees are on FMLA leave, employers must continue health insurance coverage as if the employees were not on leave.

Upon return from FMLA leave, most employees must be restored to the same job or one nearly identical to it with equivalent pay, benefits, and other employment terms and conditions.

An employer may not interfere with an individual's FMLA rights or retaliate against someone for using or trying to use FMLA leave, opposing any practice made unlawful by the FMLA, or being involved in any proceeding under or related to the FMLA.

ELIGIBILITY REQUIREMENTS

An employee who works for a covered employer must meet three criteria in order to be eligible for FMLA leave. The employee must:

- Have worked for the employer for at least 12 months;
- Have at least 1,250 hours of service in the 12 months before taking leave;* and
- Work at a location where the employer has at least 50 employees within 75 miles of the employee's worksite.

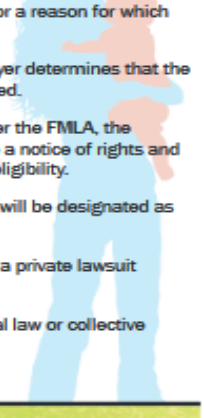
*Special "hours of service" requirements apply to airline flight crew employees.

REQUESTING LEAVE

Generally, employees must give 30-days' advance notice of the need for FMLA leave. If it is not possible to give 30-days' notice, an employee must notify the employer as soon as possible and, generally, follow the employer's usual procedures.

Employees do not have to share a medical diagnosis, but must provide enough information to the employer so it can determine if the leave qualifies for FMLA protection. Sufficient information could include informing an employer that the employee is or will be unable to perform his or her job functions, that a family member cannot perform daily activities, or that hospitalization or continuing medical treatment is necessary. Employees must inform the employer if the need for leave is for a reason for which FMLA leave was previously taken or certified.

Employers can require a certification or periodic recertification supporting the need for leave. If the employer determines that the certification is incomplete, it must provide a written notice indicating what additional information is required.



EMPLOYER RESPONSIBILITIES

Once an employer becomes aware that an employee's need for leave is for a reason that may qualify under the FMLA, the employer must notify the employee if he or she is eligible for FMLA leave and, if eligible, must also provide a notice of rights and responsibilities under the FMLA. If the employee is not eligible, the employer must provide a reason for ineligibility.

Employers must notify its employees if leave will be designated as FMLA leave, and if so, how much leave will be designated as FMLA leave.

ENFORCEMENT

Employees may file a complaint with the U.S. Department of Labor, Wage and Hour Division, or may bring a private lawsuit against an employer.

The FMLA does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement that provides greater family or medical leave rights.

For additional information or to file a complaint:

1-866-4-USWAGE

(1-866-487-9243) TTY: 1-877-889-5627

www.dol.gov/whd

U.S. Department of Labor | Wage and Hour Division

WH1420 REV 04/16

New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved OMB No. 1210-0149

PART A: General Information

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment-based health coverage offered by your employer.

What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit that lowers your monthly premium right away. Open enrollment for health insurance coverage through the Marketplace begins in October 2013 for coverage starting as early as January 1, 2014.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium or a reduction in certain cost-sharing if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of a plan from your employer that would cover you (and not any other members of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit.

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution -as well as your employee contribution to employer-offered coverage- is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

How Can I Get More Information?

For more information about your coverage offered by your employer, please check your summary plan description or contact:

EMPLOYEE BENEFITS **www.philasd.org/benefits**

440 N. Broad Street-Suite G10, Philadelphia, PA 19130 **Phone: 215-400-4630**

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

1 An employer-sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs.

PART B: Information About Health Coverage Offered by Your Employer

This section contains information about any health coverage offered by your employer. If you decide to complete an application for coverage in the Marketplace, you will be asked to provide this information. This information is numbered to correspond to the Marketplace application.

3. Employer Name **School District of Philadelphia (SDP)**		**4. Employer Identification Number (EIN)** **23-6004102**
5. Employer Address **Employee Benefits 440 North Broad St, Suite G10**		**6. Employer Phone Number** **215-400-4630**
7. City **Philadelphia**	**8. State** **PA**	**9. Zip Code** **19130**
10. Who can we contact about employee health coverage at this job? **EMPLOYEE BENEFITS**		
11. Phone Number (if different from above) **215-400-4630**	**12. Email Address** **Benefits@Philasd.org**	

Here is some basic information about health coverage offered by this employer:

• As your employer, we offer a health plan to:

☐ **All employees.**

☑ **Some employees. Eligible employees are: Determined pursuant to employee job classification and the Collective Bargaining Agreements in which the School District of Philadelphia participates.**

• With respect to dependents:

☑ **We do offer coverage. Eligible dependents are: As defined in the policies and Collective Bargaining Agreements referenced above.**

☐ **We do not offer coverage.**

☑ **If checked, this coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.**

**** Even if your employer intends your coverage to be affordable, you may still be eligible for a premium discount through the Marketplace. The Marketplace will use your household income, along with other factors, to determine whether you may be eligible for a premium discount. If, for example, your wages vary from week to week (perhaps you are an hourly employee or you work on a commission basis), if you are newly employed mid-year, or if you have other income losses, you may still qualify for a premium discount.**

If you decide to shop for coverage in the Marketplace, HealthCare.gov will guide you through the process.

EXPLANATION OF HEALTH INSURANCE MARKETPLACE NOTIFICATION

Effective January 1, 2014 the Affordable Care Act (also known as Healthcare Reform) requires all individuals to have health insurance or incur a financial penalty. To assist all individuals in purchasing this required insurance, Health Insurance Marketplaces are being put in place.