

HEALTH/DENTAL RATES

CONTRIBUTION RATES FOR 2011

Employee Cost Per Pay Period For 24 of 26 Pay Periods

KAISER PERMANENTE MIDATLANTIC HMO INSURANCE

As a Health Maintenance Organization (HMO), Kaiser offers integrated health, dental, vision and prescription drug benefits through Kaiser providers and facilities.

Advantage: Low premiums, low out-of-pocket expense, integrated health care.

	2011	2010
Employee Only Rate	\$ 47.12	\$ 41.62
Employee Plus One Rate	\$ 94.24	\$ 83.24
Family Rate	\$136.64	\$120.70

AETNA PPO INSURANCE

This option offers health, vision and prescription drug benefits insured through Aetna. Services are provided through a choice of providers. There is less out-of-pocket expense when using providers contracted directly with the Aetna health program.

Advantage: Choice of care and provider.

	2011	2010
Employee Only Rate	\$ 93.36	\$ 93.36
Employee Plus One Rate	\$197.02	\$197.02
Family Rate	\$258.71	\$258.71

METLIFE DENTAL INSURANCE

Dental benefits provide a full range of services. There is less out-of-pocket expense when using providers contracted directly with the MetLife preferred dentist program.

	2011	2010
Employee Only Rate	\$ 17.71	\$ 17.71
Employee Plus One Rate	\$ 27.45	\$ 27.45
Family Rate	\$ 53.85	\$ 53.85

VARIABLE BENEFITS and FLEXIBLE SPENDING ACCOUNTS

The Variable Benefit Plan helps employees pay for certain out-of-pocket costs and employer-sponsored medical and dental insurance on a pre-tax basis. Contributions to this benefit plan are voluntary and are not subject to Social Security or Federal income taxes and may not be subject to state income taxes.

HEALTH AND DENTAL INSURANCE CONTRIBUTIONS

Employee contributions for health and dental insurance offered by the Academies are deducted pre-tax from your paycheck through this plan. You cannot change your election until the next calendar year without a Change in Status.

FLEXIBLE SPENDING ACCOUNTS

You may choose to designate employee contributions to your Flexible Spending Accounts each year. Once this allocation is made, you cannot move balances from one account to another and cannot make a change without a Change in Status. Contributions are deducted before taxes from each paycheck.

Medical Expense Flexible Spending Account up to \$7,000

Out-of-pocket medical expenses incurred during the period January 1, 2011 through March 15, 2012 may be reimbursed through this account. The entire account balance is available to you at any time during that period.

Dependent Care Expense Flexible Spending Account up to \$5,000

Out-of-pocket dependent care expenses incurred during the period January 1, 2011 through March 15, 2012 may be reimbursed through this account. The account balance available to you is based on your year-to-date contributions.

ANNUAL ELECTION

Election to participate is made annually and is binding for the entire calendar year. You may not join, change your election amounts, drop your participation or alter your election of insurance programs without a Change in Status.

CHANGE IN STATUS

If you incur a Change in Status, you have 31 days to request a change to these benefits. The change must directly relate to your Change in Status. Examples are listed below:

- Birth, adoption or death of a dependent
- Marriage or divorce; death of spouse
- Changes in spouse's employment
- Significant changes in spouse's health insurance coverage
- Change in residence or worksite

EMPLOYER CONTRIBUTION

The Academies contributes to you \$2,000 annually (\$76.92 per pay period) that can be used to offset benefits expenses. This amount is prorated for part-time employees.

BE CONSERVATIVE

Without a Change in Status, elections cannot be changed during the year. If you do not use the contributions you have allocated into your flexible spending accounts, you will lose them. It's important to underestimate your future expenses until you are comfortable with this plan and how it works.

Benefits begin on the first day of employment, unless stated otherwise in this benefit summary.

Benefits are available to regular employees of the National Academies who are scheduled to work at least 50% of the time.

RETIREMENT PLANNING

The Academies recognize the need for retirement planning. Retirement contributions are shared by the Academies and you. You design your retirement planning around your own specific goals.

PRIMARY RETIREMENT PLAN

You are eligible for the Primary Retirement Plan (PRP) after 181 days of employment. The Academies make contributions based on your income level and age. There are no employee contributions to this plan.

You are immediately 100% vested in your account balance. Taxes are paid when distributions are received (i.e. retirement or withdrawal upon termination).

EMPLOYER CONTRIBUTION

Age	Compensation of \$26,000 or Less	Compensation Above \$26,000
Under 35	6.34% of Compensation	6.34% of Compensation
35-44	7% of Compensation	10% of Compensation
45-54	9% of Compensation	14% of Compensation
55 & Above	14% of Compensation	19% of Compensation

Investment options are offered through TIAA-CREF (variable annuity/mutual fund). You design your investment portfolio based on your personal situation and tolerance for investment risk.

SALARY REDUCTION CONTRIBUTION RETIREMENT PLAN

The Academies offer a 403(b) voluntary retirement plan. You may participate at any time. Contributions may be made up to the annual IRS maximum as limited by Federal regulation. If you are age 50 or older, you may be eligible to make an additional contribution. The Academies do not contribute to this benefit plan.

You are immediately vested in your account balance.

Employee contributions are not subject to Federal income taxes and may not be subject to state income taxes. Taxes are paid when distributions are received (e.g. retirement or withdrawal upon termination).

Investment options are offered through TIAA-CREF (variable annuity/mutual fund) and Vanguard (mutual fund). You may choose to invest through both companies. You design your investment portfolio based on your personal situation and tolerance for investment risk.

The National Academy of Sciences is a private, nonprofit, self-perpetuating society of distinguished scholars engaged in scientific and engineering research, dedicated to the furtherance of science and technology and to their use for the general welfare. Upon the authority of the charter granted to it by the Congress in 1893, the Academy has a mandate that requires it to advise the federal government on scientific and technical matters. Dr. Ralph J. Cicerone is President of the National Academy of Sciences.

The National Academy of Engineering was established in 1964, under the charter of the National Academy of Sciences as a parallel organization of outstanding engineers. It is autonomous in its administration and in the selection of its members, sharing with the National Academy of Sciences the responsibility for advising the federal government. The National Academy of Engineering also sponsors engineering programs aimed at meeting national needs, encourages education and research, and recognizes the superior achievements of engineers. Dr. Charles M. Vest is President of the National Academy of Engineering.

The Institute of Medicine was established in 1970 by the National Academy of Sciences to secure the services of eminent members of appropriate professions in the examination of policy matters pertaining to the health of the public. The Institute acts under the responsibility given to the National Academy of Sciences by its congressional charter to be an adviser to the federal government and, upon its own initiative, to identify issues of medical care, research, and education. Dr. Harvey V. Fineberg is President of the Institute of Medicine.

The National Research Council was organized by the National Academy of Sciences in 1916 to associate the broad community of science and technology with the Academy's purposes of furthering knowledge and advising the federal government. Functioning in accordance with general policies determined by the Academy, the Council has become the principal operating agency of both the National Academy of Sciences and the National Academy of Engineering in providing services to the government, the public, and the scientific and engineering communities. The Council is administered jointly by both Academies and the Institute of Medicine. Dr. Ralph J. Cicerone and Dr. Charles M. Vest are Chair and Vice Chair, respectively, of the National Research Council.

This booklet is for information purposes and it is not intended as policy or a plan document.

THE NATIONAL ACADEMIES
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Please contact us for more information on employment opportunities and benefit questions.

THE NATIONAL ACADEMIES
Advisers to the Nation on Science, Engineering, and Medicine

2011
Benefits
AT A GLANCE

OFFICE OF HUMAN RESOURCES

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Please contact us for more information

HEALTH INSURANCE

The Academies provide comprehensive health insurance benefits through **Kaiser Permanente** and **Aetna Health Insurance** companies. Eligible employees may select between a Kaiser HMO (Health Maintenance Organization) and an Aetna PPO (Preferred Provider Organization). The better choice depends on your particular needs. Employee contributions may be deducted from your paycheck before or after taxes.

Benefit Design *(brief highlights)*

HMO MEDICAL

Copayment (no deductible)	Primary Care \$20	Specialist \$30
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HMO PRESCRIPTION DRUG BENEFIT

Kaiser Pharmacy:	Generic	\$ 10 copayment
	Brand Preferred	\$ 30 copayment
	Brand Non-Preferred	\$ 50 copayment
Participating Network Pharmacy:	Generic	\$ 30 copayment
	Brand Preferred	\$ 50 copayment
	Brand Non-Preferred	\$ 75 copayment
	Supply limit up to 60 days	
Kaiser Mail Order:	Generic	\$ 8 copayment
	Brand Preferred	\$ 28 copayment
	Brand Non-Preferred	\$ 48 copayment
	Supply limit up to 90 days	

HMO VISION	\$20 copayment for Optometrists \$30 copayment for Specialists
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HMO DENTAL	\$30 copayment, must use Network Providers
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PPO MEDICAL

In-Network Benefit

Copayment: \$30 for Primary Care / \$40 for Specialist
\$100 copayment outpatient surgery
\$250 copayment for inpatient hospitalization
\$300 deductible for individual / \$600 family
No referral needed for a specialist

Out-of-Network Benefit

Copayment	30% coinsurance
Deductible	\$600 for individual / \$1,200 family

PPO VISION	\$40 copayment, discounts offered at participating outlets. Eye exams are covered as an in-network benefit, once every 24 months.
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PPO PRESCRIPTION DRUG BENEFIT

(In-Network rates below; Out-of-Network, 30% coinsurance if applicable, in addition to copayment rates below):

Pharmacy:	Generic	\$ 5 copayment
	Brand-Formulary	\$ 30 copayment
	Brand-Non Formulary	\$ 50 copayment
	Supply limit up to 30 days	
Mail Order:	Generic	\$ 10 copayment
	Brand-Formulary	\$ 60 copayment
	Brand-Non Formulary	\$100 copayment
	Supply limit up to 90 days	

Health insurance rates are shared by both the Academies and employee.

LEAVE

The Academies' leave benefits are intended to cover many different situations and needs for leave.

Holidays	
Leave for Military Duty	
Leave for Jury Duty / Court Appearance	
Paid Personal Leave (PPL)	
Family and Medical Leave (FML)	

HOLIDAYS

New Year's Day	Martin Luther King Jr. Day
President's Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Day after Thanksgiving
Christmas Day	

PAID PERSONAL LEAVE (PPL)

PPL is available for all types of absences for personal reasons, such as vacation, recreation, personal business, brief illnesses, observance of religious days and/or other holidays, bereavement, and any other personal needs without restriction as to the reason for the leave.

PPL ACCRUAL

PPL is accrued on a pay period basis. Days per year are allocated based on your length of benefit eligible service:

Year 1	19 days per year – 5.48 hrs. per pay period
Year 2 to 5	24 days per year – 6.92 hrs. per pay period
5 or more years	30 days per year – 8.65 hrs. per pay period

If you work less than full time, your PPL accrual is prorated based on your work schedule. For example, if you work 50% time and have three years of service, you would accrue 12 days of PPL.

CARRYOVER OF UNUSED PPL

Based on your length of benefit eligible service, you may carry over the following amount of PPL each September:

Less than 1 year	15 days of PPL – 112.5 hours
Year 1 through 4	25 days of PPL – 187.5 hours
Year 5 through 9	30 days of PPL – 225.0 hours
10 or more years	40 days of PPL – 300.0 hours

If you work less than full time, your carryover of PPL is also prorated based on your work schedule. For example, if you work 50% time and have three years of service you could carryover 12.5 days of PPL.

EMPLOYEE ASSISTANCE

The Academies provide an employee assistance and referral service, which offers help to employees and family members regarding relationships, stresses, alcohol and drug dependency and emotional concerns as well as child and elder care referrals and assistance with legal issues and identity theft.

The benefit provides completely confidential service with 24-hour telephone access to professional counselors at 1-800-346-0110.

DENTAL INSURANCE

The Academies provide comprehensive dental insurance benefits through **MetLife's Preferred Dental (PDP)** program. The PDP offers in- and out-of-network benefits. Employee contributions may be deducted from your paycheck before or after taxes.

Benefit Design *(brief highlights)*

Annual Deductible:	\$50 per individual / \$100 family
Annual Benefit Maximum:	\$ 1,500 per person
Preventive & Diagnostic:	No charge
Basic Restorative Services:	20% coinsurance
Major Restorative Services:	50% coinsurance
Orthodontia:	50% coinsurance
	\$1,500 lifetime maximum

In-Network: You will be responsible for the deductible and any other part of the maximum allowed charge not covered.

Out-of-Network: MetLife will base the benefit payable on the Reasonable and Customary (R&C) charge.

DISABILITY INSURANCE

The Academies provide Short- and Long-Term Disability benefits through **UNUM Insurance Company of America**.

SHORT-TERM DISABILITY (STD)

If you are absent from work for 10 consecutive working days due to illness and/or injury you may be eligible to qualify for short term disability benefits. During the 10-day waiting period, you may use paid personal leave (PPL).

The benefit period and percentage of coverage is based on your benefit eligibility and period of total eligible service at the time of disability with the Academies. Upon approval, short-term disability benefits will be paid under the following schedule:

<i>Credited Service</i>	<i>Eligible Base Pay</i>
Less than 1 year	up to 4 weeks at 100% and 20 weeks at 60%
Years 1-5	up to 10 weeks at 100% and 14 weeks at 60%
More than 5 years	up to 24 weeks at 100%

LONG-TERM DISABILITY (LTD)

Employees of the Academies, meeting the eligibility guidelines, will be enrolled in the long-term disability program. It is designed to cover a percentage of your annual base pay during your period of LTD illness and/or injury. The cost of coverage is shared by both the Academies and employee.

TRANSPORTATION

The Academies recognize the need for assistance with your commute to work. You may choose one of the following transportation benefits.

TRANSIT BENEFIT

\$120 monthly benefit to be used for many forms of public transportation (i.e. MetroRail, MetroBus, Metro commuter parking lot, and qualified commuter rail, bus and vanpool systems).

PARKING BENEFIT

\$120 monthly parking subsidy at the Academies' facilities. Employee cost for parking may be deducted before or after taxes.

BIKE-TO-WORK BENEFIT

\$120 monthly taxable benefit reimbursing your cost of certain bike-to-work expenses (e.g. bike, helmet, bike repairs).

LIFE INSURANCE

The Academies provide group life insurance coverage through **ReliaStar**, a division of ING.

BASIC LIFE INSURANCE

Basic life insurance coverage is equal to your annual base pay; maximum coverage of \$300,000. The rates are paid 100% by the Academies.

ACCIDENTAL DEATH & DISMEMBERMENT (AD&D)

AD&D coverage for an accidental death is equal to your annual base pay, maximum coverage of \$300,000. There is also coverage if you have a bodily injury resulting in loss of limb and/or eye. The rates are paid 100% by the Academies.

SUPPLEMENTAL LIFE INSURANCE

Supplemental life insurance coverage is voluntary and you may choose the amount of additional benefit (from one to five times your annual base pay), maximum coverage of \$1,100,000 (Basic and Supplemental Life Insurance combined). You are responsible for supplemental life insurance premium costs on an after-tax basis.

FAMILY LIFE INSURANCE

You may purchase voluntary family life insurance for your spouse or domestic partner and dependent children (certain restrictions apply) through after-tax payroll deductions at group insurance rates.

EDUCATION ASSISTANCE

The Academies offer approved tuition costs reimbursed up to \$5,250 each year. This amount is prorated for part-time employees.

ADOPTION ASSISTANCE

The Academies offer reimbursement of 80% of eligible adoption expenses up to \$4,000 maximum reimbursement per child adopted, prorated for part-time employees.

LTD & LIFE INSURANCE RATES

CONTRIBUTION RATES FOR 2011

Employee Cost Per Pay Period for 24 of 26 Pay Periods

UNUM LTD INSURANCE

LTD rates are shared by both the Academies and employee through after-tax payroll deduction. They are based on annual compensation and a disability benefit of 60% of monthly compensation up to \$10,000.

Rate Per \$100 of Compensation	\$0.07
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Example: *An employee earning \$50,000 annually who is eligible for a long-term disability benefit would receive a monthly benefit of \$2,500. The employee pay period cost for this insurance would be \$1.46.*

LTD Monthly Benefit:

\$50,000 divided by 12 months times 60% = \$2,500

LTD Pay Period Cost to Employee:

\$0.07 / 100 times \$50,000 divided by 24 = \$1.46

RELIASTAR SUPPLEMENTAL LIFE INSURANCE

These rates are paid 100% by the electing employee through after-tax payroll deduction. They are based on your age and reflect the cost per \$1,000 of supplemental life insurance through ReliaStar, a division of ING.

Age	Rate Per \$1,000 of Benefit
00-29	\$ 0.025
30-34	0.029
35-39	0.040
40-44	0.050
45-49	0.075
50-54	0.115
55-59	0.215
60-64	0.301
65-69	0.625
70-99	0.928

RELIASTAR FAMILY LIFE INSURANCE

These rates are paid 100% by the electing employee through after-tax payroll deduction.

Life Insurance Benefit	Spouse or Domestic Partner	Children Under 23
Pay Period Rate	\$1.56	\$1.12 all