Why do we elect benefits only one time per year?

Our benefit plan allows employees to pay their medical, dental, and vision premiums on a pre-tax basis, and we contribute to flexible spending accounts with pre-tax dollars, too. In exchange for this pre-tax advantage, the IRS requires that your benefit elections be permanent for the plan year. Upon being hired, you have until the end of the month following your date of hire to make your elections. Each November, during the annual Open Enrollment process, you will have the chance to change your benefits for the following calendar year. Once elected, you can only change your benefits if you have a “qualifying event” such as marriage, divorce, birth, adoption, death of dependent, loss/gain of coverage elsewhere, or a significant change to your work status.

Dependent Eligibility: Who can you cover on your benefit plans?

You may cover your spouse or civil union partner on our medical, dental, vision, and life insurance plans. If your spouse or civil union partner is a benefit eligible employee at Fletcher Allen, you may not cover him/her under spouse life insurance. Domestic partners are not eligible for coverage. Children’s eligibility varies by plan.

Medical Insurance: A child may be covered under our medical plan through the end of the month during which he/she reaches age 19 (26 if the adult child is not eligible to be covered under his or her employer’s or spouse’s plan). Student status does not affect eligibility for medical coverage.

Dental, Vision, and Life Insurance: An unmarried, dependent child may be covered through the end of the month during which he/she reaches age 19 (25 if a full-time student). Annual student verification is done in July and August.

Flexible Spending Accounts: Claims incurred by you, your spouse, and qualifying child are reimbursable under an FSA. Per federal tax law, claims incurred by an employee’s same-sex spouse or that spouse’s children are not eligible for reimbursement through the employee’s health care or dependent care flexible spending accounts.

You must cover yourself on any plans that you wish to enroll a dependent(s) in. See the Summary Plan Descriptions for more information about dependents and their eligibility.
### Participation
All Fletcher Allen employees can participate in the 403(b) Retirement Plan immediately. Generally, accounts for new hires are established within the first week of employment. Part-time and full-time employees are eligible for employer contributions after six months of service. Employer contributions are subject to a three-year vesting period. You may change your contribution amount at any time.

### NEW: Automatic Enrollment
Employees hired after January 1, 2013 will be automatically enrolled into the 403(b) Retirement Plan after six months of service. To ensure that every employee receives the full benefit of our matching contribution, the employee contribution will be set at 3% of pay. See below for information about the Fletcher Allen matching contribution. You may contribute to the plan prior to being automatically enrolled. Likewise, you may increase or decrease your salary deferral contribution after automatic enrollment has occurred.

**If you do not want to make your own contributions through automatic enrollment, you will need to take action to “opt-out” during your first six months of employment.** You will need to contact Fidelity and elect a 0% contribution rate. There are two ways to contact Fidelity:

1. Log on to NetBenefits at [Fidelity.com/AtWork](http://www.Fidelity.com/AtWork): If you are new to NetBenefits, click Register Now (you will need your Social Security Number and date of birth and will be required to establish a user name and password).
2. Call Fidelity at (800) 343-0860 and request that your salary deferral contribution rate be changed to 0%.

### Employee Contributions

<table>
<thead>
<tr>
<th>Contribution Type</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Your Contributions</strong></td>
<td>You can begin making personal contributions immediately by way of traditional pre-tax and/or Roth after-tax deductions. In 2013, the personal salary deferral limit is $17,500.</td>
</tr>
<tr>
<td><strong>Age 50+ Catch-up Contribution</strong></td>
<td>If you will be 50 or older in 2013, you may make additional Catch-up contributions. For your convenience, if you meet the age requirement, Fletcher Allen will automatically extend your contribution limit to the maximum allowed by law. In 2013, the catch-up contribution limit is $5,500, making the total limit for those age 50 and older $23,000.</td>
</tr>
</tbody>
</table>

### Fletcher Allen Basic Contribution (Employer Contribution)

After six months of service, Fletcher Allen will begin making contributions to your account of 3% to 10% of your eligible earnings (determined by adding your age and years of service together to calculate a “points” total). It is not necessary to make personal contributions to receive the employer basic contribution.

\[
\text{Your Age + Years of Service (points) = Fletcher Allen's Basic Contribution}
\]

- <40 points = 3%
- 40-59 points = 5%
- 60-79 points = 7%
- 80+ points = 10%

### Fletcher Allen Matching Contribution (Employer Contribution)

If you contribute 3% or more of your earnings, Fletcher Allen will make a matching contribution of 2% of your earnings. If you contribute less than 3%, the matching contribution will be pro-rated.

### Investment Options
Our plan offers a wide range of investment options designed to meet your specific goals, time horizon and risk tolerance. There are mutual funds for stocks, bonds and short-term investments such as money markets and US Treasuries. We also offer a line-up of T. Rowe Price LifeCycle mutual funds. Experienced investors may be interested in opening a self-directed Fidelity Brokerage Link account to access other mutual funds.

### Education & Consultations
Fidelity hosts frequent on-site education workshops and one-on-one employee meetings. View the schedule and make an appointment online at Fidelity.com/AtWork/Reservations or you can call (800) 642-7131.

### Learn More, Enroll & Manage Your Account

**Accessing Plan Information & Account Log On**
You can use our plan’s microsite online at Plan.Fidelity.com/Fletcher to access plan information and to log on to your account. Here, you will find information on many general and plan-specific topics, including investment basics, contributions, withdrawals, loans and rollovers. Once you log on to your account, you will enter the Fidelity NetBenefits website (Fidelity.com/AtWork).

**Enroll, Make Contributions & Manage Your Account**
Once you create an account on the NetBenefits website, you'll be able to enroll in the plan and begin making contributions. You will also be able to select investments, make changes to your contributions, view on-demand statements, designate a beneficiary, and access the many educational and planning tools available.

You can also manage and learn more about your account by calling the Fidelity Retirement Services Center at (800) 343-0860.

**Enrollment Guide and the Summary Plan Descriptions**
For the most complete information on the plan, look for the Plan Information and Documents sections of the NetBenefits site where you will find the Enrollment Guide and the Summary Plan Descriptions. These documents are also available on the Fletcher Allen intranet site. You may also request printed copies by calling (802) 847-2825, option 2.

---

Disclaimer: This brochure provides only a brief summary of the benefits available under the Fletcher Allen Health Care benefit programs. In the event of a discrepancy between this summary and the Plan Document, the Plan Document will prevail. Fletcher Allen retains the right to modify and/or eliminate these or any other benefits at any time for any reason.
### Medical Coverage

#### Medical Plan administered by Blue Cross Blue Shield of Vermont

You are eligible for coverage the first day of the month following your date of hire or benefits-eligibility date.

<table>
<thead>
<tr>
<th>IN-NETWORK PROVIDERS (VERMONT HEALTH PARTNERSHIP – VHP)</th>
<th>OUT-OF-NETWORK PROVIDERS (BLUECARD &amp; OTHER)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fletcher Allen Preferred Plan</strong></td>
<td><strong>Fletcher Allen Preferred Plus Plan</strong></td>
</tr>
<tr>
<td><strong>Fletcher Allen Preferred Plus Plan</strong></td>
<td>Preferred Plus is the only medical plan that provides in- and out-of-network coverage.</td>
</tr>
<tr>
<td>When utilizing in-network VHP providers, coverage is the same, regardless of plan.</td>
<td></td>
</tr>
<tr>
<td>Annual Deductible (does not apply to co-pays, pharmacy or mental health services)</td>
<td></td>
</tr>
</tbody>
</table>
| $250 per person, up to $750 for a family  
Includes coinsurance  
Does NOT include co-pays | $500 per person, up to $1,500 for a family  
Includes coinsurance  
Does NOT include co-pays |
| Annual Out-of-Pocket Maximum | |
| $1,500 per person, up to $4,500 for a family  
Includes deductible  
Includes coinsurance  
Does NOT include co-pays | $2,000 per person, up to $6,000 for a family  
Includes deductible  
Includes coinsurance  
Does NOT include co-pays |
| **Lifetime Maximum Benefit** | Unlimited  
Unlimited |
| **Pre-Existing Condition Limit** | None  
None |
| Office Visit: Preventive Care | Covered at 100%  
Not Covered |
| X-ray and Laboratory Services (Preventive) | |
| Routine Vision Exam  
(one visit every 24 months) | |
| Office Visit: Primary Care | $10 co-pay per office visit  
After the deductible is met, you pay 30% coinsurance on the remaining charges, up to the annual out-of-pocket maximum. |
| Office Visit: Specialist Care | $25 co-pay per office visit |
| Office Surgery (Specialist) | |
| Second Opinion | |
| Maternity: Confirm Pregnancy  
Prenatal/Postnatal Visits | $10 co-pay for first office visit  
Remaining visits covered 100% |
| Hospice | Covered at 100% |
| Outpatient Physical, Speech and Occupational Therapy | $10 co-pay for FAHC Provider only  
$25 co-pay per office visit  
(up to 30 visits per year)  
After the deductible is met, you pay 30% coinsurance on the remaining charges, up to the annual out-of-pocket maximum. |
| Chiropractic Care | Plan pays $15 per visit (up to 12 visits per year)  
Plan pays $15 per visit (up to 12 visits per year) |
| Urgent Care/Fanny Allen WICC | $25 co-pay plus coinsurance, if applicable  
$25 co-pay plus coinsurance, if applicable |
| Emergency Room | $50 co-pay (waived if admitted)  
plus coinsurance, if applicable  
$50 co-pay (waived if admitted)  
plus coinsurance, if applicable |
| Hospital Inpatient Care | After the deductible is met, Fletcher Allen charges are subject to 5% coinsurance and other providers' charges are subject to 10% coinsurance, up to the annual out-of-pocket maximum.  
After the deductible is met, you pay 30% coinsurance on the remaining charges, up to the annual out-of-pocket maximum. |
| Outpatient Surgery (doctor and hospital fees) | |
| Outpatient CT/MRI/Nuclear Scans | |
| X-ray and Laboratory Services (Diagnostic) | |
| Skilled Nursing Facility  
(up to 120 days per year) | After the deductible is met, you pay 10% coinsurance on the remaining charges, up to the annual out-of-pocket maximum. |
| Home Health Care | After deductible is met, you pay 20% coinsurance on the remaining charges, up to the annual out-of-pocket maximum. |
| External Prosthetic Devices | |
| Durable Medical Equipment | |
| Infertility Treatment AI, IUI, IVF | After deductible is met, you pay 50% coinsurance. $15,000 Lifetime Maximum Benefit. Must be a Fletcher Allen Provider.  
Not Covered |

For detailed information about Fletcher Allen’s Medical Plans, please visit BCBSVT.com.

VHP and BlueCard providers will:
- Bill BCBSVT directly for your services, so you don’t have to submit a claim.
- Not ask for payment at the time of service, except for deductible, coinsurance, or co-payments.
- Accept BCBS Allowed Price as full payment (you do not have to pay the difference between their total charge and BCBS Allowed Price).

Non-VHP and non-BlueCard providers may bill you for any balances between their charge and the BCBSVT Allowed Price.
MENTAL HEALTH/SUBSTANCE ABUSE  

<table>
<thead>
<tr>
<th></th>
<th>IN-NETWORK</th>
<th>OUT-OF-NETWORK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inpatient</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>After the deductible is met, Fletcher Allen charges are subject to 5% coinsurance and other providers’ charges are subject to 10% coinsurance, up to the annual out-of-pocket maximum.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Outpatient** (office visit and group therapy)  

|$10 co-pay per visit|

PRESCRIPTION DRUG BENEFIT  

<table>
<thead>
<tr>
<th></th>
<th>30-DAY SUPPLY</th>
<th>90-DAY SUPPLY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GENERIC</td>
<td>PREFERRED</td>
</tr>
<tr>
<td>Fletcher Allen Pharmacy</td>
<td>$0</td>
<td>$25</td>
</tr>
<tr>
<td>Cigna Retail Pharmacy</td>
<td>$10</td>
<td>$30</td>
</tr>
<tr>
<td>Cigna Home Delivery Pharmacy</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Infertility  

50% coinsurance up to annual benefit of $2,000

CONTACT & PROVIDER NETWORK DIRECTORIES

- Blue Cross Blue Shield of Vermont  
  1-800-344-6690  |  BCBSVT.com
- Cigna Behavioral Health  
  1-800-554-6931  |  CignaBehavioral.com
- Cigna Prescription Drug Plan  
  1-800-622-5579  |  myCigna.com
- Fletcher Allen Pharmacy  
  1-802-847-2821

HOW THE DEDUCTIBLE & COINSURANCE PROCESS WORKS

**EXAMPLE 1:** You visit your primary care provider for your annual check-up which includes routine preventive lab work such as cholesterol screening. There is no co-pay for the office visit. This preventive lab work is covered at 100% and is NOT subject to the deductible or any coinsurance.

**EXAMPLE 2:** You have a diagnostic x-ray performed at a Fletcher Allen site that costs $1,750. If you have not paid any deductible yet for the year, you will pay the first $250 of charges for the x-ray to meet that $250 deductible. Your coinsurance will then be 5% of the remaining charges ($1,500 x .05 = $75). Your total cost is $325 ($250 deductible + $75 coinsurance).

**EXAMPLE 3:** You have an in-network inpatient hospital stay that costs $12,000 and you have already paid your $250 deductible for the year. You would be responsible for 10% of the charges ($1,200) if your hospital stay was not at Fletcher Allen Health Care. If your hospital stay was at Fletcher Allen Health Care, your 5% coinsurance would be $600.

DENTAL COVERAGE  

Northeast Delta Dental

<table>
<thead>
<tr>
<th></th>
<th>IN-NETWORK</th>
<th>OUT-OF-NETWORK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eligibility</strong></td>
<td>First day of month following hire date or benefits-eligibility date.</td>
<td></td>
</tr>
<tr>
<td><strong>Type of Plan</strong></td>
<td>Use Northeast Delta network providers to receive the highest level of benefits.</td>
<td></td>
</tr>
<tr>
<td><strong>Annual Deductible</strong></td>
<td>$25 per person, up to $75 for a family.</td>
<td></td>
</tr>
<tr>
<td><strong>Annual Maximum Benefit</strong></td>
<td>$1,500 per individual, plus carryover benefit, if applicable. (all services except orthodontics, see below).</td>
<td></td>
</tr>
</tbody>
</table>

- Preventive Services (oral exams, cleanings, x-rays)  
  100% coverage, no deductible. Please note: Plan allows up to 4 cleanings per year and the cost applies towards your annual maximum benefit.
- Basic/Restorative Services (fillings, root canals, simple extractions, periodontics)  
  80% usual and customary, after deductible.
- Major Services (crowns, dentures, surgical extractions)  
  50% usual and customary, after deductible.
- Orthodontia  
  50% usual and customary, $1,500 lifetime maximum per-person.

Contact & Provider Network Directory  

1-800-832-5700  |  NEDelta.com

VISION COVERAGE  

Vision Service Plan

<table>
<thead>
<tr>
<th></th>
<th>IN-NETWORK</th>
<th>OUT-OF-NETWORK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eligibility</strong></td>
<td>First day of month following hire date or benefits-eligibility date.</td>
<td></td>
</tr>
<tr>
<td><strong>Complete Eye Exam</strong> (once every 12 months)</td>
<td>Covered at 100% after $15 co-pay</td>
<td>Covered up to $35</td>
</tr>
<tr>
<td><strong>Frames</strong> (once every 24 months)*</td>
<td>Covered up to $150 after $20 co-pay</td>
<td>Covered up to $45</td>
</tr>
<tr>
<td><strong>Lenses</strong> (once every 12 months)*</td>
<td>Covered at 100% (up to plan allowance)</td>
<td>Covered up to: Single $25</td>
</tr>
<tr>
<td><strong>Contact Lenses</strong>*</td>
<td>Covered up to $150</td>
<td>Covered up to $105</td>
</tr>
</tbody>
</table>

Contact & Provider Network Directory  

1-800-877-7195  |  VSP.com

*Note: You may receive frames/lenses or contact lenses, but not both.
**2013 BI-WEEKLY PREMIUMS FOR MEDICAL, DENTAL & VISION INSURANCE**

<table>
<thead>
<tr>
<th></th>
<th>FULL-TIME EMPLOYEE (72-80 HOURS)</th>
<th></th>
<th>PART-TIME EMPLOYEE (60-71 HOURS)</th>
<th></th>
<th>PART-TIME EMPLOYEE (40-59 HOURS)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SINGLE</td>
<td>2 PERSON</td>
<td>FAMILY</td>
<td>SINGLE</td>
<td>2 PERSON</td>
</tr>
<tr>
<td>Preferred Medical Plan</td>
<td>$50.10</td>
<td>$100.25</td>
<td>$132.85</td>
<td>$75.20</td>
<td>$150.40</td>
</tr>
<tr>
<td>Preferred Plus Medical Plan</td>
<td>$57.15</td>
<td>$114.35</td>
<td>$151.50</td>
<td>$85.75</td>
<td>$171.50</td>
</tr>
<tr>
<td>Dental Plan</td>
<td>$4.70</td>
<td>$8.65</td>
<td>$15.70</td>
<td>$4.05</td>
<td>$7.10</td>
</tr>
<tr>
<td>Vision Plan</td>
<td>$4.05</td>
<td>$7.10</td>
<td>$10.15</td>
<td>$4.05</td>
<td>$7.10</td>
</tr>
</tbody>
</table>

**DISABILITY COVERAGE**

**SHORT-TERM DISABILITY (STD) – UNUM: FLETCHER ALLEN PAID**

**Full-Time Employees**
(72 - 80 hours per-pay-period)

Eligibility begins after six months of employment. Benefits begin after seven (7) calendar days of disability. Benefit pays 60% of bi-weekly base earnings for up to 12 weeks.

**Part-Time Employees**
(40 - 71 hours per-pay-period)

Eligibility begins after one year of employment. Benefits begin after 14 calendar days of disability. Benefit pays 45% of bi-weekly base earnings for up to 11 weeks for employees with up to 3 years of service. Benefit pays 60% of bi-weekly base earnings for up to 11 weeks for employees with 3 or more years of service.

**LONG-TERM DISABILITY (LTD) – UNUM**

**Basic LTD**
(Fletcher Allen paid)

Basic LTD is fully paid for by Fletcher Allen. Benefits begin after a 90 day waiting period. Benefit equals 60% of pre-disability earnings up to a maximum benefit of $10,000 per month. Long-term Disability coverage has a pre-existing condition limitation. Refer to the Summary Plan Description (SPD) for specific information.

**Additional LTD**
(employee-paid)

You may purchase an additional 6 ²/³% benefit to bring your coverage level to 66 ²/³% of pre-disability earnings. Employee-paid rate is based on age and annual salary, see below for calculation. Additional Long-term Disability coverage has a pre-existing condition limitation. For specific information, refer to the Summary Plan Description (SPD). (See rates in chart below.)

**Eligibility Date**
First day of month following hire date or benefits-eligibility date.

**Contact Information**
1-866-717-4820 | UNUM.com

**EXAMPLE OF LTD INCOME REPLACEMENT & PREMIUM CALCULATION**

A 46 year old employee has a salary of $2,500 per month ($30,000/year). The basic LTD benefit of 60% would be $1,500/month ($18,000/year).

If the employee buys the Additional LTD Coverage, the benefit would be 66 ²/³%, or $1,650 per month ($19,800/year).

The cost of the 6 ²/³% Additional LTD Coverage would be $2.08 per pay period ($2,500 salary per month / 100 x $0.083 = $2.08).
EXAMPLE OF IMPUTED INCOME CALCULATION

The premium Fletcher Allen pays for your life insurance coverage that exceeds $50,000 must be treated as additional taxable income paid to you.

The following example shows how this imputed taxable income would be calculated for a 46 year old employee with an annual salary of $30,000 and life insurance coverage of $60,000 (2x annual salary). Example:

Insurance Coverage $60,000.00
Premium paid for this amount is tax-exempt $50,000.00
Premium paid for this amount is taxable $10,000.00

The value of the premium paid on the $10,000—the “imputed income”—is calculated using a table provided by the IRS. In this case, $10,000 / 1000 x $0.069 = $0.69 per pay period.

The total annual imputed taxable income reported on the employee’s W-2 would be $17.94 ($0.69 x 26 pay periods).

Bi-weekly Imputed Income Rate per $1,000 of Benefit

<table>
<thead>
<tr>
<th>Age</th>
<th>Rate per $1,000 of Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 24 and under</td>
<td>$0.0278</td>
</tr>
<tr>
<td>Age 25-29</td>
<td>$0.0278</td>
</tr>
<tr>
<td>Age 30-34</td>
<td>$0.0332</td>
</tr>
<tr>
<td>Age 35-39</td>
<td>$0.0398</td>
</tr>
<tr>
<td>Age 40-44</td>
<td>$0.0411</td>
</tr>
<tr>
<td>Age 45-49</td>
<td>$0.0571</td>
</tr>
<tr>
<td>Age 50-54</td>
<td>$0.0916</td>
</tr>
<tr>
<td>Age 55-59</td>
<td>$0.1448</td>
</tr>
<tr>
<td>Age 60-64</td>
<td>$0.2405</td>
</tr>
<tr>
<td>Age 65-69</td>
<td>$0.4585</td>
</tr>
<tr>
<td>Age 70-74</td>
<td>$0.8679</td>
</tr>
<tr>
<td>Age 75 and over</td>
<td>$1.5511</td>
</tr>
</tbody>
</table>

LONG-TERM CARE INSURANCE

- Provides you and your dependents with financial protection against the high cost of long-term care (90 days or more) that is not covered by medical or disability insurance – including home care, assisted living, convalescent or nursing facilities.
- Guaranteed Benefit Option helps offset inflation. Automatic Benefit Increase feature available to offer further protection against inflation.
- Coverage available for employee, spouse, civil union partner, domestic partner, parents, parents-in-law, grandparents or grandchildren.
- Rates are based on age and coverage level.

Contact Information 1-877-777-9072 | LTCBenefits.com (password: fletchergltc)
Save Money: Use a Flexible Spending Account in 2013

Health Care and Dependent Care Accounts Provide Tax Savings

You can save up to 40% on many everyday health and dependent care costs by paying for them on a pre-tax basis. A Flexible Spending Account (FSA) lets you put aside money for these expenses before you pay state, federal, and Social Security taxes on those earnings.

Why Enroll?

The big reason is to save money, but an FSA is also convenient and flexible. You can use your WageWorks debit card to pay for eligible expenses and you can access the WageWorks website to submit claims and request direct payment to your health care and child care providers.

You can pick a health care account for you and your dependents' health care expenses or a dependent care account for child care or elder care services, or you can pick both. You can elect to contribute up to $2,500 for health care and $5,000 for dependent care. You can easily save hundreds of dollars in taxes!

More Time to Incur and Submit Claims

Remember that we offer a grace period that gives you more time to spend the money in your Flexible Spending Accounts and more time to submit claims.

What Do You Need to Do?

Taking advantage of a Flexible Spending Account does require some planning and work on your part.

Plan Carefully—"Use It or Lose It": Per IRS regulations, you must forfeit your unused contributions. We cannot return any money you have left in your account. And remember, under the health care reform law, over-the-counter medications are not eligible for FSA reimbursement unless they are prescribed by your doctor.

Managing Your Account: You’ll need to submit claims for reimbursement and review your online account to see if action is required on your part. And for many debit card purchases, you’ll need to submit documentation to WageWorks within 90 days of the transaction date to show that your claim is eligible to be reimbursed. Failure to provide proper documentation within 90 days can result in debit card suspension. The best documentation to submit is the Explanation of Benefits provided to you by your insurance carrier when a claim is processed.

Questions?

To talk to an expert who can help you make the most of your FSA, call WageWorks at 877-WageWorks (877-924-3967) Monday through Friday, 8am to 8pm. Information is also available at WageWorks.com. For detailed information about Flexible Spending Accounts, please see the Summary Plan Description available in the Benefits section of the Fletcher Allen intranet site at intranet.FAHC.org.

### Flexible Spending Accounts

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care Maximum Contribution</td>
<td>$2,500</td>
</tr>
<tr>
<td>Dependent Care Maximum Contribution</td>
<td>$5,000</td>
</tr>
<tr>
<td>Plan Year</td>
<td>January 1, 2013 to December 31, 2013</td>
</tr>
<tr>
<td>Claims Grace Period</td>
<td>January 1, 2014 to March 15, 2014*</td>
</tr>
<tr>
<td>Claims Submission Deadline</td>
<td>May 31, 2014</td>
</tr>
<tr>
<td>Contact Information</td>
<td>877-WageWorks (877-924-3967)</td>
</tr>
</tbody>
</table>

*To take advantage of the grace period you must be covered by the plan on the last day of the plan year (December 31, 2013).
TIME OFF OPTIONS

COMBINED TIME OFF (CTO)

CTO Eligibility
Fletcher Allen Health Care offers a Combined Time Off (CTO) program that groups all vacation time, holidays, sick time, and personal days into one account to give you great flexibility and control in the management of your paid time off.

You begin to accumulate time off from the start of your employment or immediately upon becoming eligible. CTO is earned on each hour you work, up to 80 hours in a pay period. The rate at which you accumulate CTO is based on your position and your length of service at Fletcher Allen. (See the chart below for more detail.)

Your CTO “bank” is shown on your paycheck, where you will see a tally of time earned and taken, and your current balance. Your hours do rollover from year-to-year, but there is a limit to how much you can have in your bank. That limit is equal to one and a half times your annual accrual amount.

CTO is one of your most valuable benefits. We recommend you manage your time so that you will be prepared in the event of an illness or accident. As your time accumulates, you’ll have opportunities during the annual Open Enrollment process to convert unused time into cash.

CTO Details

<table>
<thead>
<tr>
<th>Levels of CTO Accrual</th>
<th>Hourly Accrual Rate</th>
<th>Who accrues at this rate?</th>
<th>Examples:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.099726</td>
<td>Hourly employees with less than 5 years of service</td>
<td>As a newly hired hourly employee, you work 80 hours in a pay period. You will accrue 7.98 hours of CTO each pay period (80 hours x .099726).</td>
</tr>
<tr>
<td></td>
<td>.118904</td>
<td>Hourly employees with 5 – &lt;10 years of service</td>
<td>Full-time employees working 80 hours per-pay-period will earn 26 to 36 eight-hour days per year (208-288 hours per year). How much a part-time employee earns will depend on hours worked.</td>
</tr>
<tr>
<td></td>
<td>.138084</td>
<td>Hourly employees with 10 or more years of service</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Salaried employees with less than 5 years of service</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Salaried employees with 5 or more years of service</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Leadership positions manager-level and higher</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Converting Time-Off into Cash</th>
<th>Who accrues at this rate?</th>
</tr>
</thead>
<tbody>
<tr>
<td>CTO Sell: Any full- or part-time employee can sell up to 40 hours of time, in 8 hour increments. If you choose to sell time, the hours will be deducted from your CTO bank and then multiplied by your base hourly rate to determine the total value. That value is then paid to you in equal amounts through the following year’s 26 paychecks. The dollars flow into your paycheck as additional income. Many employees do this to help offset the premium they pay for benefits. The only requirement to sell CTO is that you must have at least 40 hours of CTO remaining after the sold hours have been deducted from your bank.</td>
<td></td>
</tr>
<tr>
<td>CTO Cash-in: Cashing-in CTO time is another way to convert unused hours into take-home pay. This option provides you with a lump sum payment. Any full-time, part-time or regularly scheduled employee may cash-in CTO. During Open Enrollment, you decide how many hours to cash-in (up to your authorized bi-weekly hours) and when in the following calendar year you would like to receive your cash. Taxes are withheld at the supplemental rate. The only requirement to cash-in CTO is that you must have at least 40 hours of CTO remaining after the cashed-in hours have been deducted from your bank.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Additional information on the CTO program is available on our intranet at intranet.FAHC.org. On the Combined Time Off page you will find the Combined Time Off Policy (HR-C-02), the Holiday Policy (HR-B-07), holiday schedules for the current year, and a detailed CTO Accrual Chart that includes maximum allowed balances.</td>
</tr>
</tbody>
</table>

FLEX-TIME OFF (FTO)

FTO Details
Based on length of service, all full-time employees receive extra time off at the beginning of each year. A full-time employee with less than 10 years of service receives 8 hours of Flex-Time Off (FTO) and one with 10 or more years of service receives 16 hours. FTO can be taken as paid time off or it can be converted into cash like CTO (see CTO Sell above). The FTO information is on your pay statement, near the CTO bank.

Note: If you take FTO as paid time off, it will automatically be deducted from your FTO bank before any CTO is used in the new calendar year. When you use FTO as paid time off, you do not accrue CTO on those 8 or 16 hours of FTO. Also, FTO earnings are not 403(b)-eligible, meaning neither you nor Fletcher Allen makes retirement contributions on those earnings.

Service Benefit Dollars

Service Benefit Dollars are designed to reward long-term service. An employee with 10 or more years of service as of December 31 will receive Service Benefit Dollars the following year. The benefit ranges from $200 to $500 per year for full-time employees and is pro-rated for part-time employees. Service Benefit Dollars are paid out through the course of the year in equal per-pay-period amounts.

<table>
<thead>
<tr>
<th>SERVICE CREDIT BENEFIT DOLLARS BY PAY PERIOD AND BY YEAR</th>
<th>Full-time (72-80 hrs)</th>
<th>Part-time (60-71 hrs)</th>
<th>Part-time (40-59 hrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years of Service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10-14</td>
<td>$7.70 ($200 per year)</td>
<td>$5.77 ($150 per year)</td>
<td>$3.85 ($100 per year)</td>
</tr>
<tr>
<td>15-19</td>
<td>$11.54 ($300 per year)</td>
<td>$8.65 ($225 per year)</td>
<td>$5.77 ($150 per year)</td>
</tr>
<tr>
<td>20-24</td>
<td>$15.39 ($400 per year)</td>
<td>$11.54 ($300 per year)</td>
<td>$7.70 ($200 per year)</td>
</tr>
<tr>
<td>25+</td>
<td>$19.23 ($500 per year)</td>
<td>$14.43 ($375 per year)</td>
<td>$9.62 ($250 per year)</td>
</tr>
</tbody>
</table>
Summary Plan Descriptions (SPD)

WHAT IS A SUMMARY PLAN DESCRIPTION?
In easily understood language, a SPD explains all aspects of the plan, including who can be covered, what the benefits are, how to submit a claim, and how the appeal process works.

HOW DO I GET SUMMARY PLAN DESCRIPTIONS?
We will mail copies of the medical and dental SPDs to your home when you enroll in the plans. We will also mail you the medical SPD whenever a new edition is published.

The SPDs for life insurance, disability coverage, flexible spending accounts, and the 403(b) retirement plan are all on our intranet site. For a link to the Summary Plan Descriptions page, visit intranet.FAHC.org and click on Employee Resources, and then Benefits & Compensation. You may also request a printed copy of any Summary Plan Description by calling the Benefits Department at (802) 847-2825, option 2, or by emailing benefits@vtmednet.org.

The Employee and Family Assistance Program (EFAP) in Partnership with Wellness

PROFESSIONAL HELP FOR EMPLOYEES AND THEIR FAMILIES
The Fletcher Allen EFAP provides mental health counseling for you and the members of your household at no cost. We are here to help—our professional counseling staff can help you resolve a problem early, before it interferes with your home or work life. Our Wellness program offers screenings and wellness coaching in the workplace to motivate employees to lead a healthy and active lifestyle. EFAP and Wellness services are offered at no cost and are always confidential. Services include help with accessing internal benefits and resources, counseling, treatment referrals, and wellness coaching. EFAP and Wellness can help you and your family in many ways:

PERSONAL
- Mental Health and Adjustment Issues
- Depression Screening
- Communication Difficulties
- Anger Management
- Alcohol and Substance Use
- Grief and Loss
- Marital and Relationship Difficulties
- Parenting Dynamics

PROFESSIONAL
- Critical Incidence Stress Debriefing (CISD)
- Unit Based Educational Workshops
- Conflict Resolution
- Stress Management
- Work Performance Concerns
- Co-worker Conflict
- Return to Work Assistance

WORK-LIFE
- Financial Problems
- Elder Care Resources
- Child Care Resources
- Veteran Support
- Educational Material
- Links to Internal and External Resources

WELLNESS PROGRAM
- Weight Management Initiatives
- Physical Activity and Seasonal Offerings
- Smoking Cessation Groups
- Biometric and Blood Pressure Screenings
- Behavior Change Programs

To schedule an appointment with a counselor or to request information on wellness or work-life services, please contact the Employee and Family Assistance offices at (802) 847-2827 or EFAP@vtmednet.org.
Leaving Fletcher Allen? Retiring?

WONDERING WHAT HAPPENS TO YOUR BENEFITS?

Employees leaving Fletcher Allen to relocate or retire often have questions about what happens to the various benefits they've had while working here. Here are a few highlights for employees planning for a change:

Medical, dental, and vision insurance and flexible spending accounts can be continued through COBRA for 18 to 36 months, depending on the circumstance. Under COBRA you will pay the full premium amount to continue the coverage. For more information, including the current COBRA rates, please visit the Benefits & Compensation intranet page and look for the Continuation of Benefits section. There you will find the Benefits Summary for Terminating Employees.

Your unused CTO time will be paid out to you with your final paycheck.

There are several options for your balance in our 403(b) plan. You can rollover the balance to another plan or into an IRA, you can take a distribution, or you can keep the balance in our plan.

Your group life and long-term disability policies can be changed to personal policies within 31 days of your termination. The Benefits team can provide you with the rates for this if you are interested. Note, you remain covered under your employee group life insurance during this 31 day conversion period, even if you do not submit the conversion paperwork.

FLETCHER ALLEN RETIREE MEDICAL COVERAGE

Fletcher Allen offers two retiree medical plans, one for those under age 65 and one for those age 65 and older.

To enroll in either plan, you must be enrolled in the employee plan at the time you leave Fletcher Allen.

Pre-65 Plan: To be eligible to enroll in the Pre-65 plan, you must also be at least age 55 and have at least 15 years of service. In 2013, single coverage is $443.40 per month.

Post-65 Plan: The Post-65 plan is designed to supplement your coverage under Medicare. There is no service requirement for enrolling in this plan. In 2013, single coverage is $165.75 per month.

For more details, see the Summary Plan Descriptions available through our intranet’s Benefits & Compensation page.

Fletcher Allen Health Care believes the Fletcher Allen Preferred Plan is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when the law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement to cover dependents up to age 26 regardless of the availability of other coverage. However, a grandfathered health plan must comply with certain other consumer protections in the Affordable Care Act, such as the elimination of lifetime limits on benefits.

Questions regarding which protections apply and do not apply to a grandfathered health plan, and what might cause a plan to change from grandfathered health plan status, can be directed to the Benefits Department at 847-2825, option 2. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.
More Employee Benefits & Programs

### Employee Discounts

Many area companies and merchants offer discounts to our employees, including discounts on cell phone contracts, automotive repair, electronics, entertainment, meals and lodging, gym memberships, and many other services and products. To take advantage of many of these discounts you will need to show your Fletcher Allen ID badge. For more information visit our intranet site at intranet.fletcherallen.org/employee_resources/pages/emp_discounts.aspx.

### Tuition Reimbursement and Personal Growth

The Organizational Development Department provides many opportunities for all staff to enhance their skills through educational programs. Programs include: short courses for staff and leaders offered throughout the year, customized workshops, and team building programs. Fletcher Allen tuition reimbursement programs also support learning by offering financial assistance to staff enrolled in degree and certification programs. Eligible employees have an annual benefit ranging from $2,600 to $3,950. For more information call 847-8800 or visit our intranet site at intranet.fletcherallen.org/employee_resources/edu/pages/welcome.aspx.

### Employee Referral

Fletcher Allen is always looking for everyday heroes to join the team. When you encourage your most talented friends, family members, and professional acquaintances to apply: you may qualify for an Employee Referral Bonus of up to $1,000. To be considered, the first step is to have the applicant enter your name on their online application. Each successfully hired referral you make may lead to a big reward! For more information call 847-2825, option 3 or visit our intranet site at intranet.fletcherallen.org/employee_resources/recruitment/pages/welcome.aspx.

### Transportation Discounts

Fletcher Allen offers a 25% discount on CCTA LINK commuter passes and a 50% discount on local bus passes. Fletcher Allen also offers a 25% discount on ferry tickets for employees who live in New York. Carpool incentives are available to any employee at the Medical Center Campus, University Health Center, Fanny Allen, and 1 Burlington Square who have two or more employees who commute to work together. Incentives include gas coupons and monthly restaurant drawings. Stop by the Security Office at the Medical Center Campus to purchase passes or to register a carpool group. For more information visit our intranet site at intranet.fletcherallen.org/employee_resources/pages/transportation_discounts.aspx.

### CATMA

Fletcher Allen is a member of CATMA (Campus Area Transportation Management Association). Through this membership, employees are eligible to enroll in a variety of alternative commuter programs, including $15 gift cards for biking or walking to/from work, confidential carpool matching services, and emergency rides home. For more information call 856-RISE or visit CATMAVT.org.

### On-site Banking and Financial Education

Fletcher Allen employees can become a member of the New England Federal Credit Union (NEFCU), and enjoy free checking with all the perks, as well as low cost, convenient auto and home loans. NEFCU offers an array of seminars for everyone in your family. NEFCU is committed to being "your financial advocate." For more information call 879-8790 or visit NEFCU.com/kiosk_fahc.html.

### Child Care Referrals

Child Care Resource has a child care provider database of over 460 Chittenden County programs that are licensed or registered through the State of Vermont. Child Care Resource provides information and referrals to quality child care programs that serve children from infancy to age 12. These services are offered to Fletcher Allen employees at no charge. For more information call 883-3387 or visit ChildCareResource.org.

### Frymoyer Community Health Resource Center

(ACC Main Pavilion, 3rd Level)

The Frymoyer Center is a consumer health education library that can help employees and their family members research health and wellness topics. The Frymoyer Center can also locate resources for health care, social services, and support groups in the area. Employees may borrow from the collection of consumer health books and DVDs. The Frymoyer Center also provides computers for access to the UVM Dana Medical Library which includes electronic medical journals. For more information call 847-8821 or visit FletcherAllen.org/community_resources/resource_center/about_frymoyer/

### GEM and Recognition Program

Everyone at Fletcher Allen plays a role in providing compassionate care. Our Recognition Program provides opportunities to acknowledge staff members who Go the Extra Mile (GEM) for our patients and their families, and for each other. The program includes awards you can give your peers, and, if you are a leader, to your employees. Nominate a colleague who you see going above and beyond, and hopefully you can inspire someone!

### Paying for Meals with Your ID Card

Our employee food outlets offer reasonably priced meal options that include fresh and organic local fare. You’ll find locally-raised ground beef, many vegetarian choices and organic fair-trade coffee. Employees can use their ID badges to purchase food at the Medical Center, UHC, and Fanny Allen campuses. The cost will be deducted from an upcoming paycheck.

### WITH eSERVICES YOU CAN...

- View and change personal information, including your address, telephone number and emergency contact information.
- Review your current and past benefit elections.
- View your paycheck online and receive a copy via email.