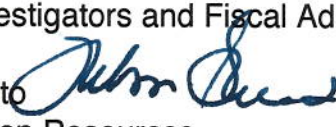




June 15, 2017
DP061501.NS1

MEMORANDUM

TO: All Principal Investigators and Fiscal Administrators

FROM: Nelson Sakamoto 
Director of Human Resources

**SUBJECT: Revised RCUH Fringe Benefits Schedule (Effective July 1, 2017)
Fiscal Year July 1, 2017 – June 30, 2018**

Attached is the (revised) RCUH Fringe Benefits Schedule for Fiscal Year July 1, 2017 – June 30, 2018. This revised schedule will be effective July 1, 2017, which includes recently approved Dept. of Housing & Human Services (DHHS) fringe benefit rates (see Table below).

DHHS Approved FB Rates effective July 1, 2017	From:	To:
Vacation Payout Reserve (termination payouts per Policy 3.620)	1.64%	0.32%
Unused Sick Leave Reserve (termination payouts per Policy 3.640)	0.23%	0.27%
Unemployment Insurance Reserve	0.97%	0.63%

Other changes from FY2017 Fringe Benefits Schedule are:

1. **Flexible Spending Account (FSA):** There will be no Administrative Service Fee charged to your project.
2. **Workers' Compensation:** Fringe charge will be 1.50% reduced from 1.83%.

3. Medical and Dental Premiums:

Plan	% Rate Change effective July 1, 2017
HMSA Preferred Provider Plan	4.2% increase
HMSA Comprehensive Medical	3.0% increase
HMSA Health Plan Hawai'i Plus	4.0% increase
HMSA Health Plan Hawai'i Basic	9.5% increase
Kaiser Medical Plan B	No Increase
Kaiser Medical Plan A	-0.5% decrease
Hawai'i Dental Service (HDS)	No Increase

Attachment

RCUH Fringe Benefits Schedule – Fiscal Year July 1, 2017 – June 30, 2018
(Revised – June 26, 2017)

TYPE	ELIGIBILITY	WHEN ELIGIBLE	FEATURES/INFORMATION
Vacation	Regular Status employees at 50% or more FTE	First day of following pay period in which hours are earned.	Paid Vacation Leave (Regular status employee on active payroll): Charge to current project account used for pay and fringe benefits. Vacation Payout Reserve (for termination payouts only): 0.32% of all salaries & wages (down from 1.64% in FY2017). Employee earns 1-3/4 working days (14 hours) per month of full-time service (e.g., 100% FTE). See 3.620 RCUH Vacation Leave Policy for more information.
Sick	Regular Status employees at 50% or more FTE	First day of following pay period in which hours are earned.	Regular Status Employee earns 1-3/4 working days per month of full-time service. See 3.640 RCUH Sick Leave Policy for more information.
Medical	Regular Status employees at 50% or more FTE (unless mandated as eligible by Affordable Care Act)	Voluntary upon hire.	See the HMSA/Kaiser Plan Summary Attachments in the 3.520 RCUH Health Insurance Policy.
Dental	Regular employees at 50% or more FTE	Voluntary upon hire.	See the DENTAL Plan Summary Attachment in the 3.520 RCUH Health Insurance Policy.
Flexible Spending Account (FSA)	Regular employees at 50% or more FTE	First day of the month following employee's date of hire: Medical Expense Dependent Care Pre-Tax Transportation (Transit and/or Parking)	No administrative charge. No Charge for FSA Medical Expense Debit Card No administrative charge for employees enrolled in Pre-Tax Transportation only. See 3.530 RCUH Flexible Spending Plan Policy for more information.
Retirement (also includes unused sick leave payoff reserve)	Regular employees at 50% or more FTE	Upon completion of 12 continuous months of service during which the eligible employee must have completed 1,000 or more hours of service.	10.27% of the employee's base salary (see below for breakdown) Group Retirement Annuity: 10.0% Unused Accrued Sick Leave Payoff Reserve: 0.27% (up from 0.23% in FY2017) Eligibility requirements for partial unused sick leave payoffs are based on Board approved policy eligibility criteria. See 3.560 RCUH Retirement Plans , and 3.640 RCUH Sick Leave , policies for more information.
Group Life Insurance	Regular employees at 75% or more FTE	First day of month following employee's date of hire.	\$0.12 per \$1,000 of coverage rounded upwards to the next higher \$1,000, if not a multiple thereof, to a maximum amount of \$600,000. (Previously \$0.08/\$1,000) Group Life Insurance benefit equals 2X annual salary rounded upwards to the next higher \$1,000, if not a multiple thereof, to a maximum amount of \$600,000. Employees may elect a lower benefit of \$50,000, \$100,000, or \$200,000, not to exceed 2X annual salary (rounded upwards to the next higher \$1,000). See 3.540 RCUH Life Insurance Policy for more information.
Long Term Disability	Regular employees at 75% or more FTE (Note: Not available to non-U. S. Citizens working outside of the U. S. or Canada)	First day of month following employee's date of hire.	0.30% of salaries and wages. See 3.570 RCUH Long-Term Disability Insurance Policy for more information.
Long Term Care	Regular employees at 75% or more FTE (Note: Not available to non-U. S. Citizens working outside of the U. S. or Canada)	First day of month following employee's date of hire.	0.259% of salaries and wages. See Attachment 1 in the 3.545 RCUH Long-Term Care Insurance Policy.
FICA	All employees other than F-1 and J-1 visa holders	Upon hire.	7.65%: 6.2% for Social Security OASDI \$127,200 for 2017 up from 2016 which was \$118,500 and 1.45% for Medicare (note, no max. for Medicare) Since January 2013 individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9% in Medicare taxes not included in 7.65%.)
Unemployment Insurance	All employees	Upon hire.	0.97% of all salaries & wages (down from 0.63% in FY2017). See 3.590 RCUH Unemployment Insurance Policy for more information.
Workers' Compensation	All employees (excluding Ship/Sea Ops employees)	Upon hire.	1.50% of all salaries and wages (reduced from 1.83% in FY2017). See 3.580 RCUH Worker's Compensation Policy for more information.

Note: Fringe Charges for Dual RCUH Regular Appointments will be distributed to the multiple projects according to the % of charge of the total salary. Refer to [3.250 Dual Employment Policy](#) for details.