



2013 BENEFITS

THERE'S NO PLACE LIKE HOAG

MEDICAL PLAN OPTIONS FOR 2013

Hoag will offer 2 HMO Plans and the CIGNA Choice Fund Health Savings Account (HSA) plan.

CIGNA Choice Fund Health Savings Account (HSA) plan

Hoag / St. Joseph Health Systems (SJHS) Preferred Network HMO plan

CIGNA Full Network HMO plan

Please note: The Cigna Open Access Plus (OAP) Medical Plan will not be offered in 2013

2013 CIGNA CHOICE FUND HEALTH SAVINGS ACCOUNT (HSA) PLAN HIGHLIGHTS

- This plan is available at no cost for full-time employees who complete their biometric screening and health assessment by the deadline and elect "employee only" coverage.
- There are three benefit levels within this plan:
 - > **Level 1:** Hoag Preferred Network – 10% coinsurance
 - > **Level 2:** St. Joseph Health System (SJHS) Network – 20% coinsurance
 - > **Level 3:** Cigna In-Network – 30% coinsurance*Please note: There will be No Out-of-Network coverage in this plan.*

Hoag will continue to deposit \$750 individual / \$1,500 family into your HSA bank account if you complete the biometric screening and health assessment by the required date (November 21, 2012). If you are not eligible to open a tax-free HSA bank account through CIGNA, Hoag will pay this out as a wellness incentive where tax withholdings will apply.

- Family deductible for the HSA plan has been **reduced** from \$4,500 to \$3,000 for the Hoag and SJHS Networks (Level 1 and 2).
- Deductibles increase for the Cigna In-Network level to \$3,000/Individual \$6000/Family.
- The out of pocket family maximum has also been **reduced** from \$9,000 to \$6,000 for the Hoag and SJHS Network (Level 1 and 2).
- Out of pocket maximums for the Cigna In-Network level will be \$6000/Individual \$12,000/Family.

NEW: HOAG / ST. JOSEPH HEALTH SYSTEM (SJHS) PREFERRED HMO NETWORK PLAN ENHANCED BENEFITS:

Did you know that 68% of our Employees and their Dependents currently see a Hoag/SJHS primary care physician (PCP)? Therefore to enhance benefits, Hoag and SJHS created a new preferred HMO network for our employees. This new network provides the richest benefits for our employees and their dependents at a lower cost. For example, you will find in 2013 that the co-pay for visits to specialists, physical therapy and urgent care will be the same co-pay as your PCP co-pay. We also added 100% coverage for preventive generic prescriptions thru Cigna's mail order prescription program. In addition, if you are currently enrolled in the HMO plan, elect to enroll again in this new plan and complete a biometric screening and health assessment by November 21st, you will see no increase to your current medical HMO contributions. This plan is designed to provide you and your family the best care thru Hoag and SJHS networks.

This preferred HMO network includes physicians in the newly formed Hoag Medical Group as well as Greater Newport Physicians (GNP) and other valuable Hoag physician partners. We also offer Cigna's Full HMO Network which allows you to choose from all of Cigna's contracted medical groups.

Medical Plan Benefit	Hoag / SJHS Preferred Network HMO Plan	CIGNA Full Network HMO Plan
Primary Care Physician Office visit	\$30 co-pay	\$30 co-pay
Specialist Care Physician Office visit	\$30 co-pay	\$40 co-pay
Inpatient Facility Services	100% at Hoag \$250 co-pay at SJHS Preferred Network facilities	100% at Hoag \$500 co-pay at Cigna In-Network facilities
Outpatient Facility Services	100% at Hoag \$100 co-pay at SJHS Preferred Network facilities	100% at Hoag \$250 co-pay at Cigna In-Network facilities
Emergency Room	\$250 co-pay	\$250 co-pay
Urgent Care	\$30 co-pay	\$40 co-pay
Physical Therapy	\$30 co-pay	\$40 co-pay
Chiropractic Services	\$15 co-pay (Must use American Specialty Health Network)	\$15 co-pay
Mail Order Prescriptions	Preventive Generic covered at 100% (90-day supply)	Preventive Generic covered at 100% (90-day supply)

If you participate in a biometric screening and health assessment (HA) prior to the November 21, 2012 deadline, the following medical bi-weekly employee contributions will apply:

Cigna Choice Fund HSA - With Wellness (Biometric & HA)	Full Time	Part Time
Employee Only	\$0.00	\$52.62
Employee + Spouse	\$59.20	\$118.41
Employee + Child(ren)	\$46.05	\$92.10
Employee + Family	\$94.73	\$189.45

HMO (Hoag / SJHS Preferred Network) - With Wellness (Biometric & HA)	Full Time	Part Time
Employee Only	\$28.27	\$47.12
Employee + Spouse	\$63.61	\$106.02
Employee + Child(ren)	\$49.48	\$82.46
Employee + Family	\$101.78	\$169.63

HMO (CIGNA Full Network) - With Wellness (Biometric & HA)	Full Time	Part Time
Employee Only	\$44.84	\$62.78
Employee + Spouse	\$100.90	\$141.26
Employee + Child(ren)	\$78.48	\$109.86
Employee + Family	\$161.44	\$226.01

If you do NOT participate in a biometric screening and health assessment (HA) prior to the November 21, 2012 deadline, the following 2013 base medical bi-weekly employee contributions will apply:

Cigna Choice Fund HSA	Full Time	Part Time
Employee Only	\$9.23	\$63.15
Employee + Spouse	\$71.04	\$142.09
Employee + Child(ren)	\$55.26	\$110.52
Employee + Family	\$113.67	\$227.34

HMO (Hoag / SJHS Preferred Network)	Full Time	Part Time
Employee Only	\$33.93	\$56.54
Employee + Spouse	\$76.33	\$127.23
Employee + Child(ren)	\$59.37	\$98.95
Employee + Family	\$122.14	\$203.56

HMO (CIGNA Full Network)	Full Time	Part Time
Employee Only	\$53.81	\$75.34
Employee + Spouse	\$121.08	\$169.51
Employee + Child(ren)	\$94.17	\$131.84
Employee + Family	\$193.73	\$271.21

2013 DENTAL PPO PLAN CHANGES:

- No plan changes
Employee contributions increase (Hoag's cost increase as well)

FLEXIBLE SPENDING ACCOUNT (FSA)

- **You must enroll** to participate in a 2013 Flexible Spending Account (FSA)
- Due to Health Care Reform your Health Care FSA Annual Maximum will change from \$5,000 to \$2,500 for 2013
- No changes to the Dependent Care FSA Maximum

LONG TERM DISABILITY CHANGES

- Elimination period will change from 120 days to 180 days for 2013

SUPPLEMENTAL LIFE INSURANCE

- Rates for employee and spouse will reduce for 2013

CONTINUE TO OFFER:

- Financial opt-out credit for medical insurance with proof of other coverage (for employees who have health coverage through spouse, domestic partner or another source outside of Hoag)
- CIGNA Vision Plan
- CIGNA Supplemental Life Insurance and AD&D
- Employee Assistance Program (EAP)
- Home, Auto and Boat Insurance
- Hyatt Legal Plan (Premium Increase)
- Veterinary Pet Insurance
- Critical Illness Insurance

All Full Time and Part Time employees are required to make their 2013 benefit elections. Enroll or make changes to your existing coverage by going to the Hoag Benefits Center website from October 26 through November 12, 2012. Open Enrollment elections are made electronically through the Hoag Benefits Center website, www.hoagbenefits.com.

This will be the only window of opportunity to enroll or make changes to your existing coverage unless you have a qualifying event.

The enrollment process can be completed on any computer with internet access either at home, work or while on vacation.

The following resources are available to assist you in making an informed decision:

Hoag Benefits Center

Monday through Friday, 6am – 5pm PT

1-888-416-1093 or via email at hoag@proviewbenefits.com

CIGNA's Informational Line

1-800-564-7642 – Please call CIGNA. This is a dedicated 800 number just for Hoag employees and their dependents during open enrollment. Representatives are standing by ready to assist you if you have any questions regarding the plans offered through CIGNA.

MetLife

1-800-438-6388 or go online to www.metlife.com/mybenefits

IMPORTANT: All Full Time and Part Time eligible employees will be required to make their **online Open Enrollment Elections**. Current medical election will not “rollover” in 2013 and will need to be actively reviewed and chosen for the plan year which begins January 1, 2013. There is no automatic medical default plan in 2013.