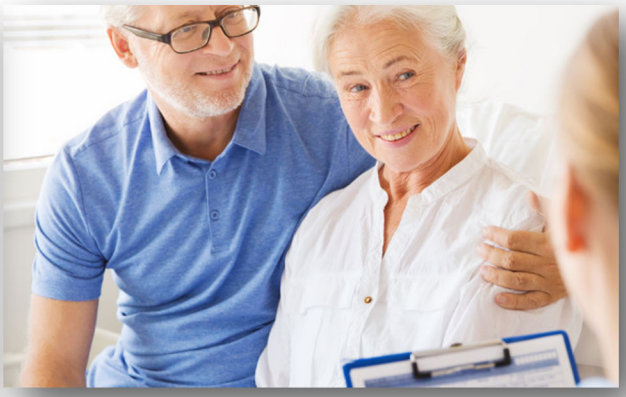
SURGICAL specialists OF CHARLOTTE, P.A.

# 2021 Employee Benefits

## Executives & Extenders

- Summary of Material Modification (SMM) for Plans Subject to ERISA
- Annual Legislative Notices

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## Welcome to Surgical Specialists of Charlotte, PA

We strive to maintain a competitive, progressive benefits program that focuses on the services that employees value most. We contract with benefits providers who are market leaders and provide excellent customer service. This booklet is intended to give you a good overview of our benefits program, but please contact Human Resources if you have questions or need additional information. In the case of discrepancies existing between this Guide and the official Plan Documents, the official Plan Documents will prevail.

## Eligibility Requirements

Surgical Specialists of Charlotte periodically reviews the benefit programs and may make modifications at its sole discretion.

All employees who work 30 hours or more per week are eligible for benefits. The effective date of coverage for the various insurance plans in which you enroll is the first of the month following your first 30 days of employment. After this initial enrollment period as a new hire ends, changes can only be implemented during our designated Annual Open Enrollment or when a Qualifying Life Event occurs. If a Life Event occurs, you must notify Human Resources within 30 days or changes will not be honored due to IRS regulations.

Your plan documents and certificates of coverage are located on Benetrac, which can be found by logging into your Paychex account. You may access these at any time. Please contact Human Resources if you need a paper copy of any documents.

**NOTE:** Not every change in status permits a change in benefit plan elections. A change in election is permitted only when it is determined that the change in status affects eligibility for coverage of the employee, a spouse or a dependent under a benefit plan.

Section 125 of the Internal Revenue Code (IRC) governs how employers provide benefits to employees on a pre-tax basis. After an employee has made an initial enrollment election, Section 125 does permit "change in status" changes outside of annual benefits Open Enrollment for certain, specific reasons as outlined in the Permitted Election Changes Regulation of Section 125 (1.125-4). And those recognized in the Surgical Specialists of Charlotte Section 125 Plan Document.

Surgical Specialists of Charlotte is required to follow the Internal Revenue Code consistently, or all employees could become immediately responsible for paying taxes on benefit premiums. To ensure this does not occur, we fully adhere to the requirements of the IRC for the protection of all employees.

## Enrollment Information

Your eligible dependents include legal spouse, children, students, and disabled children. If you're covering a dependent for Medical, Dental, and/or Voluntary Life, you will need to provide the name, date of birth, and social security number, as well as date of marriage if including a spouse on the plan or as a beneficiary.

Premiums for Voluntary Life/AD&D, Accident, and Critical Illness are made on a post-tax basis. Premiums/Contributions for Medical, Dental, Vision, Health Savings Accounts, and Flexible Spending Accounts are made on a "pre-tax" basis.

Remember as outlined above, Open Enrollment is your chance to obtain coverage or make changes to your coverage. You cannot change your election during the plan year without a Qualifying Event. Examples of qualifying events include:

- Loss / Gain of coverage through spouse's employer
- Birth or adoption of a child
- Legal separation or divorce
- Marriage
- Changes in you work status as an employee

## Medical - Cigna

Surgical Specialists of Charlotte, PA offers employees a choice of two medical plans from which to choose through CIGNA. Please review each of the coverage options carefully to determine the best plan for you and your family. The chart below provides a brief summary of the benefits. The HSA employer contribution is funded in January and July for current employees and prorated quarterly for new hires.

| Benefit Coverage | PPO | HDHP with HSA |
|---|---|---|
| | In-Network (You Pay) | In-Network (You Pay) |
| **Lifetime Maximum** | **Unlimited** | **Unlimited** |
| **Annual Deductible**<br>**-Individual**<br>**-Family** | <br>**$3,500**<br>**$7,000** | <br>**$4,000**<br>**$8,000** |
| **Employer HSA Contribution** | **N/A** | **$500 Individual**<br>**$1,000 Individual + Dependents**<br>**Current employees are funded half in January and half in July; New hires are prorated.** |
| **Out of Pocket Maximum**<br>**-Individual**<br>**-Family** | <br>**$8,000**<br>**$16,000** | <br>**$6,900**<br>**$13,800** |
| **Preventive Services** | **Covered at 100%; deductible waived** | **Covered at 100%; deductible waived** |
| **Primary Care Office Visit** | **$25 copay per visit** | **Deductible + 20%** |
| **Specialist Office Visit** | **$50 copay per visit** | **Deductible + 20%** |
| **Urgent Care Center** | **$75 copay per visit** | **Deductible + 20%** |
| **Emergency Room** | **$500 copay per visit** | **Deductible + 20%** |
| **Coinsurance** | **Plan pays 70%**<br>**You pay 30%** | **Plan pays 80%**<br>**You pay 20%** |
| **Inpatient Hospitalization** | **Deductible + 30%** | **Deductible + 20%** |
| **Outpatient Hospitalization** | **Deductible + 30%** | **Deductible + 20%** |
| **Prescription Drug Coverage**<br>**Tier 1**<br>**Tier 2**<br>**Tier 3** | <br>**$10 copay**<br>**$50 copay**<br>**$75 copay** | **Deductible + 20%** |

## Medical Plan Premiums

Surgical Specialists of Charlotte, PA pays for most of the total cost of the Plan and remains competitive in both employee premiums and plan design.

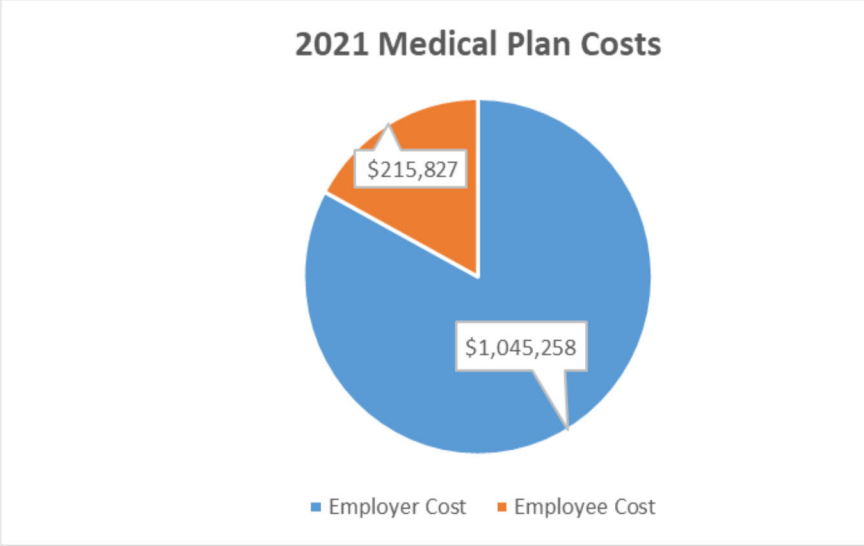
## Cigna Medical Plans

Our medical coverage with Cigna offers a broad network of providers nationwide. You can search for a participating network provider at www.myCigna.com. Note that due to Health Care Reform legislation, services considered "preventive" could be different than what you may have seen in the past, or have been accustomed to. You're encouraged to build a profile on www.myCigna.com where you can check coverage, review claims, and obtain valuable benefit information.

We continue to strongly encourage you to do your part to keep the cost of healthcare down.

Here are some ways you can become an effective healthcare consumer:

- Consider the actual cost of a procedure or service, and not just your portion of the payment, when making decisions. Actual costs can be obtained from your doctor or healthcare facility.
- Practice prevention and know what to do for early detection.
- Pursue a healthy lifestyle. Maintain and improve health with wellness.
- Talk with your doctors and share in decisions.
- Choose providers from the Cigna network to enjoy reduced rates.
- Use the MyCIGNA app to access your ID card, plan benefits, account balances, health records, and Rx information.




**For the 2021 plan year, the medical plan costs total $1.26 million!**

**Surgical Specialists pays 80% of the total cost for medical coverage alone.**

Each year, the company works hard to continue to offer a robust, competitive and affordable benefits package for its employees.

| Tier Level: | 2021 Per Pay Period Premiums | | | |
|---|---|---|---|---|
| | PPO Plan | | HDHP with HSA Plan | |
| | Employee Cost | Employer Cost | Employee Cost | Employer Cost |
| **Employee** | $26.50 | $273.65 | $22.50 | $241.38 |
| **Employee & Spouse** | $252.50 | $347.80 | $242.50 | $281.31 |
| **Employee & Child(ren)** | $192.50 | $347.76 | $182.50 | $289.34 |
| **Employee & Family** | $417.50 | $452.92 | $387.50 | $370.39 |

# Medical - Health Savings Account

## What Are The Advantages?

Any money deposited into your Health Savings Account is 100% yours – whether you withdraw funds within 1 month, 1 year, or in 10 years! It is the only IRS-supported vehicle to allow tax-free contributions and distributions (for qualified medical services and/or products. Besides for healthcare expense payments of copays, deductibles and coinsurance, HSA funds can also be used for Long Term Care insurance premiums, COBRA premiums, health care coverage while receiving unemployment compensation and for Medicare if age 65 or older.

**Note:** You will be subject to account maintenance fees if you are no longer an active HDHP participant. Please refer to the Optum Deposit Agreement and Disclosure.

| Who is eligible? | How does it work? |
|---|---|
| • Are covered by a High Deductible Health Plan (HDHP);<br>• Are not covered under a medical health plan that is not a High Deductible Health Plan;<br>• Are not covered under a Medical FSA;<br>• Are not entitled to Medicare benefits; and<br>• Are not claimed on another person's tax return. | • Employee and/or employer funds HSA account.<br>• Employee seeks medical services.<br>• Medical services are paid by the HDHP, subject to a deductible and coinsurance.<br>• Employee can seek reimbursement from their HSA account for amounts paid toward deductible.<br>• To maximize catch-up contributions, the employee and covered spouse must be 55 or older and open separate HSAs. |

## How much can I contribute to my HSA? Does Surgical Specialists of Charlotte Contribute?

| | Employee Only | Employee + Dependents |
|---|---|---|
| **2021 Total IRS Contribution Limit** | $3,600 | $7,200 |
| **If over age 55** | Additional $1,000 | Additional $1,000 |
| **Employee Contribution** | $3,100 | $6,200 |
| **Employer Contribution** | $500 | $1,000 |

# Flexible Spending Plans - Flores and Associates

## Medical Flexible Spending Account (MFSA) – PPO only

**Who is eligible?**

Any full time employee not enrolled in the HDHP plan is eligible.

**How does it work?**

Employees can put aside pre-tax dollars (via payroll deduction) up to **$2,750** per year for reimbursement of qualified medical, prescription drug, dental or vision expenses.

**Debit Card**

All employees who enroll for the FSA will now have a debit card to use at provider's offices or at the pharmacy for immediate access to FSA funds. When you swipe the card, the funds will automatically be debited from your account to pay for the service. Please be sure to submit receipts for your purchases to Flores & Associates.

You can easily submit receipts or file claims using the mobile app from Flores available in the app store. Just search Flores receipt.

## Limited Purpose Flexible Spending Account (LPFSA) – HDHP only

**Who is eligible?**

Any full time employee enrolled in the HDHP Medical plan.

**How does it work?**

Employees can put aside pre-tax dollars (via payroll deduction) up to **$2,750** per year for reimbursement of qualified dental or vision expenses.

**Debit Card**

All employees who enroll for the LPFSA will now have a debit card to use at provider's offices for immediate access to LPFSA funds. When you swipe the card, the funds will automatically be debited from your account to pay for the service. Please be sure to submit receipts for your purchases to Flores & Associates.

## Dependent Care Flexible Spending Account (DCFSA)

**Who is eligible?**

- Employees with eligible dependents under age 13.
- Employees whose parents are dependent upon them for elder care needs.

**How does it work?**

Employees can use pre-tax dollars (via payroll deduction) up to **$5,000** (**$2,500** if married and filing separately) per year for reimbursement of eligible child care (or elder care) expenses.


## Flexible Spending Account

## Plan Year 1/1/2021 - 12/31/2021

- The dollars in your FSA must be used for expenses incurred during the plan year.
- Up to **$550** of unused dollars can be rolled over each policy year (not cumulatively) for only the MFSA.
- **Any unused monies in excess of $550 for the MFSA as well as any amount in the DCFSA, will be forfeited.**


# FLORES BENEFITS CARD

## 1 ENROLL IN ELIGIBLE BENEFIT PLAN

Your employer offers the Flores Benefits Card to employees who enroll in an eligible benefit plan. The card will allow you to pay for eligible expenses at participating providers at the time services are rendered, thus eliminating or reducing your out-of-pocket cost at the time of the purchase or service.

## 2 RECEIVE YOUR FLORES BENEFITS CARD

Your Flores Benefits Card will be mailed upon your enrollment in an eligible benefit plan. No activation is required, but you should review the Cardholder Agreement included in this mailing, and then sign the back of your card.

## 3 PROPER USE & ACCOUNT MANAGEMENT

You will be able to view and manage your account on the Flores Web Portal, www.flores247.com.
You should keep your receipts and invoices for payments made with your Flores Benefits Card, as you may be required to provide documentation to Flores to verify the eligibility of certain transactions. If requested, you may submit your documentation to Flores by uploading it to your online account, uploading using the Flores e-Receipt mobile application, or sending it by fax or mail.

**Record-keeping Tip:**
Most payments will be automatically substantiated at the point of the transaction. Flores will only ask you to provide a copy of your receipts when substantiation is required per IRS guidelines.
Establish a physical location where you will keep all receipts for your Flores Benefits Card purchases. Regardless of your position with your company, every employee will be treated the same in regard to IRS plan administration guidelines. No exceptions will be made.

**If you are asked to provide a receipt, it must include:**

- name of provider or merchant
- description of service or item purchased
- date of service
- your out-of-pocket responsibility

Items such as handwritten explanations, Card transaction receipts or previous balance receipts cannot be used to verify an expense. If you do not have the receipt, you can contact the provider who can usually supply the receipt from their files.


## IS SUBSTANTIATION REQUIRED?

### YES

Co-pay amounts that do not match your company sponsored health insurance plan

Charges applied against your plan year deductible

Charges applied against your plan year coinsurance

Dental charges

Vision charges

### NO

Co-pay amounts that match your company sponsored health plan

Prescription charges purchased at a retailer utilizing a FSA inventory control system

Recurring charges that were previously approved and documented (i.e. orthodontia, chiropractic care)

# FLORES BENEFITS CARD FAQs

## FREQUENTLY ASKED QUESTIONS

**What expenses are eligible for payment with my Flores Benefits Card?**
You can use your Flores Benefits Card to pay for expenses incurred during your active enrollment period in the current plan year. If a provider or merchant does not accept cards, you do have the option to file a manual request for reimbursement of your eligible out-of-pocket cost. Please visit www.flores247.com for a guide to allowable expenses. If you terminate employment during the plan year, the card will be turned off at that time. Only expenses incurred while you are an active participant will be considered reimbursable.

**How can I use my Flores Benefits Card to pay for my eligible out-of-pocket expenses?**
Although the Flores Benefits Card is a debit card with a cash balance loaded onto it, you should select "credit" as the transaction type, and sign for purchases at authorized merchants. Please keep in mind that the Flores Benefits Card will decline if you try to swipe it for an amount greater than your available balance.

**How should I send my documentation to Flores?**
Many transactions will be auto-approved at the point of sale and will not require further documentation. Flores will notify you by email or a mailed letter if additional information is needed to verify the eligibility of a particular transaction. You may submit your documentation by upload on the participant website, www.flores247.com, using the Flores e-Receipt mobile application, or by fax or mail.

**I used my card for an ineligible expense. What do I need to do to correct this?**
You may send a refund check to Flores for the ineligible amount, which will be credited back to your Flores Benefits Card to be used toward other eligible expenses you incur later in the year. You may also submit documentation that verifies you have paid out-of-pocket for an eligible expense, which Flores will use to offset the ineligible amount paid with your Flores Benefits Card.

**Will I receive a new card each plan year?**
Your card is valid for five years from its issue date. Do not discard your card prior to its expiration date. At the start of each new plan year, your card will be reloaded with your new election amount. A new card will be mailed to you when your expiration date is approaching.

## HOW DO I OBTAIN MY ACCOUNT DETAILS?

**WEBSITE**
Visit www.flores247.com and log-in using Participant ID or UserName and password

**MOBILE WEBSITE**
Visit our mobile website at m.flores247.com

**PID & PASSWORD ASSISTANCE**
Dial 800.840.7684

## HOW DO I SUBMIT DOCUMENTS TO FLORES?

**ONLINE**
Visit www.flores247.com and upload scanned documents securely

**MOBILE**
Download Flores e-Receipt smartphone App
Available for Apple or Android devices

**MAIL**
Flores
PO Box 31397
Charlotte, NC 28231

**FAX**
800.726.9982 or 704.335.0818

## CUSTOMER SERVICE 1.800.532.3327

# Dental - Cigna

| CIGNA Dental | | |
|---|---|---|
| **Services** | **DPPO Advantage** | **DPPO Network or Out-of-Network** |
| **Deductible**<br>**-Individual**<br>**-Family** | **$0**<br>**$0** | **$0**<br>**$0** |
| **Annual Maximum** | **$1,500 per covered member** | **$1,500 per covered member** |
| **Preventive Services**<br>**(Exams, X-rays, Cleanings, Fluoride Treatments and Sealants)** | **100%** | **100%** |
| **Basic Services**<br>**(Fillings, Simple Extractions, Oral Surgery, Endodontics, Periodontics)** | **100%** | **80%** |
| **Major Services**<br>**(Inlays, Onlays and Prosthetics)** | **60%** | **50%** |
| **Orthodontics**<br>**(Children up to age 19)** | **50%** | **50%** |
| **Lifetime Maximum for Orthodontics** | **$1,000** | **$1,000** |

## Easy Benefit Access

With CIGNA dental, you will receive a discount when you see network providers from the DPPO Advantage network. If you see regular DPPO providers, you will still receive a network discount, but your benefits will be paid based on the DPPO/Non-Network levels. You can locate DPPO Advantage and DPPO network providers at www.mycigna.com. You are eligible after your new hire waiting period.

### Member Services

www.cigna.com / 866-494-2111

| 2021 Dental Premiums per Paycheck | |
|---|---|
| **Employee** | $18.72 |
| **Employee & Spouse** | $37.98 |
| **Employee & Child(ren)** | $46.06 |
| **Employee & Family** | $69.54 |

# Vision - Cigna

Choose a provider at www.mycigna.com. CIGNA uses the CIGNA network of providers which includes some VSP providers, as well as additional national, regional, and independent providers.

| CIGNA Vision Plan | | |
|---|---|---|
| **Services** | **In-Network** | **Out-of-Network** |
| **Eye Exam (every 12 months)** | **$10 copay** | **Up to $45** |
| **Materials (every 12 months)**<br>**-Single Vision Lenses**<br>**-Bifocal Lenses**<br>**-Trifocal Lenses**<br>**-Lenticular Lenses** | **$25 copay** | **Up to $32**<br>**Up to $55**<br>**Up to $65**<br>**UP to $80** |
| **Frames (every 24 months)** | **$130 Allowance + 20% discount of balance** | **Up to $71** |
| **Contact Lenses (every 12 months in lieu of spectacle lenses)** | **$130 Allowance** | **UP to $105** |

| 2021 Vision Premiums per Paycheck | |
|---|---|
| **Employee** | $2.77 |
| **Employee & Spouse** | $5.03 |
| **Employee & Child(ren)** | $5.08 |
| **Employee & Family** | $7.80 |

# Basic and Voluntary Term Life / AD&D Insurance

## Provided at no charge to you by Surgical Specialists of Charlotte, PA

Surgical Specialists of Charlotte, PA provides each full-time staff member (30 hours or more per week) with a Basic Life and Accidental Death & Dismemberment (AD&D) policy in the amount of $110,000 through Cigna.

If death is the result of an accident, your beneficiary will receive an additional amount equal to your basic life Insurance coverage. If you are dismembered (such as loss of sight in an eye, loss of a hand, foot, limb, hearing, speech, etc.), benefits will be paid to you as a percentage of the basic life amount. Please view the benefit certificates for more details.

| Basic Life / AD&D | |
|---|---|
| **Life & AD&D Benefit Amount** | $110,000 |
| **Age Reductions** | 65% at age 65; 50% at age 70 |

Full-time employees are also able to purchase additional amounts of life insurance for themselves and their dependents.

**Coverage should be elected when initially eligible after date of hire, otherwise evidence of insurability will apply. Employees must elect coverage for themselves in order to elect for their dependents.**

| Voluntary Life / AD&D | |
|---|---|
| **Life & AD&D Amount** | Increments of $25,000<br>Up to the lesser of $200,000<br>or up to 5 times salary |
| **Employee Non Medical Guaranteed Issue** | $200,000 |
| **Age Reductions** | 65% at age 65; 50% at age 70 |

| Spouse & Child Life / AD&D | |
|---|---|
| **Spouse Life & AD&D** | Option 1: $25,000<br>Option 2: $50,000 |
| **Spouse Non Medical Guaranteed Issue** | $50,000 |
| **Age Reductions** | 65% at age 65; 50% at age 70 |
| **Child(ren)** | $10,000 ($500 <6 months old) |

Below is a grid to help you estimate your Voluntary Life / AD&D payroll deduction costs. Amounts are per pay period.

**Spouse premiums are based on the employee's age.**

| Voluntary Life / AD&D per Bi-Weekly pay period | | | | | | |
|---|---|---|---|---|---|---|
| | Rate per $1,000 | $10,000 | $20,000 | $50,000 | $100,000 | $200,000 |
| < 29 | $0.09 | $0.42 | $0.83 | $2.08 | $4.15 | $8.31 |
| 30-34 | $0.10 | $0.46 | $0.92 | $2.31 | $4.62 | $9.23 |
| 35-39 | $0.12 | $0.55 | $1.11 | $2.77 | $5.54 | $11.08 |
| 40-44 | $0.17 | $0.76 | $1.52 | $3.81 | $7.62 | $15.23 |
| 45-49 | $0.25 | $1.15 | $2.31 | $5.77 | $11.54 | $23.08 |
| 50-54 | $0.38 | $1.75 | $3.51 | $8.77 | $17.54 | $35.08 |
| 55-59 | $0.61 | $2.82 | $5.63 | $14.08 | $28.15 | $56.31 |
| 60-64 | $0.77 | $3.55 | $7.11 | $17.77 | $35.54 | $71.08 |
| 65-69 | $1.33 | $6.14 | $12.28 | $30.69 | $61.38 | $122.77 |
| > 70 | $3.53 | $16.29 | $32.58 | $81.46 | $162.92 | $325.85 |

| Per Pay Cost for Children | |
|---|---|
| $10,000 | $1.11 |

# Disability Insurance - Cigna

## Paid for in full by Surgical Specialists of Charlotte, PA

## Short-Term Disability Benefits (STD)

Surgical Specialists of Charlotte, PA provides each full-time employee (30 hours or more per week) with Short-Term Disability benefits. The benefits will not be taxed when paid.

Short-Term Disability (STD) is a company-paid benefit that provides partial income protection if a serious illness or injury causes you to be on medical leave of absence from work for more than 14 days. The benefit provides 60% of your weekly earnings during your non work-related, approved disability, up to a maximum of $2,500 per week. The benefit remains in effect for up to 11 paid weeks, based on continued disability status.

You are not covered for a disability caused by war or any act of war, declared or undeclared, an intentionally self-inflicted injury, active participation in a riot, and commission of a crime for which you have been convicted. Benefits are not payable for any period of incarceration as a result of a conviction.

Payable disability benefits are subject to approval by Cigna. To start the application process for STD benefits, contact Human Resources.

## Long-Term Disability Benefits (LTD)

Surgical Specialists of Charlotte, PA provides each full-time employee (30 hours or more per week) with Long-Term Disability benefits. The benefit will not be taxed when it is paid.

- Long-Term Disability benefits are designed to pick up where STD benefits end if you continue to be totally disabled.
- This benefit will pay 60% of your monthly salary to a maximum of $7,500, less other sources of income (i.e. benefits from statutory plans, SSDI, unemployment benefits and salary continuation).
- You have a 90 day elimination period (waiting period before payments begin). During this period you may receive STD payments from Cigna, but you will not receive your normal paycheck.
- You may be considered disabled when you are under the Appropriate Care of a Physician, and meet all other terms and conditions of the Policy. After receiving benefits for 24 months, you are then considered disabled when you are unable to work at any occupation and not just your own occupation.
- You are not covered for a disability caused by war or any act of war, declared or undeclared, an intentionally self-inflicted injury, active participation in a riot, and commission of a crime for which you have been convicted. Benefits are not payable for any period of incarceration as a result of a conviction.
- Any condition that you've been treated for in the 3 months prior to the effective date of your coverage will not be covered unless you've been 3 months treatment free and 12 months insured.
- To start the application process for LTD benefits, please contact Human Resources.

# Voluntary Accident Insurance - Guardian

## Voluntary Products

All full time employees are eligible to apply for voluntary insurance products. Participation in these benefits is strictly at your option. You will be able to pay for these benefits with payroll deductions. Most coverage is portable if you change jobs or retire.

**Get the coverage you need. Choose the coverage that's right for you.**

## Accident Insurance

Accident coverage will pay a benefit to you if you or your covered dependents are injured due to an accident. The plan pays benefits based on the services you require such as emergency room visits, follow up office visits, etc.

## Critical Illness

Critical illness insurance can help protect your finances from the expense of a serious health problem, such as a stroke, heart attack, or cancer. The plan pays a lump sum benefit to you at the first diagnosis of a covered condition. You can also obtain coverage for your dependents.

Accident Insurance is provided by Guardian under a group plan. Employees can purchase this benefit to provide coverage for treatment of accidental injuries, including broken bones, concussions and burns, and covered events such as medical treatment or hospitalization due to an accident. Benefits are paid according to a flat schedule and can be used as the insured sees fit. See the chart for examples of benefit payments.

| Accident per Pay Period | |
|---|---|
| Employee | $9.43 |
| Employee + Spouse | $15.93 |
| Employee + Children | $16.42 |
| Employee + Family | $22.91 |

| Accident Example | |
|---|---|
| Emergency Room Visit | $175 |
| Leg Fracture | $825 |
| X-Ray | $30 |
| **Total Estimated Benefit** | **$1,030** |

**Example:** Your child breaks his leg at a baseball game when he slides into Home Base. The plan will pay the following estimated benefits if you elect

- Children are eligible up to age 26.
- Coverage is Portable.

| Benefits (All Eligible Employees) | |
|---|---|
| **Accidental Death & Dismemberment** | |
| Death Benefit | Employee: $25,000; Spouse: $12,500; Child: $5,000 |
| Catastrophic Loss | Quadriplegia, Loss of speech and hearing (both ears) and Loss of cognitive function: 100% of AD&D; Hemiplegia and Paraplegia: 50% of AD&D |
| **Dismemberment** | |
| Hand, Foot, Sight | Single: 50% of AD&D benefit; Multiple: 100% of AD&D benefit |
| Seatbelts and Airbags | Seatbelts: $10,000; Airbags: $15,000 |
| Wellness Benefit | Provides a $50 per year benefit for completing certain routine wellness screenings or procedures (refer to Plan Highlights section for example procedures). |
| Accident Emergency Treatment | $175 |
| Accident Follow-Up Visit – Doctor | $50 up to 6 treatments |
| Ambulance | $150 |
| Child Organized Sport | 20% increase to child benefits |
| Dislocations | Schedule up to $4,400 |
| Eye Injury | $300 |
| Fracture | Schedule up to $5,500 |
| Hospital Admission | $1,000 |
| Laceration | Schedule up to $400 |
| Transportation | $500, 3 times per accident |
| Urgent Care Facility | $75 |
| X-Ray | $30 |
| Plan Highlights | Wellness Benefit includes coverage for screenings & procedures such as well visits, mammography, colonoscopy, pap smear, PSA, Serum cholesterol test, completion of smoking cessation and weight reduction programs and many more. No underwriting required. |

# Voluntary Critical Illness Insurance - Guardian

Critical Illness coverage helps to pay for additional expenses incurred when diagnosed with an illness such as cancer, stroke, heart attack, kidney failure, or coronary artery bypass. Employees can use this benefit to help cover cost such as travel expenses, deductible and coinsurance, etc. There is also a $50 per year Wellness Screening benefit. Spouses and Children, up to age 26 if a full-time student, are also eligible.

| | Standard and HSA w/ Wellness | |
|---|---|---|
| **Employee Benefit** | $10,000 for Employee Benefit Amount | |
| **Dependent Benefit** | | |
| Spouse | 100% of Employee Benefit | |
| Child | 25% of Employee Benefit | |
| **Covered Conditions (lump sum payments)** | | |
| Cancer Type 1 (Invasive) | 100% | 50% |
| Heart Attack | 100% | 50% |
| Kidney Failure | 100% | 50% |
| Stroke | 100% | 50% |
| Cancer Type 2 (Non-Invasive) | 30% | 0% |
| Coronary Arteriosclerosis | 30% | 0% |
| Major Organ Failure | 100% | 50% |
| Wellness Benefit (Employee, Spouse and Child) | Provides a $50 per year benefit for completing certain routine wellness screenings or procedures *(refer to the Plan Highlights section for example procedures)* | |
| Benefit Reduction | 50% at age 70 | |
| Pre-Existing Condition Limitation | 12 months / 12 months | |
| Plan Highlights | • An insured may port Critical Illness coverage only after being insured by this plan for at least 12 months in a row. An insured's portable certificate of coverage ends at age 70.<br>• Wellness Benefit pays when employee completes screenings such as mammography, colonoscopy, pap smear, PSA, serum cholesterol testing, completion of smoking cessation, and weight reduction programs. Benefits paid even if medical insurance is paying 100% of the cost.<br>• The HSA Plan does not cover this condition: Major Organ Transplant but the Standard plan does. | |

| | Critical Illness Bi-Weekly Premium | |
|---|---|---|
| **Age** | **Employee** | **Spouse** |
| <30 | $4.36 | $4.30 |
| 30-39 | $6.12 | $6.06 |
| 40-49 | $11.25 | $11.20 |
| 50-59 | $20.16 | $20.11 |
| 60-69 | $30.74 | $30.69 |

# Employee Assistance Program - Now available by Cigna and Life Assistance Program

The EAP is a company-sponsored benefit that offers the support and resources you need to address personal or work-related challenges and concerns. It's confidential and free to you and your household family members.

**Access Your Life Assistance Program (LAP) 24 /7**

There are two ways to access these services:

Call **800.538.3543**

Visit **www.cignalap.com**

Life. Just when you think you've got it figured out, along comes a challenge. Whether your needs are big or small, your Life Assistance & Work/Life Support Program is there for you. It can help you and your family find solutions and restore your peace of mind.

### Call anytime, any day

We're just a phone call away whenever you need us. At no extra cost to you. An advocate can help you assess your needs and develop a solution. He or she can also direct you to community resources and online tools.

### Visit a specialist

Through this program, there are 3 face-to-face sessions with a behavioral counselor available to you - and your household members, at no charge. Call us to request a referral.

**LIFE ASSISTANCE PROGRAM**

**24 / 7 Support**

**Phone: 800.538.3543**

**Website: www.cignalap.com**

### Monthly Webinars

Educational seminars on a variety of relevant topics such as managing your life, work, money and health, are available in a quarterly calendar of monthly webcasts distributed to your employer.

### Achieve work/life balance.

For help handling life's challenges go on line for articles and resources including on family, care giving, pet care, aging, grief, balancing, working smarter, and more.

### Legal consultation and referrals*

Receive a free 30-minute consultation with a network attorney. And up to a 25% discount on select fees.

### Financial consultations.

Receive a free 30-minute consultation and 25% discount on tax planning and preparation.

**Offered by: Life Insurance Company of North America or Connecticut General Life Insurance Company**

*Legal consultations and discounts are excluded for employment-related issues.

**These programs are NOT insurance and do not provide reimbursement for financial losses.**

# Retirement Benefits - Paychex Retirement Services

## Surgical Specialists of Charlotte, PA 401k  plan is managed by Paychex Retirement Services

Employees are eligible after 12 months of employment and 1,000 hours, and have attained age 21. There are two entry dates: January 1 and July 1.

There are three (3) ways the employer contributes to your retirement account:

- Safe harbor contribution — 3% of compensation; employees are 100% vested in this amount.
- Discretionary Matching Contribution — up to 4%  dollar-for-dollar discretionary match based on company performance.
- Discretionary contribution / profit sharing — each year the employer may also make a discretionary contribution; in order to share in the contribution, you must have completed at least 1000 hours and be employed on the last day of the plan year.

Employees may contribute up to $19,500 per year. If you're age 50 or older, you may make a catch up contribution of $6,500.

| | Vesting Schedule | |
|---|---|---|
| | Discretionary Contribution / Profit Sharing | Discretionary Company Match (Up to 4%) |
| 2 years | 20% | 20% |
| 3 years | 40% | 40% |
| 4 years | 70% | 70% |
| 5 years | 100% | 100% |

### Join Today and Enjoy Great Benefits!

- Employee contributions vest immediately.
- Safe Harbor employer contributions vest immediately.
- All other contributions vest according to vesting schedule. Call Human Resources at 704-916-2130 with any questions.
- If you are enrolled in the plan you may go online to view and manage your account at paychexflex.com>My Retirement.

# Annual Legislative Notices

## Summary of Material Modification (SMM)

Please keep a copy of this Guide (also considered a Summary of Material Modifications) with your Summary Plan Description (SPD) for each plan subject to ERISA, as both documents must be read together for a full understanding of your benefits. A copy of each SPD is located in Benetrac, which can be found by logging into your Paychex account. If you would like a printed copy, please contact Human Resources.

## Health Care Reform Requirements

Under the 2010 Patient Affordable Health Care Act, Cato is required to provide a Summary of Benefits and Coverage (SBC) to all Associates. As an Associate, the health benefits available to you represent a significant component of your compensation package. They also provide important protection for you and your family in the case of illness or injury. Your plan offers a series of health coverage options. Choosing a health coverage option is an important decision. To help you make an informed choice, your plan makes available a SBC, which summarizes important information about any health coverage option in a standard format, to help you compare across options. You are responsible for providing a copy of the notice to your dependents who are covered under the plan. The SBC contains:

- Comparison of medical plans
- Glossary of terms
- Claim examples

A paper copy is available, free of charge, by calling Human Resources. Reviewing the SBC is an important part of selecting or renewing your health care choices.

## HIPAA Notice of Special Enrollment Rights

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing towards your or your dependents' other coverage). However, you must request enrollment within 30 days after your or your dependents' other coverage ends (or after the employer stops contributing toward the other coverage).

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 dependents. However, you must request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

If you decline enrollment for yourself or for an eligible dependent (including your spouse) while Medicaid coverage or coverage under a state children's health insurance program is in effect, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage. However, you must request enrollment within 60 days after your or your dependents' coverage ends under Medicaid or a state children's health insurance program.

If you or your dependents (including your spouse) become eligible for a state premium assistance subsidy from Medicaid or through a state children's health insurance program with respect to coverage under this plan, you may be able to enroll yourself and your dependents in this plan. However, you must request enrollment within 60 days after your or your dependents' determination of eligibility for such assistance.

To request special enrollment or obtain more information, contact Human Resources.

## Important Notice from Surgical Specialists of Charlotte About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Surgical Specialists of Charlotte, PA and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Surgical Specialists of Charlotte, PA has determined that the prescription drug coverage offered by the Surgical Specialists of Charlotte, PA Health Plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

### When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

### What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Surgical Specialists of Charlotte, PA coverage will be affected. You are able to keep the coverage through Surgical Specialists of Charlotte, PA health plan if you elect Part D and the plan will coordinate with the Part D coverage. Your current Surgical Specialists of Charlotte, PA prescription drug benefit is:

| | Cigna PPO | Cigna HDHP/HSA |
|---|---|---|
| Tier 1 Drugs | $10 Copay | Deductible, then 20% |
| Tier 2 Drugs | $50 Copay | Deductible, then 20% |
| Tier 3 Drugs | $75 Copay | Deductible, then 20% |

If you do decide to join a Medicare drug plan and drop your current **Surgical Specialists of Charlotte, PA** coverage, be aware that you and your dependents will not be able to get this coverage back until the next annual enrollment period for the group plan.

**When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?**

You should also know that if you drop or lose your current coverage with **Surgical Specialists of Charlotte, PA** and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage…

Contact the person listed below for further information. NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Surgical Specialists of Charlotte, PA changes. You also may request a copy of this notice at any time.

**For More Information About Your Options Under Medicare Prescription Drug Coverage…**

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

| | |
|---|---|
| Date: | November 2020 |
| Name of Entity/ | Surgical Specialists of Charlotte |
| Sender: Contact--Position/Office: | Human Resources Director |
| Address: | 7300 Carmel Executive Park Drive, Suite 200, Charlotte, NC 28226 |
| Phone Number: | 704-916-2130 |

## Genetic Information Nondiscrimination Act "GINA"

On November 9, 2010, the Equal Employment Opportunity Commission ("EEOC") issued the final rule implementing Title II of the Genetic Information Nondiscrimination Act ("GINA"), which applies to all employers with fifteen or more employees, as well as unions, employment agencies and labor management training programs. This final rule is effective January 10, 2011, and prohibits the use of genetic information in the employment context, restricts an employer's deliberate acquisition of genetic information, requires employers to maintain employee genetic information as confidential, and strictly limits employers from disclosing genetic information.

**Prohibition on Use of Genetic Information by Employers**

According to GINA, an employer may not discriminate against an applicant, employee or former employee on the basis of genetic information in hiring, compensation, promotion or demotion, seniority, discipline, employment termination, or any other term, condition or privilege of employment. GINA also prohibits employers from limiting, segregating, or classifying employees based on genetic information and prohibits entities from causing an employer to discriminate based on genetic information.

**What is Genetic Information?**

- Genetic information is defined broadly to include:
- Genetic tests of an individual or a family member;
- The manifestation of a disease or disorder in an individual's family medical history;
- An individual's request or receipt of genetic services;
- Participation in genetic clinical research by an individual or a family member;
- The genetic information of a fetus carried by an individual or a pregnant family member using assisted reproductive technology. Information about the sex or age of an individual or a family member, however, is specifically excluded from the definition of genetic information.

**The Practical Effects of GINA**

The following guidelines are designed to help employers comply with GINA's requirements:

1. Post the revised Equal Employment Opportunity ("EEO") poster, which includes GINA information and can be found at http://www1.eeoc.gov/employers/poster.cfm.
2. Update medical requests, such as Family and Medical Leave Act ("FMLA") and fitness-for duty forms, to include the new safe harbor language.
3. Review and revise employee handbooks or other EEO statements and antidiscrimination/ anti-retaliation policies to include genetic information in the list of protected traits.
4. Review and revise, as necessary, social media policies to prevent GINA liability for inadvertent acquisition of information from employee social media profiles.
5. Train managers about casual conversations/communications with employees concerning their health or the health of their family members.
6. Maintain all genetic information in a separate and confidential medical file. However, there is no need for a separate GINA section if a medical file already exists, as genetic information can be kept in an ADA file.
7. Confirm that all company-sponsored wellness programs are compliant with the final rule.
   To learn more information regarding GINA please refer to the following website: designed to help employers comply with GINA's requirements: http://www.eeoc.gov/laws/statutes/gina.cfm

**NOTICE OF HIPAA PRIVACY PRACTICES**

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY. THE PRIVACY OF YOUR MEDICAL INFORMATION IS IMPORTANT TO US.

This notice applies to the privacy practices of the health plans listed below. As affiliated (related) entities, we might share your protected health information and the protected health information of others on your insurance policy as needed for payment or health care operations.

## Our Legal Duty

This Notice describes our privacy practices, which include how we might use, disclose (share or give out), collect, handle, and protect our members' protected health information. We are required by certain federal and state laws to maintain the privacy of your protected health information. We are also required to give you this notice about our privacy practices, our legal duties, and your rights concerning your protected health information. We must follow the privacy practices that are described in this notice while it is in effect. This notice takes effect April 14, 2004 and is not intended to amend any prior notice of (The Company)'s privacy practices.

We reserve the right to change our privacy practices and the terms of this notice at any time, as long as law permits the changes. We reserve the right to make the changes in our privacy practices and the new terms of our notice effective for all protected health information that we maintain, including protected health information we created or received before we made the changes. If we make a significant change in our privacy practices, we will change this notice and send the new notice to our health plan subscribers within sixty days of the effective date of the change.

You may request a copy of our notice at any time. For more information about our privacy practices, or for additional copies of this notice, please contact us using the information listed at the end of this notice.

## Uses and Disclosures of Medical Information

**Primary Uses and Disclosures of Protected Health Information**

We use and disclose protected health information about you for payment and health care operations. The federal health care Privacy Regulations generally do not "preempt" (or take precedence over) state privacy or other applicable laws that provide individuals greater privacy protections. As a result, to the extent state law applies, the privacy laws of a particular state, or other federal laws, rather than the HIPAA Privacy Regulations, might impose a privacy standard under which we will be required to operate. For example, where such laws have been enacted, we will follow more stringent state privacy laws that relate to uses and disclosures of the protected health information concerning HIV or AIDS, mental health, substance abuse/chemical dependency, genetic testing, and reproductive rights. In addition to these state law requirements, we also may use or disclose protected health information in the following situations:

**Payment:** We might use and disclose your protected health information for all activities that are included within the definition of "payment" as written in the Federal Privacy Regulations. For example, we might use and disclose your protected health information to pay claims for services provided to you by doctors, hospitals, pharmacies and others for services delivered to you that are covered by your health plan. We might also use your information to determine your eligibility for benefits, to coordinate benefits, to examine medical necessity, to obtain premiums, and to issue explanations of benefits to the person who subscribes to the health plan in which you participate.

**Health Care Operations:** We might use and disclose your protected health information for all activities that are included within the definition of "health care operations" as defined in the Federal Privacy Regulations. For example, we might use and disclose your protected health information to determine our premiums for your health plan, to conduct quality assessment and improvement activities, to engage in care coordination or case management, and to manage our business.

**Business Associates**. In connection with our payment and health care operations activities, we contract with individuals and entities (called "business associates") to perform various functions on our behalf or to provide certain types of services (such as member service support, utilization management, subrogation, or pharmacy benefit management). To perform these functions or to provide the services, our business associates will receive, create, maintain, use, or disclose protected health information, but only after we require the business associates to agree in writing to contract terms designed to appropriately safeguard your information.

**Other Covered Entities**. In addition, we might use or disclose your protected health information to assist health care providers in connection with their treatment or payment activities, or to assist other covered entities in connection with certain aspects of *their* health care operations. For example, we might disclose your protected health information to a health care provider when needed by the provider to render treatment to you, and we might disclose protected health information to another covered entity to conduct health care operations in the areas of quality assurance and improvement activities, or accreditation, certification, licensing or credentialing.

**Other Possible Uses and Disclosures of Protected Health Information**

The following is a description of other possible ways in which we might (and are permitted to) use and/or disclose your protected health information.

**To You or with Your Authorization:** We must disclose your protected health information to you, as described in the Individual Rights section of this notice. You may give us written authorization to use your protected health information or to disclose it to anyone for any purpose not listed on this notice. If you give us an authorization, you may revoke it in writing at any time. Your revocation will not affect any use or disclosures that we made as permitted by your authorization while it was in effect. Without your written authorization, we might not use or disclose your protected health information for any reason except those described in this notice.

**Disclosures to the Secretary of the U.S. Department of Health and Human Services:** We are required to disclose your protected health information to the Secretary of the U.S. Department of Health and Human Services when the Secretary is investigating or determining our compliance with the federal Privacy Regulations.

**To Plan Sponsors.** Where permitted by law, we may disclose your protected health information to the plan sponsor of your group health plan to permit the plan sponsor to perform plan administration. For example, a plan sponsor may contact us seeking information to evaluate future changes to your benefit plan. We may also disclose summary health information (this type of information is defined in the Federal Privacy Regulations) about the enrollees in your group health plan to the plan sponsor to obtain premium bids for the health insurance coverage offered through your group health plan or to decide whether to modify, amend or terminate your group health plan.

**To Family and Friends:** If you agree (or, if you are unavailable to agree), such as in a medical emergency situation we might disclose your protected health information to a family member, friend or other person to the extent necessary to help with your health care or with payment for your health care.

**Underwriting:** We might receive your protected health information for underwriting, premium rating or other activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits. We will not use or further disclose this protected health information received under these circumstances for any other purpose, except as required by law, unless and until you enter into a contract of health insurance or health benefits with us.

**Abuse or Neglect.** We might disclose your protected health information to appropriate authorities if we reasonably believe that you might be a possible victim of abuse, neglect, domestic violence or other crimes.

**Health Oversight Activities.** We might disclose your protected health information to a health oversight agency for activities authorized by law, such as: audits; investigations; inspections; licensure or disciplinary actions; or civil, administrative, or criminal proceedings or actions. Oversight agencies seeking this information include government agencies that oversee: (i) the health care system; (ii) government benefit programs; (iii) other government regulatory programs; and (iv) compliance with civil rights laws.

**To Prevent a Serious Threat to Health or Safety.** Consistent with certain federal and state laws, we might disclose your protected health information if we believe that the disclosure is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public.

**Coroners, Medical Examiners, Funeral Directors, and Organ Donation.** We might disclose protected health information to a coroner or medical examiner for purposes of identifying you after you die, determining your cause of death, or for the coroner or medical examiner to perform other duties authorized by law. We also might disclose, as authorized by law, information to funeral directors so that they may carry out their duties on your behalf. Further, we might disclose protected health information to organizations that handle organ, eye, or tissue donation and transplantation.

**Research.** We might disclose your protected health information to researchers when an institutional review board or privacy board has: (1) reviewed the research proposal and established protocols to ensure the privacy of the information; and (2) approved the research.

**Inmates.** If you are an inmate of a correctional institution, we might disclose your protected health information to the correctional institution or to a law enforcement official for: (1) the institution to provide health care to you; (2) your health and safety and the health and safety of others; or (3) the safety and security of the correctional institution.

**Workers' Compensation.** We might disclose your protected health information to comply with workers' compensation laws and other similar programs that provide benefits for injuries or illnesses.

**Public Health and Safety:** We might disclose your protected health information to the extent necessary to avert a serious and imminent threat to your health or safety or the health or safety of others.

**Required by Law:** We might use or disclose your protected health information when we are required to do so by law. For example, we must disclose your protected health information to the U.S. Department of Health and Human Services upon their request for purposes of determining whether we are in compliance with federal privacy laws.

**Legal Process and Proceedings:** We might disclose your protected health information in response to a court or administrative order, subpoena, discovery request, or other lawful process, under certain circumstances. Under limited circumstances, such as a court order, warrant, or grand jury subpoena, we might disclose your protected health information to law enforcement officials.

**Law Enforcement:** We might disclose to a law enforcement official limited protected health information of a suspect, fugitive, material witness, crime victim, or missing person. We might disclose protected health information where necessary to assist law enforcement officials to capture an individual who has admitted to participation in a crime or has escaped from lawful custody.

**Military and National Security:** We might disclose to military authorities the protected health information of Armed Forces personnel under certain circumstances. We might disclose to federal officials protected health information required for lawful intelligence, counterintelligence, and other national security activities.

**Other Uses and Disclosures of Your Protected Health Information:** Other uses and disclosures of your protected health information that are not described above will be made only with your written authorization. If you provide us with such an authorization, you may revoke the authorization in writing, and this revocation will be effective for future uses and disclosures of protected health information. However, the revocation will not be effective for information that we already have used or disclosed in reliance on your authorization.

**Individual Rights**

**Access:** You have the right to look at or get copies of the protected health information contained in a designated record set, with limited exceptions. You may request that we provide copies in a format other than photocopies. We will use the format you request unless we cannot reasonably do so. You must make a request in writing to obtain access to your protected health information. You may obtain a form to request access by using the contact information listed at the end of this notice. You may also request access by sending a letter to the address at the end of this notice. If you request copies, we might charge you a reasonable fee for each page, and postage if you want the copies mailed to you. If you request an alternative format, we might charge a cost-based fee for providing your protected health information in that format. If you prefer, we will prepare a summary or an explanation of your protected health information, but we might charge a fee to do so.

We might deny your request to inspect and copy your protected health information in certain limited circumstances. Under certain conditions, our denial will not be reviewable. If this event occurs, we will inform you in our denial that the decision is not reviewable. If you are denied access to your information and the denial is subject to review, you may request that the denial be reviewed. A licensed health care professional chosen by us will review your request and the denial. The person performing this review will not be the same person who denied your initial request.

**Disclosure Accounting:** You have the right to receive a list of instances in which we or our business associates disclosed your protected health information for purposes other than treatment, payment, health care operations and certain other activities, after April 14, 2003. We will provide you with the date on which we made the disclosure, the name of the person or entity to which we disclosed your protected health information, a description of the protected health information we disclosed, the reason for the disclosure, and certain other information. If you request this list more than once in a 12-month period, we might charge you a reasonable, cost-based fee for responding to these additional requests.

You may request an accounting by submitting your request in writing using the information listed at the end of this notice. Your request may be for disclosures made up to 6 years before the date of your request, but in no event, for disclosures made before April 14, 2003.

**Restriction Requests:** You have the right to request that we place additional restrictions on our use or disclosure of your protected health information. We are not required to agree to these additional restrictions, but if we do, we will abide by our agreement (except in an emergency).

Any agreement that we might make to a request for additional restrictions must be in writing and signed by a person authorized to make such an agreement on our behalf. We will not be liable for uses and disclosures made outside of the requested restriction unless our agreement to restrict is in writing. We are permitted to end our agreement to the requested restriction by notifying you in writing.

You may request a restriction by writing to us using the information listed at the end of this notice. In your request tell us: (1) the information of which you want to limit our use and disclosure; and (2) how you want to limit our use and/or disclosure of the information.

## Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit **www.healthcare.gov.**

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS-NOW** or **www.insurekidsnow.gov** to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and you **must request coverage within 60 days of being determined eligible for premium assistance.** If you have questions about enrolling in your employer plan, contact the Department of Labor at **www.askebsa.dol.gov** or **call 1-866-444-EBSA (3272).**

| State | Phone | Web Site |
|---|---|---|
| **North Carolina** | 919-855-4100 | https://medicaid.ncdhhs.gov/ |
| **South Carolina** | 1-888-549-0820 | https://www.scdhhs.gov |

## Newborns' and Mothers' Health Protection Act

Group health plans and health insurance issuers 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 provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

## Women's Health and Cancer Rights Act Annual and Enrollment Notice

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined inconsultation with the attending physician and the patient, for:

• All stages of reconstruction of the breast on which the mastectomy was performed

• Surgery and reconstruction of the other breast to produce a symmetrical appearance

• Prostheses; and

• Treatment of physical complications of the mastectomy, including lymphedema

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under our plans. Therefore, the deductibles and coinsurance that apply can be found on page **5** of this guide.

If you would like more information on WHCRA benefits, contact the Claims Administrator, BCBSNC. See back cover for contact details.

## Women's Preventive Services

Non-grandfathered plans and issuers are required to provide coverage without cost sharing consistent with these guidelines in the first plan year that begins on or after August 1, 2012.

A. Gestational diabetes screenings for pregnant women
B. Human Papilloma Virus (HPV) DNA testing for women >29 every three (3) years
C. Counseling on Sexually Transmitted Infections (STIs) for sexually active women
D. Annual HIV screening and counseling for sexually active women
E. At least one (1) Wellness Preventive Care visit annual for adult women. More if needed to cover all preventive services
F. Annual screening/counseling for interpersonal/domestic violence for women
G. Breastfeeding counseling for pregnant/post-partum women
H. Certain breast pumps for pregnant/post-partum women
I. Contraceptives/Sterilizations for women with reproductive capacity
J. The following contraceptive methods (with a prescription) for women with reproductive capacity:

| | |
|---|---|
| Cervical caps | Diaphragms |
| Injections | Implantable Rods |
| IUDs | Generic oral contraceptives |
| Transdermal contraceptives | NuvaRing® |
| Emergencycontraception (aka "the Morning After pill") | |

## Important Contacts

| | | |
|---|---|---|
| Medical Plan<br>Group Number 00624120 | CIGNA | www.mycigna.com<br>877-244-4999 |
| Dental<br>Group Number 00624120 | CIGNA | www.mydental.cignalife.com<br>800-541-7846 |
| Vision<br>Group Number 00624120 | CIGNA/VSP | www.cignaanytime.com |
| Life/AD&D, Voluntary Life/AD&D and Disability | CIGNA | www.cigna.com/customer-forms<br>888-84-CIGNA |
| 401(k) Plan | Paychex Retirement Services | www.paychexflex.com<br>877-244-1771 |
| Critical Illness | Guardian | 800-541-7846 |
| Accident | Guardian | 800-541-7846 |
| Flexible Spending Accounts | Flores & Associates | www.flores247.com<br>704-335-8211 |
| Health Savings Account | Optum Bank | www.optumbank.com<br>866-234-8913, Option 1 |
| LAP CIGNA | Life Assistance Program | www.cignalap.com<br>800-538-3543 |

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