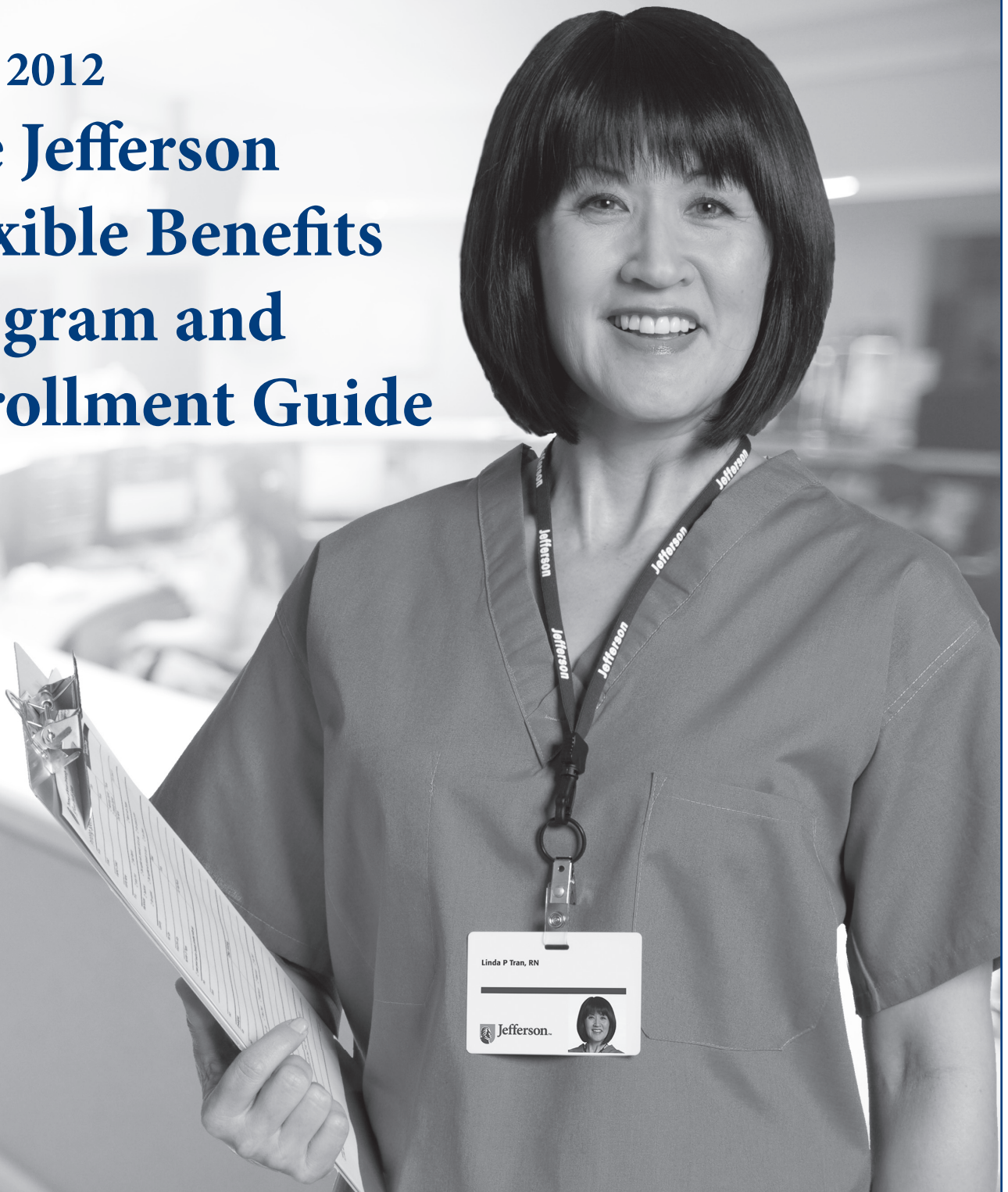




OPT 2012

The Jefferson Flexible Benefits Program and Enrollment Guide



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IMPORTANT BENEFITS ENROLLMENT INFORMATION

An OPT Election Form will be mailed to each benefit-eligible employee's home address prior to their benefits effective date (new hires, change-of-status, life events, etc.) It is the employee's responsibility to contact the Human Resources Service Center **before** the coverage effective date if form is not received.

If you do not submit your OPT election form by the return date, your election, other than employee reimbursement accounts, will default to your most recent election.

If the OPT election form is for your initial eligibility and you do not return the form by the return date, you will not receive medical insurance and medical benefits credits.

Open Enrollment is processed exclusively online through eBenefits. The time to enroll will be October 24, 2011 – November 11, 2011 for benefits effective January 1, 2012.

REAP THE FINANCIAL, EMOTIONAL AND PHYSICAL REWARDS OF HEALTHY LIVING IN 2012!

Welcome to the 2012 OPT Flexible Benefits Program, Jefferson's comprehensive benefits program. One of the most valuable components of your benefits program is your health coverage. To maximize your health coverage benefits, you and your dependents are encouraged to become familiar with and avail yourself of the many preventive services and healthy lifestyle programs offered to enrolled employees and their eligible dependents. A summary of these services follows.

PREVENTIVE SERVICES

When using a network provider, there are no copays, deductibles or coinsurance for certain preventive services including but not limited to:

- Well child care including vision, hearing and developmental screenings
- Iron supplements for children
- Immunization vaccines for both children and adults
- Blood pressure, cholesterol, HIV and colorectal screenings, including colonoscopies
- Mammograms and cervical cancer screenings for women (including PAP smears)
- Folic acid supplements and anemia screenings for pregnant women

HEALTHY LIFESTYLE PROGRAMS – INDEPENDENCE BLUE CROSS

Visit www.ibx.com or call 1-800-ASK-BLUE regarding:

Financial Rewards

- Reimbursement for enrollments in gyms, smoking cessation and weight management programs
- Reimbursement for bike helmets
- Reimbursement for breast pumps and lactation consultants
- Reimbursement for CPR and parenting classes
- Discounts on massage, acupuncture, books and DVDs

Information and Resources

- Personal Health Profiles
- Baby BluePrints maternity program
- Online tools to research treatment options and Rx coverage

More Wellness programs and educational events will be announced during the year. Please look for further information and take advantage of what is offered.

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OPT: A Part of Our Tradition

OPT builds on Jefferson's tradition of excellence and leadership by using the latest concepts in employee benefits. It offers you one of the most comprehensive, responsive and effective benefit programs available today: comprehensive, because its Basic Benefits Plan and Optional Benefits combine to provide high quality protection; responsive, because it gives you the freedom to choose the kind of protection best for you; and effective, because the funds available for benefits will be spent where they'll do you the most good – meeting the unique needs of your lifestyle. Progressive employee benefit programs are a Jefferson tradition. Now is the time for you to join that tradition by designing the benefits package that is OPTimal for you.

For additional benefits information please view our website, www.jeffersonhr.org.

Click on benefits located in the menu on the left side of the page.

DESIGNING THE OPTIMAL PACKAGE

OPT: The Jefferson Flexible Benefits Program provides Basic Benefits which offer you a primary level of protection in most important areas. The OPT Program gives you the opportunity to supplement what's provided through the Basic Benefits portion of the program. Also, if you use the Flexible Spending Accounts (FSAs), you can save significantly on your federal income taxes.

The OPT Program enables you to design the optimal benefits package for yourself and for your family. In order for you to do this, you must understand how the program works, what your options are, and what the tax effects of your choices are. That's why we've put together this OPT Enrollment Guide. It has all the information you need to design a benefits package that best meets your own needs. What you'll find here is a general overview of the program and then details on the Basic and Optional Benefits. Each section deals with one type of coverage and gives you step-by-step instructions for completing your OPT Election Form. **This guide will be useful to you both now and in the future, so be sure to keep it.**

The best way to make informed decisions about which optional benefits are best for you and your family is first to read the general overview of the OPT Program in this OPT Enrollment Guide.

This OPT Enrollment Guide contains a summary of the benefits offered under each plan. This summary is not a guarantee of current or future benefits. Actual payments will be based on the provisions of the Plan Documents, which may be reviewed by contacting the Human Resources Service Center, 215-503-8100. **Summary plan descriptions may be viewed on our website, www.jeffersonhr.org.**

OPT AT A GLANCE

The OPT Program combines a Basic Benefits Plan with Benefit Credits that you can use to purchase Optional Benefits or increase your take-home pay. Jefferson pays a major portion of the cost of the OPT Program. Depending on the Optional Benefits you select and how you use your Employee Reimbursement Accounts, you may also contribute to the OPT Program. The following illustration (see box) shows how the OPT Program works for eligible employees.

WHO'S ELIGIBLE

All regular full-time employees and regular part-time Jefferson employees scheduled to work 20 or more hours per week in job classifications designated as benefit eligible are eligible for the OPT Program. Your waiting periods for coverage under each benefit appear in the table on page 3.

OPT: The Jefferson Flexible Benefits Program

Basic Benefits

- Life and Accidental Death & Dismemberment Insurance
- Travel Accident Insurance
- Long-Term Disability*
- Sick Day Allowance
- Salary Continuation for Faculty, Senior Administration and House Staff*

Benefit Credits

- Jefferson Contributions
- Optional Employee Contributions

Optional Benefit Choices

- Medical Insurance (including vision care & prescription drugs)
- Dental Insurance
- Life Insurance
- Dependent Life Insurance
- Supplemental Accidental Death & Dismemberment
- Short-Term Disability*
- Long-Term Disability*
- Flexible Spending Accounts
- Additional Take-Home Pay of unused benefit credits*

** part-time employees not eligible*

ENROLLING DEPENDENTS

You may enroll your spouse, eligible registered domestic partner and eligible dependent children in any of the medical options. A child is an eligible dependent until he/she attains age 26. You and your partner/dependents must choose the same options. For additional information on enrolling dependents, contact the Human Resources Service Center at **215-503-8100**.

HOW LONG YOUR OPTIONS STAY IN EFFECT

Your Options stay in effect for the length of the Plan Year. The Plan Year for OPT is normally from January 1 to December 31. The annual election period will occur in the Fall of each year for the Plan Year that starts on the following January 1. See information on page 8 concerning “Life Event Changes” that permit a change during the plan year.

USING YOUR BENEFIT CREDITS

Under the OPT Program, regular full-time benefit-eligible employees automatically receive a certain amount of Benefit Credits. Benefit Credits are based on your age, salary, dependent, and employment status. You may use all or part of your Benefit Credits to buy your Optional Benefits. You may also voluntarily convert a portion of your pre-tax salary to additional Benefit Credits in order to purchase more coverage or to contribute to Flexible Spending Accounts. This converted salary is not subject to federal or FICA taxes.

If both spouses/partners of a married couple or domestic partner couple are employed by the same Jefferson entity (TJUH, TJU, JUP), medical credits will be provided **only** to the employee with greater seniority. Level of credits will be given according to dependent status (employee, employee plus one dependent or employee plus two or more dependents).

Note: Benefit Credits are not provided to part-time employees.

UNUSED BENEFIT CREDITS

If you do not use all of your Benefit Credits to buy Optional Benefits or to establish an Flexible Spending Account, they will be converted to additional biweekly pay. Benefit Credits that you use to increase your pay will become part of your taxable income in that calendar year.

Benefit Credits transferred to your Flexible Spending Accounts are not taxable. They must, however, be used to pay qualified health care or dependent care expenses during the Plan Year or they will be forfeited. For more information, see “Using Your Flexible Spending Accounts: An Overview” on page 29.

Eligibility Table For OPT Coverage*

Plan

When You Become Eligible for Coverage

	<i>Faculty & Sr. Administrators</i>	<i>House Staff</i>	<i>Postdoctoral Fellows (full-time)</i>	<i>Other Employees</i>
Life Insurance	1 st day at work (full-time) 61 st day at work (part-time)	1 st day at work	1 st day at work	61 st day at work (full-time and part-time)
Accidental Death & Dismemberment Insurance	1 st day at work (full-time) 61 st day at work (part-time)	1 st day at work	1 st day at work	61 st day at work (full-time and part-time)
Medical Insurance	1 st day at work (full-time) 61 st day at work (part-time)	1 st day at work	1 st day at work	61 st day at work (full-time and part-time)
Dental Insurance	1 st day at work (full-time) 61 st day at work (part-time)	1 st day at work	1 st day at work	61 st day at work (full-time and part-time)
Flexible Spending Accounts	1 st day at work (full-time) 61 st day at work (part-time)	1 st day at work	1 st day at work	61 st day at work (full-time and part-time)
Short-Term Disability Plan	N/A	N/A	1 st day at work	61 st day at work (full-time only)
Long-Term Disability Plan	1 st day at work (full-time only)	1 st day at work (full-time only)	1 st day at work (full-time only)	61 st day at work (full-time only)

* Jefferson reserves the right to change or terminate benefit plan provisions at any time.

PART-TIME EMPLOYEE BENEFITS PROGRAM

The OPT Program includes subsidized benefits for eligible part-time employees who elect to participate. You are eligible if you are a regular part-time employee in a benefit-eligible job classification scheduled to work 20 hours or more per week. See chart below that explains the subsidy.

Part-Time Employees		
Option	Jefferson Contribution	Employee Contribution
Health Insurance	50% of cost	50% of cost
Dental Insurance	50% of cost	50% of cost
Life Insurance	Cost of 1/2 times* Salary	Voluntary Selection of up to 4x Salary
AD&D	Cost of 1/2 times* Salary	Voluntary Selection of up to \$300,000**
Dependent Life Insurance	N/A	Voluntary Participation
Flexible Spending Account	N/A	Voluntary Participation

* Must select an optional amount in order to receive basic insurance.

** Amounts above \$300,000 may not exceed lesser of 10 times annual salary or \$500,000.

OPT SELECTIONS FOR PART-TIME EMPLOYEES

Eligible part-time employees may select options for Medical and Dental coverage, Life and Accidental Death and Dismemberment Insurance, Dependent Life Insurance and the Employee Reimbursement Accounts. Part-time employees are not eligible to participate in Jefferson's Disability Programs beyond sick time accruals.

FLEXIBLE SPENDING ACCOUNTS (FSA)

Tax Advantages

The Flexible Spending Account lets you pay qualified health care and dependent care expenses on a pre-tax basis, instead of paying for these expenses from your take-home pay after federal income and FICA taxes have been deducted. This is done by converting a portion of your gross salary to additional Benefit Credits, which are then directed to your Flexible Spending Accounts before federal income, FICA taxes and Delaware income tax are deducted from your pay. This lowers your taxable income. Since lower taxable income translates into savings on your federal income and FICA

taxes, you'll actually spend less money to pay for the same qualified expenses. For more information and an example of how this works, see "Understanding Tax Facts" outlined on this page.

Special Note: Since the Benefit Credits Jefferson automatically gives full-time employees are not part of your taxable income, transferring any portion of them to your Flexible Spending Account to pay for qualified expenses will not lower your taxable income. Such a transfer to your Flexible Spending Account will enable you to receive tax-free reimbursements for qualified expenses. If you expect to have qualified expenses in the coming Plan Year, transferring unused Benefit Credits to your Flexible Spending Account may be more advantageous than converting credits to taxable salary.

Understanding Tax Facts

OPT: The Jefferson Flexible Benefits Program lets you use the dollars spent for your benefits in the most cost-effective way. The Flexible Spending Accounts enable you to pay certain qualified health care and dependent care expenses with your before-tax salary. Please read this section carefully to learn how insurance premiums, Benefit Credits, benefit payments, and contributions to the Flexible Spending Accounts are treated according to federal, state and local tax laws.

This information is based upon legal opinions Jefferson has received and upon our understanding of current tax laws and regulations. There is, however, some uncertainty concerning the tax consequences of specific aspects of the Program. In the event that a state or local taxing authority challenges Jefferson's position on these issues, or if applicable law or regulations develop adversely, individual employees may incur a tax liability. Other considerations such as estate and gift taxes may apply. This section is not intended to provide legal or tax advice, nor to offer recommendations on the benefit choices available. You should contact an appropriate professional for such advice.

This section is not a description of benefits under the OPT Program. The extent of these benefits and your eligibility for them are governed by the Plan Documents. If any discrepancies exist between the plan documents and information contained in this booklet, the language in the plan documents shall prevail. If you have any questions about your benefits, please contact the Human Resources Service Center at 215-503-8100.

TAXATION OF OPT BENEFIT CREDITS

This section explains the income, FICA and wage tax treatment of the cost of your OPT benefits and contributions to the Flexible Spending Account.

Benefit Credits

Jefferson automatically provides full-time employees with an amount of Benefit Credits. You may use your Benefit Credits to buy Optional Benefits or to fund an Flexible Spending Account; you may also take a portion of them as additional pay. You must decide how to use your credits and make your election prior to the beginning of each Plan Year.

The Benefit Credits Jefferson gives you, which are used to purchase benefits, are not subject to Federal Income, Social Security tax, Pennsylvania, New Jersey and Delaware income taxes, or the Philadelphia city wage tax. Any Benefit Credits you convert to additional take-home pay are subject to federal income and Social Security taxes, Pennsylvania, New Jersey and Delaware income taxes, and the Philadelphia city wage tax.

Benefits Purchased by Salary Reduction

At your election, you may convert a portion of your regular salary to Benefit Credits. These Benefit Credits may be used to purchase Optional Benefits or to fund your Flexible Spending Accounts. The amount of pay converted to additional Benefit Credits is then deducted from your gross income, not subject to federal income, Social Security, Pennsylvania, Delaware or New Jersey wage taxes. However, the amount you convert will still be subject to Philadelphia city wage tax.

Life Insurance Premiums

Under the Basic Benefits of OPT, Jefferson automatically provides a certain amount of employee life insurance coverage to full-time employees. The premium cost for this coverage is not considered taxable income.

Under the OPT program, the value of an employee’s life insurance coverage is taxed only if the total coverage (from Basic and Optional Benefits) exceeds \$50,000. For example, assume you have \$40,000 of life insurance coverage from your Basic Benefits, and you elect another \$40,000 of supplemental Life Insurance for a total of \$80,000. The value of the excess over \$50,000 (\$30,000 of coverage) is considered “imputed” income (and will be taxable income) when you file your federal income tax. It will be reported as imputed income on your W-2 statement (Box 12, code “c”) at the end of the calendar year. It is your responsibility to report this imputed income on your federal tax return.

To determine the imputed income value, the Internal Revenue Service calculates the cost of excess life insurance according to the following table:

Using this table for the foregoing example of \$30,000 of excess coverage (30 units of coverage at \$1,000 per unit), the annual imputed income for an employee age 50 to 54 would be \$39.24 (0.109 x 12 months x 30 units of excess coverage). The tax would be computed on this figure and would depend on your actual tax bracket.

Jefferson will withhold tax on affected life insurance coverage in excess of \$50,000 on a bi-weekly basis and display this information on your bi-weekly pay check stub.

Life Insurance Optional Coverage 2012 Rates	
<i>Employee’s Age</i>	<i>Monthly Cost Per \$1,000 Unit of Coverage</i>
Under 30	\$.019
30 to 34	.032
35 to 39	.032
40 to 44	.045
45 to 49	.057
50 to 54	.109
55 to 59	.191
60 to 64	.293
65 to 69	.471
70 and over	.503

Dependent Life Insurance Premiums

If you elect Dependent Life Insurance, the value of the full amount of this coverage is reported as “imputed” income for federal tax purposes. (The imputed value of the coverage is calculated in the same manner as excess life insurance coverage for the employee). For example, using the same table, if you elect the Dependent Life Insurance Option on your spouse that provides \$10,000 of coverage (10 units of coverage of \$1,000 per unit), and your spouse is between 40 and 44 years old, the annual imputed value for federal income tax purposes is \$5.40 (0.045 x 12 months x 10 units of supplemental coverage). The value of this coverage will also appear on your W-2 statement as imputed income.

Jefferson will withhold tax on dependent coverage on a bi-weekly basis and display this information on your bi-weekly pay check stub.

Accidental Death and Dismemberment (AD&D) Insurance Premiums

As with Life Insurance, Jefferson automatically provides a certain amount of AD&D coverage. The premium cost for any amount of AD&D coverage is not considered taxable income under any of the federal, state, or city tax laws. There is no “imputed” income taxation on the value of AD&D coverage.

Other Benefit Premium Costs

All premium costs for Short Term Disability Coverage (all employees except Faculty, Senior Administrators, and House Staff) and Long Term Disability Coverage are excluded from federal income and Social Security taxes,

Pennsylvania, New Jersey and Delaware income taxes, and Philadelphia city wage tax. Premium cost for Medical, and Dental Plans is subject to New Jersey income tax.

Contributions to the Flexible Spending Accounts

The Flexible Spending Accounts enable you to pay on a pre-federal tax basis for certain expenses not already paid either by Jefferson's other OPT Benefit Plans or by another sponsor's plan. The reimbursements from the Flexible Spending Accounts are, therefore, free from federal income tax, so long as you have not taken (or do not intend to take) a tax deduction or credit for them when filing your federal tax return. You may use the Flexible Spending Accounts for certain qualified health care and dependent care expenses. When a full-time employee funds the Flexible Spending Accounts with Benefit Credits provided by Jefferson, these amounts are not taxable. However, Flexible Spending Accounts funded by salary redirection are subject to Pennsylvania and New Jersey income taxes and Philadelphia city wage tax. Here's an example of how the tax advantages of the Flexible Spending Accounts can work: Let's assume your annual salary is \$25,000 and you have \$1,500 of qualified expenses that can be reimbursed through one or both of the Flexible Spending Accounts. The chart on the right illustrates the difference using your Flexible Spending Accounts can make.

By using the Flexible Spending Accounts, you get the same \$1,500 worth of services and end up with \$414 more to spend. Or, look at it this way: by using your Flexible Spending Accounts, you've purchased the same \$1,500 worth of services for only \$1,086 (\$1,500 - \$414 in tax savings).

If you use the Dependent Care Flexible Spending Account for eligible dependent care expenses, the IRS requires that individuals obtain information from dependent care provider(s). This information is needed in order to claim an income tax exclusion through that Flexible Spending Account.

The IRS has developed Form W-10 for the taxpayer to ask for the care provider information. The instructions on the form clearly tell the provider that the IRS Tax ID number will be used to help verify the accuracy of the tax returns of the taxpayer and the care provider.

The W-10 form is not to be filed with the IRS but, if used, should be kept by the employee as part of your tax records. Form W-10 can be obtained by calling your local IRS Office or by going to the IRS website at www.irs.gov.

How Before-Tax Contributions Increase Net Income

	<i>If your expenses are paid on an after-tax basis:</i>	<i>If you pay your expenses on a before-tax basis through Flexible Spending Account reimbursements:</i>
Your annual pay	\$25,000	\$25,000
Expenses paid on a before-tax basis	0	- \$1,500
W-2-income for federal tax purposes	\$25,000	\$23,500
Approximate federal withholding tax	- \$1,600	- \$1,300
Approximate Social Security Tax	- \$1,912	- \$1,798
Expenses paid after federal taxes are deducted	- \$1,500	- 0
After-tax earnings	\$19,988	\$20,402
Increase in spendable income due to federal tax savings		+ \$ 414

Uses federal withholding tax rate for 2011, assuming you are married, claim two exemptions. Using your Flexible Spending Account has no effect on Pennsylvania, New Jersey or Philadelphia income taxes.

TAXATION OF OPT BENEFIT PAYMENTS

This section discusses how benefits paid to you, your dependents, or beneficiaries under the various plans are usually treated for income tax purposes.

Life and Accidental Death and Dismemberment Insurance Benefits

In general, benefits paid from life insurance and AD&D coverage may be excluded from gross income under federal income and Social Security taxes, and state and city tax laws. This is true no matter who the beneficiary may be.

Sick Days, Salary Continuation, and Short-Term Disability (STD) Plan Benefits

For all tax purposes, salary continuation or use of sick days is considered taxable income. Benefit payments from the insured STD plan (for non-Faculty and non-Senior Administrative employees) are also subject to federal income, Social Security and Delaware taxes, but not Pennsylvania, New Jersey or Philadelphia city wage tax.

Summary of the Impact of Various Wage Taxes on Jefferson Benefit Programs

	<i>Taxation on Contributions for Benefit Plan Costs</i>						<i>Taxation on Benefit Plan Payments</i>					
	FIT*	FICA*	PA*	NJ*	DE*	PHILA*	FIT	FICA	PA	NJ	DE	PHILA
Employee Life Insurance (<i>\$50,000 or less</i>)	No	No	No	No	No	No	No	No	No	No	No	No
Employee Life Insurance (<i>Amount over \$50,000</i>)	Yes	Yes	No	Yes	Yes	Yes	No	No	No	No	No	No
AD&D Insurance	No	No	No	No	No	No	No	No	No	No	No	No
Dependent Life Insurance <i>on spouse / children</i>	Yes	Yes	No	Yes	Yes	Yes	No	No	No	No	No	No
Short-Term Disability Plan for non-Faculty and non-Senior Administrative Employees	No	No	No	No	No	No	Yes	Yes	No	No	Yes	No
Long-Term Disability Plan	No	No	No	No	No	No	Yes	No ¹	No	No	Yes	No
Medical Plan	No	No	No	Yes	No	No	No	No	No	No	No	No
Dental Plan	No	No	No	Yes	No	No	No	No	No	No	No	No
Flexible Spending Account	No	No	Yes	Yes	No	Yes	No	No	No	No	No	No
Pension Plans: • <i>Jefferson Contributions</i>	No	No	No	No	No	No	Yes	No	No	Yes	Yes	No
• <i>Participant Contributions & Tax-Deferred Annuity Plans</i>	No	Yes	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	No
Salary Converted to Benefit Credits	No	No	No	No	No	Yes	See specific plans					
Benefit Credits Converted to Salary	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

*FIT - Federal Income Tax
*FICA - Social Security Tax
*PA - Pennsylvania Income Tax

*DE - Delaware Income Tax
*NJ - New Jersey Income Tax
*PHILA - Philadelphia City Wage Tax

¹ Only benefits paid through the first six full calendar months following the month in which the employee's disability began are subject to FICA.

Long-Term Disability (LTD) Plan Benefits

Benefits paid under the LTD Plan are not taxed by Pennsylvania, New Jersey or Philadelphia. The Social Security tax itself is waived after six calendar months of disability.

Federal income and Delaware taxes apply to your LTD Benefits, although there may be a federal tax credit available for individuals, depending on total income level.

Medical, Dental, and Vision Care Plan Benefits

Payments made by the insurance carriers for these benefits are not considered taxable income under any of the income tax laws. However, this exclusion does not apply if you deducted these expenses from a prior year's tax return, or if the payments made by the insurance carrier exceeded the actual expenses you incurred.

JEFFERSON RETIREMENT PLANS

Contributions

Jefferson contributions to the basic retirement plans are not subject to federal income, Social Security taxes, or Pennsylvania, New Jersey, Delaware or Philadelphia taxes.

Employee contributions to a tax-deferred annuity plan or supplemental retirement annuity plan are exempt from federal income tax, but are still subject to Social Security, Pennsylvania, New Jersey and Philadelphia city wage tax. However, certain maximum annual contribution limits apply. For help in determining these limits, contact a Jefferson Pension Specialist at 215-503-8922 or 215-503-2743.

Benefit Payments

The treatment of benefit payments from the tax-deferred or tax-sheltered annuity programs is in contrast to the tax treatment for contributions to these plans. That is, such benefit payments are subject to federal and Delaware income tax; but they are not subject to Social Security tax, Pennsylvania and New Jersey income tax, and Philadelphia city wage tax.

LIFE EVENT CHANGES

Ordinarily, the OPT Benefits you select must remain in effect throughout the Plan Year. However, if a "life event" that affects your coverage occurs during a Plan Year, you may elect a different level of coverage, provided you submit appropriate documentation **within 30 days*** after the event takes place and your new selection is consistent with the life event change. Life events under the OPT Program include:

- Legal marital status change (marriage, death of a spouse, divorce, legal separation or annulment).
- Number of dependents (birth, adoption, placement for adoption, or death of a dependent).
- Change in employment or benefit eligibility (termination or commencement by the employee, spouse or dependent).
- Work schedule (reduction or increase in hours of employment of the employee, spouse or dependent affecting benefit status including a switch between part-time and full-time).
- Dependent change in eligibility (dependent either satisfies or ceases to satisfy the requirements for coverage due to attainment of certain age, or other such requirements under the plan).
- Residence or worksite (a change in the place of residence or work of the employee, spouse or dependent).

** Note: Contact the Human Resources Service Center to report the above changes.*

YOUR OPT ELECTION FORM

The OPT Election Form is a two-part, personalized form for recording the Optional Benefits you select.

The asterisks that appear on the Election Form indicate your current coverage.

The first sheet (white copy) is to be sent to the Human Resources Service Center with your plan selections. Keep the second sheet (pink copy) for your records. You will receive a Verification Form that validates all of your elections.

PERSONAL INFORMATION

This section of the OPT Election Form contains your name, home address, base annual salary, employee number, current service date and department or work location as they currently appear in our records.

It's important that you verify the accuracy of your personal information. In case of an error, you should contact the Human Resources Service Center as soon as possible. **You must return the Election Form by the date shown in the first paragraph of the form for your selections to be effective.**

BENEFIT CREDITS

This section of the OPT Election Form shows you the biweekly dollar value of your Benefit Credits. This amount reflects the Benefit Credits automatically provided by Jefferson toward the cost of your selections.

If both spouses/partners of a married couple or registered domestic partner couple are employed by the same Jefferson entity (TJUH, TJU, JUP), medical credits will be provided only to the employee with greater seniority. Level of credits will be given according to dependent status (employee, employee plus one dependent or employee plus two or more dependents).

Note: Benefit credits are not provided to part-time employees.

Sample full-time and part-time OPT Election Forms appear on pages 10 through 13. As you read through this material, refer back to the sample forms to become familiar with the OPT Flexible Benefits Program.

YOUR BENEFIT OPTIONS

WAIVING YOUR MEDICAL INSURANCE COVERAGE

Medical coverage may be waived only if you have other coverage (for example, through your spouse's plan). If you waive coverage, a portion of the Benefit Credits that you would have used for health care or dental coverage may be used for other benefits such as additional life insurance or for contributions to your Flexible Spending Accounts. Any credits that you do not use will be added to your taxable biweekly pay.

- **Important – A costly catastrophic illness or injury could threaten your financial security. For that reason, if you are a full-time employee, you must elect medical coverage for yourself unless you provide evidence that you are covered under another group health care plan. Remember to check the waiver box on your OPT Election Form and attach documentation of your current health insurance coverage.**

SELECTING MEDICAL COVERAGE

Before you choose your medical option, read the Group Health Plans Comparison Chart which is available from the Human Resources Service Center.

Then, look at the Medical Insurance Section of your OPT Election Form (Completed sample forms are included in this workbook on pages 10–13. Brief descriptions of the plans appear on pages 14–20). The Medical Option column lists the medical options. You may choose coverage for yourself, for you and one dependent, or for you and two or more dependents. The biweekly cost for each level of coverage is shown to the right of each medical option. The biweekly cost varies depending on the medical option you choose and the number of people covered.

If you choose an HMO, **you must list the code number for your primary care physician (PCP) in the appropriate area.** These code numbers are listed on the carrier websites. Check the box next to the option you want and write your cost in the space provided (on the right side of the form).

If you waive coverage and you are a full-time employee, you must provide evidence of enrolling in other group health coverage.

Remember: In the event of disability, Jefferson will continue medical insurance selected on the most recent election form while disability income is being received for up to one year from date of illness or injury, provided employee pays active employee premium rate.

HEALTH CARE PROTECTION

Your Optional Benefits offer you a choice of medical plans. Whether you choose an HMO, PPO or CDHP, you have access to the JeffPLUS network (see page 14 for facilities or visit www.jeffplus.org). The JeffPLUS network helps reduce your out-of-pocket costs while providing the highest quality of care. Your medical options include:

- **Health Maintenance Organization (HMO)**
An HMO option covers 100% of most eligible expenses – you may pay a small copayment. **If you use JeffPLUS providers (a subset of your HMO's provider/facility network), your copayments are lower.**
- **Preferred Provider Organization (PPO)**
Selecting a Preferred Provider Organizations (or PPO) means that you have access to a network of doctors and hospitals carefully chosen by Independence Blue Cross. Each time you need medical care, you decide whether to use JeffPLUS Network or PPO Network providers. **If you use JeffPLUS Network providers, you receive higher benefits, and you don't have to file claim forms.** If you use providers who are not in the JeffPLUS Network, the Plan still covers a large portion of your expenses, but deductibles and co-payments will apply.
- **Consumer-Driven Health Plan (CDHP)**
The CDHP gives you the opportunity to make decisions about how you want to spend your healthcare dollars (including how much to budget for out-of-pocket expenses), which providers to see and what services fit your personal situation.

You decide when you need medical care, whether to utilize JeffPLUS network, IBC network or out-of-network providers. **Your expenses will be the lowest if you use JeffPLUS providers.**

Sample for FULL-TIME Employees



OPT

The Jefferson Flexible Benefits Program
2012 ELECTION FORM
URG 01

This Election Form allows you to select Benefit Options in addition to the Basic Benefits already provided to you under OPT. If you require specific instructions to complete this form, call 215-503-8100, or visit the Service Center, 833 Chestnut Street, 1st floor. ***An asterisk indicates your current coverage.** To make your elections, please complete, sign, and return this Election Form to the Department of Human Resources by 11/11/12. **Elections will not be accepted after this date. Retain pink copy for your records.** If you do not submit this form by the return date, your coverages will default to your most recent elections. **If this form is for your initial eligibility and you do not return this form, you will not receive medical insurance and medical benefit credits.**

Jane Smith
101 Main Street
Philadelphia, PA 19101

Base Annual Salary \$35,000
Social Security Number xxx-xx-xxx
Employee Number 000123456
Current Seniority Date 11/26/95
Department/Location 10012345

BENEFIT CREDITS

If you ELECT Medical Insurance below, the amount of Total Benefit Credits given to you by Jefferson is	BIWEEKLY AMOUNT	
If you WAIVE Medical Insurance below, the amount of Total Benefit Credits given to you by Jefferson is	\$ 40.80	ELECT
	\$ 18.30	WAIVE

YOUR BENEFIT OPTIONS

1 Medical Insurance Effective 01/01/2012

Please note: If you need additional space for adding dependents to any of the Health Plans, please provide that information on a separate sheet of paper.

OPTIONS	EMPLOYEE ONLY	EMPLOYEE, 1 DEPENDENT	BIWEEKLY COST	EMPLOYEE, 2 OR MORE DEPENDENTS
Keystone HMO	<input checked="" type="checkbox"/> \$ 76.31	<input type="checkbox"/> \$ 139.71	<input type="checkbox"/> \$ 192.28	<input type="checkbox"/> \$ 176.08
Personal Choice PPO	<input type="checkbox"/> \$ 71.19	<input type="checkbox"/> \$ 128.92	<input type="checkbox"/> \$ 176.08	<input type="checkbox"/> \$ 176.08
IBC CDHP	<input type="checkbox"/> \$ 71.01	<input type="checkbox"/> \$ 128.54	<input type="checkbox"/> \$ 175.51	<input type="checkbox"/> \$ 175.51

Please check here if you elect to **waive** your Medical Insurance Coverage. Remember, full-time employees must be able to provide evidence of other group medical insurance coverage to elect this option.

Employee Physician PCP # 12345 (HMO Only)

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

\$76.31

PCP OFFICE CODE No.
This information required if selecting an HMO. ID cards will not be issued without this code which you may obtain from Keystone's website.

MEDICAL ENROLLMENT INFORMATION List all dependents covered under medical plan

ADD	DELETE	DEPENDENT NAME	DATE OF BIRTH	SOCIAL SECURITY NUMBER
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____

2 Dental Insurance Effective 01/01/2012

OPTIONS	EMPLOYEE ONLY	EMPLOYEE, 1 DEPENDENT	BIWEEKLY COST	EMPLOYEE, 2 OR MORE DEPENDENTS
Delta Dental	<input checked="" type="checkbox"/> \$ 2.51	<input type="checkbox"/> \$ 10.11	<input type="checkbox"/> \$ 17.99	<input type="checkbox"/> \$ 16.92
Aetna DMO	<input type="checkbox"/> \$ 1.81	<input type="checkbox"/> \$ 7.44	<input type="checkbox"/> \$ 16.92	<input type="checkbox"/> \$ 16.92

Employee Dentist DMO # _____ (Aetna Only)

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

\$2.51

Please note that if selecting Aetna DMO you must select a Primary dentist

DENTAL ENROLLMENT INFORMATION List all dependents covered under dental plan

ADD	DELETE	DEPENDENT NAME	DATE OF BIRTH	SOCIAL SECURITY NUMBER
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____

DENTIST OFFICE CODE No.

3 Life Insurance

Effective 01/01/2012

Your Basic benefit is \$ 17,500
To receive the basic benefit, part-time employees must select an option.

OPTIONS (In addition to your basic benefit)	BIWEEKLY COST
A <input checked="" type="checkbox"/> 17,500	\$ 0.26
B <input type="checkbox"/> 35,000	\$ 0.52
C <input type="checkbox"/> 70,000	\$ 1.03
D <input type="checkbox"/> 105,000	\$ 1.55
E <input type="checkbox"/> 140,000	\$ 2.07

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

\$.26

Sample for FULL-TIME Employees

4 Accidental Death & Dismemberment (AD&D) Insurance

Effective 01/01/2012

Your Basic benefit is \$ 17,500

To receive the basic benefit, part-time employees must select an option.

OPTIONS		EMPLOYEE ONLY	OPTIONS		EMPLOYEE ONLY	OPTIONS		FAMILY COVERAGE	OPTIONS		FAMILY COVERAGE	ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION
A	<input type="checkbox"/> \$ 50,000	\$0.51	D	<input type="checkbox"/> \$300,000	\$3.05	A	<input type="checkbox"/> \$ 50,000	\$0.78	D	<input type="checkbox"/> \$300,000	\$4.71	-0-
B	<input type="checkbox"/> \$100,000	\$1.02	E	<input type="checkbox"/> N/A	N/A	B	<input type="checkbox"/> \$100,000	\$1.57	E	<input type="checkbox"/> N/A	N/A	
C	<input type="checkbox"/> \$ 200,000	\$2.03	F	<input type="checkbox"/> N/A	N/A	C	<input type="checkbox"/> \$200,000	\$3.14	F	<input type="checkbox"/> N/A	N/A	

5 Dependent Life Insurance

Effective 01/01/2012

OPTIONS	BIWEEKLY COST
A <input type="checkbox"/> \$2,000/spouse, \$1,000/dependent child	\$ 0.36
B <input type="checkbox"/> \$5,000/spouse, \$2,000/dependent child	\$ 0.78
C <input type="checkbox"/> \$10,000/spouse, \$3,000/dependent child	\$ 1.57
D <input type="checkbox"/> \$15,000/spouse, \$4,000/dependent child	\$ 2.35
E <input type="checkbox"/> \$20,000/spouse, \$5,000/dependent child	\$ 3.05

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

-0-

6 Short Term Disability Insurance

Effective 01/01/2012

(Does not apply to Faculty, Sr. Administrators, House Staff)

Note: As of 10/12/11, you have accrued 86.5 sick hours.

OPTIONS	BIWEEKLY COST
A <input checked="" type="checkbox"/> 66 2/3% of salary to a weekly maximum of \$165, supplemented with partial sick hours.	\$ 6.17
B <input type="checkbox"/> 66 2/3% of weekly salary after use of available sick hours	\$ 23.41

Please check here if you elect to **waive** your short term disability insurance.
If you waive coverage, your only income will be from your pre-disability accrual of sick time.

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

\$6.17

7 Long Term Disability Insurance

Effective 01/01/2012

Your Basic benefit is 50% of monthly salary, up to the Plan maximum.

You may not increase your LTD election for two years.

OPTIONS	BIWEEKLY COST
A <input checked="" type="checkbox"/> 60% of monthly salary or \$1,750.00	\$ 2.75
B <input type="checkbox"/> 66 2/3% of monthly salary or \$1,945.42	\$ 9.35

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

\$2.75

8 Flexible Spending Account

Effective 01/01/2012

For an account to be in effect for calendar year 2012, you must complete this section. Indicate the amount of Benefit Credits you want deposited into the Account each pay period for each expense area and enter the total. IRS regulations require any amount remaining in your Flexible Spending Account at the end of the Plan year after reimbursement for eligible expenses will be forfeited. The minimum bi-weekly amount you may contribute is \$5.00. The maximum amount that you may contribute in a calendar year to a dependent care account is \$5,000 if you claim married or head of household when you file your income tax return; \$2,500 if you claim single. The maximum that you may contribute to a medical account is \$12,000 regardless of filing status. If you utilize both accounts, the combined maximum may not exceed \$12,000.

A. Biweekly Dependent Care (i.e. daycare) Expenses

B. Biweekly Medical, Vision and Dental Expenses

\$5.00

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION(S)

\$5.00

Your request for reimbursement for expenses incurred 1/1/2012 through 3/15/2013 must be submitted no later than June 30, 2013

Signature

I hereby apply for the Options elected above. I authorize Jefferson to deduct the cost of my elections in excess of my Benefit Credits from my biweekly pay. IRS regulations do not permit me to change my elections before the plan year 2013 unless I have a change in status event (legal marital status, number of dependents, employment status, dependent eligibility, residence) and I notify Human Resources and provide documentation within 30 days of the change. This document does not imply a guarantee of current or future benefits.

Signature Jane Smith

Date 11-03-12

Phone 3-7858

WORK HOME
e-mail Address jane.smith@home.com

Adding It Up

A. The total amount of Biweekly Benefit Credits given to you by Jefferson is: \$ \$40.80

(if you **ELECT** Medical Insurance, enter the amount listed above under Benefit Credits, Biweekly Amount **ELECT**)
(if you **WAIVE** Medical Insurance, enter the amount listed above under Benefit Credits, Biweekly Amount **WAIVE**)

B. Add the biweekly costs of your elections in Benefit Options 1 through 8: \$ \$93.00

If line A is greater than line B, enter the difference here: You will receive the excess benefit credits in your biweekly paycheck as taxable income. \$

If line B is greater than line A, enter the difference here: The total cost of the benefits you selected is greater than your benefit credits. This amount will be withheld on a pre-tax basis from your biweekly paycheck. \$ \$52.20

Sample for PART-TIME Employees



OPT

**The Jefferson Flexible Benefits Program
2012 ELECTION FORM**
UPT 02

This Election Form allows you to select Benefit Options in addition to the Basic Benefits already provided to you under OPT. If you require specific instructions to complete this form, call 215-503-8100, or visit the Service Center, 833 Chestnut Street, 1st floor. ***An asterisk indicates your current coverage.** To make your elections, please complete, sign, and return this Election Form to the Department of Human Resources by 11/11/12. **Elections will not be accepted after this date. Retain pink copy for your records.** If you do not submit this form by the return date, your coverages will default to your most recent elections. **If this form is for your initial eligibility and you do not return this form, you will not receive medical insurance and medical benefit credits.**

John Smith
102 Main Street
Philadelphia, PA 19101

Base Annual Salary \$19,000
Social Security Number xxx-xx-xxxx
Employee Number 000234567
Current Seniority Date 12/03/95
Department/Location 10070253

BENEFIT CREDITS

If you ELECT Medical Insurance below, the amount of Total Benefit Credits given to you by Jefferson is	\$ N/A	ELECT
If you WAIVE Medical Insurance below, the amount of Total Benefit Credits given to you by Jefferson is	\$ N/A	WAIVE

YOUR BENEFIT OPTIONS

1 Medical Insurance Effective 01/01/2012

Please note: If you need additional space for adding dependents to any of the Health Plans, please provide that information on a separate sheet of paper.

OPTIONS	BIWEEKLY COST		
	EMPLOYEE ONLY	EMPLOYEE, 1 DEPENDENT	EMPLOYEE, 2 OR MORE DEPENDENTS
Keystone HMO	<input type="checkbox"/> \$109.74	<input checked="" type="checkbox"/> \$219.49	<input type="checkbox"/> \$329.23
Personal Choice PPO	<input type="checkbox"/> \$96.25	<input type="checkbox"/> \$192.50	<input type="checkbox"/> \$288.75
IBC CDHP	<input type="checkbox"/> \$95.78	<input type="checkbox"/> \$191.55	<input type="checkbox"/> \$287.33

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

\$219.49

PCP OFFICE CODE No.
This information required if selecting an HMO. ID cards will not be issued without this code which you may obtain from Keystone's website.

Please check here if you elect to **waive** your Medical Insurance Coverage. Remember, full-time employees must be able to provide evidence of other group medical insurance coverage to elect this option.

Employee Physician PCP # 12345 (HMO Only)

MEDICAL ENROLLMENT INFORMATION List all dependents covered under medical plan

ADD	DELETE	DEPENDENT NAME	DATE OF BIRTH	SOCIAL SECURITY NUMBER
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mary Smith	01/01/60	xxx-xx-xxxx
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____

2 Dental Insurance Effective 01/01/2012

OPTIONS	BIWEEKLY COST		
	EMPLOYEE ONLY	EMPLOYEE, 1 DEPENDENT	EMPLOYEE, 2 OR MORE DEPENDENTS
Delta Dental	<input type="checkbox"/> \$6.17	<input checked="" type="checkbox"/> \$15.13	<input type="checkbox"/> \$18.34
Aetna DMO	<input type="checkbox"/> \$4.51	<input type="checkbox"/> \$ 8.41	<input type="checkbox"/> \$15.63

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

\$15.13

Please note that if selecting Aetna DMO you must select a Primary dentist

DENTIST OFFICE CODE No.

Employee Dentist DMO # _____ (Aetna Only)

DENTAL ENROLLMENT INFORMATION List all dependents covered under dental plan

ADD	DELETE	DEPENDENT NAME	DATE OF BIRTH	SOCIAL SECURITY NUMBER
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mary Smith	01/01/60	xxx-xx-xxxx
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____

3 Life Insurance Effective 01/01/2012

Your Basic benefit is \$9,500
To receive the basic benefit, part-time employees must select an option.

OPTIONS (In addition to your basic benefit)	BIWEEKLY COST
A <input checked="" type="checkbox"/> 9,500	\$ 0.14
B <input type="checkbox"/> 19,000	\$ 0.28
C <input type="checkbox"/> 38,000	\$ 0.56
D <input type="checkbox"/> 57,000	\$ 0.84
E <input type="checkbox"/> 76,000	\$ 1.12

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

\$0.14

Sample for PART-TIME Employees

4 Accidental Death & Dismemberment (AD&D) Insurance

Effective 01/01/2012

Your Basic benefit is \$ 9,500

To receive the basic benefit, part-time employees must select an option.

OPTIONS	EMPLOYEE ONLY	OPTIONS	EMPLOYEE ONLY	OPTIONS	FAMILY COVERAGE	OPTIONS	FAMILY COVERAGE	ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION
A <input type="checkbox"/> \$ 50,000	\$0.51	D <input type="checkbox"/> \$300,000	\$3.05	A <input type="checkbox"/> \$ 50,000	\$0.78	D <input type="checkbox"/> \$300,000	\$4.71	-0-
B <input type="checkbox"/> \$100,000	\$1.02	E <input type="checkbox"/> N/A	N/A	B <input type="checkbox"/> \$100,000	\$1.57	E <input type="checkbox"/> N/A	N/A	
C <input type="checkbox"/> \$200,000	\$2.03	F <input type="checkbox"/> N/A	N/A	C <input type="checkbox"/> \$200,000	\$3.14	F <input type="checkbox"/> N/A	N/A	

5 Dependent Life Insurance

Effective 01/01/2012

OPTIONS BIWEEKLY COST

A <input type="checkbox"/> \$2,000/spouse, \$1,000/dependent child	\$ 0.36
B <input type="checkbox"/> \$5,000/spouse, \$2,000/dependent child	\$ 0.78
C <input checked="" type="checkbox"/> \$10,000/spouse, \$3,000/dependent child	\$ 1.57
D <input type="checkbox"/> \$15,000/spouse, \$4,000/dependent child	\$ 2.35
E <input type="checkbox"/> \$20,000/spouse, \$5,000/dependent child	\$ 3.05

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

\$1.57

6 Short Term Disability Insurance

Effective 01/01/2012

(Does not apply to Faculty, Sr. Administrators, House Staff)

Note: As of _____, you have accrued _____ sick hours.

OPTIONS	BIWEEKLY COST
A <input type="checkbox"/> 66 2/3% of salary to a weekly maximum of \$165, supplemented with partial sick hours.	\$ N/A
B <input type="checkbox"/> 66 2/3% of weekly salary after use of available sick hours	\$ N/A
<input type="checkbox"/> Please check here if you elect to waive your short term disability insurance. If you waive coverage, your only income will be from your pre-disability accrual of sick time.	

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

N/A

7 Long Term Disability Insurance

Effective 01/01/2012

Your Basic benefit is 50% of monthly salary, up to the Plan maximum.

OPTIONS	BIWEEKLY COST
A <input type="checkbox"/> 60% of monthly salary or	\$ N/A
B <input type="checkbox"/> 66 2/3% of monthly salary or	\$ N/A

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION

N/A

8 Flexible Spending Account

Effective 01/01/2012

For an account to be in effect for calendar year 2012, you must complete this section. Indicate the amount of Benefit Credits you want deposited into the Account each pay period for each expense area and enter the total. IRS regulations require any amount remaining in your Flexible Spending Account at the end of the Plan year after reimbursement for eligible expenses will be forfeited. The minimum bi-weekly amount you may contribute is \$5.00. The maximum amount that you may contribute in a calendar year to a dependent care account is \$5,000 if you claim married or head of household when you file your income tax return; \$2,500 if you claim single. The maximum that you may contribute to a medical account is \$12,000 regardless of filing status. If you utilize both accounts, the combined maximum may not exceed \$12,000.

A. Biweekly Dependent Care (i.e. daycare) Expenses

B. Biweekly Medical, Vision and Dental Expenses

ENTER BIWEEKLY COST IF YOU ELECTED AN OPTION(S)

-0-

Your request for reimbursement for expenses incurred 1/1/2012 through 3/15/2013 must be submitted no later than June 30, 2013

Signature

I hereby apply for the Options elected above. I authorize Jefferson to deduct the cost of my elections in excess of my Benefit Credits from my biweekly pay. IRS regulations do not permit me to change my elections before the plan year 2013 unless I have a change in status event (legal marital status, number of dependents, employment status, dependent eligibility, residence) and I notify Human Resources and provide documentation within 30 days of the change. This document does not imply a guarantee of current or future benefits.

Signature John Smith

Date 11-03-12

Phone 3-7858

e-mail Address john.smith@home.com

Adding It Up

A. The total amount of Biweekly Benefit Credits given to you by Jefferson is: \$ N/A
 (if you **ELECT** Medical Insurance, enter the amount listed above under Benefit Credits, Biweekly Amount **ELECT**)
 (if you **WAIVE** Medical Insurance, enter the amount listed above under Benefit Credits, Biweekly Amount **WAIVE**)

B. Add the biweekly costs of your elections in Benefit Options 1 through 8: \$ \$236.33

If line A is greater than line B, enter the difference here: You will receive the excess benefit credits in your biweekly paycheck as taxable income. \$

If line B is greater than line A, enter the difference here: The total cost of the benefits you selected is greater than your benefit credits. This amount will be withheld on a pre-tax basis from your biweekly paycheck. \$ \$236.33

Note: New hires will automatically default to no coverage and no credits if an OPT Election form is not completed.

The next section briefly describes each of your medical options. For a detailed comparison, obtain and read the Group Health Plans comparison chart available in the Human Resources Service Center, 833 Chestnut Street, 1st Floor. The charts on pages 18–20 of this workbook also provide a quick reference for coverage levels. All of the medical options include coverage for prescription or vision care services, as described later in this workbook.

Note: This brief review of your medical options does NOT include complete details about the benefit levels for each service. Limits apply to some treatment and services.

The JHS JeffPLUS Network

Use the JeffPLUS Network to minimize out-of-pocket costs while maximizing quality care. Visit www.jeffplus.org for the most up-to-date listing of facilities and providers.

PPO, HMO AND CDHP:

You will have the lowest out of pocket costs if you use one of the home facilities listed below.

JEFFPLUS HOME HOSPITALS (JEFFERSON HEALTH SYSTEM)

- TJUH
- Methodist Hospital Division, TJUH
- Bryn Mawr Hospital
- Bryn Mawr Rehab Hospital
- Lankenau Hospital
- Magee Rehabilitation Hospital
- Mirmont Treatment Center
- Paoli Memorial Hospital
- Riddle Memorial Hospital

JEFFPLUS NETWORK HOSPITALS (NON-JHS)

- Aria Hospitals
 - Frankford Campus
 - Torresdale Campus
 - Bucks County Campus
- Nemours/Alfred I. duPont Hospital for Children

VIRTUA HOSPITALS (*Inpatient services only*)

- West Jersey Hospitals at Berlin, Marlton, Memorial and Voorhees

CDHP ONLY:

- Children’s Hospital of Philadelphia (CHOP)
- St. Christopher’s Hospital for Children

Usual, Customary And Reasonable Costs

The PPO and the CDHP out-of-network coverage pay benefits based on the Usual, Customary and Reasonable (UCR) cost for each eligible expense. UCR costs are based on the going rate for the covered service or supplies in your geographic area. If your doctor charges more than the UCR rate, you will be responsible for the extra amount. If your doctor is a participating provider, he or she must accept the UCR allowance as payment in full.

HMO OPTION

The HMO option includes JeffPLUS, a program that rewards you for using the Jefferson providers and facilities that are part of your JeffPLUS and HMO’s network.

Highlights

- **Primary Care Physician** – You choose a primary care physician (PCP) who will provide your care or give you a referral to other HMO network providers when necessary. Provider directories are available online: www.ibx.com (Keystone), and www.jeffplus.org (JeffPLUS).
- **Covered Services** – The HMO covers inpatient hospital services (room and board, surgery, and ancillary expenses, outpatient hospital services (such as x-rays and lab tests), preventive care (physicians, OB/GYN exams, mammograms, and immunizations), and some vision care services. Many of the preventive care services are covered at 100%, no copay, when provided in-network. Remember, the \$700 hospital admission copay will be reduced to \$250 if you are admitted to a **JeffPLUS** hospital (and waived if admitted to your “home hospital”) and you are enrolled in the **HMO option**.
- **Two Benefit Levels** – Most services are covered at 100%; you may pay a copay. Your benefits will be higher if your PCP is a **JeffPLUS** provider, if your PCP refers you to a **JeffPLUS** specialist, or if your PCP refers you to **JeffPLUS** facilities.
- **With JeffPLUS** – Certain preventive services have a \$0 copay; otherwise you pay a \$15 copay for each doctor’s visit; \$20 for a specialist. Your out-of-pocket costs are minimal.
- **Referrals Required** – Your PCP must give you a referral when you need to see a specialist. This applies both to **JeffPLUS** providers and other HMO providers. **Remember, no benefits are paid if you receive care without a referral or from providers who are not in the HMO network.**

HMO Pre-Admission Certification

Prior to your admission, your physician should pre-certify your admission with your insurance carrier. If pre-certification is not obtained and you are admitted to the hospital, the financial responsibility is placed on the hospital, not you. The Pre-Admission Certification is to determine whether an employee or their dependent should be admitted to the hospital as an inpatient. Its intention is to determine the most appropriate setting for medical treatment. In no way is it an attempt to render medical judgment regarding the appropriateness of treatment.

PPO OPTION

The PPO gives you the best features of both a traditional indemnity plan and a managed care plan; you may use either Network or Out-of-Network doctors and hospitals. You may go directly to the doctor or specialist of your choice, but your benefits are higher if you use Network providers.

The OPT Program offers the Personal Choice PPO. The PPO option gives you the freedom of choice to use an out-of-network healthcare provider, but you will receive a reduced level of benefits and some services may not be covered out-of-network.

Personal Choice includes **JeffPLUS**, a program that rewards you for using the Jefferson providers and facilities that are part of your PPO's network.

Highlights of the PPO Plans

- **Freedom of Choice** – The PPO allows you complete freedom to choose any doctor or health care provider but there is a tradeoff—lower benefits may be paid by the plan depending on your selection. Provider directories are available online: www.ibx.com (Personal Choice), and www.jeffplus.org (JeffPLUS). **It is your responsibility to confirm and understand the level of benefit coverage before receiving services from a healthcare provider. You should contact your insurance carrier and provide pre-notification for certain categories of treatment so you will know prior to receiving treatment whether it is a covered service.** If you go “out-of-network” you lose the advantage of the negotiated discounted rates, so you are paying a percentage of a higher rate.
- **Preventive Services** – many preventive services such as immunizations and screenings for adults and children are covered at 100%, no copay when utilizing network providers.

- **Three Benefit Levels** – When you use a **JeffPLUS** provider, most services are covered at 100%; you may pay a copay. With JeffPLUS, certain preventive services have a \$0 copay otherwise, you pay a \$20 copay for each doctor's visit; \$25 for a specialist. Hospital admissions are covered at 100% after a \$350 copay. **(The hospital admission copay is waived when you are admitted to a “home” hospital or are admitted to a JeffPLUS facility directly from that facility's emergency room).** A “home” hospital is a health care facility within Jefferson Health System.
- **Non-JeffPLUS PPO Network Providers/Facilities** – You pay a \$25 copay for each doctor's visit; \$30 for a specialist however, certain preventive services are covered at 100%/no copay. Hospital admissions are covered at 80% after a \$700 copay and \$500 annual deductible. Coverage is at 100% after a \$350 copay if you are admitted to a non-JeffPLUS PPO network facility directly from that facility's emergency room. Your calendar year out-of-pocket expense maximum based on UCR charges is \$2,500 per person to a family limit of \$4,500.
- **No Referrals Required** – You do not need to choose a primary care physician, and you do not need any referrals. Higher benefits are paid whenever you use “in-network” providers. Check your provider's website for participating specialists. Remember, lower benefits are paid when you receive care from providers who are not in the PPO network.
- **Pre-certification Required for Some Services** – When you use a Personal Choice PPO provider/facility outside of the PPO's local service area **or** out-of-network, you must obtain pre-certification for hospital stays and certain other services.
- **Calendar Year Deductible** – The deductible is the annual amount you are required to pay before the plan will pay certain benefits.
- **Out-of-Pocket Limit** – Once your costs reach a certain amount, the plan pays 100% of UCR charges for your eligible medical expenses for the rest of that year. The following amounts are not counted toward the out-of-pocket limit:
 - Copays
 - Outpatient prescription drug expenses (your prescription drug benefits are provided under a separate plan);
 - Charges that exceed UCR or the plan allowance for eligible expenses; or
 - Any charges you incur because you do not call for pre-certification when required.

CONSUMER-DRIVEN HEALTH PLAN (CDHP)

- **Health Reimbursement Account (HRA) – The Basics**

Each year, Jefferson funds a Health Reimbursement Account (HRA) that will cover 100% of your eligible health care expenses while these benefit dollars are available in your account. The amount in your Health Reimbursement Account depends on your coverage level. See the “CDHP – Important Facts” chart for details.

At the end of the year, any unused, remaining balance in your HRA **rolls over** and remains in your account for future healthcare needs. That balance is **added to** Jefferson’s HRA contribution for the new year so your HRA can grow over time. You can accumulate up to four times the annual Jefferson contribution for your coverage level (determined as of the end of each year).

- **The Preventive Care and Home Hospital PLUS –**
In addition to the **100%** coverage from your HRA, the CDHP pays 100% for covered **preventive** care from network providers and 100% for **home hospital** (non-physician) charges. These charges are **NOT** deducted from your HRA.

Prescription Drug Coverage – The CDHP does not change your prescription drug coverage. Those benefits are separate from the CDHP. You will continue to benefit if you use Jefferson’s pharmacies or participating retail pharmacies.

- **Member Responsibility – Bridging your HRA and Health Coverage**

If you use all of the dollars in your HRA, you’re responsible for paying for additional health care expenses up to the amount of your Member Responsibility. You may utilize your Flexible Spending Account to pay these expenses on a pre-tax basis. Taken together, your HRA amount plus your Member Responsibility equal the annual deductible. Your Member Responsibility will be less if you roll over HRA benefits dollars from the previous plan year. See the “CDHP – Definitions and Costs” chart for details (p.17).

- **Health Coverage Takes Over After Deductible**

If your expenses are more than your HRA and your Member Responsibility (the deductible), then health coverage takes over. As shown below, the CDHP coverage covers all or part of your eligible expenses-depending on whether you use JeffPLUS, IBC network, or out-of-network providers. You pay your share until you reach the annual out-of-pocket maximum; then, the CDHP pays 100% of eligible charges for the rest of that year.

Benefit Levels - Think “Home,” 1, 2, 3

Home	100% with no HRA deduction and no Member Responsibility for covered preventive care from network providers and for home hospital/facility charges (not physician services). “Home hospital” means TJUH, Methodist, Magee Rehab, Bryn Mawr, Bryn Mawr Rehab, Lankenau, Mirmont Treatment Center, Paoli and Riddle Memorial.
1	100% after deductible (HRA plus Member Responsibility) for JHS facilities and JeffPLUS physician services or for facility charges at Children’s Hospital of Philadelphia (CHOP), Nemours/Alfred I. duPont Hospital for Children, St. Christopher’s, or Virtua Health System
2	80% after the deductible for IBC network providers
3	70% after the deductible for out-of-network providers
Emergency Care-If you receive care for a “true emergency,” the CDHP will pay 100% with no deductible (HRA or Member Responsibility) in-network or out-of-network.	

Remember: Your HRA pays first. You will have out-of-pocket expenses for your eligible medical expenses only if you use all of the money in your HRA! Plus, preventive care from network providers and home hospital/facility non-physician charges are covered at 100% (no deductible).

CONSUMER-DRIVEN HEALTH PLAN (CDHP) DEFINITIONS AND COSTS

DEFINITIONS			
Health Reimbursement Account - HRA	Jefferson provided dollars that pay expenses before Member Responsibility. Amount varies by coverage tier (employee, employee plus one, or family)		
Member Responsibility - MR	After HRA is exhausted, the amount the employee pays for additional covered expenses. Amount varies by coverage tier.		
Deductible	Total of your HRA and Member Responsibility		
CDHP Coverage	If you spend your HRA and meet your Member Responsibility, your CDHP Coverage pays a percentage of covered expenses based on which network you utilize		
Out-of-Pocket Maximum	After the deductible (if applicable), the maximum amount the employee pays for covered expenses. However, if you use out-of-network providers who charge above the Usual, Customary and Reasonable (UCR) amount, your costs could be higher		
HRA and MR COSTS			
	Employee only	Employee Plus One	Family
HRA – Employer \$	\$1000	\$1500	\$2000
MR – Employee \$	\$600	\$900	\$1200
Deductible (HRA plus MR)	\$1600	\$2400	\$3200
CDHP COVERAGE PERCENTAGES			
	JeffPLUS Network	CDHP Network	Out-of-network
After deductible, the CDHP pays:	100%	80%	70% UCR
OUT-OF-POCKET MAXIMUMS			
	Employee Only	Employee Plus One	Family
Home Hospital/facility non-physician charges paid at 100%	\$0	\$0	\$0
JHS non-home hospital/facility, JeffPLUS providers and hospital and facility charges at Virtua, CHOP, duPont Hospital for Children, or St Christopher's	\$600	\$900	\$1200
Network providers	\$2000	\$3000	\$4000
Out-of-network providers	\$4000	\$6000	\$8000

YOUR HMO AT A GLANCE – 2012

HMO Option – Keystone

PLAN FEATURE	KEYSTONE JeffPLUS PROVIDER/FACILITY	KEYSTONE PROVIDER/FACILITY
Calendar Year Deductible	None	None
Out of Pocket Limit	\$2,000/person; \$4,000/family (applies to coinsurance only)	
Doctors' Office Visits (Non-Preventive)	\$15 copay; \$20 copay for specialist	\$20 copay; \$30 copay for specialist
Child and Adult Wellcare*	100%	100%
Routine Mammograms*	100%	100%
GYN Wellcare*	100%	100%
Hospital - Inpatient¹	\$250 copay per admission (copay waived at home facility)	\$700 copay per admission
Outpatient Routine Radiology	\$15 copay	\$50 copay
Outpatient Specialty Radiology (i.e., MRI, PET)	\$15 copay	\$75 copay
Outpatient Laboratory*	100%	100%
Outpatient Surgery	\$100 copay per occurrence (copay waived at home facility)	\$300 copay per occurrence
Maternity Care (Pre- and Post-natal visits)	\$15 copay initial visit	\$25 copay initial visit
Infertility Testing	\$10 copay; \$15 copay for specialist	\$15 copay; \$25 copay for specialist
Emergency Room	\$100 copay; waived if admitted (must be reported within 48 hrs)	\$100 copay; waived if admitted (must be reported within 48 hrs)
Skilled Nursing/ Rehabilitation Facility (custodial care not provided)	100%; \$250 copay per admission if not direct transfer from hospital; up to 180 days	100%; \$700 copay if not direct transfer from hospital; up to 180 days
Home Health Care	100%	100%
Outpatient Therapy (Physical, Occupational, Speech)	\$15 copay per visit; 60 visits per year combined	\$20 copay per visit; 60 visits per year combined
Durable Medical Equipment	100% ²	20% coinsurance
Mental Health - Inpatient¹	\$250 copay per admission (copay waived at home facility)	\$700 copay per admission
Outpatient	\$20 copay per visit	\$30 copay per visit
Substance Abuse - Inpatient¹	\$250 copay per admission (copay waived at home facility)	\$700 copay per admission
Outpatient	\$20 copay per visit	\$30 copay per visit
Chiropractic Care	JeffPLUS providers do not participate at this time	\$35 copay per visit with referral from PCP; 30 visits per year
Vision Care	\$15 copay eye exam; and \$35 reimbursement for glasses or contacts every 24 months	\$25 copay eye exam; and \$35 reimbursement for glasses or contacts every 24 months

* Coverage for in-network preventive care services is in compliance with Health Care Reform Act and subject to change as applicable.

¹ Your copay is waived if you are admitted to a "home" facility or if you are admitted through the emergency room at another JeffPLUS facility directly to that facility. If you are admitted through the emergency room at a non-JeffPLUS facility within your carrier network directly to that facility, coverage is provided at 100% plus JeffPLUS hospital admission copay. Pre-certification may be required.

² Current JeffPLUS DME provider is JeffQuip for certain wheelchair related equipment only.

YOUR PPO AT A GLANCE – 2012

PPO Option – Personal Choice

PLAN FEATURE	JeffPLUS NETWORK	IBC NETWORK	OUT-OF-NETWORK
Calendar Year Deductible	None	\$500/person; \$1000 per family	\$1,000/person; \$2,000/family
Calendar Year Out-of-Pocket Limit¹	\$2,500/person; \$4,500/family	\$2,500/person; \$4,500/family	\$4,000/person; \$8,000/family
Lifetime Maximum	Unlimited	Unlimited	Unlimited
Doctors' Office Visits (Non-Preventive)	\$20 copay; \$25 copay for specialist	\$25 copay, \$30 copay for specialist	70% after deductible
Child and Adult Wellcare*	\$0 copay	\$0 copay	70% after deductible
Routine Mammograms*	100%	100%	70% after deductible
GYN Wellcare*	100%	100%	70% after deductible
Hospital-In-patient²	\$350 copay per admission (copay waived at home facility)	\$700 copay per admission then, 80% after deductible	70% after deductible
Outpatient Routine Radiology	\$20 copay (\$15 copay home facility)	\$50 copay then, 80% after deductible	70% after deductible
Outpatient Specialty Radiology	\$50 copay (\$15 copay home facility)	\$75 copay then, 80% after deductible	70% after deductible
Outpatient Laboratory*	100%	\$20 copay per occurrence	70% after deductible
Outpatient Surgery	\$100 copay per occurrence (copay waived at home facility)	\$300 copay per occurrence then, 80% after deductible	70% after deductible
Maternity Care (Pre- and Post-natal visits)	\$15 copay initial visit	\$20 copay initial visit	70% after deductible
Infertility Testing	100% after applicable copay	80% after deductible and applicable copay	70% after deductible
Emergency Room	\$100 copay (waived if admitted)	\$100 copay (waived if admitted)	\$100 copay (waived if admitted)
Skilled Nursing Facility (custodial care not covered) up to 120 days per calendar year (all networks combined)	100%; \$350 copay if not direct transfer from hospital	80% after deductible; \$700 copay if not direct transfer from hospital	70% after deductible
Home Health Care up to 120 days per calendar year (all networks combined)	100%	80% after deductible	70% after deductible
Outpatient Therapy (Physical, Occupational, Speech)	\$15 copay per visit 60 visits per year combined	\$20 copay per visit 60 visits per year combined	70% after deductible 60 visits per year combined
Durable Medical Equipment	100% ³	80% after deductible	70% after deductible
Mental Health - Inpatient²	\$350 copay per admission (copay waived at home facility)	\$700 copay per admission then, 80% after deductible	70% after deductible
<i>Outpatient</i>	\$25 copay per visit	\$30 copay per visit	70% after deductible
Substance Abuse - Inpatient²	\$350 copay per admission (copay waived at home facility)	\$700 copay per admission then, 80% after deductible	70% after deductible
<i>Outpatient Rehabilitation</i>	\$25 copay per visit	\$30 copay per visit	70% after deductible
Chiropractic Care	JeffPLUS providers do not participate at this time	\$35 copay per visit, 30 visits per year (combined network and out-of-network)	70% after deductible, 30 visits per year (combined network and out-of-network)
Vision Care	Up to \$30 for an eye exam every 12 months; \$52 reimbursement for glasses or contact lenses every 24 months (12 months if change in prescription)		

* Coverage for in-network preventive care services is in compliance with Health Care Reform Act and subject to change as applicable.

¹ Out of Pocket Maximum is based on UCR charges. Combined JeffPLUS/Personal Choice network. Deductibles and coinsurance amounts apply to maximum. May be balance billed by out-of-network providers.

² Your copay is waived if you are admitted to a "home" facility or if you are admitted through the emergency room at another JeffPLUS facility directly to that facility. If you are admitted through the emergency room at a non-JeffPLUS facility within your carrier network directly to that facility, coverage is provided at 100% (JeffPLUS PPO hospital admission copay applies). Pre-certification may be required.

³ Current JeffPLUS DME provider is JeffQuip for certain wheelchair related equipment only.

YOUR CONSUMER DRIVEN HEALTH PLAN (CDHP) OPTION AT A GLANCE – 2012

See definitions on page 17

BENEFIT	JeffPLUS PROVIDER*	IBC NETWORK PROVIDER	OUT-OF-NETWORK PROVIDER ¹
Calendar Year Out-of-Pocket Maximum	\$600 - \$900 - \$1,200	\$2,000 - \$3,000 - \$4,000	\$4,000 - \$6,000 - \$8,000
Lifetime Maximum	Unlimited	Unlimited	Unlimited
Doctor Office Visits/Fees <i>non-preventive</i>	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Child and Adult Well Care² (see eligible expenses)	Covered 100% with no deductible (HRA or MR) for IBC schedule of benefits.		Runs through HRA then MR then Health Coverage (may be balance billed by provider)
Hospital Inpatient³ (semiprivate room and board)	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Outpatient Radiology³	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Outpatient Laboratory^{2,3}	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Outpatient Surgery³	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Maternity	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Infertility Testing	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Emergency Room Services (includes facility, physician, and diagnostic)	Covered at 100% with no HRA deduction or MR for a true emergency		
Skilled Nursing Facility (120 day per calendar year limit across all networks combined)	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Home Health Care (120 day per calendar year limit across all networks combined)	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Therapy - Outpatient (Physical, Speech, Occupational Pulmonary, Radiation, Cardiac)	Runs through HRA then MR then Health Coverage at 100% (unlimited number of medically necessary visits)	Runs through HRA then MR then Health Coverage at 80% (60 visit combined limit per year)	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider) (60 visits combined limit per year)
Durable Medical Equipment (DME)	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Mental Health			
Inpatient	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Outpatient	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Substance Abuse			
Inpatient	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Outpatient	Runs through HRA then MR then Health Coverage at 100%	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Chiropractic Care (30 day per calendar year limit across all networks combined)	JeffPLUS providers do not participate at this time	Runs through HRA then MR then Health Coverage at 80%	Runs through HRA then MR then Health Coverage at 70% (may be balance billed by provider)
Vision Care	Up to \$30 for an eye exam every 12 months; \$52 reimbursement for glasses or contact lenses every 24 months (12 months if change in prescription)		

Precertification may be required for some services. Please contact IBC Customer Service area for details on precertification.

*The JeffPLUS tier of providers also includes facility charges (not physician charges) at Virtua Health System, duPont Hospital for Children, St. Christopher's Hospital for Children, and Children's Hospital of Philadelphia (CHOP).

¹ Out-of-pocket maximum is based on Usual, Customary and Reasonable (UCR) charges

² Coverage for in-network preventive care services is in compliance with Health Care Reform Act and subject to change as applicable.

³ Facility charges for services provided at a home hospital/facility are covered 100% and are not subject to the HRA or Member Responsibility. Physician charges billed separately are subject to HRA and Member Responsibility, then health coverage at 100%.

PRESCRIPTION DRUG BENEFITS

Prescription drug coverage is automatically included with each medical option. Prescription Solutions administers the prescription drug program under all HMO, PPO and CDHP options. Visit their website at: www.prescriptionsolutions.com

The prescription drug program offers two ways to obtain your medications – at Jefferson Outpatient Pharmacies or at your local retail pharmacy.

Using a Jefferson Outpatient Pharmacy

- Using a Jefferson outpatient pharmacy saves you money. Each prescription or refill up to a 30-day supply requires a copayment: \$10 for generic medications; \$15 for brand name.
- Jefferson pharmacies will mail prescriptions upon request. You will be charged for shipping and handling

Using A Retail Pharmacy

- If you use a retail pharmacy within the Prescription Solutions network, your copayment for up to 30-day supply is \$15 for generic drugs and 20% with \$30 minimum and \$50 maximum for brand name drugs in the Prescription Solutions formulary. If you want a brand name drug not in the Prescription Solutions formulary, your cost is 40% with \$50 minimum and \$100 maximum. A specialty drug is 40% with \$50 minimum and \$100 maximum. If you need more than one refill (i.e., “maintenance drug”) or are filling prescriptions from the listing of mandatory In-house Drugs you are required to use a Jefferson pharmacy.

Maintenance Drug Program

If you have a condition that requires frequent medication over a long period of time, you are required to have your prescription filled at a Jefferson pharmacy after the first refill. Your doctor can order up to a 90-day supply of eligible maintenance drugs with refills for up to one year through a Jefferson Outpatient Pharmacy. **At the Jefferson pharmacies, a 90-day supply is \$20 for generic; \$30 for brand name drugs.** So, using the maintenance drug service saves you money.

Mandatory Generic Drugs

Whether you fill your prescriptions at a Jefferson or a retail pharmacy, you are required to purchase generic drugs when they are available. If you or your doctor choose a brand name drug when a generic is available, you will be required to pay the difference in cost between the generic and the brand, along with the applicable brand copay.

If you need to file an appeal to the Mandatory Generic program, you, or your covered dependent, must try a full prescription of the generic drug before requesting a brand name replacement. A Generic Exception Request form can be obtained from the Jefferson Apothecary.

Mandatory In-house Drugs

Certain prescriptions must be filled at a Jefferson pharmacy. The mandatory in-house list includes drugs which are self-injected or require special handling, along with some that are more common.

Please note the following categories and examples:

- Proton Pump Inhibitors
- Smoking Cessation Prescriptions
- Arthritis and Dermatology (Enbrel, Humira, Kineret)
- Orally Administered Cancer Drugs (Gleevec, Lupron, Revlimid, Sprycel, Sutent, Tarceva, Temodar, Thalomid, Xeloda)
- Human Growth Hormones (Genotropin, Humatrope, Norditropin, Nutropin, Omnitrope, Saizen, Serostim, Tev-Tropin)
- Multiple Sclerosis Drugs (Avonex, Betaseron, Copaxone, Rebif)
- Hepatitis Treatments (Baraclude, Copegus, Hepsera, Pegasys, Peg-Intron, Rebetol)
- Other Genetically Engineered drugs, including, but not limited to:
 - Transplant Medications (Myfortic, Neoral, Prograf, Rapamune)
 - Pulmonary Hypertension (Adcirca, Flolan, Letairis, Revatio, Tyvaso, Ventavis)

If a prescription for a mandatory in-house drug is presented at a retail pharmacy, coverage will be denied. In such an instance, you should contact Prescription Solutions or a Jefferson pharmacy to clarify coverage and review the proper procedures for obtaining your prescription.

Getting Prescriptions Filled While Away From Home

Prescription Solutions is affiliated with over 63,000 pharmacies nationwide. You should have no problem filling a prescription at a participating pharmacy anywhere in the U.S. Simply present your I.D. card. Prescription Solutions participating pharmacies are online via computer with Prescription Solutions and will submit your claim electronically at the time the prescription is filled. You pay only your applicable copayment.

If you do not use a participating pharmacy, you must pay the full cost of the prescription, usually at the full retail cost – you will not benefit from the “plan discount.” You must complete and send a claim form to Prescription Solutions no later than 365 business days from the date the prescription was dispensed. You will then be reimbursed only for the amount which Prescription Solutions would have covered.

Charges Not Covered

Some prescription drugs and supplies are not covered under this plan. **The plan does not cover:**

- Allergy serum (covered under the medical plan if administered in your physician’s office);
- Dietary aids, cosmetics or other health and beauty aids;
- Over-the-counter drugs;
- Non-legend vitamins;
- Medical appliances, such as back braces, bandages, cervical collars;
- Ostomy products (covered under the medical plan);
- Charges for the administration of any drug.

Please note: Fertility drugs are covered to a lifetime maximum benefit of \$5,000.

Save on Prescriptions

Reduce your out-of-pocket expense when you use a Jefferson outpatient pharmacy.

Jefferson Apothecary
1st floor, Gibbon Building
111 S. 11th Street
215-955-8845
Hours: 7 a.m. – 6 p.m. M–F
9 a.m. – 4 p.m. Sat.

Jefferson Pharmacy
Lobby, 833 Chestnut Street
215-955-4400
Hours: 8:30 a.m.–5:30 p.m. M–F
9 a.m. – 1 p.m. Sat.

Jefferson Pharmacy Walnut Street
908 Walnut Street
215-503-1135
Hours: 8:30 a.m.–5:30 p.m. M–F
9 a.m. – 1 p.m. Sat.

Methodist Hospital Apothecary
2301 S. Broad Street
215-952-9385
Hours: 8:30 a.m.–5 p.m. M–F

	Non-Maintenance Medication (Up to 30-day supply)		Maintenance Medication (90-day supply)
	Jefferson	Retail	Jefferson
Generic*	\$10.00 copay	\$15.00 copay	\$20.00 copay
Brand Name (Formulary)	\$15.00 copay	20% with \$30 minimum and \$50 maximum	\$30.00 copay
Non-formulary	N/A	40% with \$50 minimum and \$100 maximum	N/A
Specialty	N/A	40% with \$50 minimum and \$100 maximum	N/A

*Generic drugs are mandatory when available. See page 21 for specifics.

DENTAL INSURANCE

Dental care is an important part of the overall health care package. The OPT program offers you the choice between two dental plan options – Delta Dental Plan and Aetna Dental Maintenance Organization® (DMO®). Alternatively, you may choose no coverage. These plans cover a full range of preventive, diagnostic, basic, major and orthodontic services.

Your dental election is separate from your medical plan election. If you enroll, you may choose a coverage level which is different from your medical coverage level; however, covered family members must be enrolled in the same plan.

Here’s a brief summary of your dental plan choices.

Delta Dental

- Delta offers the freedom to go to any dentist when you need dental care;
- Many services are covered at 100%; some other covered services are paid at 80% or 50%;

- You receive the greatest benefits when you receive care from a participating dentist; participating Delta dentists charge you a discounted amount for services —so you generally pay less than you would when using non-Delta dentists. You may obtain a list of participating providers on Delta’s website, www.deltadentalins.com, or by calling **1-800-932-0783**;
- By utilizing the PPO Network of Providers, you and each covered family member can receive up to \$2,000 in benefits each year. The Premier Plan annual benefit maximum is \$1,700;
- Orthodontia is covered up to a separate lifetime maximum of \$2,000 per person after a separate \$50 deductible;
- You (or your dentist) must submit a claim form when you use a non-participating dentist.
- **When you select Delta Dental you will not receive an identification card.**
- When you visit your dentist simply provide your social security number and your group identification number which is **2564**.

Your Dental Options at a Glance

PLAN FEATURE	DELTA DENTAL PPO	AETNA DMO ⁶
Annual Deductible	\$50 per person \$150 per family	None
Annual Maximum	\$2,000 PPO \$1,700 Premier Plan (Non-participating)	Unlimited
Preventive and Diagnostic Care	100% (no deductible)	100%
Oral exams (2x each year)		
Cleaning (2x each year) ¹		
Fluoride treatments up to age 19 (once a year) ²		
Sealants for children up to age 14		
Space maintainers		50% space maintainers
Full-mouth x-rays (once every 3 years)		
Bitewing x-rays (2x each year)		
Basic and Restorative Services	80% after deductible	100%
X-rays and lab tests needed to diagnose a dental problem or check the progress of treatment		50% anesthesia
Extraction		
Fillings		
Emergency treatment for pain		
Gum disease treatment (periodontia)		
Root canal (endodontia) ⁷		
Oral surgery		
Anesthesia ³		
Major Services	50% after deductible	50%
Full or partial dentures or fixed bridgework (limits apply)		
Repairing existing crowns, inlays, bridgework or dentures		
Inlays and onlays ⁴		
Crowns and gold fillings (limits apply) ⁴		
Rebasing or relining dentures or adding teeth to fixed bridgework or partial dentures (limits apply)		
Implants (Delta Only)		
Orthodontia ⁵	50% after separate \$50 deductible (\$2,000 lifetime maximum)	50%* (of pre-negotiated fee)

* Employee pays 50% of the orthodontist’s normal orthodontic fee. Orthodontist agrees to accept the DMO payment as full payment for the remainder of the fee. This may be less than the remaining 50%.

¹Cleanings are limited to twice a year; ²Aetna DMO will cover fluoride treatments twice a year; ³General anesthesia is covered at 50% when used in conjunction with covered oral surgical procedures; ⁴Inlays, onlays and crowns are covered when basic restorative care is not adequate; ⁵Orthodontia care is provided for you, your spouse and your eligible dependents; ⁶Aetna DMO will pay up to the percentage (listed) of a predetermined amount for certain dental services and treatments. For more information, contact your primary care dentist. ⁷Aetna DMO coverage for molars is 50%.

Aetna Dental Maintenance Organization (DMO)

- The Dental Maintenance Organization (DMO) provides benefits through a participating network of dental professionals, similar to an HMO medical plan. You may obtain a list of participating providers on Aetna's website, www.aetna.com, or by calling 1-800-THEDMO1;
- You must choose a personal dentist for you and each family member when you enroll. You may select a different dentist for each family member;
- Your personal dentist must provide dental care services, or a written referral for care by a DMO specialist, as appropriate. Otherwise, the plan will not pay benefits, except in an emergency;
- Many services are covered at 100%; some other covered services are paid at 50%, based on discounted, negotiated fees;
- Annual benefits are unlimited;
- There are no claim forms to complete when you use an Aetna DMO provider.

VISION INSURANCE

Jefferson includes vision coverage under all of our medical options. The chart below is for your use in reviewing which medical plan best meets your vision needs. Please review and if you have any further questions, please call the Human Resources Service Center at **215-503-8100**.

Vision Coverage Summary	
<i>Personal Choice and CDHP</i>	
<i>Examination (Vision Testing)</i> \$30.00 every 12 months	
<i>Lenses and Frames</i> Covered annually with prescription change.	
<i>Lenses</i>	
Single Vision Prescription	\$22.00
Single Bifocal Prescription	\$26.00
Double Bifocal Prescription	\$50.00
Trifocal Prescription	\$50.00
<i>Contact Lenses</i>	
Medically necessary	\$112.00
Cosmetic purposes	\$52.00
<i>Aphasic Lenses (for cataract patients)</i>	
Glass	\$30.00
Hard resin plastic spherical	\$70.00
Hard resin plastic aphasic	\$90.00
Case hardening	\$2.00
<i>Frames</i>	
Regular glasses	\$30.00
Cataract patients	\$12.00
<i>Keystone HMO</i>	
<i>Examination (Vision Testing)</i> Covered in full every 24 months after \$15.00 copay with JeffPLUS or \$25.00 copay with Keystone is met.	
<i>Lenses and Frames</i> \$35.00 payable every 24 months.	

Note: Amounts shown above are the maximums payable by each plan.

SURVIVOR BENEFITS

Adequate survivor benefit protection is one way to ensure your family's financial security in the event of your death. The OPT Program's Basic Benefits Plan automatically provides full-time employees with a primary level of protection. If you need more coverage, the Optional Benefits part of the program makes a wide range of additional protection available to you. Part-time employees should refer to the chart on page 4.

Your Basic Survivor Benefits

The Basic Benefits Plan provides every eligible full-time employee with Life and Accidental Death and Dismemberment (AD&D) Insurance. The amount of your coverage depends on your base annual salary and your employee classification, as shown in the chart below. Life insurance benefits are paid to your beneficiary if you die while you are covered under the OPT Program. Accidental Death and Dismemberment (AD&D) coverage provides benefits in addition to your Life Insurance benefits if your death is the result of an accident. It also pays benefits to you for severe accidental injury.

Traveling on Jefferson Business

The Basic Benefits Plan also includes Business Travel Accident Insurance that provides additional coverage when you travel off Jefferson premises on Jefferson business. Coverage starts when you leave your home or office and ends when you return. Regular commuting is not covered. For more information, contact the Human Resources Service Center at 215-503-8100.

Optional Survivor Benefits

The need for survivor benefits can vary widely, so the OPT Program allows you to select the level of protection best suited to your needs. Keep in mind that these life insurance benefits are in addition to your Basic Benefits plan protection. Also, you have the option of selecting any of the supplemental life insurance options and supplemental AD&D coverage.

You may choose any of the following optional benefits:

- Life Insurance
- Supplemental AD&D Insurance
- Dependent Life Insurance

Life Insurance: Options A Through E

If you want to add to your Basic Benefits Life Insurance protection, you may buy one of five Life Insurance Options. Your biweekly cost for life insurance will be shown on your OPT Election Form. The cost is based on your age and the amount of coverage you select. Your benefit credits are equal to the cost of Option A. Please note: when you enter a new age bracket, the cost of your optional life insurance will change to reflect your new age in the pay period containing your birthday. If your salary increases, or decreases, the cost of your optional life insurance will change to reflect your new rate in the pay period containing the change. **Basic and Optional coverage reduce by one-half on your 70th birthday.** The cost of your optional life insurance will change to reflect the reduced age 70 rate and coverage level in the pay period containing your birthday. The rates for optional life insurance are listed below.

Life Insurance Optional Coverage - 2012 Rates

<i>Employee's Age</i>	<i>Per \$1,000 Unit of Coverage</i>
Under 30	\$.019
30 to 34	.032
35 to 39	.032
40 to 44	.045
45 to 49	.057
50 to 54	.109
55 to 59	.191
60 to 64	.293
65 to 69	.471
70+	.503

Basic Survivor Benefits

<i>Employee Classification</i>	<i>Basic Benefit Plan Life and AD&D Coverage</i>	<i>Maximum Basic Benefit</i>	
		<i>Life Insurance</i>	<i>AD&D Insurance</i>
Faculty and Senior Administrators	150% of base annual salary	\$50,000	\$50,000
House Staff, Postdoctoral Fellows	100% of base annual salary	\$50,000	\$50,000
All Other Employees Including Part-time	50% of base annual salary	\$50,000	\$50,000

*Life Insurance coverage reduces by one-half for employees age 70 and over.
Life Insurance coverage is rounded to the next \$500 increment.*

Selecting Life Insurance

Refer to page 10 for the sample OPT Election form. The supplemental Life Insurance Options column on the left lists the five choices available to you.

Life Insurance Options	Additional Coverage Amount
A	The amount necessary to give you an additional 50% of your base annual salary, plus any excess amount of \$50,000 maximum not included in the basic plan.
B	1 x base annual salary
C	2 x base annual salary
D	3 x base annual salary
E	4 x base annual salary

The combined Basic and Optional Life Insurance coverage is subject to a maximum benefit of \$1,000,000. Evidence of insurability will be required for first time elections after initial eligibility date and for certain levels of coverage. Life insurance coverage is rounded to the next \$500 increment.

In the event of long-term disability, Jefferson will continue the life insurance selected on the most recent election form while disability income is being received for up to one year from date of illness or injury, provided employee pays active employee premium rate (If employee payment is not remitted, coverage will be at Basic Amount plus Option A if Option B-E was previously selected.)

Conversion up to full coverage amount is permitted within 31 days after termination of coverage/employment.

Dependent Life Insurance

The Dependent Life Insurance Options give you an opportunity to insure the lives of your spouse, registered domestic partner and your children. Your biweekly cost for Dependent Life Insurance will be indicated on your OPT Election Form. You can choose one of the following options:

Dependent Life Options	Coverage for Your Spouse *	Coverage for Each Child **
A	\$ 2,000	\$1,000
B	\$ 5,000	\$2,000
C	\$10,000	\$3,000
D	\$15,000	\$4,000
E	\$20,000	\$5,000

* Spousal eligibility terminates at spouse's 70th birthday.

** Your eligible dependent children are covered from the 15th day after birth to age 26.

Medical Evidence of Insurability (MEOI)

You will have to complete a MEOI questionnaire and submit it directly to our life insurance carrier for review and approval before your coverage becomes effective if:

- You did not elect any additional level of employee life insurance during any previous election in which you were eligible and are now making your first election.
- You were previously declined for additional coverage or withdrew an application for additional coverage.
- You wish to increase your current level of additional employee life insurance by more than one level.
- You wish to increase your current level of additional employee life insurance to a level that is equal or greater to four times your salary or in excess of \$500,000.
- You are a newly eligible employee making your first election and are choosing coverage equal or greater to four times your salary or coverage in excess of \$500,000.
- You did not elect Dependent Life Insurance during your initial period of eligibility and are now making your first election or increasing by more than one level.

Supplemental AD&D Insurance

If you want to add to your basic AD&D Insurance, you may buy supplemental AD&D protection by selecting one of (up to) six options. The minimum is \$50,000. **Amounts above \$300,000 may not exceed lesser of ten times annual salary or \$500,000.** If you wish, you may also buy this type of coverage for your dependents. Dependent coverage provides a spouse's benefit equal to 60% of yours; each dependent child's benefit equals 30% of yours. Your eligible dependent children are covered until age 26. Domestic partners are eligible for AD&D coverage.

Supplemental AD&D Insurance	
Loss	AD&D Benefit
Life	Full amount of your coverage paid to your beneficiary
Both hands, feet, sight of both eyes or any combination of these losses	The full amount of your coverage paid to you
One hand, foot or sight of one eye	One-half the amount of your coverage paid to you

Your cost for additional AD&D Insurance depends on the amount of coverage you elect and whether you include your dependents.

To elect supplemental AD&D Insurance, check the amount of coverage you want in the "Employee Only" or the "Family Coverage" box and enter the cost of the options selected.

YOUR DISABILITY BENEFITS

While public awareness is focused on the medical costs associated with regaining health, there is a second “hidden” cost — the income you may lose when health problems keep you from working. The OPT Program offers you protection against disability-related income losses through Sick Day Allowance, Salary Continuation*, Short-Term Disability* and Long-Term Disability Insurance.* To qualify for short or long term disability you must be actively at work prior to being disabled.

* *full-time employees only*

Note: We strongly recommend that all of our employees who are eligible for Short-Term Disability coverage and have under 30 days of accrued sick time take some level of STD coverage. Jefferson provides benefit credits for 90% of the premium cost for Option A.

Basic Benefits Plan Protection	
Basic Benefits Plan Disability Coverage	Your Benefits
Sick Day Allowance for all employees except Faculty, Senior Administrators, House Staff, Postdoctoral Fellows	You accumulate 1 sick day per month beginning with completion of your 3rd month of employment. There is no limit to the number of sick days you may accrue.
Sick Day Allowances for Postdoctoral Fellows	You are given 5 days per year.
Salary Continuation for Faculty, Senior Administrators, House Staff	The Salary Continuation Plan enables you to continue receiving 100% of your base salary for up to 26 consecutive weeks of disability.
Long-Term Disability for all full-time employees	If you remain totally disabled for 6 months, you will then become eligible to receive LTD benefits. In most cases, LTD benefits will continue as long as you remain totally disabled, up to age 65*. Combined with other sources of disability income [†] , your LTD plan assures that you will continue to receive at least 50% of your base monthly salary. The maximum monthly benefit is \$12,500 for most employees; the maximum is \$20,000 for house staff and JUP physicians.

* See the table on **page 29** which outlines maximum benefits periods.

† Other sources of disability income include Social Security Disability benefits, Workers’ Compensation benefits, disability or early retirement benefits from a Jefferson Retirement Plan and any other benefits you receive from government or employer sponsored plans.

The Basic Benefits Plan automatically provides a primary level of disability coverage through:

- the Sick Day Allowance Plan for all employees except Faculty, Senior Administrators and House Staff;
- Salary Continuation for Faculty, Senior Administrators and House Staff; or
- a Long-Term Disability (LTD) Plan for all regular full-time benefit-eligible employees.

Optional Disability Benefits

The Optional Benefits part of the program offers you the opportunity to add to the disability benefit protection provided by the Basic Benefits Plan.

Disability Definition of a Pre-existing Condition

If you were diagnosed, received medical treatment, consultation, care or services, including diagnostic procedures, or took prescribed drugs or medicines for a condition in the 3 months before the effective date of your coverage (or increase in coverage), pre-existing condition limitations will apply. However, if you have not received treatment for any 3 month period following your election or if your coverage (or increase in coverage) has been in effect for 12 months, pre-existing condition limitations will not apply.

Effect of Pre-existing Condition on Short-Term Disability Benefits

If a pre-existing condition limitation applies, you will receive benefits (or increased benefits) for up to a maximum of four weeks. For a new enrollee, this will mean being limited to a maximum of 4 weeks of STD benefits; for a participant already in the plan, this will mean that any benefits increase will only apply to the first 4 weeks of short-term disability benefits; thereafter, the participant will receive benefits at the previous level of coverage.

Effect of Pre-existing Condition on Long-Term Disability Benefits

For a new enrollee, disability resulting from a pre-existing condition is not covered under long-term disability. For a participant who increases coverage, any approved benefit will be based on your previous level of coverage.

Short-Term Disability (STD) Plan Options

Short term disability (STD) is any illness, injury, or any other medical leave in which a physician certifies your inability to work. Both STD options, including the waiting period and salary continuation of accumulated sick days, may last for up to 26 weeks.

There are two Short-Term Disability (STD) Plan Options for all regular full-time benefit-eligible employees, except Faculty, Senior Administrators and House Staff. The cost for short term disability option B is determined by your accrued sick time. **The more sick time you accrue, the lower the cost of your optional disability benefits.**

Attention employees working in New Jersey:

If you work in New Jersey, both you and Jefferson pay a tax to fund the New Jersey short-term disability plan. The New Jersey State Disability Plan is mandatory and covers approximately 66 2/3% of your salary up to a maximum of \$559.00 per week. If you work in New Jersey, you may elect to waive the Jefferson short-term disability option on your OPT election form due to coverage from the New Jersey State Plan, or you may choose to make a selection if you desire coverage over and above the New Jersey Plan limits.

Short-Term Disability (STD) Plan Options

Option	Your Benefit	Duration	Example: If your weekly salary is \$500 and you have accrued 25 sick days...
A	66⅔% of weekly pay to a maximum benefit of \$165 a week. You can receive up to 100% of your weekly pay by using accrued sick time. Partial weeks of disability will be paid by dividing your weekly benefit by seven days. You will receive the daily benefit for each calendar day absent during the partial week.	Benefits start after 14 consecutive calendar days of disability and continue through the 26th week of disability. Maximum STD period of 26 weeks includes waiting period and sick time.	The first 10 working days of disability will be paid from sick time. After that, STD pays you \$165/week and Jefferson pays \$335/week from your sick time. After a total of 6½ weeks of continuous disability, you will have exhausted all available sick time and be paid \$165/week through the 26th week of disability.
B	66⅔% of your weekly pay with no maximum benefit limit. Partial weeks of disability will be paid by dividing your weekly benefit by seven days. You will receive the daily benefit for each calendar day absent during the partial week.	Benefits start after you have used all available sick days or after your first 14 consecutive calendar days of disability, whichever is later. Benefits continue through the 26th week of disability. Maximum STD period of 26 weeks includes waiting period and sick time.	You must exhaust all sick time before STD payments begin. After 5 weeks of continuous disability, you will have exhausted all sick time and will be paid \$333.32/week through the 26th week of disability.

The benefit you receive from Jefferson will be offset automatically by your New Jersey State benefit. For example, if you choose option B, which is 66⅔% of your weekly salary, and your present weekly salary is \$800.00 you would be entitled to a benefit of \$533.60 per week. You would receive the maximum benefit from the State of New Jersey which is presently \$559.00 per week. The additional \$25.40 per week would be paid to you from Jefferson's Disability Plan. For additional information, please call the Employee Benefits Disability Specialist at **215-503-2741**.

Long-Term Disability (LTD) Plan Options

Regular full-time benefit-eligible employees receive a Basic LTD benefit of 50% of monthly salary. If you want to increase your coverage, you may choose one of two Optional LTD Plans. As with Basic LTD coverage, benefits you

receive from the optional plans are coordinated with other sources of disability income (i.e., Social Security, Workers' Compensation) so that your combined income from all sources equals the percentage of pay guaranteed by the option chosen.

When making a selection for long-term disability, keep in mind that pre-existing conditions are not covered. If you increase your level of coverage and your disability is the result of a pre-existing condition, the benefit payable will be based on the level in effect at the onset of the condition. Long Term Disability for employees other than house staff and JUP physicians has a 24 month limitation for own occupation and mental illness. Maximum benefit periods for LTD are listed in the table on page 29.

Selecting Optional Disability Benefit Protection

You may select one Short-Term Disability Option (not applicable to Faculty, Senior Administrators and House Staff), and/or one Long-Term Disability Option. The

Long-Term Disability (LTD) Plan Options

Option	Your Benefit	Duration
A	Option A ensures that you will receive at least 60% of your base monthly salary. The maximum is \$12,500 for most employees. The maximum is \$20,000 for house staff and JUP physicians.	Benefits start after 180 days of total disability. LTD benefits may continue for as long as you remain totally disabled, up to age 65 or older. (See table on page 29 which outlines maximum benefit periods.)
B	Option B ensures that you will continue to receive at least 66⅔% of your base salary. The maximum is \$12,500 for most employees; the maximum is \$20,000 for house staff and JUP physicians. (Option B for house staff and JUP physicians is 70% of base salary.)	Benefits start after 180 days of total disability. LTD benefits may continue for as long as you remain totally disabled, up to age 65 or older. (See table on page 29 which outlines maximum benefit periods.)

number of sick hours you have accumulated is noted on the Election Form under Short-Term Disability Insurance.

To select Short-Term Disability, Long-Term Disability Insurance, or both, simply check the appropriate box and enter the biweekly cost figure. Faculty Members, Senior Administrators and House Staff do not need to make a Short-Term Disability election.

All Long-Term Disability Elections for employees other than house staff and JUP physicians remain in effect for 2 years before you may increase your coverage.

LTD Maximum Benefit Period

Based on your age at disability OR your year of birth, the maximum benefit period will be the longer of: Duration stated in Chart A or Normal Retirement Age stated in Chart B

Chart A – Age at Disability

<u>Age at Disability</u>	<u>Maximum Benefit Period</u>
Prior to age 62	To age 65
62	42 Months
63	36 Months
64	30 Months
65	24 Months
66	20 Months
67	18 Months
68	15 Months
69 and over	12 Months

Chart B - Normal Retirement Age*

<u>Year of Birth</u>	<u>Normal Retirement Age</u>
1937 or before	65 years
1938	65 years and 2 months
1939	65 years and 4 months
1940	65 years and 6 months
1941	65 years and 8 months
1942	65 years and 10 months
1943 - 1954	66 years
1955	66 years and 2 months
1956	66 years and 4 months
1957	66 years and 6 months
1958	66 years and 8 months
1959	66 years and 10 months
1960 and after	67 years

*as defined by the 1983 amendments to the United States Social Security Act and determined by your year of birth

House staff and JUP physicians will be required to submit medical evidence of insurability to increase long-term disability coverage by more than one level.

Note: Jefferson provides benefit credits for 90% of the premium cost of Option A for Short-Term Disability; Long-Term Disability is provided as a basic benefit of 50% of your monthly salary. An employee contribution is required for the other options.

USING YOUR FLEXIBLE SPENDING ACCOUNTS: AN OVERVIEW

You may use your Flexible Spending Accounts (FSA) to pay eligible medical and dependent care expenses. Remember, your biweekly pay will be reduced by the amount of salary you convert to additional Benefit Credits.

Benefit Credits that you direct to your Flexible Spending Accounts will then be used to reimburse you for your qualified expenses incurred during the course of the Plan Year. **Expenses are considered incurred on the date the services are provided, not when paid.** Reimbursement works differently for the medical and dependent care FSAs.

- For the Medical FSA you may use your debit card (explained later in this section) which may require proof of the services you receive
- If you pay for out of pocket medical expenses you may have to submit a claim and proof of your payment, as well as an Explanation of Benefits from Blue Cross or the dental insurance company
- For dependent care expenses you must submit a claim with a copy of the receipt (showing the Social Security number or tax ID number of the provider)

You can submit claims to SHPS, our FSA administrator by:

- Mailing or faxing a paper claim form. The claim forms are available on-line at myspendingaccount.shps.com or www.jeffersonhr.org, in the Human Resource Service Center on the Center City Campus or at the Human Resources office at the Methodist campus
- Setting up a personal account with SHPS at myspendingaccount.shps.com where you can file claims on-line

You may have payment for claims sent to your home or direct deposited.

Additional information on Flexible Spending Accounts is available on-line at spendingaccounts.info or at www.jeffersonhr.org. You may also call the FSA Hotline at **1-800-228-5762**.

Important Guidelines

The Internal Revenue Service imposes certain regulations on the use of your Flexible Spending Account. For example, IRS regulations define what types of expenses qualify for tax-free

reimbursement. The amount you may direct to your Flexible Spending Accounts and your total reimbursements for each type of qualified expense are also limited.

IRS regulations currently require that all Benefit Credits directed to your Flexible Spending Accounts in any one year must be used to reimburse you for qualified expenses incurred during that plan year.

This means you **will forfeit any unused balance remaining in your Flexible Spending Accounts at the end of the Plan Year**. You will have until **June 30, 2013** to submit expenses incurred between **January 1, 2012 and March 15, 2013**.

In addition, the IRS requires that once you specify any amount of Benefit Credits for reimbursement of a particular type of qualified expense, you cannot use them for reimbursement of any other type of expense. For example, you cannot be reimbursed for dependent care expenses (i.e., day care) for your Medical FSA nor can you be reimbursed for medical expenses from your Dependent Care Account. You will forfeit any unused balance that was assigned to a particular type of qualified expense.

Since there is an element of risk, it is very important to plan ahead before you elect to transfer Benefit Credits or redirect salary to your Flexible Spending Accounts. Use the Flexible Spending Accounts only if you can anticipate your qualified expenses for the coming Plan Year. For example, if you are certain that you will have qualified expenses during the Plan Year, but are unsure of the amount, be conservative in the amount of Benefit Credits you direct to your Flexible Spending Accounts.

The worksheet on page 31 is provided to help you estimate the amount of salary and/or Benefit Credits to direct to your Flexible Spending Accounts. We have also included a list of expenses eligible for reimbursement. These can be found on pages 30 and 32.

Maximum Reimbursements

The maximum amount of Benefit Credits and/or salary from all sources that you may direct to your Flexible Spending Accounts is \$12,000. This means that neither your **total** reimbursable qualified expenses, nor **any one** reimbursable qualified expense may exceed \$12,000 in any Plan Year. The entire \$12,000 may be sheltered under the Medical FSA. The maximum Dependent Care Account limit for the plan year is \$5,000 if you claim married or head-of-household when filing your income tax return. If single or filing separately, the maximum amount is \$2,500.

To receive your medical or dependent care reimbursements via direct deposit, visit myspendingaccount.shps.com and click "Direct Deposit." The minimum amount that will be processed for reimbursement, via direct deposit or check, is \$50. You may submit claims for less than this amount, but payment will not be issued until your pending claims balance reaches the minimum amount.

If you enroll in a Medical FSA, you will receive a debit card which you can use for copays, other out of pocket expenses or qualified medical services not covered by our medical and dental plans. Please find examples of qualified expenses on page 31. The card will be accepted by any provider who accepts VISA. When you swipe your debit card the amount of your cost for services will be deducted from the balance of your medical FSA and you do not have to submit a claim form. In most cases you will not have to provide evidence of your purchase of medical care but should SHPS, our FSA administrator, request proof of purchase you must respond to their request in order for your purchase to be approved. We recommend that you save receipts and Explanation of Benefit forms sent by Blue Cross or the dental insurance companies so that you can establish proof of your purchase if it is required.

Please note: Over-the-counter (OTC) medications (except insulin) are **not** eligible for reimbursement unless the medication is prescribed.

Your debit card cannot be used for daycare expenses. You must submit a claim form for reimbursement.

Setting Up A Flexible Spending Account

Go back to the Sample OPT Election Form on pages 10 through 13 and refer to the Flexible Spending Account section. To set up an Flexible Spending Account, record in the area on the far right the biweekly amount of Benefit Credits you want deposited in your Flexible Spending Account.

No more than \$12,000 of benefit credits and salary converted to benefit credits can be directed to your Flexible Spending Accounts. This amount may be allocated to one or divided between both expense accounts (Medical FSA and Dependent Care). The amount you can direct to your Flexible Spending Accounts also depends on the amount of Benefit Credits you have used to elect Optional Benefits.

Note: To convert an annual amount to a biweekly figure, divide the annual amount by the remaining pay periods in the calendar year. (There are 26 pay periods in a full calendar year.)

Medical Flexible Spending Account Eligible Expenses

Medical Expenses which qualify as a medical deduction under IRS rules are eligible for reimbursement from your Medical Flexible Spending Account. The IRS has historically considered these expenses deductible for income tax purposes; however, because tax rules are constantly changing, we recommend that you check with your attorney or tax advisor if you are uncertain as to the eligibility of a specific expense.

Current FSA participants can view an Eligible Expense Guide in the e-learning center at myspendingaccount.shps.com. The pre-enrollment website to learn about eligible expenses is spendingaccounts.info; click on “Eligible Expense Guide.”

Medical Treatments

- Acupuncture
- Sterilization
- Hydrotherapy (water treatments)
- Vasectomy

Equipment and Supplies

- Abdominal and back supports
- Room air conditioner when necessary for relief from an allergy or for relieving difficulty in breathing
- Arches
- Autostic (auto device for handicapped person), but not if used to travel to work
- Contact lenses and eyeglasses
- Cost of installing stair-seat elevator for person with heart condition
- Elastic hosiery
- Fluoridation unit in home
- Hearing aids
- Invalid chair
- Orthopedic shoes
- Reclining chair, if prescribed by doctor
- Special mattress and plywood bed boards for relief of arthritis of spine
- Wig advised by doctor as essential to mental health of person who lost all hair from disease

Medicines

- Prescription drugs or insulin

Professional Services

- Practical nurse for medical services only; not for care of a healthy person or a small child who is not ill. Costs for medical care of elderly person unable to get about, or person subject to spells.

Miscellaneous

- Excess cost of Braille books over cost of regular editions
- Contact lens insurance
- Convalescent home (for medical treatment only)
- Fees paid to health institute for exercises, rubdowns, and other treatments prescribed by a physician as treatments necessary to alleviate a physical or mental defect or illness
- Hair transplant operation performed by dermatologist or plastic surgeon
- Kidney donor’s or potential kidney donor’s expenses
- Lodging away from home if essential for medical care to a maximum of \$50 a night

- Nurse’s board and wages, including Social Security taxes you pay on wages
- Remedial reading for a child suffering from dyslexia
- Expenses related to sanitarium and similar institutions
- Dog guide and its maintenance
- Special school costs for physically and mentally handicapped children
- Transportation expenses if primarily for and essential to medical care
- Wages paid to a guide for a blind person
- Telephone-teletype costs and television adapter for closed caption services for a deaf person

QUALIFIED EXPENSES – A FEW EXAMPLES

The following are considered qualified expenses eligible for reimbursement through the Flexible Spending Accounts:

Medical Spending Account

Any medical expense that has not been paid by the OPT Program’s Medical and Dental Plans, or by any other health coverage may be eligible for reimbursement through your Health Care Flexible Spending Account. Please note that when you file your federal income tax return, you may not claim a tax deduction for any healthcare expense, including vision care, that is reimbursed through your Medical Flexible Spending Account. Expenses deemed cosmetic in nature by the IRS are not eligible for reimbursement. Please see above for listing of eligible expenses.

Dependent Care Account

Qualified dependent care expenses include the cost of day care, before/after-school care, summer day camp services during a Plan Year rendered by any person (other than a dependent under age 19 or any person you claim as a dependent for tax purposes) or licensed institution. The cost of household services is also considered a qualified expense; if it is at least partly for the care of a qualifying individual.

Qualified individuals include your children under age 13 who are claimed by you as dependents for tax purposes or any dependent (including your spouse) who is physically or mentally incapable of caring for him or herself.

The maximum limit for the plan year is \$5,000 if married or head-of-household. If single or filing separately, the maximum amount is \$2,500.

Your contribution cannot exceed your earned income or your spouse’s earned income, whichever is less.

How much should you put in your Medical and Dependent Care Flexible Spending Account? The answer to that question depends on your answers to several other questions. This worksheet asks some questions you should consider before you decide how much of your Benefit Credits to direct to the Flexible Spending Account. It provides space to record your expenses for the past two years and your estimates of the expenses you may have in 2012. See pages 30 and 31 for a partial listing of eligible expenses.

Flexible Spending Account Worksheet

An online FSA worksheet is available at spendingsccounts.info; click on "Contribution Calculator." This calculator will help you estimate your FSA contribution and potential annual tax savings.

<i>Type of Expense</i>	<i>2010 Actual</i>	<i>2011 Actual</i>	<i>2012 Estimated</i>
Medical			
Medical, Dental, and Vision Care Plans			
Out-of-pocket expenses to meet the deductible required under the Medical Option you select?	\$	\$	\$
Your portion of the co-insurance through your medical insurance plan?	\$	\$	\$
Dental Plan out-of-pocket expenses to meet the deductible?	\$	\$	\$
Expenses reimbursed under medical, dental and vision that exceed the usual, customary and reasonable (UCR) customary amounts or annual maximums?	\$	\$	\$
Medical services not covered by the plan?	\$	\$	\$
Dental services not covered by the plan?	\$	\$	\$
Over-the-counter expenses? (Effective 2011 you must have a prescription)	\$	\$	\$
Vision expenses which exceed health plan maximum?	\$	\$	\$
Total Medical Expenses	\$	\$	\$

Child or Dependent Care

If your child attends a day care center, what are your annual fees?	\$	\$	\$
How much do you spend in a year for babysitters during your working hours?	\$	\$	\$
Annual cost for a nurse to care for a disabled dependent?	\$	\$	\$
Total Dependent Care Expenses	\$	\$	\$

Total your estimated expenses for 2012. The total is the maximum Benefit Credits you should consider directing to your Flexible Spending Account. The most you can direct to your Accounts is \$12,000 per year. However, for dependent care, the maximum limit for the plan year is \$5,000 filing married or head-of-household. If single or filing separately, the annual maximum is \$2,500. Part-time employees' contributions cannot exceed your earned income or your spouse's earned income, whichever is less. You'll be able to pay those expenses with before-tax dollars – dollars that are not subject to federal income or Social Security taxes. Remember, you should be certain of the amount you direct to the Accounts, because you will lose any unspent balance at the end of the plan year.

ADDING IT UP

The bottom right section of your Sample OPT Election Form (pages 10 through 13) provides a space to record the biweekly total for your elections.

If the total amount of biweekly Benefit Credits given to you by Jefferson in Line A* is less than the amount you enter in Line B, record the difference in the space provided. You will pay the additional cost recorded by converting a portion of your biweekly pay to additional Benefit Credits. If the total amount of biweekly Benefit Credits given to you by Jefferson in Line A is more than the amount you entered in Line B, record the difference in the space provided. You will receive the amount you recorded as a taxable addition to your biweekly pay.

If you are setting up an Flexible Spending Account for 2012, making coverage changes, or are a new employee, be sure to sign and date your OPT Election Form. **Return it to the Human Resources Service Center no later than the date shown in the first section of the form.**

* Record the total amount of biweekly Benefits Credits given to you by Jefferson on Line A according to whether you selected **ELECT** or **WAIVE** for medical coverage.

YOUR OPT VERIFICATION FORM

When your OPT Election Form has been processed, you will receive a Verification Form that shows all of your elections. If the Verification Form differs from your copy of your completed Election Form, be sure to indicate your proper elections in the space provided on the Verification Form and return it to the Human Resources Service Center within five days of receipt. **No new selections will be accepted.**

YOUR OTHER BENEFITS

We have reviewed all of the Optional Benefits available to you, as well as the Basic Benefits (if any) related to those options. In addition to these OPT program benefits, your other benefits may include the following, depending on your employment status:

- Retirement Plan
- Dependent Scholarship for Faculty and Senior Administrators
- Tuition Assistance Program
- Vacation

Here's a brief look at each of these benefits. Additional information on each of the benefit programs is available at www.jeffersonhr.org. **If you have questions about any of these benefits, contact the Human Resources Service Center at 215-503-8100.**

Retirement Plans

Jefferson provides Retirement Plans for eligible employees.

The Retirement Plans for TJU Faculty, TJU/TJUH Senior Administrators, and Employees and Clinicians of Jefferson University Physicians provide contributions toward retirement income.

The TJUH, Inc. Defined Contribution Pension Plan provides fixed contributions and partial matching of employees' contributions toward retirement income.

The TJU Employees' Pension Plan and TJUH Employees' Pension Plan for other non-bargaining employees provides monthly benefits when an eligible participant reaches retirement age. Benefits are determined by the Plan's formula, which takes into account your earnings and length of service with Jefferson.

The Jefferson University Physicians Retirement Plan provides contributions toward retirement annuity income.

OTHER VOLUNTARY PROGRAMS AND FACILITIES OFFERED BY JEFFERSON THAT ARE NOT PART OF THE OPT PROGRAM

- Adoption Assistance
- Banking Programs
- Blood Donor Programs
- Carebridge
- Commuter Services and Discounts
- Day Care Services
- Direct Payroll Deposit
- Fast Pass (Atrium)
- First Call (EAP)
- Freedom Credit Union
- Jefferson–Independence Blue Cross Wellness Center
- LegalEASE
- Library Privileges
- University Health Services

Tax Deferred Annuity Programs

All employees are eligible to participate in Jefferson's Tax Deferred Annuity programs. Voluntary pre-tax contributions may be made to an annuity program which may supplement your retirement income. For more information, please contact a Jefferson Pension Specialist at **215-503-2743** or **215-503-8922**.

Dependent Scholarship Program

Full-time Faculty and Senior Administrators are eligible for Jefferson's Dependent Scholarship Program, which provides eligible, unmarried dependent children up to age 30 with yearly assistance for educational expenses as undergraduate students at any CHEA accredited college, university or school of nursing. Dependent scholarship benefits are payable for up to four years of study towards an undergraduate degree.

Tuition Assistance Program

Regular full-time non-bargaining employees are eligible for the Tuition Assistance Program. You must be employed for 60 days before starting classes at Jefferson. You must be employed full-time for at least six months before starting classes in an approved course at an external institution. Approved courses include accredited college courses that are Jefferson-related and courses taken at the Associate, Bachelor or Graduate level. For additional information, contact the Tuition Benefits Specialist at **215-503-6785**.

Vacations

All eligible non-bargaining employees receive vacation time based upon their job title and length of service. Generally, vacation time is allotted according to the following schedules:

- Faculty (other than Jefferson College of Health Professions) and Senior Administrators: 20 days a year
- Other non-bargaining employees:

<i>Service</i>	<i>Vacation</i>
up to 5 years	10 days
5 to 10 years	15 days
10 or more years	20 days

Please Note: Specific eligibility requirements apply to the benefit plans identified in this booklet. Your entitlement to any of the benefits listed herein is expressly conditioned upon, and subject to, your meeting such eligibility requirements as provided in the plans. You may not rely upon this booklet as a determination as to your qualification or eligibility for such benefits. Detailed information is provided during the benefits orientation and enrollment session. If there is a difference between the statements in this booklet and in the contracts regarding the nature and extent of the benefits, the benefits will be determined in accordance with the language of the insurance contracts.