



# **BENEFITS BROCHURE**

**(New Hires)**

**State of Hawaii  
Department of Education  
Office of Talent Management  
Employee Benefits Unit**

07.2020

# EMPLOYEES' RETIREMENT SYSTEM (ERS)

Employees appointed for any period exceeding three (3) months, and who serve in positions meeting the requirement of at least one-half of a full-time equivalent, become members of the Employees' Retirement System (ERS) under a hybrid retirement plan prescribed by State of Hawaii statutes, effective from the date of employment.

## HYBRID PLAN

Employees hired on or after July 1, 2012 are eligible to retire at age 65 with a minimum of 10 years credited service, or at age 60 with a minimum of 30 years credited service. Employees contribute 8% of their gross monthly salary to the ERS.

The normal retirement benefit is calculated as follows:  $1.75\% \times \text{Years of Credited Hybrid Service} \times \text{Average Final Compensation}$ .

Additional information concerning employees' rights and benefits may be obtained by contacting the State of Hawaii Employees' Retirement System at 586-1735, visiting the website at [ers.ehawaii.gov](http://ers.ehawaii.gov), or by writing to the State of Hawaii Employees' Retirement System, 201 Merchant Street, Suite 1400, Honolulu, Hawaii 96813.

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## HEALTH BENEFITS

Eligible employees may enroll in benefit plans offered by the Hawaii Employer-Union Health Benefits Trust Fund (EUTF). Plans for medical/chiropractic, prescription drug, and/or dental and vision coverage require co-payments by the employer and the employee. A monthly premium for group life insurance will be paid for solely by the employer, however, the employee must enroll to receive coverage. Information about the plans and rates are provided in the EUTF Reference Guide for Your Health Benefits for Active Employees, or on the EUTF website at [eutf.hawaii.gov](http://eutf.hawaii.gov).

Employees may be able to enroll, change or cancel their EUTF benefit plans under the conditions of certain mid-year qualifying events. Common qualifying events include: *acquisition of other coverage, adoption, birth, civil union, death of spouse or dependent, divorce, domestic partner, legal guardianship, loss of coverage, marriage, new eligible student, return from authorized leave of absence, retirement of spouse who is a state or county employee*. Employees have 45 days from the eligible event to submit an original enrollment form and any applicable supporting documents to the DOE-Employee Benefits Unit, with the exception of the 180 days allowed for childbirth.

Contact EUTF at 586-7390 (Oahu) or 1-800-295-0089 (Neighbor Islands), or the OTM-Employee Benefits Unit at [Employee.Benefits@k12.hi.us](mailto:Employee.Benefits@k12.hi.us).

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## STATE OF HAWAII PREMIUM CONVERSION PLAN (PCP)

Under the PCP program, the employer will deduct the cost of health benefits premiums from eligible employee pay before taxes are withheld, increasing net income. Detailed information about this plan is available from the Department of Human Resources Development website at <http://dhrd.hawaii.gov/state-employees/employee-benefits/tax-savings-plan-benefits/>.

# TAX DEFERRAL PROGRAMS

## 403(b) TAX SHELTER ANNUITY (TSA) PROGRAM

Employees of the Department of Education are eligible to participate in the Tax-Sheltered Annuity (TSA) Program as provided in Chapter 303, Hawaii Revised Statutes (HRS) and Section 403(b) of the United States Internal Revenue Code. Employees may make pre-tax contributions through payroll deductions to provide supplemental income to regular retirement benefits.

For additional information regarding this program, employees may contact authorized local insurance agencies, visit [www.hawaiidoe403b.com](http://www.hawaiidoe403b.com), or contact the OTM-Employee Benefits Unit at **441-8311**.

## STATE'S DEFERRED COMPENSATION PLAN (ISLAND SAVINGS PLAN)

Eligible state employees may participate in a voluntary pre-tax retirement savings plan administered through Prudential Retirement. The plan is authorized under Section 457 of the United States Internal Revenue Code and Chapter 88E, HRS. For details, visit [islandsavings.preparewithpru.com](http://islandsavings.preparewithpru.com), call **1-888-712-5642 (press option 2 for local office)**, write, or visit the Prudential office at 1100 Alakea St., Suite 1550, Honolulu, Hawaii 96813.

## FLEXIBLE SPENDING ACCOUNT

The *Island Flex* flexible spending account offers two (2) ways to reduce employees' federal and state withholding taxes and social security taxes:

1. Medical Flexible Spending Account (Medical FSA) allows employees to pay eligible out-of-pocket unreimbursed health care expenses on a **before-tax basis**.
2. Dependent Care Flexible Spending Account (Dependent Care FSA) allows employees to pay for eligible dependent care expenses on a **before-tax basis**.

Details are available by contacting account administrator, National Benefit Services, LLC, at **465-2284** or toll-free at **1-855-399-3035**, or at [www.nbsbenefits.com/islandflex](http://www.nbsbenefits.com/islandflex).

## HI529 HAWAII COLLEGE SAVINGS PROGRAM

HI529 is a program to provide financial support for college costs. Program features include tax-deferred investment income and tax-free withdrawals for qualified educational expenses at any eligible two- or four-year college, vocational, or technical school within the United States. For information, call 1-866-529-3343, or visit the HI529 website, <https://www.hi529.com>.

## PART-TIME, TEMPORARY, AND SEASONAL/CASUAL (PTS) DEFERRED COMPENSATION RETIREMENT PLAN

Effective July 1, 1997, Chapter 88F, HRS authorized the implementation of the PTS Deferred Compensation Retirement Plan for part-time, temporary, and seasonal/casual State of Hawaii employees who are not eligible to participate in the ERS. Employee contributions to the PTS plan replace contributions to social security. For more information, contact plan administrator, Comprehensive Financial Planning, Inc., at **596-7006** (Oahu) or **1-800-600-7167** (Neighbor Islands), or at [dhrd.hawaii.gov/retirees/pts](http://dhrd.hawaii.gov/retirees/pts).

## **FLEX PARK**

The Flex Park program allows the deduction of eligible parking fees from pre-tax earnings for employees who are assigned to park in a lot administered by the Department of Accounting and General Services. Visit the Department of Human Resources Development website at <http://dhrd.hawaii.gov/state-employees/employee-benefits/tax-savings-plan-benefits/> for details.

## **RETIREMENT, SERVICE AND INCENTIVE AWARDS**

The State of Hawaii and Department of Education have awards and incentives to recognize years of service, retirement, and achievement of employees. For more information, contact the OTM-Personnel Development Branch, Performance Management Section at **441-8344**.

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## **WORKERS' COMPENSATION (WC)**

The Hawaii Workers' Compensation Law (Chapter 386, HRS) provides benefits to employees who suffer a work-related injury or illness. Benefits include the payment of medical expenses of a reasonable duration, based on the nature of the injury/illness, wage replacement, permanent disability or permanent partial disability, rehabilitation, attendant services, disfigurement, and funeral and burial allowance. A portion of wages may be paid if an employee is unable to work due to the work-related injury or illness. Employees may also supplement WC benefits with available sick and vacation leave credits. There is a mandatory three (3) day waiting period starting from the first day of disability, as certified by a licensed physician. WC benefits are provided at no cost to employees. For more information, contact the OTM-Workers' Compensation Unit at **441-8484**.

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## **TEMPORARY DISABILITY INSURANCE**

Employees who suffer a non-work related injury or illness may be eligible for temporary disability benefits as specified by the Chapter 392, HRS, and Title 12, Chapter 11 of the State of Hawaii Administrative Rules. These benefits replace a portion of the wages up to a maximum of 26 weeks if all requirements are met. There is a mandatory seven (7) day waiting period starting from the first day of disability. \*Note: If eligible, TDI benefits are calculated depending on the employee's position per Collective Bargaining Agreement (CBA).

The Hawaii State Department of Education (HIDOE) is self-insured. (A self-insured plan by a CBA that contains sick leave benefits at least as favorable as required by the Hawaii State Department of Labor TDI law) Sick leave provided by the employer is the TDI benefits for a state or county employee.

These benefits are provided at no cost to eligible employees. For additional information, contact OTM – Employee Benefits Unit at **441-8311**. *Note: Charter School Employees are not eligible to apply for TDI through HIDOE. Contact your school's Human Resource designee.*