



THE URBAN INSTITUTE SUMMARY OF EMPLOYEE BENEFITS AS OF JULY 1, 2011

The valuable benefits provided by the Urban Institute are an important part of your total compensation package. Eligible employees receive paid holidays, paid time off, generous retirement savings, company-paid insurance coverage, income protection disability benefits, health and dental coverage, tuition assistance, and more. You also have the option to purchase vision care and voluntary life insurance for you and your family. Below is a brief summary of each benefit available. Refer to plan documents and Urban Institute policies for benefit details.

Eligibility: All regular full-time employees of the Urban Institute are eligible for the benefits summarized below. The cost of benefits and your coverage is prorated for part-time regular employees. Most benefits are effective on your date of hire or your date in a benefits-eligible employment status.

Online Enrollment: You have 30 days from your eligibility effective date to complete your online enrollment for health, dental, vision, voluntary life coverage, and the flexible spending account. Your benefits enrollment will be complete when you confirm your elections on the *BeneDetails/e-Elect*TM online enrollment portal.

PAID TIME OFF (PTO)

Accrued PTO may be used for vacation, sickness and/or and personal leave, as well as to satisfy the two-week waiting period for short-term disability benefits. Your accrual rate is based on your salary grade as follows. Accrued PTO may be carried over from year-to-year up to the maximum accrual of 336 hours.

- **20.5 Days per year (6.30 hours biweekly)** – Employees hired at salary grades R01, R02; S01-S03; and C01-C03 accrue this amount during first two years of employment.
- **26.5 Days per year (8.15 hours biweekly)** – Employees hired at or above salary grades R03, S04, C04 AND employees with two or more years of employment accrue this amount.

PAID PARENTAL LEAVE

Up to two weeks per 12-month period of paid Parental Leave is provided to new mothers and fathers to facilitate the bonding with their newborn or adopted child. Parental leave must be used within six months of the date of birth or adoption. For maternity cases, Parental Leave may be charged to satisfy the two-week waiting period for short-term disability benefits. This benefit is available to employees who have one or more years of service.

PAID HOLIDAYS

Eight paid holidays are observed:

New Year's Day, Martin Luther King's Birthday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, day after Thanksgiving, Christmas, plus Inauguration Day when it falls on a regular work day. Eligible part-time employees receive prorated holiday pay even if a holiday falls on a day other than a normal scheduled workday.

OTHER PAID LEAVE BENEFITS

■ BEREAVEMENT LEAVE

Up to three days of paid bereavement leave may be granted when a death occurs in your immediate family.

■ JURY DUTY LEAVE

You will continue to receive your usual salary when leave is taken to fulfill your jury duty obligations.

■ MILITARY TRAINING LEAVE

If applicable, employees on military training leave will receive the difference between basic military pay and their Institute salary for up to two weeks.

FAMILY & MEDICAL LEAVE (FMLA)

As provided under federal and state laws, FMLA provides special job protections for eligible employees who must be absent from work due to their own illness or disability or that a family member, or following the birth or adoption of a child. Family and medical leave may be paid or unpaid.

RETIREMENT PLAN SAVINGS

Urban Institute Contributions:

You are eligible to receive UI contributions to the Retirement Plan after six months and 1,000 hours of continuous service. Upon eligibility, you are immediately 100% vested. The Institute will make contributions on your behalf to a mutual fund account at Diversified Investment Advisors. There are 38 investment options to allocate Institute contributions. Biweekly contributions are based on a defined contribution formula. You will receive the higher percentage contribution when your cumulative salary earnings during the year reach the HBP. For 2011 the defined contribution formula is shown in box below.

<u>2011 Salary Earnings</u>	<u>Percent UI Contributions</u>
Up to \$52,400*	you receive 8%
\$52,400-\$245,000**	you receive 10%
<p><i>*This amount is based on the 2011 "high bend point" (HBP) of the Social Security benefit formula and is subject to change each year.</i></p> <p><i>**The compensation limit set by the IRS is the maximum salary that can be considered when calculating Institute contributions.</i></p>	

Voluntary Contributions:

You may start saving for retirement immediately upon hire or at any time by simply accessing your online account at Diversified Investment Advisors. Your voluntary contributions may be made on a pre-tax (tax-deferred) basis, and/or after-tax (taxable) basis as designated Roth 403(b) contributions. Voluntary contributions are invested in the same investment options as UI contributions and may be changed at any time. Loans and hardship withdrawals are permitted from accumulations attributable to your own voluntary contributions.

Federal law governs the maximum that you may contribute in any calendar year, and combines pre-tax and after-tax contributions.

Maximum Contributions for 2011:

- **If under age 50**, the maximum contribution is \$16,500.
- **If age 50 and over anytime in the calendar year**, the maximum contribution is \$22,000. This includes the basic maximum of \$16,500 plus \$5,500 catch-up amount for those ages 50+.

INSTITUTE-PAID INSURANCE

You are immediately eligible for the following group insurance coverage. The Institute pays the premium on your behalf.

Life and Accidental Death and Dismemberment

Insurance (AD&D):

Basic term life insurance covers you for two times your annual salary rounded to the next higher \$1,000. In addition to basic life insurance, accidental death and dismemberment insurance is also two times your annual salary rounded to the next higher \$1,000. Benefits for AD&D are paid in addition to basic life insurance as appropriate. The maximum coverage for each is \$500,000. Both life and AD&D coverage reduces at age 70.

Long-term Disability Insurance (LTD):

LTD insurance provides income protection while you are disabled. If disabled for 90 days, you are eligible to apply for LTD benefits (unless the disability occurs during the first year of coverage and is the result of a condition that existed before the date of hire). Benefits equal 60 percent of your salary prior to the onset of the disability minus offset for other income payments as indicated in the Plan. The maximum income benefit is \$10,000/month.

Business Travel Accident Insurance Coverage:

Travel accidental death and dismemberment insurance covers you while traveling on Institute business. Coverage is \$50,000. If traveling to war risk areas—as determined by the insurance carrier—approved coverage is two times your annual salary rounded to next higher \$1,000, to a maximum of \$250,000.

PAID SHORT-TERM DISABILITY (STD) BENEFITS

Short-term disability benefits pay you a portion of your salary earnings for up to 90 days during your own extended illness or disability. After you have satisfied a two-week waiting period, STD benefits are based on three tiers of payment:

- First two weeks (10 workdays) of STD paid at 100% of current salary.
- Next two weeks (10 workdays) of STD paid at 80% of current salary.
- Remainder of STD through 90th day of disability paid at 60% of current salary.

HEALTH PLAN BENEFITS

You and your family are immediately eligible to enroll in the Urban Institute Health Plan, a self-insured plan administered by UMR, the claims administrator. Coverage is effective on your date of hire in an eligible employment status. The plan gives you a choice to see any health care provider, in or out of the United Healthcare Options PPO provider network. You can achieve the highest savings by using providers in the PPO network. No referral is required in order to see a specialist or to see a non-PPO provider. Wellness benefits and a prescription drug program are also included under the plan.

Provider Choice

In-Network Benefits: Participants pay a \$30 copayment for non-specialist office visits (\$35 copayment for specialist office visits). After you have satisfied a \$100 plan year deductible, the Plan pays at a 90% or 100% reimbursement level for covered medical expenses. Your maximum out-of-pocket cost per plan year is \$2,000 for an individual (\$4,000 for a family), excluding co-payments and deductibles.

Provider Network: The United Healthcare Options PPO has a national network of providers. To locate a PPO provider go to www.uhc.com/find_a_physician.htm

Out-of-Network Benefits: Eligible medical services received outside of the PPO network are subject to a plan year deductible of \$550 (\$1,100 for family) and a 70% reimbursement level. After your out-of-pocket expenses reach \$3,000 (\$6,000 for a family) plus the deductible, the plan pays 100% for the remainder of the plan year. Out-of-network charges in excess of the allowed benefit are not covered.

Prescription Drug Program

The prescription drug program for retail and mail order drugs is available through Express Scripts. Generic drugs are issued when available unless your prescription is written for a brand name drug. Prescription drugs listed on the formulary are called preferred brand drugs and carry a lower copayment. Copayments for retail prescription drugs for a 30-day supply are \$10 for generic, \$25 for preferred brand, and \$40 for non-preferred brand. Mail order prescription drug copayments for a 90-day supply are \$25 for generic, \$50 for preferred brand, and \$80 for non-preferred brand.

Online Access to your Claims

You can view the status of your claims online, obtain an explanation of benefits (EOB) statement for health claims processed by UMR, obtain eligibility information, and order identification cards. Simply register and log into the UMR website at www.umar.com and also take advantage of their health and wellness tools and resources.

Preexisting Condition Limitation Period

Benefits are limited to \$2,000 for preexisting conditions. The preexisting condition limitation period for employees is the first six months in the plan (12 months for dependents). A preexisting condition is an injury or illness for which medical care has been received within 90 days of becoming insured under the Health Plan. This limitation does not apply to pregnancies or children under age 19.

Certificate of Creditable Coverage: To reduce or eliminate the benefits limitation period for preexisting conditions, obtain a Certificate of Coverage from your prior plan and submit it to the Urban Institute Human Resources Office.

Cost of Health Coverage

You and the Institute pay the premium for health coverage. The Institute's contribution is prorated for part-time employees. Your premium is determined by your annual base salary and level of coverage selected. Premium contributions for full-time employees are shown below (if part-time, contact HR). To find your monthly cost, locate your base salary in the salary bands on the far left columns (grey shaded area), move across the row to the column for the level of coverage desired.

Full-time Premium Bands		EMPLOYEE HEALTH INSURANCE COST - Monthly Rates		
Minimum	Maximum	Individual	Employee+1 Child	Family
0	40,000	59.41	107.14	197.47
40,001	50,000	66.23	120.62	226.10
50,001	60,000	73.80	135.60	257.92
60,001	70,000	81.38	150.58	289.73
70,001	80,000	88.95	165.55	321.54
80,001	90,000	96.52	180.53	353.36
90,001	100,000	104.10	195.51	385.17
100,001	110,000	111.67	210.48	416.99
110,001	120,000	119.25	225.46	448.80
120,001	130,000	126.82	240.44	480.61
130,001	500,000	132.12	250.92	502.88

AETNA DENTAL INSURANCE

You are immediately eligible to purchase optional dental insurance for you and your family. At the time of enrollment you choose one of two options under the Aetna Dental Plan—a Dental DMO or Dental PPO. Under the Dental DMO you choose a primary care dentist who will coordinate all of your care. The Dental PPO option gives you the freedom to visit any dentist.

- **The Dental DMO** option covers preventive and basic care services at 100%; and major services are covered at 60%. There is a \$5 copayment for office visits, and no deductibles or annual maximum. Orthodontia is covered for adults and children.
- **The Dental PPO** option covers preventive care at 100%; basic services at 80%; and major services covered at 50%. PPO expenses are paid up to the fee schedule; non-PPO expenses are paid up to the reasonable and customary rate (UCR). There is no copayment. The annual deductible is \$50/individual and \$150/family and applies to basic and major services. Orthodontia is covered for children only. The DPPO plan will pay a maximum of \$1,500 per plan year per person.

Cost Of Dental Coverage: Your dental premium is subsidized by the Urban Institute. The subsidy is based on the premium for the Dental DMO individual coverage. If you choose the Dental DMO individual coverage, your premium will be fully-paid by the Institute. If you choose to upgrade your coverage to the Dental PPO option and/or to cover your dependents, you pay the difference in premium on a pre-tax or after-tax basis.

Your Monthly Dental Premiums (as of 7/1/11):

Coverage Level & Option	DMO	DPPO
Individual	None	\$27.67
Employee + Spouse or Domestic Partner	\$19.91	\$75.24
Employee + Child(ren)	\$24.87	\$87.12
Family	\$44.75	\$134.70

VISION CARE INSURANCE

You may purchase optional vision insurance for you and your family. The EyeMed Vision Care Plan offers benefits at reduced costs, provider network discounts and low copayments for exams, frames, contact lenses and laser vision correction services.

Level of Coverage	Your After-tax Monthly Premium
• Employee Only	\$ 5.89
• Employee + Child(ren)	\$11.77
• Employee + Spouse/Dom. Partner	\$11.19
• Employee + Family	\$17.31

FLEXIBLE BENEFITS (FLEX PLAN)

Pre-tax deductions under the Flex Plan can help reduce your taxable income on each paycheck. Your pre-tax contributions are deducted from your paycheck before federal, state, or Social Security taxes are calculated. The end result is that you decrease your taxable income and increase your spendable income.

Reimbursement Accounts:

Medical Flexible Spending Account (MFSA) - You may set aside up to \$3,500 in pre-tax dollars in a MFSA to pay for out-of-pocket medical expenses such as annual deductibles, copayments, vision care and dental expenses not otherwise covered under any plan. After you incur and pay the expense, you file a claim to get reimbursed for eligible medical expenses.

Dependent Care Flexible Spending Account (DCFSA) - You may also set aside up to \$5,000 in pre-tax dollars in a DCFSA to pay your dependent care expenses that enable you (and your spouse, if married) to work or look for work. After you incur and pay the expense, you file a claim to get reimbursed for eligible dependent care expenses not otherwise covered under any plan.

Health and Dental Premiums:

Employee premium contributions for Institute-sponsored health and dental insurance coverage may be deducted from your paycheck on a pre-tax or after-tax basis.

Long-term Disability Premium Election:

You may elect to pay taxes upfront on the premiums the Institute pays on your behalf for long-term disability insurance coverage. Pay Taxes Now: An **after-tax LTD premium election** will limit your tax liability on any LTD income you receive should you become disabled in the future. Or, Pay Taxes Later: A **pre-tax LTD premium election** means that you will pay taxes on any LTD income you receive should you become disabled in the future.

COMMUTING EXPENSE REIMBURSEMENT PROGRAM

You may set aside pre-tax dollars to pay for commuting expenses to and from work. You pay no federal, state or FICA taxes on your commuting expense deductions.

Transit Account: For 2011, up to \$230/month may be allocated to a Transit Account for public transportation costs. Your deductions are used to purchase Smart Benefits on transit services in the Washington, DC area.

Parking Reimbursement Account: In addition, you may allocate up to \$230/month to a Parking Account for qualified parking expenses including parking in a lot or garage near the Institute's premises, or for parking in or near a commuter lot from where you commute by public transportation.

TUITION ASSISTANCE

After successful completion of three months of service in a regular status, you may request tuition assistance for certain types of courses taken at accredited institutions approved by the Institute. Payment for tuition and lab fees for approved courses is made directly to the school. The Institute pays up to \$2,500 per course for up to two courses per academic term, up to a maximum of four courses per calendar year.

VOLUNTARY INSURANCE

You may purchase term life insurance at group rates for you and your family up to the guaranteed issue amount without a medical examination (evidence of insurability). If desired, you may purchase additional coverage above the guaranteed amount subject to approval by the insurance carrier. Coverage reduces at certain ages, and evidence of insurability may be required based on your age at time of enrollment. Premiums are paid through convenient after-tax payroll deductions over 24 pay days in the calendar year. If part-time, availability of insurance is based on your prorated salary. Coverage is portable when you leave employment, or you may convert coverage to a whole life policy.

Voluntary Life and AD&D Insurance is available to the employee for up to a guaranteed issue amount of the lesser of five times your annual salary or \$150,000. You must enroll in voluntary life in order to purchase dependent life insurance.

Dependent Life Insurance is available to your spouse/domestic partner for up to the lesser of 50% of your voluntary coverage amount or \$50,000. The premium is based on the employee's age. You may also purchase up to \$10,000 life insurance coverage for each child up to age 19 (up to age 25 if full-time student).

OTHER BENEFITS

■ CREDIT UNION

You may join the NARFE Premier Federal Credit Union, which offers savings and checking accounts, and loans with deposits and payments through convenient payroll deductions.

■ ONSITE FITNESS CENTER

A state-of-the-art onsite fitness center is available free of charge to all employees in the building.

■ RELOCATION AND MOVING EXPENSES

Reimbursement for certain relocation and moving expenses is provided for full-time employees at or above the level of Research Associate I or Office Director who relocate from areas outside the 50-mile radius of Washington, DC, and who are scheduled to work for more than one year. This benefit includes one residence-hunting trip, movement of normal household goods up to a maximum number of pounds, and transportation for family members. Please contact the Human Resources Office for further details.

■ OVERSEAS ASSIGNMENTS

The Human Resources Office will notify eligible employees of additional allowances to compensate them for higher costs associated with living abroad.

■ STATUTORY BENEFITS

All employees are covered by Unemployment and Workers' Compensation Insurance and accrue credited earnings under Social Security.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

You and your family may take advantage of the resources available under the Employee Assistance Program provided by business partners of Lincoln Financial. EAP services are available at no cost to you, are easy to use, and include the following:

EmployeeConnect Services are available 24/7 at 1-877-757-7587 with confidential support, guidance, and resources to help you manage everyday issues such as eldercare, parenting and childcare, relationships, financial, and work and career.

TravelConnect provides travel assistance services at 1-800-527-0218 or 410-453-6330. *TravelConnect* provides a wealth of services that include travel, medical, and safety-related services during your travel of 100+ miles from home.

BeneficiaryConnect provides assistance during a challenging time. Experienced counselors are available at 1-800-580-0576 to assist with a wide variety of topics and, if needed, referral to other resources.

NOTE: This document is a summary of Urban Institute employee benefits available to regular employees. Actual benefits are determined by applicable personnel policies and procedures, insurance contracts, or other official plan documents. The Institute reserves the right to change and/or discontinue the plans at any time. For further details on any aspect of the benefits program contact the Urban Institute's Human Resources Office, 2100 M Street, N.W., Washington, DC 20037, (202) 833-7200. i:/persnnel/benefits/2011-07JulBenSummary.doc Rev. 07/1/2011.