

2007 Benefits Guide

This guide is an overview of the benefits that we provide. We hope that you find this guide to be useful. If you have additional questions about any of the benefits outlined in this guide, please contact our HR team or provider. Contact information can be found on the last page.



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Eligibility

All regular full-time employees regularly scheduled to work a minimum of 30 hours to 40 hours per week are eligible the first day of employment. At that time, you may also elect coverage for your dependents including:

- Your legal spouse
- Your unmarried children who are:
 - Less than 25 years old
 - Over 25 years old, who are incapable of self-sustaining employment by reason of mental or physical handicap and supported primarily by you (proof of their ages and dependence must be submitted)

Please Note:

This guide highlights your benefits. It is not a summary plan description (SPD). Official plan and insurance documents actually govern your rights and benefits, including covered expenses, exclusions, and limitations. Please refer to the individual SPD's. If any discrepancy exists between this guide and the official documents, the official documents will prevail.

Enrollment Procedures

New Hires

As a new employee, your coverage becomes effective on the first of the month after your date of hire.

Open Enrollment

Benefit-eligible employees have the opportunity to enroll in or make changes to their benefit plans during an open enrollment period. Benefits become effective on October 1st.

Enrollment Procedures

The following steps will guide you through the enrollment process.

1. **Carefully review** the plan information in this benefit enrollment guide and all other plan materials included in your enrollment packet. The insurance carriers' web sites also provide important information and tools that can help you make enrollment decisions.
2. **Consider the needs** of any dependents you may have. If you are married, review any coverage currently offered through your spouse's employer to avoid costly duplicate coverage.
3. Once you have made your benefit elections, **complete and submit** the applicable forms, make a copy for your records, and fax the forms to HR. Should you decide to decline coverage, you will still need to complete the enrollment form(s) indicating your choice to waive coverage.
4. Enrollment must be received by HR **within 30 days of your date of hire or date of eligibility**.

Section 125 and Benefit Election Changes

Under Section 125 of the Internal Revenue Service (IRS) code, you are allowed to pay for certain group insurance premiums with tax-free dollars.

However, you must make your benefit elections carefully, including the choice to waive coverage. Your pretax elections will remain in effect until the next annual open enrollment period unless you experience an IRS approved qualifying change in status.

Qualifying change in status events include, but are not limited to:

- ✓ Marriage, divorce, or legal separation
- ✓ Death of spouse or other dependent
- ✓ Birth or adoption of a child
- ✓ A change in your spouse's employment status
- ✓ A change in your dependent's eligibility status due to age, student status, marital status, or employment
- ✓ You or your spouse's change in work hours that affect benefit eligibility

If a qualifying event occurs, you will need to notify Human Resources within 30 days of the event to make changes.



Your Health Plan Options

ABC Company offers you two Choice Plus plan options through United Healthcare. Please refer to the chart entitled "Medical Benefits At A Glance" to detail plan features.

As a plan member you have access to many consumer education tools and value-added programs designed to help you manage you and your dependents' medical care—24 hours a day, seven days a week. You can log on to the Carrier website to take a virtual tour.

Your Health Plan Options *Continued*

Employee Medical and Dental Contributions

Medical	Total Annual Cost	Annual Employee Cost	Bi-Weekly Employer	Bi-Weekly Employee
Employee				
Emp+Spouse				
Emp+Child(ren)				
Family				
Medical	Total Annual Cost	Annual Employee Cost	Annual Employer Cost	Bi-Weekly Rate
Employee				
Emp+Spouse				
Emp+Child(ren)				
Family				
Dental	Total Annual Cost	Annual Employee Cost	Annual Employer Cost	Bi-Weekly Rate
Employee				
Emp+Spouse				
Emp+Child(ren)				
Family				
Vision	Total Annual Cost	Annual Employee Cost	Annual Employer Cost	Bi-Weekly Rate
Employee				
Emp+Spouse				
Emp+Child(ren)				
Family				

Medical Benefits at a Glance

The Choice Plus plan gives you the freedom to see any Physician or other health care professional from the network, including specialists, without a referral. With this plan, you will receive the highest level of benefits when you seek care from a network physician, facility, or other health care professional.

You may also choose to seek care outside of the network without a referral. However, the care received from a non-network physician, facility, or other health care professional results in a higher deductible and copayment. Any additional, the Carrier only pays a portion of some charges, and it is your responsibility to pay the remainder. The additional amount you pay does not apply to the Out-of-Pocket Maximum.

	Choice Plus Plan 1		Choice Plus Plan 2	
	In-Network	Out-Of-Network	In-Network	Out-Of-Network
Calendar Year Deductible (CYD)	\$2,000 Individual \$3,000 Family	\$3,000 Individual \$4,000 Family	\$250 Individual \$500 Family	\$1,000 Individual \$2,000 Family
Annual out of-pocket max (Deductible is excluded)	\$4,000 Individual \$6,000 Family	\$6,000 Individual \$8,000 Family	\$2,000 Individual \$4,000 Family	\$4,000 Individual \$8,000 Family
Lifetime maximum	No maximum	\$1,000,000/person	No maximum	\$1,000,000/person
Physician services				
Office visits	\$25 co-pay	No benefit for preventive care 40% after CYD*	\$20 co-pay	No benefit for preventive care
Specialists	\$25 co-pay		\$20 co-pay	
Immunizations	\$25 co-pay		\$20 co-pay	
Routine physicals	\$25 co-pay		\$20 co-pay	
Well baby	\$25 co-pay		\$20 co-pay	
Chiropractic	\$25 co-pay		\$20 co-pay	
Maternity— Office Visit (First visit only, prenatal care)	\$25 co-pay	No benefit	\$20 co-pay	
Pharmacy prescriptions up to 30-day supply				
Generic	\$10 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay
Preferred	\$30 co-pay	\$30 co-pay	\$25 co-pay	\$25 co-pay
Non-preferred	\$50 co-pay	\$50 co-pay	\$40 co-pay	\$40 co-pay
Mail-order prescription up to 90 day supply				
Generic	\$25 co-pay		\$25 co-pay	
Preferred	\$75 co-pay		\$62.50 co-pay	
Non-preferred	\$100 co-pay		\$100 co-pay	
Emergency room	\$100 per visit	\$100 per visit	\$50 per visit	\$50 per visit
Ambulance (Emergency only)	20% after CYD	20% after CYD*	10% after CYD	10% after CYD*
Hospital services—inpatient	20% after CYD	40% after CYD*	10% after CYD	40% after CYD*
Home Health Care (max 60 visits per year)	20% after CYD	40% after CYD*	10% after CYD	40% after CYD*
Durable medical equipment (max \$2,500 per year)	20% after CYD	40% after CYD (prior notification required)*	10% after CYD	40% after CYD* (prior notification required)
Outpatient Surgery, Diagnostic, & Therapeutic Services				
Surgery	20% after CYD	40% after CYD*	10% after CYD	40% after CYD*
Diagnostic services	No copayment for lab & radiology	40% after CYD*	No copayment for lab & radiology	40% after CYD*
Therapeutic Services	20% after CYD, includes CT Scans, MRI & Nuclear Medicine	40% after CYD*	10% after CYD, includes CT Scans, MRI & Nuclear Medicine	40% after CYD*
Mental health & Substance Abuse				
Inpatient	20% after CYD	40% after CYD*	10% after CYD	40% after CYD*
Outpatient	\$25 per individual visit, \$25 per group visit	40% after CYD*	\$20 per individual visit, \$15 per group visit	40% after CYD*

Dental Benefits at a Glance

ABC Company offers you a PPO dental plan. The PPO offers a large network of providers for in-network benefits. By utilizing an in-network provider, your out-of-pocket expenses are less. However, you may access an out-of-network provider keeping in mind this may result in an increased out-of-pocket cost.

	PPO Plan		
	Deductible	Coinsurance	Maximum Benefit
Calendar Year Maximum			\$1,000 per person per calendar year
Orthodontic Maximum			\$1,000 lifetime maximum
Preventive Services: Routine Exams (two per 12 months) Teeth Cleaning (two per 12 months) Fluoride Treatments (one every 12 months for dependent children under age 14) X-Rays (Bitewing one every 12 months, Panoramic one every 60 months) Sealants	\$0	100%	
Basic Services Oral Surgery Fillings Periodontics, non-surgical (once every 24 months per quadrant, surgical (once every 26 months per quadrant)	\$50 Individual \$150 Family	10% PPO 20% non-PPO	
Major Services: Inlays, Onlays, Crowns, including replacement (once per tooth every 60 months) Full and partial dentures, including replacement (covered only if at least 60 months have elapsed since last placement) Bridgework, including replacement (covered once per 60 months)	\$50 Individual \$150 Family	50%	
Orthodontic Services: include but are not limited to: Forma, full-banded retention Removable or fixed appliances Orthodontia (children only)	\$0	\$50%	

Late Entrant Wait Period

If you do not elect coverage when you first become eligible and elect at a later date you will be subject to the following wait periods:

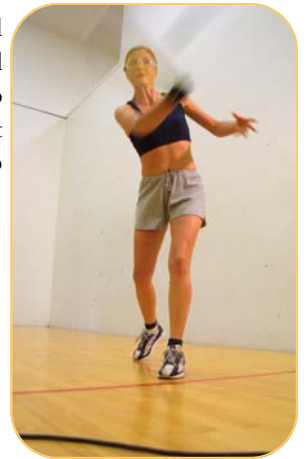
Basic, Major, or Ortho Services: 12 months



*Keep in mind out of network providers can "balance bill" after co-insurance for amounts billed over usual and customary rates (UCR). You receive no balance billing when you use in-network providers.

Employer Paid Benefits

Life Insurance	ABC Company provides employee life insurance equal to 1X the employee's annual salary up to \$100,000. Premiums for core life insurance (the 1X annual salary provided by the Company) in excess of \$50,000 are taxable income for the employee.
Accidental Death & Dismemberment Insurance	ABC Company provides Accidental Death & Dismemberment (AD&D) coverage for the employee equal to 1X the employee's annual salary up to \$100,000.
Short Term Disability Insurance	ABC Company provides Short Term Disability (STD) coverage for the employee with a benefit (following a 7 calendar qualification period) of 60% of basic weekly earnings for up to 12 weeks. Maximum weekly benefit for STD is \$1,200.
Long Term Disability Insurance	ABC Company provides Long Term Disability (LTD) coverage for the employee with a benefit (following a 90 calendar day qualification period) of 60% of basic monthly earnings for the full term of the disability. Maximum monthly benefit for LTD is \$7,000.
Employee Assistance Program	ABC Company provides an Employee Assistance Program (EAP) that is available for all full-time employees and their immediate family members. All full-time employees may access the EAP by calling the Carrier at xxx-xxx-xxxx. Employees enrolled in medical benefits have access to an additional EAP by calling the number on the back of the insurance card for more information.
Educational Assistance Program	When a full-time employee completes 90 days of service, ABC Company will reimburse tuition, lab fees, and cost of books for approved work-related graduate and undergraduate courses taken at an accredited school up to \$3,000.00 per year. If an employee voluntarily terminates employment within 12 months of receiving a reimbursement, (s)he will be required to repay ABC Company.



Employee Paid Voluntary Life

Employee Voluntary Life Insurance	The employee may purchase additional life insurance available in \$10,000 increments up to a maximum of \$500,000. The guaranteed coverage amount under age 70 is \$250,000 and 70 or over is \$10,000. Any amount over \$250,000 will require an Evidence of Insurability form to be filled out. If an employee does not enroll within their first 30 days of employment and wishes to enroll at a later time, an Evidence of Insurability form will also need to be filled out at that time.
Dependent Voluntary Life Insurance	Employees may purchase additional life insurance for their spouse in the amount of 50% of employee election up to a maximum of \$100,000. The guaranteed coverage amount under age 70 is \$50,000 and 70 or over is \$5,000. Any amount over \$50,000 will require an Evidence of Insurability form to be filled out. Child(ren) coverage is available in the amounts of \$10,000 or \$25,000 and cannot exceed 50% of the employee's election.

Employee Paid Voluntary Life

Premiums for voluntary life insurance are paid by the employee on an after tax basis. See the information below that will help you to determine your bi-weekly premiums.

Age	Employee	Spouse	Coverage	Child
	Bi-Weekly Rates per \$10,000 of coverage	Bi-Weekly Rates per \$5,000 of coverage		B-Weekly Premium per Family
29 & under	\$0.462	\$0.231	\$10,000	\$0.92
30-34	\$0.508	\$0.254	\$25,000	\$2.31
35-39	\$0.646	\$0.323		
40-44	\$0.877	\$0.438		
45-49	\$1.338	\$0.669		
50-54	\$2.077	\$1.038		
55-59	\$3.369	\$1.685		
60-64	\$5.169	\$2.585		
65-69	\$9.369	\$4.685		
70 & over	\$18.785	\$9.392		

Actual payroll deduction amount may be slightly different due to rounding.

The employee and spouse are charged separately based upon their individual ages.

Your group's rates include Accidental Death and Dismemberment and are guaranteed for two years. Your rate or your spouse's rate may change because of moving to a different age category.

Calculating Your Premium

	Coverage	Increment	Units	Rate	Bi-Weekly Premium
Employee	\$	\$10,000	=	x \$	= \$
Spouse	\$	\$5,000	=	x \$	=
Child	\$	\$10,000 or \$25,000	=	x \$	=
Total					\$

Flexible Spending Accounts

Flexible Spending Accounts (FSAs) provide you with an important tax advantage that can help you pay health care and dependent care expenses on a pre-tax basis. By anticipating your family's health care and dependent care costs for the next plan year, you can actually lower your taxable income.

Essentially, the Internal Revenue Service set up FSAs as a means to provide a tax break to employees and their employers. As an employee, you agree to set aside a portion of your pre-tax salary in an account, and that money is deducted from your paycheck over the course of the year. The amount you contribute to the FSA is not subject to Social Security (FICA), federal, state, or local income taxes — effectively adjusting your annual taxable salary. The taxes you pay each paycheck and collectively each plan year can be reduced significantly, depending on your tax bracket. And, as a result of the personal tax savings you realize, your spendable income will increase. See the example below:

Bob's income is \$30,000. He has two children. Since Bob expects to spend \$2,000 in dental expenses and \$3,300 for daycare next plan year, he has decided to direct a total of \$5,300 into his FSAs.

	Without FSAs	With FSAs
Gross income:	\$30,000	\$30,000
FSA contributions:	0	-5,300
Taxable income:	30,000	24,700
Estimated taxes:		
Federal	-2,570*	-1,755*
Social Security	-1,860	-1,531
Medicare Tax	- 435	- 358
After-tax earnings:	25,135	21,035
Eligible out-of-pocket medical and dependent care expenses:	-5,300	0
Remaining spendable income:	\$19,835	\$21,035
Spendable income increase:		\$1,200

* Assumes standard deductions and four exemptions.

** Varies, assume 3% *What does this refer to? I don't see any ***

The example above is for illustrative purposes only. Every situation varies. We recommend that you consult a tax advisor for all tax advice.

Flexible Spending Accounts

Is the FSA Program Right for Me?

The Flexible Spending Accounts are beneficial for anyone who has out-of-pocket medical, dental, vision, hearing, or dependent care expenses beyond what his or her insurance plan covers.

It's easy to determine if an FSA will save you money. At enrollment time, you will need to determine your annual election amount. Estimate the expenses that you know will occur during the year. These include out-of-pocket expenses for yourself and anyone claimed as a dependent on your taxes. If you had \$100 or more in recurring or predictable expenses, the accounts can help you stretch your dollars.

How Do the Accounts Work?

If you decide to enroll in one or both of the accounts, your contributions are taken out of each paycheck — before taxes — in equal installments throughout the plan year. These dollars are then placed into your FSA. When you have an eligible health care or dependent care expense, you will submit your receipts/claims and reimbursement forms to Ceridian.

The Health Care Reimbursement FSA will reimburse you for the full amount of your annual election (less any reimbursement already received), at any time during the plan year, regardless of the amount actually in your account.

The Dependent Care FSA will only reimburse you for the amount that is in your account at the time you make a claim.

Important: Use it or Lose It!

The deadline to submit claims is 90 days after the end of the plan year. If you terminate employment prior to the end of the plan year, you have 90 days from your date of termination to submit claims. If you decide to contribute to the Health Care Reimbursement FSA or the Dependent Care FSA, you must carefully determine your annual election amount and your spending during the plan year. According to IRS regulations, the money you set aside must be used for expenses incurred during the plan year in which you make the election. Any funds left in the account at the end of the year will be forfeited.

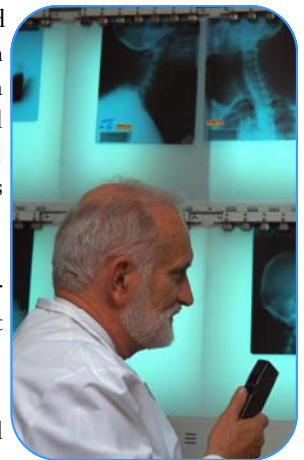
Health Care Flexible Spending Account

The Health Care FSA lets you pay for certain IRS-approved medical care expenses not covered by your insurance plan with pre-tax dollars. For example, cash that you now spend on deductibles, co-payments, or other out-of-pocket medical expenses can instead be placed in the Health Care Reimbursement FSA pre-tax, to pay for these expenses. The annual maximum contribution to the Health Care Reimbursement FSA is \$2,600 and the minimum is \$260.

Eligible Expenses

Eligible health care expenses for the Health Care Reimbursement FSA include more than just your deductible and co-payments. Generally, any medically necessary health care expense that you can deduct on your tax return is considered an eligible expense. Some examples include:

- Hearing services, including hearing aids and batteries
- Vision services, including contact lenses, contact lens solution, eye examinations, and eyeglasses
- Dental services and orthodontia
- Chiropractic services
- Acupuncture
- Over the counter medications



Flexible Spending Accounts

Dependent Care Flexible Spending Account

The Dependent Care FSA lets you use pre-tax dollars towards qualified dependent care. The annual maximum amount you may contribute to the Dependent Care FSA is \$5,000. If you elect to contribute to the Dependent Care FSA, you may be reimbursed for:

- The cost of child or adult dependent care
- The cost for an individual to provide care either in or out of your house
- Nursery schools and preschools (excluding kindergarten)

Eligible Expenses

In order for dependent care services to be eligible, they must be for the care of a tax dependent child under age 13 who lives with you, or a tax dependent parent, spouse, or child who lives with you and is incapable of caring for himself or herself. The care must be needed so that you and your spouse (if applicable) can go to work. Care must be given during normal working hours — Saturday night babysitting does not qualify — and cannot be provided by another of your dependents.

The following chart lists some of the items eligible and will help you calculate your annual reimbursable expenses for the upcoming plan year:

Flexible Spending Account Expenses

Medical		Vision		Dental		Dependent Care Expenses	
Deductibles	\$	Exams	\$	Routine Exam	\$	Children	\$
Copays	\$	Eye Surgery	\$	Fillings/Crowns	\$	Adults	\$
Prescriptions	\$	Lenses/Frames	\$	Orthodontics	\$		
Other	\$	Contacts/Solutions	\$	Other	\$		
Total	\$	Total	\$	Total	\$	Total	\$

Estimated Annual Expenses & Tax Savings

Total Medical+Vision+Dental Expenses	\$
Total Dependent Care Expenses	+
Total Expenses	\$
Tax Bracket Percentage (see right)	x
Annual Tax Savings	\$
Number of Pay Periods	/
Estimated Savings Amount Per Paycheck	\$

Tax Estimate Table

Annual Household Earnings	Estimated Tax Rate
< \$30,000	25%
\$30,000—\$40,000	29%
\$40,000—\$70,000	31%
> \$70,000	33%

* Based on Social Security, federal, and state income taxes. Rates are estimates based on national averages and may not reflect your actual tax rate.

Other Information

401(k)

ABC Company provides this plan to assist employees with saving for retirement. Employees are eligible after ninety (90) days of continuous employment. Enrollments are effective on the first of the next month. Eligible new hires will receive enrollment instructions and necessary paperwork directly from ABC Company approximately two to three weeks before their date of eligibility. Employees choose how all monies in the plan are invested using any of the many funds available in the plan. The plan involves both employee elective salary deferrals and employer matching contributions.

- A. **Employee elective Salary Deferrals**—The employee may elect to salary defer up to 100% of compensation or the annual legal maximum, whichever is less. Rollovers (of cash) from other qualified plans are permitted at any time. Employee contributions (deferrals and rollovers) are 100% vested at all times.
- B. **Employer Matching Contribution**—ABC Company makes a discretionary contribution to the plan for an employee only if the employee contributes. The ABC Company contribution is determined annually. Currently the ABC Company contribution is 1/2 of 1% for each 1% an employee contributes on the first 5% an employee contributes. For example, if an employee contributes 2%, ABC Company will contribute 1%. If an employee contributes 3%, ABC Company will contribute 1.5%. If an employee contributes 6% or more, ABC Company will contribute 2.5%. The matching contribution vests over 5 years at 20% after 1 year and 20% each additional year up to the 5th year.

When Do I Get Paid?

There are 26 bi-weekly pay periods per year.

How Much Vacation Do I Get?

Employees scheduled to work at least 20 hours per week receive paid vacation time after three months of employment. Your vacation time depends on the number of hours you work. Please see your employee handbook for further details.

What Are The Paid Holidays?

There are ten paid holidays recognized per year. Please see your employee handbook for further details.

Are There Any Discount Programs?

ABC Company provides you with access to a variety of discount programs. A complete up to date list can be found on our intranet site. Some of the companies offering discount programs at this time are:

Lifestyle Family Fitness

Franklin Covey

Walt Disney World Resorts

Borders Book Store

CVS Pharmacy

And Many More!!!

Are There Any Important Dates I Need To Know?

ABC Company has several important dates that you will want to be sure you keep on your calendar.

- Quarterly Company Meeting: 2nd Tuesday in March, July, October, and December
- Annual Employee Review: Last two weeks of July

About ABC Company

Mission Statement

We believe in.....

We stand for....

The values we live by are...

History

Our company was founded by



Community Involvement

Our company is fully committed to improving the world we live in by..... Some organizations we are support regularly are.....

In addition, we offer 1 hour of Community Involvement time to each employee per week to serve the community with the organization of their choice.

Commitment To You

Our company is fully committed to the success of our employees. To ensure your success, we

Contact Information

ABC COMPANY		800-555-2222
Recruiting	Sue Anderson	Ext. 100 Recruiting@ABC Company.com
New Hire Paperwork	Lee Johnson	Ext. 200 NewHire@ABC Company.com
Medical, Dental, Vision, COBRA	Rebecca Miller	Ext. 300 Benefits@ABC Company.com
401k, Flexible Spending Accounts	Jessica Stevens	Ext. 400 Savings@ABC Company.com
Payroll/Paycheck including Tax Questions/Changes	Becky Smith	Ext. 500 Payroll@ABC Company.com
Employee Expense Report Processing and Reimbursements	Mark Robinson	Ext. 600 Expenses@ABC Company.com
Performance Appraisals	Travis Spencer	Ext. 700 Performance@ABC Company.com
Terminations	Nick Boulder	Ext. 800 Exit@ABC Company.com

Benefit Plan Contacts

Medical	Carrier Policy #	Tel: website
Dental, Life AD&D & Voluntary Life AD&D, Short Term Disability, Long Term Disability	Carrier Policy #	Tel: website
Section 125 FSA Plan	Carrier Policy #	Tel: website
401(k) Plan	Carrier Policy #	Tel: website

