
Important Information about Your Plan for 2012 Plan Year

IMPORTANT LEGAL NOTICES ABOUT YOUR RIGHTS UNDER THE PLAN

This guide describes the benefit plans and policies available to you as an employee.

NOTICE OF RIGHT TO RECEIVE A CERTIFICATE OF CREDITABLE COVERAGE

The Health Insurance Portability and Accountability Act (HIPAA) was enacted to help you maintain your health coverage when you need to change jobs. If you lose coverage under the Plan, HIPAA does not allow you to take the plan coverage with you. Rather, the Plan will provide you with a certificate that shows how long you had coverage under the Plan, which is your "creditable coverage." Using this certificate of creditable coverage, you will be able to reduce or eliminate any pre-existing condition exclusion imposed by a new employer plan or group insurance policy. You will automatically receive a certificate:

- When you become a qualified beneficiary entitled to elect COBRA coverage.

- When you lose medical coverage, even though you are not entitled to elect COBRA coverage.
- When your COBRA continuation coverage ends.

You may also request a certificate at any time or within 24 months after your medical coverage ends. For more information, contact the Human Resources Department.

NOTICE OF PRESCRIPTION DRUG OPTIONS FOR MEDICARE MEMBERS

This notice is important to you if you or one of your covered dependents currently have Medicare coverage or if you expect to begin Medicare coverage within the next 14 months. The notice provides information about how the prescription drug coverage with your employer currently works and what your prescription drug options are under Medicare prescription drug coverage.

Your employer has determined that the prescription drug coverage offered under the Plan is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay. All

Medicare prescription drug plans will provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium. If you or a covered dependent are currently covered under your employer's prescription drug plan, your coverage is on average at least as good as standard Medicare prescription drug coverage. As a result, you will not pay extra if you later decide to enroll in Medicare coverage.

People with Medicare can enroll in a Medicare prescription drug plan each year from October 15 through December 7. However, if you have existing prescription drug coverage through your employer's plan, it is, on average, as good as Medicare coverage and you can choose to join a Medicare prescription drug plan later.

If you decide to enroll in a Medicare prescription drug plan and you are an active employee or family member of an active employee, you may also continue your employer coverage. In this case, the employer plan will continue to pay primary or secondary as it had before you enrolled in a Medicare prescription drug plan. If you waive or drop employer

coverage, Medicare will be your only payer. You can re-enroll in the employer plan at annual enrollment or if you have a HIPAA special enrollment event for the employer plan.

If you are a retiree or a spouse of a retiree and enroll in a Medicare prescription drug plan, you and your dependents continue to be eligible for retiree benefits under your employer's plan. If you do decide to enroll in a Medicare prescription drug plan and your employer prescription drug coverage is dropped, be aware that you may not be able to get this coverage back. Before you decide to enroll in a Medicare prescription drug plan, you should compare your *employer* plan options – including which drugs are covered – with the coverage and cost of the Medicare prescription drug plans available in your area. You will still be eligible to receive retiree medical and prescription drug coverage if you choose to enroll in a Medicare prescription drug plan. However, the employer plan will pay secondary to Medicare.

Your current coverage pays for other health expenses, in addition to prescription drugs, and you will still be eligible to receive all of your current health and prescription drug

benefits if you choose to enroll in a Medicare prescription drug plan.

You should also know that if you drop or lose coverage with your employer and don't enroll in Medicare prescription drug coverage after your employer prescription drug coverage ends, you may pay more to enroll in Medicare prescription drug coverage later. If you go 63 days or longer without prescription drug coverage, your monthly premium will go up at least 1% per month after that you did not have that coverage. You'll have to pay this higher premium as long as you have Medicare coverage. In addition, you may have to wait until the following November to enroll. You may receive this notice at other times in the future, such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage changes. You may also request a copy. Please keep this notice in a safe place for future reference.

If you enroll in one of the new plans approved by Medicare which offer prescription drug coverage after May 15, 2006, you may need to give a copy of this notice when you join to show that you are not required to pay a higher premium amount. For more information, please contact

the Human Resources Department.

NOTICE OF WOMEN'S HEALTH AND CANCER RIGHTS ACT

This Plan, as required by the Women's Health and Cancer Rights Act of 1998, provides group health benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymph edema (swelling caused by the removal of lymph nodes). Coverage for breast reconstruction and related services will be subject to deductibles and coinsurance amounts that are consistent with those that apply to other benefits under the Plan. For more information, contact the Human Resources Department.

NOTICE OF NEWBORNS AND MOTHERS HEALTH PROTECTION NOTICE

Group health plans generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery or less than 96 hours following a cesarean section. However, federal law generally does not

prohibit the mother's or newborn's attending health care provider, after consulting with the mother, from discharging the mother or newborn earlier than 48 hours (or 96 hours, if applicable). In any case, the Health Plan will not require a provider to obtain authorization from the Health Plan for prescribing a length of stay of 48 hours (or 96 hours, if applicable) or less.

NOTICE OF ELIGIBILITY FOR HEALTH CARE RELATED TO MILITARY LEAVE

If you take a military leave, federal law under the Uniformed Services Employment and Reemployment Rights Act (USERRA) provides the following rights:

- If you leave your job to perform military service, you have the right to elect to continue your existing employer-based health plan coverage for you and your dependents for up to 24 months while in the military.
- If you don't elect to continue employer-based health plan coverage during your military services, you have the right to be reinstated in your employer's health plan when you are

reemployed, generally without any waiting period or exclusions (e.g., pre-existing condition exclusions) except for service-connected illnesses or injuries.

HIPAA NOTICE OF PRIVACY PRACTICES

Your employer is committed to maintaining the privacy of protected health information for participants of your Plan. The benefit options covered under include your employer-provided medical coverage, vision coverage and the pre-tax benefit plan. This is a reminder that in compliance with the privacy rules under the Health Insurance Portability and Accountability Act (HIPAA) that the Notice of Privacy Practices is available to employees. This notice of Privacy Practices explains participants; rights and the Plan's legal duties with respect to protected health information (PHI) and how the Plan may use and disclose PHI. To obtain a copy or view the Notice or for further information regarding the issues covered by this Notice of Privacy Practices, please contact the Human Resources Department.
HIPAA SPECIAL ENROLLMENT NOTICE

If you decline enrollment in your employer's health plan for you or your dependents (including your spouse) because of other health insurance coverage, you or your dependents may be able to enroll in some coverages under this plan without waiting for the next open enrollment period, provided

that you request enrollment within 30 days after your other coverage ends. In addition, if you have a new dependent as a result of marriage, birth, adoption or placement for adoption, you may be able to enroll yourself and your eligible dependents, provided that you request enrollment within 30 days after the marriage, birth, adoption or placement for adoption.

Your employer will also allow a special enrollment opportunity if you or your eligible dependents either:

- Lose Medicaid or Children's Health Insurance Program (CHIP) coverage because you are no longer eligible, or
- Become eligible for a state's premium assistance program under Medicaid or CHIP.

For these enrollment opportunities, you will have 60 days – instead of 30 – from the date of the Medicaid/CHIP eligibility change to request enrollment in the *employer* group health plan. Note that this new 60-day extension doesn't apply to enrollment opportunities other than due to the Medicaid/CHIP eligibility change.