

EMPLOYMENT COMPENSATION

Evaluating Employee Benefits

Detailed practice, calculation, decision-making, and assessment

GRADES 9-12	TIME 2 x 42 min	GROUPING I / pairs / whole	PRODUCT Brief
YOUR CHALLENGE Interpret health, retirement, paid-leave, eligibility, and vesting information to compare a fictional benefits package.			

A Job Offer Is More Than the Advertised Wage

Benefits can represent an important part of compensation, but their value depends on employee cost, coverage, eligibility, use, and plan rules. Read the Summary Plan Description and other official plan documents before making decisions.

Term	Student-friendly meaning
Premium	Regular amount paid for insurance coverage.
Deductible	Amount paid for covered care before a plan begins paying under its rules.
Match	Employer contribution tied to an employee contribution formula.
Vesting	Process for gaining ownership of employer-provided retirement contributions.
Waiting period	Time before stated coverage or participation begins.
Summary Plan Description	Document explaining what a covered plan provides and how it operates.
CLASSROOM USE All people, employers, figures, brackets, and documents in this packet are fictional. Never place a real Social Security number, employer ID, bank number, or tax document in classroom work.	

Part 1 - Decode Benefit Terms

Match each term to the decision it affects.

Term	Plain-language meaning	Why it matters
Premium		
Deductible		
Employer match		
Vesting		
Waiting period		
Paid time off		

Use plan-specific questions instead of assuming every employer uses the same rules.

Part 2 - Compare Fictional Health Choices

Plan X premium is \$90/month with a \$1,800 deductible. Plan Y premium is \$210/month with a \$700 deductible.

Measure	Plan X	Plan Y
Annual premium		
Deductible	\$1,800	\$700
Premium + deductible		
Difference		

This simplified total is not a full estimate of annual medical spending.

Part 3 - Calculate Employer Match

Employee salary is \$42,000. Option A matches 50% of the first 6% contributed. Option B matches 100% of the first 3%. Assume the employee contributes enough for the maximum stated match.

Measure	Option A	Option B
Employee contribution needed		
Maximum employer match		
Combined contribution		
Question about vesting		

Show the percentage and dollar calculations.

Part 4 - Audit the Benefit Rules

The summary says: health starts after 60 days; retirement contributions may begin immediately; employer match vests 25% each year; PTO is 12 days per year and accrues each pay period.

Rule	Effect on worker	Question or record
60-day wait		
Immediate contribution		
Four-year vesting		
PTO accrual		
Leaving after two years		

Explain why a headline benefit may not be fully available on the first day.

Part 5 - Build a Benefits Decision Plan

Casey expects regular medical visits, wants to save for retirement, and may leave the job after two years.

Decision check	My evidence
Annual premium	
Deductible	
Simplified health total	
Employee contribution	
Employer match	
Vested amount concern	
PTO/waiting period	
Questions and qualified choice	

Write 150-200 words using at least five figures and four plan questions.
