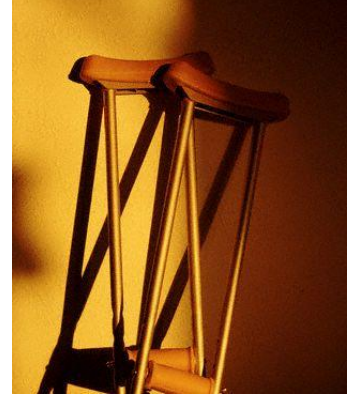
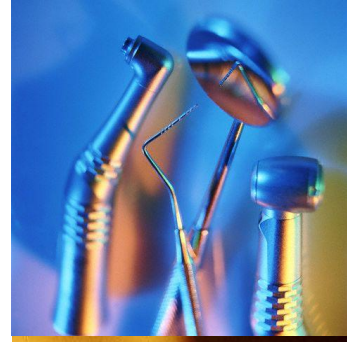


2009 Benefits Update

This document is published annually to communicate the most important and current information involving employee insurance plans and other benefits. This publication is designed for quick and easy reference. Detailed information, forms, and regulations governing the benefits are available through the Human Resources Department. These benefits are subject to change without notice.



During these tough economical times, we understand the financial pressures placed upon you and your family. New Horizons Regional Education Centers (NHREC) Employee Benefit plans are provided to assist and protect you against known and unknown health related expenses. We ask that you review the information carefully and attend the mandatory "Open Enrollment" meetings. Your thorough understanding of these programs will enable you to make sound enrollment decisions for you and your family.

Medical- Optima/Sentara Health Management

We have completed our healthcare renewal negotiations with Optima/Sentara Health Management. Optima continues to be our carrier of choice as they are one of the largest healthcare providers in the area and they offer a comprehensive network of physicians and hospitals that can provide quality medical care to our employees and their dependents.

National healthcare trends continue to rise at a rate of approximately 10%-12% a year. Because we are mindful that any increase effects us all, we will continue to focus on offering a "Choice" of benefit plans that meet the individual needs of our employees. Thus, you will continue to have options in selecting a medical plan with a benefit and cost structures that best suits your budgetary and medical needs.

The plans that will be offered again this year are the Vantage HMO Plan 10/20, the "Value" Vantage HMO Plan 25/50 and the Plus 15/80%. Please review a Optima Health Plan packets for full information.

Optima has a website to assist you and your family with specific questions that you might have. Just go to www.optimahealth.com for a list of participating physicians and hospitals where you live and for up-to-date prescription drug information.

Employee Contributions – No Change; Look for Ways to SAVE

Even though the cost of the medical option plans have increased, NHREC decided to keep the employee contribution levels the same as last year. This means **an annual savings for employees of \$230 to \$340 and for families \$700 to \$1,025**. When reviewing the plan options available, keep in mind your usage of medical services when comparing copays, deductibles and employee contributions. An employee can save as much as \$1,000 moving from the PPO plan to the Value Vantage HMO 25/50 plan. Families can save upwards to \$4,000 making the same change. Below is an example to consider:

Annual Medical Service Usage with Employee Contributions towards Single Employee Premiums

	PPO Plus 15/80% Plan	Value Vantage 25/50 Plan
Copays:		
3 Office Visits to Family Doctor	\$45.00	\$75.00
1 Specialist Visit	\$30.00	\$50.00
1 Outpatient Hospital Visit (\$300 Charge)	\$60.00	\$50.00
2 Generic Prescriptions for 12 months	<u>\$240.00</u>	<u>\$270.00</u>
Total Copays for the Year	\$375.00	\$445.00
Plus Employee Contributions	<u>\$1,060.00</u>	<u>\$0.00</u>
Total Annual Amount Paid	\$1,435.00	\$445.00
Savings moving to Value Plan	—————→ \$990.00	

Employee Contributions – No Change; Look for Ways to SAVE

Annual Medical Service Usage with Employee Contributions towards Single Employee Premiums		
	Vantage 10/20	Value Vantage 25/50 Plan
Copays:		
3 Office Visits to Family Doctor	\$30.00	\$75.00
1 Specialist Visit	\$20.00	\$50.00
1 Outpatient Hospital Visit (\$300 Charge)	\$20.00	\$50.00
2 Generic Prescriptions for 12 months	<u>\$240.00</u>	<u>\$270.00</u>
Total Copays for the Year	\$310.00	\$445.00
Plus Employee Contributions:	<u>\$460.00</u>	<u>\$0.00</u>
Total Annual Amount Paid	\$770.00	\$445.00
Savings moving to Value Plan	→	
		\$325.00

Employee Contributions for 2009 – 2010

All employee costs for benefits under the Health Plan are paid with pre-tax dollars unless the Payroll Office is notified in writing that you wish to have your premiums paid with after tax dollars.

Total Cost	PPO Plus 15/80%	HMO Vantage 10/20	Value HMO Vantage 25/50
Employee	\$ 607.25	\$ 527.50	\$ 405.88
Employee/Child	\$ 941.23	\$ 817.59	\$ 629.09
Employee/Spouse	\$ 1,301.83	\$ 1,133.75	\$ 872.32
Employee/Family	\$ 1,827.50	\$ 1,587.46	\$ 1,221.43
NHREC Cost			
Employee	\$ 501.25	\$ 481.50	\$ 405.88
Employee/Child	\$ 658.23	\$ 625.59	\$ 579.09
Employee/Spouse	\$ 895.83	\$ 852.75	\$ 788.32
Employee/Family	\$ 1,280.50	\$ 1,179.46	\$ 1,093.43
Employee Cost			
Employee	\$ 106.00	\$ 46.00	\$ -
Employee/Child	\$ 283.00	\$ 192.00	\$ 50.00
Employee/Spouse	\$ 406.00	\$ 281.00	\$ 84.00
Employee/Family	\$ 547.00	\$ 408.00	\$ 128.00

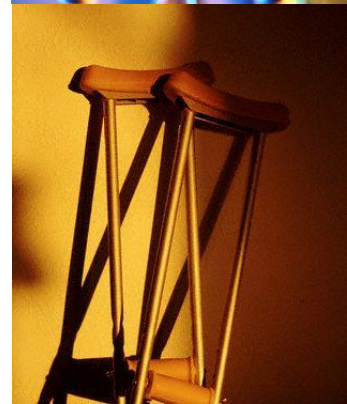
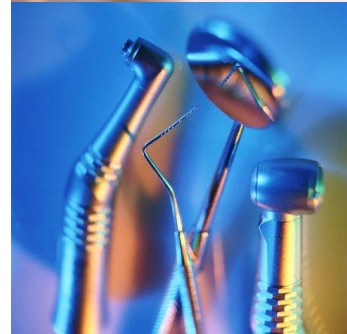
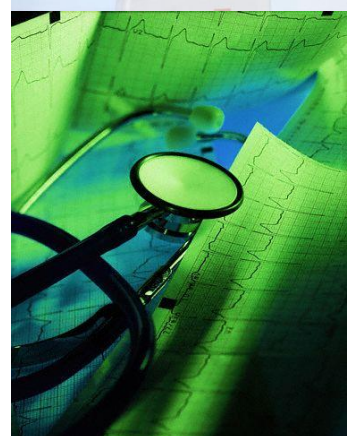
Dental Coverage

United Concordia will continue to be our dental carrier of choice. The dental benefits will continue without any changes. New Horizons will continue to pick up the cost of the employee coverage. Please refer to the dental packets for a more detailed description of the benefits.

Employee Contributions for 2009 - 2010

United Concordia Dental Plan	Total Cost	NHREC Cost	Employee Cost
Employee	\$ 25.76	\$ 25.76	\$ -
Employee/Child	\$ 38.00	\$ 24.14	\$ 13.86
Employee/Children	\$ 52.26	\$ 22.26	\$ 30.00
Employee/Spouse	\$ 49.87	\$ 22.57	\$ 27.30
Employee/Family	\$ 78.37	\$ 18.81	\$ 59.56

Note: Medical and Dental premium cost for half-time permanent employee will be the employee cost plus half of NHREC cost.



Avesis Vision Program – A NEW BENEFIT !!!

NHREC will offer an exciting new benefit this year through **Avesis!** The comprehensive **Avesis** Vision Benefit will cover eye exams once a year, lenses once a year and frames once every 2 years. Thus, starting this year, you can receive an eye exam and a new pair of eye glasses at no cost to you. Also, you can get contact lenses in lieu of glasses if you so choose to do so. Most of your major chains participate with the **Avesis** eye care plan like Pearl Vision, Walmart and Sears Optical.

This program is a voluntary benefit meaning that each employee is responsible for the full monthly premium and can elect not to choose this new benefit. Please refer to the Avesis packet of information and visit the Avesis website for more information – www.avesis.com.

Employee Contributions for 2009 - 2010

Avesis Vision Plan	Total Cost	NHREC Cost	Employee Cost
Employee	\$ 8.56	\$ -	\$ 8.56
Employee/Child	\$ 15.83	\$ -	\$ 15.83
Employee/Spouse	\$ 14.98	\$ -	\$ 14.98
Employee/Family	\$ 22.25	\$ -	\$ 22.25

Flexible Benefits Plans – Change in Administrator

Under Section 125 of the Internal Revenue Service Code, certain medical and dependent care expenses can be paid for on a pre-tax basis if the employee makes an election each year to do so. This plan allows the employee to set aside up to \$3,000.00 per year for eligible medical expenses and up to \$5,000.00 per year for eligible day care or aged adult care expenses. (These are out of pocket medical expenses and dependent care expenses not covered by any insurance benefits.) The elected amount is deducted directly from each paycheck for 9 months. Funds are not carried over year to year. **This plan is administered by the Flexible Benefit Administrators beginning October 1, 2009. Note: A new enrollment form must be completed during open enrollment each year to continue in this plan.**

Open Enrollment

Please keep in mind that New Horizons' open enrollment period will run through **September 4, 2009**. This is an opportunity for employees that are eligible to ask questions and elect the benefit program that best fits you or your family's individual needs.

Please remember, if you do not elect coverage when you are first eligible, the insurance carriers will require that you wait until next year's open enrollment period before enrolling into their insurance plan. This may include varied imposed waiting periods on benefits, or in regard to Life and Disability, will need to complete an Evidence of Insurability form in order to be approved for coverage. All other changes throughout the year can only be made if a qualifying event occurs such as:

- Marriage or Divorce;
- Death of a spouse or dependent child;
- Entitlement or loss of entitlement to Medicare or Medicaid;
- Birth or adoption of a child or change in legal custody;
- Dependent ceasing to satisfy definition of dependent;
- Spouse gaining or losing employment or benefit-eligible status;
- Spouse's annual or open enrollment period occurs; or
- Employee or spouse taking FMLA qualified leave or unpaid leave.

If you are declining medical and dental, you MUST complete a waiver form for the one your declining, however, if you do not plan to make changes to your current medical or dental plan you do not need to do anything! You will need to fill out a **new application** for medical, dental and vision if you wish to enroll for the first time, add or delete dependents, or change plans. If you participate in the flexible spending accounts, You **MUST** complete a new enrollment form and elect your new contribution amount to the spending accounts. Also, a new enrollment form is necessary for the new voluntary vision program.

Thank you for your cooperation during our open enrollment period.



Open Enrollment - Employee Eligibility

All full-time or part-time employees is eligible to participate in the Plan. Health insurance or dental coverage will begin the first of the month following one full month of employment. Applications for such coverage must be completed within 30 days of employment.

Employees must enroll for health, life, income protection, and/or family dental coverage under the Plan by completing a Designation of Insurance Subsidy form, in order to participate in their plan(s) of choice. **Open enrollment will be from August 1, 2009 – September 4, 2009.** Forms will be available at each campus or you may contact the Benefits/Payroll Office.



Virginia Retirement System:

The Virginia Retirement System (VRS) was established on March 1, 1952, and administers a statewide multiple-employer public employee retirement system providing defined benefits pension plan coverage for state employees, teachers, and non-professional employees of public school boards. An eligible employee is automatically enrolled in VRS with full membership contributions being paid by NHREC. An eligible member becomes vested after five years of service. Active members of VRS may be eligible to purchase prior service credit.



Life Insurance:

Eligible employees are automatically enrolled in life insurance through the Virginia Retirement System (VRS). NHREC pays the total premium for group life insurance for these employees. The plan provides group term insurance protection to your designated beneficiary(ies) in the event of your death while covered by the Plan. Coverage is determined by rounding your annual salary up to the next \$1,000 then doubling it. (i.e. a salary of \$10,100 would be rounded to \$11,000 and doubled for coverage of \$22,000).

When you retire, your basic group life insurance coverage continues at no cost to you provided you are at least 55 years of age and have at least five years of service, or are 50 years of age with at least 10 years of service. In both cases you must have at least five continuous years as an employee, within the state system, immediately prior to termination of service. After retirement, the amount of your insurance reduces by 25 percent annually starting January 1 of your first full year following retirement, until your coverage reaches 25 percent of its value at your retirement.

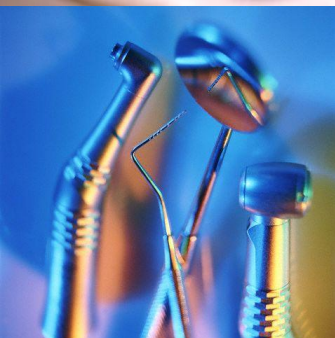
Optional Life Insurance:

All full time employees covered by Virginia Retirement System are eligible to purchase Optional Life Insurance. The rates are based on your age and salary. If you are interested, please contact the Benefits Office for additional information.



Worker's Compensation:

All employees are covered by worker's compensation insurance in case of injury "on-the-job." This includes injuries occurring on or off the premises, if one is on official business for NHREC. It does not usually include injuries sustained while going to and from your place of employment.

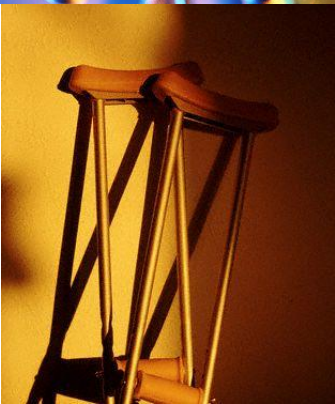


Employee Assistance Program (EAP):

The EAP is a confidential program that provides employees and eligible family members with assessments and short-term problem resolution at no cost. No information about participation in the program will be released to anyone without written consent unless otherwise specified by state and federal laws. EAP can be reached 24hours a day, 7days a week at 757-363-6777 or 1-800-899-8174

Tuition Reimbursement:

College course(s) will be available on a tuition reimbursement basis for those course(s) recommended by the principal or supervisor and approved in advance by the Executive Director for tuition assistance. NHREC will pay up to \$550.00 per course, for one course per year, provided there are sufficient funds in the budget. NHREC will pay up to \$1,000.00 of tuition for one class per year for initial certification in position held. This will be determined by a letter from the Department of Education to the employee listing classes needed for initial certification. The employee must commit to at least one additional semester of employment after being reimbursed tuition; otherwise the money must be paid back.



Adult Education:

All full-time employees are eligible to take a class in the New Horizons Adult Education Program free of charge on a space available basis (programs not included). Please contact the Adult Education Office at 766-1101 for a list of courses being offered and to obtain registration details.



Sick Leave:

On the first day of employment, full-time and half-time (contracted) employees will be granted one half of annual sick leave allowance. Employees will be granted the other half of sick leave allowance in January. An unlimited number of sick leave days may be accumulated. Sick leave will be charged as taken.

- 12 month employees: allowed 15.6 sick days annually
- 11 month employees: allowed 14.3 sick days annually
- 10 month employees: allowed 13.0 sick days annually
- Half-time contracted employees: earn 6.00 sick days annually

Upon termination of employment of those with five (5) or more years of service, and upon request of the employee, payment of \$10.00 per day (up to 100 days) for unused sick leave accumulated at NHREC will be paid to the employee terminating employment.



Personal Leave:

The sick leave policy provides that three days of sick leave may be used for personal leave during the year. Personal leave allowance is not cumulative and must be approved in advance by the Supervisor. Personal leave request must be submitted at least three (3) days prior to the requested leave date or can be taken for authorized emergency use only. Personal leave must be taken in hourly increments only.

Employees who have accrued at least 40 days of sick leave at the beginning of the contract year may use up to four (4) days per year for personal leave.

Up to five (5) days leave, at no charge to employee, may be used for worker's compensation related injury with a doctor's note.



Sick Leave Donation:

This is a voluntary program to assist New Horizons employees unable to work due to a non-job related injury, temporary disability or illness or incapacity of a family member providing the injury, disability, illness or incapacity is the result of an unforeseen medical emergency of a serious and unplanned nature and in the opinion of a licensed physician, is expected to last at least 20 consecutive working days after all accrued paid leave is exhausted. Guidelines governing the Sick Leave Donation Program are available through the Human Resources Department.

Twelve-Month Employee Vacation:

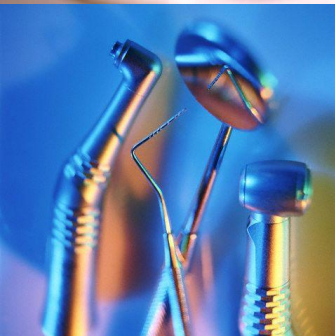
All full time employees will be eligible for paid vacation according to the following provisions:

0-5 years employment	-	1 day per month
6-10 years employment	-	1 1/4 day per month
11-14 years employment	-	1 1/2 day per month
15+ years employment	-	2 days per month



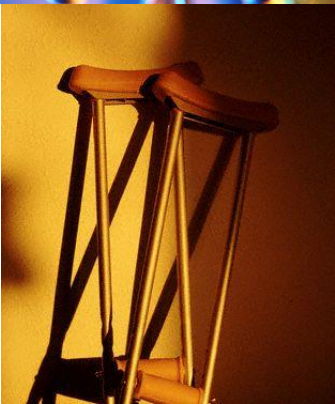
Vacation accrues based on employment as a 12 month employee at NHREC

June 1st of each year, 12 month employees will have the option of converting excess vacation over 36 days, to their sick leave balance. Once the request is approved, it cannot be changed back to vacation. Upon termination or retirement, any converted leave will be treated as sick leave. Vacation accumulation cannot exceed 36 days.



Credit Union/ Delayed Pay:

Employees are eligible to join Langley Federal Credit Union or Hampton Roads Educators Credit Union. You can either choose direct deposit for your checking or savings or elect to have a specific amount to go to your checking or savings account. *Langley does not offer delayed pay.* **Delayed Pay:** A delayed pay account can be set up that will allow 10 month and 11 month employees to stretch their paychecks into 12 installments. 10 month employees must sign up by the end of August and for 11 month employees, by the end of July to participate in the delayed pay program. You must join Hampton Roads Educator's Credit Union to participate in the delayed pay program.





Retirees:

Retirees have the option of receiving payment of \$30.00 per day (up to 200 days) for unused sick leave accumulated at NHREC **OR** use accumulated sick leave to purchase group health insurance that is offered through NHREC until the employee is eligible for Medicare. You must have been employed with NHREC for five (5) years to take advantage of the health insurance coverage. The employee must have a minimum of five (5) years service vested with Virginia Retirement System (VRS) and be of age 55 or ten (10) years service vested with VRS age 50. In addition, the retiree must have a minimum of 24 months participation in the health care/ hospitalization insurance program prior to retirement date. If the employee was not participating in the health insurance option, it may not be added to retirement.



Retirees may request in writing to be paid for days above what is needed for purchasing the health insurance coverage option at \$30.00 per day.

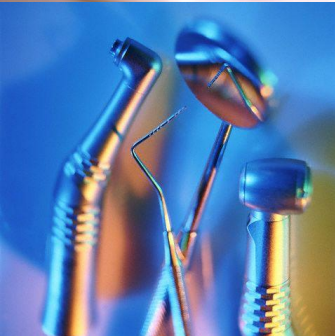


Retirees may opt to apply accrued sick leave as credit toward NHREC's contribution for "single employee" coverage based on the *HMO Vantage 10/20* cost. NHREC will pay the allowable % of its contribution until the retiree is eligible for Medicare. The retiree pays the employee cost plus the remaining % of NHREC contribution. A retiree may opt for family coverage and/or other available plans but will assume additional cost or savings.

<u>Number of Sick Leave Days Earned</u>	<u>Amount NHREC Pays of Single Employee's Coverage Only</u>
1 – 49	Retiree to pay entire cost
50	50%
51 – 100	65%
101 – 150	80%
151 – 200	95%
201 or more	100%



This summary is not meant to interpret, extend, or change the terms of the Plan in any way. In case of a conflict between this summary and the actual provisions of the Plan, the provisions of the Plan will govern employee rights and benefits. Although it is intended that the Plan be maintained indefinitely, the Board of Trustees reserve the right to amend or terminate the Plan in whole or in part at any time.



For employment information contact:
New Horizons Regional Education Centers
Attention: Human Resources Department
520 Butler Farm Road
Hampton, VA 23666
(757) 766-1100 ext. 309
or ext. 377

