

## **2008 Employee Benefit Summary**

Geisinger System Services on behalf of its affiliate entities under the common corporate control of the Geisinger Health System Foundation, collectively referred to as Geisinger provides various levels of benefits to all regular **full-time employees** and regular **part-time employees** who are in positions budgeted at 0.5 FTE or higher or who work at least 1,000 hours during a calendar year.

Geisinger's comprehensive program includes opportunities for education & development, competitive compensation & benefits, and supports work life balance. Geisinger offers a flexible benefit plan where the costs are shared between the employer and the employee. New employees may elect benefits immediately upon employment. Benefits enrollment is completed using Lawson, online on our intranet. In addition to benefits enrollment, it provides quick and easy access to key plan information, levels of coverage, contributions, and eligible dependents with electronic forms that are easy to understand and navigate.

If you have questions about the benefit programs, specific plan information or need more detail than this summary provides please call your Geisinger Human Resources office at:

**Geisinger Medical Center & Danville Area:** (570) 271-6640

**Geisinger South Wilkes-Barre Hospital & South Wilkes-Barre Area:** (570) 826-3250

**Geisinger Wyoming Valley Hospital & Wilkes-Barre Area:** (570) 826-7885

**State College Area:** (814) 235-3380

**This is a summary of existing or current benefit plans and policies, which may be subject to change. Where this summary and the official contracts, plan documents and policies vary in the descriptions of the plans, the contract, the plan documents and policies are the final authority.**

**Highlights of each of the benefit plans follow:**

### **Health Plan Options**

#### **Medical**

Employees can choose between MyCare Solutions & MyCare Select. Each plan provides immediate coverage with no pre-existing condition clause. Employees will be responsible for a contribution to participate in the medical coverage. MyCare Solutions is a managed care medical plan that requires you to choose a primary care site with a Primary Care Physician (PCP) who will coordinate all of your medical care. Find out who participates at [www.thehealthplan.com](http://www.thehealthplan.com).

#### **MyCare Solutions**

- Annual Deductible of \$500 individual / \$1,000 two person / \$1,500 family
- \$20 co-pay – primary care physician visit / \$30 co-pay specialist visit
- Preventive Services – 100% coverage (*see the MyChoice Benefit Guide for details*)

- \$75 emergency room co-pay
- \$25 outpatient mental health co-pay per visit
- Other services may require a co-pay - see the *2008 MyChoice Benefit Guide* for details.

## **MyCare Select**

In addition to MyCare Solutions, MyCare Select is available.

- Members are not required to designate a single primary care physician with MyCare Select. You have the freedom of choice to use physicians and hospitals within the Geisinger Health Plan (GHP) provider network, or go outside of the network to use the services of other physicians and hospitals.
- When accessing providers outside the GHP network, the financial costs for which you will be responsible will be much higher than using the providers within the GHP network. Usually, within the GHP network you will have 90% of the costs covered as opposed to 70% with providers outside the network.

### **In Network**

- \$500 individual / \$750 two person / \$1,000 family deductible
- 90% coverage 10% co-insurance
- \$1,250 individual / \$1,875 two person / \$2,500 family out-of-pocket maximum (OOP)

### **Out of Network**

- \$1,500 individual / \$2,250 two persons / \$3,000 family deductible
- 70% coverage 30% co-insurance
- \$3,500 individual / \$5,250 two persons / \$7,000 family out-of-pocket maximum (OOP)

### **Physician Services**

- \$20 co-pay - primary care services (via pediatrician, family practitioner, general internist or obstetrician)
- \$35 co-pay - specialty services
- Deductible and co-insurance apply after co-pay

### **Preventive Services**

- 100% coverage
- Pays 100% of certain preventive services, including annual exams, vaccinations and health screenings. See the *MyChoice Benefit Guide* for details.

**Emergency Room** - \$50 co-pay

**Mental Health** - \$35 co-pay (deductible and co-insurance apply)

**Vision** - 100% coverage for one eye refraction per year. Other services - \$35 co-pay

**Maternity** - \$20 co-pay (initial visit only) (*see the MyChoice Benefit Guide for details*)

## **MyHealth Rewards Program**

*MyHealth Rewards Program* is designed to encourage and support employees to identify and follow a pathway to better health for themselves and their families. Key elements of this program include:

- **Geisinger Wellness** initiatives provide information, resources and participation opportunities for all employees to improve their health by increasing physical activity, nutrition, weight management, screenings, tobacco cessation and other activities.
- **Health Risk Assessment (HRA)** is a confidential web-based questionnaire designed to evaluate individual health status. HRA is also a tool for building a personal health improvement plan to be agreed on by you and your doctor. HRA will be available to all employees and dependent family members over age 18.
- **Free medications for hypertension, high cholesterol and diabetes** – After meeting the standard deductible for the coverage selected, Health Plan members can obtain free medications from a list of nearly 200 generic and brand name drugs used to control hypertension, cholesterol and diabetes. View the list of approved medications on-line at *INFOweb/hr/benefits*.
- **Health Management Program participation** – Each Geisinger Health Plan member who meets enrollment criteria and enrolls in one or more of the health management programs will receive a \$200 enrollment incentive payment. Participants have an opportunity for 2 additional reward payment of \$200 each. View additional information at *INFOweb/MyHealth Rewards*. Please note: Standard GHP eligibility criteria for Disease Management or Complex Case Management must be met.

## **Mental Health and Substance Abuse**

United Behavioral Health (UBH) manages services for participants of MyCare Solutions and MyCare Select. For pre-authorization, please call UBH at 888-839-7972.

## **Accessories Program**

As a member of Geisinger Health Plan you have access to a variety of discounted, health related products and services. Cole Vision, Weight Watchers® and fitness center discounts are included in the program. Discounts ranging from 15-60% depending on the service selected are offered through partnerships with outside contracted vendors. No referrals are necessary, and premium is not affected. American Specialty Health networks offers a 25% discount off the provider's usual fee for acupuncture, chiropractic care and massage therapy. In addition, members can also receive a discount of 15-40% on more than 2,400 health and wellness-oriented products. Find out what services and discounts are available through GHP's Accessories Program at [www.thehealthplan.com](http://www.thehealthplan.com).

## **Eye**

Refraction, Contact Lens, eyeglasses and Lasik Surgery at reduced prices at specified locations

## Prescription

### Three-tiered Prescription Drug Plan

When an employee subscribes to MyCare Solutions or MyCare Select through Geisinger they are automatically enrolled in the prescription drug plan. Once a \$50 per individual / \$75 two-person / \$100 family deductible per calendar year (maximum of two deductibles per family) is met, you are responsible for a co-pay per prescription. The amount you pay depends on whether the drug is a generic, preferred brand name or non-preferred brand name.

**Free generic and brand name drugs** (after meeting the deductible) for hypertension, diabetes and CAD (coronary artery disease, i.e. high cholesterol) **only at Geisinger Pharmacies** (GMC Outpatient, Knapper, CareSite and Geisinger Mail-Order pharmacies). A list of almost 200 medications can be found online at [INFOweb/hr/benefits](http://INFOweb/hr/benefits).

<b>Tier</b>	<b>Geisinger Retail/ CareSite Pharmacy (30-day supply)</b>	<b>Other Retail Pharmacy (30-day supply)</b>	<b>Geisinger Mail- Order Pharmacy (90-day supply)</b>
<b>Select Medications (cholesterol, diabetes and hypertension)</b>	After deductible, you pay \$0	After deductible, you pay the Tier 1, 2 or 3 co-pay	After deductible, you pay \$0
<b>Tier 1 Generic Drugs</b>	You pay \$7.50	You pay \$10	You pay \$15
<b>Tier 2 Preferred Brand Name Drugs</b>	You pay \$20	You pay \$25	You pay \$40
<b>Tier 3 Non-Preferred Brand Name Drugs</b>	You pay \$30	You pay \$40	You pay \$60
<b>Injectibles and other Biologic Drugs</b>	You pay 20% Co-insurance	You pay 20% Co- insurance	You pay 20% Co- insurance

- Select medications are subject to GHP formulary rules.
- Co-pays apply after the deductible has been met. Deductible is \$50 for individual, \$75 for two-person and \$100 for family coverage.
- Retail Pharmacy – Limited to a 30-day supply.
- Mail Order Pharmacy – Provides a 90-day supply for two “Geisinger Retail Pharmacy” co-pays. Certain drugs may only be available through mail order.

**When the prescribed drug cost is less than the co-pay, the cost of the drug will be charged.**

Important things to note about the Prescription Drug Plan:

- Diabetic supplies: test strips and syringes are free at Geisinger Pharmacies under the free medication program.
- Cosmetic drugs are not covered. Fertility drug costs, including dispensing fees, are covered up to \$5,000 per year.

## **Dental**

Geisinger offers a comprehensive Dental Plan through United Concordia (UC). All covered dental procedures, except diagnostic and preventive services, are subject to an annual per person deductible of \$100, with a family limitation of \$200 for In-Network and Out-of-Network dentists. The deductible is waived for diagnostic and preventive services. There is an \$1800 annual maximum per person for services provided by Advantage Plus participating dentists and \$1500 annual maximum per person for services provided by non-participating dentists. The following payment schedule shows the co-insurance percentages involved with each covered procedure, in accordance with the UC payout level.

Class I Services	Plan Pays <sup>1</sup>	
	In-Network	Out-of-Network
Examinations ( 2 per calendar year)	100%	100%
X-Rays (Bitewing – One per calendar year; Full mouth series – one per 3-year period)		
Cleanings (2 per calendar year; one additional for expecting mothers)		
Fluoride Treatments (2 per calendar year)		
Sealants (to age 17, one per tooth per 3-year period)		
Space Maintainers		
Non-Surgical Periodontics		
Palliative Treatment		
<b>Class II Services</b>		
Basic Restorative	75%	75%
Posterior Composites		
Endodontics		
Surgical Periodontics		
Repairs		
Simple Extractions		
Complex Oral Surgery		
General Anesthesia and/or IV Sedation		
<b>Class III Services</b>		
Inlays, Onlays, Crowns	50%	50%
Prosthetics		
Implants		
<b>Pre-Orthodontic Treatment Visit (to age 19)</b>		
Pre-Orthodontic Treatment Visit Only (limit 2 per lifetime)	100%	100%
<b>Deductibles and Maximums</b>		
Deductible Per Member (Class I services and Pre-Orthodontic Treatment Visit excluded)	\$100 per person \$200 per family	\$100 per person \$200 per family
Annual Program Maximum (per person)	<b>\$1,800</b>	<b>\$1,500</b>
<b>Network</b>	<b>AdvantagePlus</b>	

Go to [www.ucci.com](http://www.ucci.com), select "Find A Dentist" and choose "Advantage Plus" to obtain a list of dentists in your area.

<sup>1</sup> Reimbursement is based on UC's schedule of Maximum Allowable Charges (MAC). Network providers have agreed to accept these allowances as payment-in-full. Non-participating providers may bill the member for the difference, if any, between our allowance and their fee.

## **Life, Disability and Liability**

**Full-time employees** are covered by **Group Term Life Insurance**. Coverage is equal to two times annual salary, subject to a limit of \$500,000. Included with Basic Life Insurance coverage is **Accidental Death and Dismemberment (AD&D)** coverage. Accidental death and dismemberment coverage is an additional amount of life insurance coverage. Dismemberment coverage provides financial protection if an employee suffers the loss of a limb, eyesight, etc. **Full-time** and **part-time employees** may elect to purchase **Optional Life Insurance** coverage to specified maximums. The cost of the Optional Life Insurance is based on age. See the *MyChoice Benefit Guide* for details.

As a Geisinger employee, you are automatically covered for **Business Travel Accident Insurance**, including Life Flight® coverage.

**Voluntary Short-Term Disability Insurance** is available to **full-time and part-time (.50 fte or higher) employees**. Eligibility begins after the 90<sup>th</sup> day from your first day of employment or in an eligible position. Quarterly enrollment, for newly eligible employees, is through the on-site Farmington Benefit Representatives only. You can choose a 14, 30 or 60-day elimination period and monthly disability benefits are available from \$300 to \$6,000 – up to 60% of your salary.

**Long-Term Disability (LTD) Insurance** is available to **full-time and part-time employees**. Eligible full-time employees can choose 50% or 60% salary replacement. Eligible part-time employees will automatically receive 50% salary replacement. Long-Term Disability coverage is designed to cover any lengthy disability that continues for more than six months. A pre-existing condition limitation applies to newly hired employees.

### **Professional Liability Insurance**

Geisinger Health System pays the full premium to provide commercial insurance for professional liability and also pays the full premium for extended coverage under the Catastrophic Loss Fund administered by the Commonwealth of Pennsylvania.

## **Flexible Spending Account (FSA)**

Before you decide not to enroll in the Flexible Spending Account, consider your anticipated out-of-pocket expenses for health care and dependent care for 2008. The plan limits for 2008 continue to be \$5,000 for health care or dependent day care.

Go to [www.flexamerica.com](http://www.flexamerica.com) and click on "Participant Service Center" for a complete list of eligible expenses, Frequently Asked Questions, as well as worksheets to help estimate the available tax savings. Spending accounts allow you to set money aside to meet expenses that may not be covered under other benefit plans or insurance, including over-the-counter, non-prescription medications.

When enrollment for the Flexible Spending Account program is completed you will be issued a **Flex Debit Card**. The **Flex Debit Card** allows you to directly pay for your eligible FSA expenses at the point of service. This allows you to avoid the traditional hassles of an FSA such as paying cash for services (in addition to your payroll deductions), filling out and submitting a claim form, and waiting for a reimbursement check.

***The advantages of the card:***

- Deducts the payment directly from your FSA account--no more paying cash for services in addition to your payroll deduction.
- No more paying in cash, waiting for claim checks or going to the bank.
- Online access to real-time account information--allows you to check your balance any time.

You may elect to participate in either, or both, the Health Care Account - FSA or the Dependent Day Care Account - FSA for child/dependent day care expenses, while allowing you to save money on your taxes.

**The Health Care Account** is beneficial if you have out-of-pocket medical, dental, vision or hearing expenses beyond what your insurance plan covers for you and your dependents; it offers a real advantage for your pocketbook.

**Many people find it a cost effective way to pay for:**

- The cost of over-the-counter medications to treat a medical condition without a prescription.
- Medical and dental plan deductibles / co-payments
- Eyeglasses, contact lenses & hearing aids
- Orthodontics and disposable medical equipment
- Other health-related expenses not covered by insurance
- The cost of home exercise equipment bought on a doctor's recommendation for the treatment of obesity is reimbursable through the health care account. The purpose must be to treat the disease, not to promote general health.

Even taxpayers who do not itemize can take advantage of this tax break using the Health Care Account.

**The Dependent Day Care Account** is generally beneficial to anyone who has a qualified dependent and eligible day care expenses. Eligible dependents are defined as children less than 13 years of age, or children 13 or over who are physically or mentally unable to care for themselves. A spouse or elderly parent residing in your home, who is physically or mentally unable to care for him or herself, also qualifies. Extend your income by using the Dependent Care Account to pay for work-related dependent care expenses with income tax-free dollars. You can save a significant amount of money by participating in this account. If you are paying for day care expenses now, you are paying in taxable dollars and probably taking the federal tax credit at the end of the year. If you use the Dependent Care Account, you will pay these expenses in pre-tax dollars through the year, eliminating the need to use the tax credit at the end of the year. In most instances, the savings realized through participation in the FSA will be greater than the savings available through the tax credit.

***Plan carefully, you must use the money for expenses incurred by March 15<sup>th</sup> of the following year that it's deposited or – under IRS rules – the money left in your account will be forfeited.***

Go to [www.flexamerica.com](http://www.flexamerica.com) and click on "Participant Service Center" choose the "FSA Tax Calculator" to help you calculate your potential tax benefits. The amount you elect

will be deducted in even amounts from each of your paychecks, and contributed to your account(s).

## **Retirement Programs**

Employees are immediately eligible to participate in the Geisinger Retirement Plan(s).

Geisinger automatically contributes an amount equal to 5 percent of an employee's compensation under the Social Security (FICA) wage base (\$102,000 in 2008), plus 9 percent of earnings over the wage base, up to the federal compensation limit (\$230,000 in 2008) to the 401(k) Savings Plan, provided the employee is at least age 18 and in an eligible group. Employees receive this contribution even if they do not contribute to the plan.

The money Geisinger invests in the 401(k) plan on your behalf is subject to a 3-year cliff-vesting schedule. One year of credited service is a calendar year where a minimum of 1,000 hours are worked. That means if you leave Geisinger before completing three years of credited service, you take only the money that you have put into the plan and any earnings on it, but not the money Geisinger has contributed on your behalf.

### **401(k) Savings Plan**

Employees who earn less than the highly compensated limit (\$105,000 in 2008) may personally contribute a minimum of two percent of compensation on a pre-tax basis to the 401(k) Plan through convenient payroll deduction, up to the IRS limit (\$15,500 in 2008).

Unless an employee elects to not participate in the 401(k), they will be automatically enrolled with a 3% employee contribution after 90-days of employment/eligibility.

### **TSA 403(b)**

Geisinger Health System also offers the ability to make pre-tax voluntary contributions up to the IRS limit (\$15,500 in 2008) to a TSA 403(b) plan. The minimum contribution to the TSA is three percent of compensation.

**If an employee contributes to both the TSA-403(b) and the 401(k) the total combined personal contribution cannot exceed the maximum limits set by the Internal Revenue Code.**

### **Catch-up Contributions**

If you are age 50 or older; you may make additional "catch-up" contributions to the 401(k) and/or 403(b). Eligibility is very straightforward. All employees who are age 50 or older before January 1, 2009, can make "catch-up" contributions in the amount of \$5,000 to the 401(k) or 403(b), so long as the plans allow such contributions to be made and the employee is contributing the maximum defined by the IRS. Geisinger 401(k) and 403(b) participants can take advantage of these age 50 catch-up provisions. In addition, if you qualify, 403(b) plan participants will be able to take advantage of both the age 50 catch-up provision and the existing 403(b) lifetime catch-up provision. A participant will be eligible to make a catch-up contribution if no other elective deferrals may be made to the plan because of IRS or plan limitations or restrictions.

Employees may direct Geisinger's and personal contributions made to the retirement plan(s) to a variety of investment options with Fidelity Investments. The investment options include Fidelity and Non-Fidelity funds, which cover a range of risk and return characteristics to help you build a retirement portfolio from conservative short-term funds to aggressive stock mutual funds.

## **Work/Life Balance**

### **Personal Holidays**

Balancing work time and time off is an important decision, one that is certainly different for each employee. This program gives **full-time employees** the option each year to take 4 (four) Personal Holidays as time off with pay during the year, or to "sell" one or more of them for cash to be paid as a lump sum or flex credits to be applied equally to your pay throughout the plan year.

Pro-rated Personal Holidays for newly hired **full-time employees** must be used as time off prior to the end of the plan year. (January 1 through December 31)

Unused or unsold Personal Holidays are not eligible to be carried over from year to year. If you change from **full-time** to **part-time** status during the calendar year, any unused Personal Holidays or remaining credits are forfeited. Also, upon termination of employment, you lose the balance of unused Personal Holidays or flex credits.

### **Paid Time Off**

**Paid Time Off (PTO) Primary** is provided for scheduled time off such as vacations, unscheduled instances of illness and personal emergencies. All regular **full-time** and benefits-eligible **part-time employees** accrue PTO biweekly.

- **Part-time employees** are eligible to receive and use a prorated portion of 128 PTO primary hours annually. Part-time accruals are based on hours worked each pay period.
- **Full-time employees** are eligible for immediate use of PTO primary hours accrued biweekly.
- **Hourly paid employees** - the initial accrual is based upon 14 1/2 days a year.
- **Salaried employees** - the initial accrual is based upon 19 1/2 days a year.

**Paid Time Off (PTO) Extended** hours provide employees pay continuance during periods of personal illness. These hours may be accessed after 24 consecutive hours of scheduled work time in instances of an absence of personal illness each fiscal year (July-June), or other pre-defined illnesses. A maximum of 1,040 hours (130 days) or six months of extended leave will be paid per episode of illness.

- **Part-Time Employees** accrue on a biweekly basis a prorated amount equivalent to 8 days (64 hours) of PTO extended time annually.
- **Full-Time Employees** accrue on a biweekly basis the equivalent of 8 days (64 hours) of PTO extended time annually.

## **Holidays**

**Full-time employees** are eligible for six fixed paid holidays in a calendar year. Should a **part-time employee** work on an actual holiday, (s)he will receive time-and-a-half for the hours worked. (*New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day and Christmas Day.*)

## **Jury Duty**

Employees asked to serve on a jury are eligible for regular pay.

## **Funeral Leave**

**Full-time employees** may be eligible for up to a maximum of three days paid funeral leave. **Part-time employees** may be eligible for up to a maximum of 8 hours paid funeral leave if they are scheduled to work on the day of the funeral or viewing. Funeral leave is granted depending on your relationship to the deceased.

## **Employee Assistance Program (EAP)**

Geisinger Health System offers counseling and guidance to individuals who may need confidential assistance with personal problems, through the EAP.

## **Education/Development**

### **Educational Assistance (Tuition Reimbursement)**

Tuition reimbursement is for work-related courses or a job related degree program with prior approval from the Employee Development office. The annual reimbursement is 85% up to a maximum of \$2,500 for undergraduate and \$2,500 for graduate courses per calendar year for job-related courses. Employees must satisfactorily complete the course to be eligible for reimbursement. Reimbursement does not include books, fees, etc.

- **Part-time employees** - After one year of regular part-time employment and 1,000 hours worked, part-time employees are eligible for tuition reimbursement.
- **Full-time employees** - After six months of continuous full-time employment full-time employees are eligible for tuition reimbursement.

**Physician Extenders (PA's, Nurse Practitioners, CRNA's Nurse Midwives)** are allotted 10 working days per year for external Continuing Medical Education (CME), plus \$1,500. The \$1,500 may be used for external CME and/or books, journals and one professional due up to \$500. Certification or licensure is NOT covered by CME funds.

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**This document is a summary of existing or current benefit plans and policies, up to date as of 1/1/2008.**