

Benefiting Together



2 0 1 2 E M P L O Y E E B E N E F I T S G U I D E



CHILDREN'S HOSPITAL
& RESEARCH CENTER OAKLAND

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Please note: This information is a summary of benefits for all Children’s employees, and if it differs from the plan document, the plan document governs in all cases. You can request plan documents with more detailed information from Human Resources. In some cases, benefits may differ for employees covered by a collective bargaining agreement. Refer to your collective bargaining unit’s agreement if you are covered by a union contract.

This guide constitutes a Summary of Material Modifications (SMM) to the Children’s Hospital & Research Center Oakland Summary Plan Description (SPD). It is meant to update and supplement your SPD. Please read the documents together, keep them in a safe place and share them with your covered family members.

Nothing in this or any other benefits document or oral presentation is intended as an employment contract or guarantee of benefits. Children’s reserves the right to change, replace, or end its benefits plans at any time except as required under a collective bargaining agreement.

If you and/or your dependents will be eligible for Medicare in the next 12 months, a federal law gives you more choices about your prescription drug coverage. More information is included in the “Important Notices” section of your enrollment packet.

Your Benefits at Children's Hospital & Research Center Oakland

Your Total Rewards

Your total rewards package at Children's Hospital & Research Center Oakland (Children's) is much more than your cash compensation. It also includes the cost of the benefit and time off programs offered by Children's plus statutory benefits, such as Social Security, Workers' Compensation, and state and local payroll taxes.

Your Benefits Package

Children's knows how important your benefits coverage is to you and your family. That's why we provide you and your eligible dependents with a comprehensive package of benefits designed with the choices and flexibility to meet your needs.

Health Care Benefits and Costs

Depending on your employee group and status, Children's may pay 100% of the cost of premiums for your Medical, Dental and Vision Coverage. Otherwise, you and Children's share the cost of premiums for Medical, Dental and Vision Coverage. For health care plan cost information, please see page 16.

Other Benefits Paid for by Children's

Children's pays 100% of the cost of premiums for the following benefits:

- ♥ Employee Assistance Program (employee and eligible dependents)
- ♥ Long-Term Disability Insurance (employee only)
- ♥ Basic Life and Personal Accident Insurance (employee only)
- ♥ Children's Retirement Plan (employee only)

Benefits You Can Purchase

You have the opportunity to purchase the following additional benefits:

- ♥ Flexible Spending Accounts
- ♥ Long-Term Care Plan
- ♥ Group Legal Plan
- ♥ Supplemental Life and Personal Accident Insurance
- ♥ Commuter Benefits Program

How to Use This Benefits Guide

This benefits guide is intended to be a resource for you as you choose—and use—your benefits. We encourage you to keep it handy, whether at home or at work, so you can easily refer to it throughout the year. Here's what is included in the guide:

- ♥ Overview of all the health and welfare benefit programs Children's offers, including time off programs
- ♥ Definitions of eligible dependents and the plans for which they are eligible
- ♥ Enrolling for coverage as a new employee, when you can make changes, and deadlines that apply
- ♥ Phone numbers and websites for each of our plan providers (found in the Benefits Directory at the back)
- ♥ How life and employment changes affect benefits
- ♥ Updates to the Children's SPD

Eligibility and Participation

Who Is Eligible

You are eligible for coverage under the Children's benefits plans if you are a regular full-time employee or a regular part-time employee (full-time = scheduled 33 hours or more per week; part-time = scheduled 20-32 per week).

When Coverage Begins

If you are a member of this group:	Your benefits start:
All union, non-represented and non-management employees	The first day of the month following 60 days of continuous employment
Managers	The first day of the month following your date of hire
Fellows and Residents	Your date of hire

If Your Employment Status Changes

If your status changes to a benefited position (for example, from "short-hour" regular or "on-call" regular to regular full-time or part-time status working 20 or more hours per week), your coverage takes effect on the first day of the month following the date of the status change or hire, provided you have satisfied the initial waiting period described above.

If you are a temporary employee converting to regular full-time status, or part-time status working at least 20 hours per week, you will be considered a "new" employee for eligibility purposes and you must satisfy the initial waiting period described above before coverage is effective.

If you are a new manager, coverage takes effect on the first day of the month following the date you are hired or moved to a manager position.

When Coverage Ends

Coverage ends on the last day of the final month of your employment. For employees on leave, coverage ends at the end of the month in which your leave benefits end and/or you achieve unpaid status. Coverage for Life insurance and Long-Term Disability ends on the day that you are no longer an active employee. If you experience a qualifying status event that entitles you to a continuation of health coverage, COBRA information will be mailed to your home by our COBRA administrator, HealthComp.

Dependent Coverage

In addition to your coverage, Children's also offers coverage to your eligible dependents. You will be required to show proof of dependent eligibility (for example, a birth certificate, marriage certificate, declaration of partnership, or adoption papers). Your eligible dependents include:

- ♥ Your legal spouse
- ♥ Your qualified domestic partner (see next page for more information)
- ♥ Your children, including:
 - Natural or legally adopted children, as well as children placed with you for adoption,
 - Stepchildren,
 - Children of enrolled domestic partners,
 - Children for whom you are responsible to provide health coverage based on a qualified medical child support order ("QMCSO"), or
 - Children for whom you have been appointed by a court as legal guardian.

Eligible dependent children must be:

- ♥ Under age 26, or
- ♥ Of any age with total and permanent disabilities.

About Domestic Partners

Domestic Partner Definition

A “domestic partner” is a person of the same or opposite sex with whom you have a relationship intended to last indefinitely. To qualify for a domestic partnership, you must meet the following requirements:

- ♥ You and your partner are registered as domestic partners with the state of California or have a same-sex legal union (other than marriage) that was validly formed in another jurisdiction that is substantially equivalent to a California registered domestic partnership, or
- ♥ You and your partner meet all of the following criteria:
 - You are both at least age 18 and are competent to consent to entering into a domestic partnership.
 - Neither of you are legally married under statutory or common law, legally separated, or in a domestic partnership with anyone else, nor have either of you been in such a relationship for at least six months.
 - You are not related by blood to a degree of closeness that would prohibit marriage.
 - You are in an exclusive, committed relationship that is intended to be permanent.
 - You have agreed to be responsible for each other’s welfare.
 - You currently share the same residence and have done so for at least six months.

Enrolling a Domestic Partner or Spouse

To enroll a domestic partner, you must obtain a Domestic Partner Enrollment Application and Declaration of Partnership from Human Resources, complete the forms, and attach them to your initial medical plan enrollment election along with any required documentation. If you are registered with a governmental agency, you may instead provide proof of that registration.

To enroll a spouse, you must provide a copy of a valid marriage certificate. You must also include birth certificates for your partner or spouse’s eligible children if you wish to enroll them.



Imputed Income

If you elect domestic partner or same-sex spouse coverage, the value of these benefits is generally counted—or “imputed”—to you as income and is subject to federal and state income and payroll taxes. Imputed income is added to the earnings shown on your W-2, and you pay taxes from each paycheck on that amount. In addition, due to federal law, you must pay the premium for your partner’s or same-sex spouse’s coverage on an after-tax basis. However, if your domestic partnership is registered with the state of California, or if you have an equivalent same-sex legal union relationship or same-sex spouse, your benefits are exempt from imputed income for state tax purposes unless your partner or spouse¹ is also your federal tax dependent. You would still be subject to imputed income for federal tax purposes and, in any case, you would still be required to pay the premium on an after-tax basis. For information on registering your domestic partnership with the state of California, go to www.ss.ca.gov/dpregistry. For details on Children’s domestic partner policy, contact Human Resources.

In addition, if you enroll a child who is not eligible for tax-free coverage, you’re subject to imputed income and are required to pay for his or her benefits on an after-tax basis. For example, if you cover a child over age 23, you may be subject to taxes on his or her benefits. And, if you’re covering a domestic partner’s or same-sex spouse’s child, you’ll be subject to taxes on these benefits if he or she is your domestic partner’s or same-sex spouse’s tax dependent.

For more information about eligibility for tax-free health coverage, please refer to IRS publication 502, available at www.irs.gov/pub/irs-pdf/p502.pdf.

¹ Benefits for a same-sex spouse whom you married between June 17, 2008 and November 8, 2008 are exempt from California income and payroll taxes.

Coverage If Both You and Your Spouse/Domestic Partner Work for Children’s

If you and your spouse/domestic partner are both employed at Children’s as benefited employees, you cannot “dual cover” each other under the same health plan. This means that neither of you can be covered both as a dependent and an employee. If you have a dependent who is also eligible for Children’s benefits as an employee, you can:

- ♥ Each elect coverage as employees, in which case, only one of you can cover your eligible children as dependents, or
- ♥ Decline coverage for one of you and enroll that person, along with eligible children, as dependents of the one who elects coverage.

Coordination of Benefits

Children’s health plans are designed to help you meet the costs of necessary health care, but not to provide you with a higher payment than your actual expenses. The Children’s plans coordinate benefits with any other plans covering you or a dependent to ensure that the total benefits paid under the Children’s plans will not be more than 100% of the allowable charge. This is called “coordination of benefits.” A plan can include coverage under an individual policy or provided by your spouse’s employer (including Children’s), any other group plan, a government program, or benefits from a no-fault state auto insurance law, as permitted by applicable law. For additional information on Coordination of Benefits, please see the Children’s SPD.

Enrollment

To enroll in coverage, you must log into our online enrollment system, HCOOnline, within 30 days prior to your coverage effective date. If your benefits are effective on your hire date, it is important to enroll as soon as employment begins.

To access the HCOOnline login page:

- ♥ Go to www.healthcomp.com to access HealthComp's home page.
- ♥ You can access the HCOOnline login screen from one of two places:
 1. By clicking on "HCOOnline" under the "Members" dropdown box from the topline menu, or
 2. By clicking on "HCOOnline" under the "Resources" righthand navigation bar.



Your HCOOnline Login

First time logging in?

Your User Name is your Social Security Number, and your Password is your birthdate.

If you've logged in before and changed your User Name and Password, they'll be saved in the system for you to use again.

Safe and secure—Our HCOOnline enrollment system uses modern data encryption standards that protect your transmitted data. It offers a secure environment in which your personal information will remain safe and confidential.

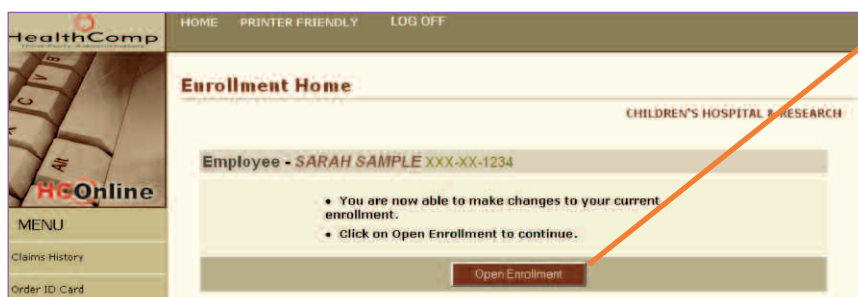
To log into HCOOnline:



Your initial User Name is your Social Security Number. Your SSN should be entered as nine digits without any hyphens (e.g., **505551234**).

Your initial password is your birthdate. It should be entered as eight straight digits without any hyphens or slashes, in this order: four-digit year, two-digit month, two-digit day. For example, if your birthdate is January 1, 1970, your password will be **19700101**.

At the next screen, click on Open Enrollment.



Problems logging in? Contact Paula Garcia in HR at 510-428-3645 if your SSN and birthdate are not accepted as your User Name and Password, or you forget your User Name and Password after changing them.

To Complete Your Enrollment in Children's Benefits:

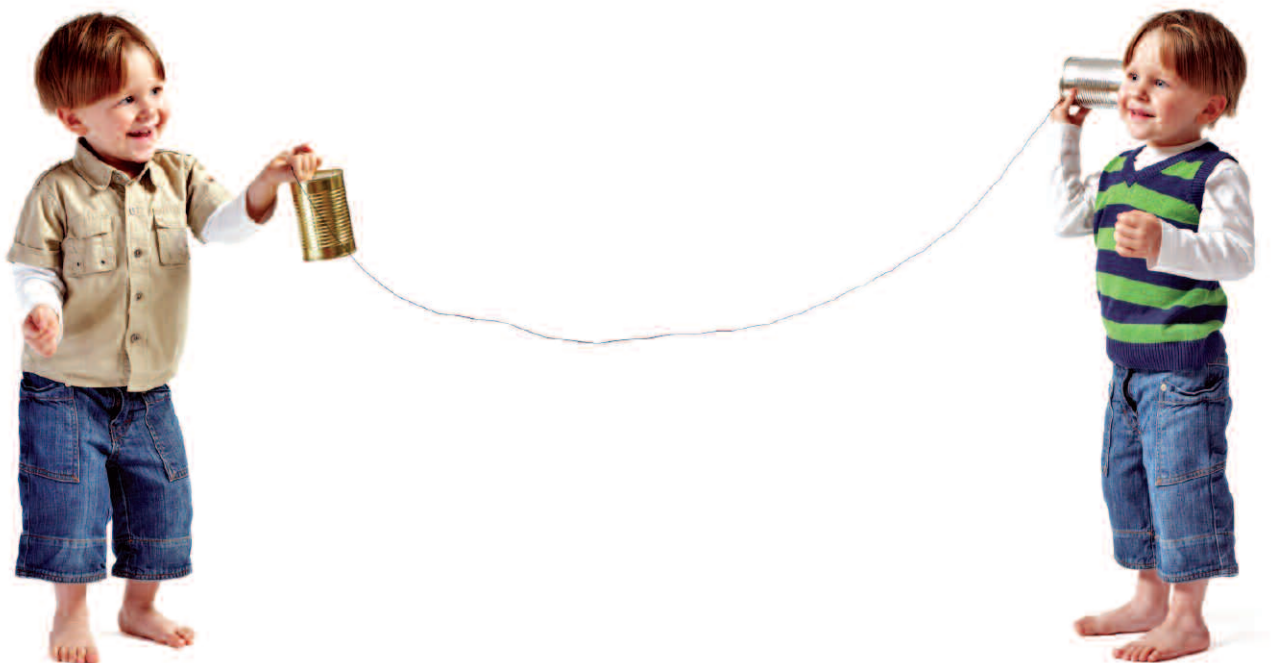
- ♥ **Read through and follow the instructions on the subsequent screens** to review your personal information, confirm or change your benefit plan options and coverage levels, and review or update any enrolled dependents.
- ♥ **Information on each screen will be saved when you click on the "Next" button.** If you leave the system and log in later, your last saved changes will be displayed.
- ♥ **On the last "Enrollment Summary" screen, read through your benefit elections and scroll down to the bottom.** There is a section called "Modify Your Selections" that enables you to go back to any of the previous screens for updating. **To complete your enrollment, you must click on the "I Agree" button at the bottom of the page, or else your latest data entries and/or benefit elections will not be saved.** You can print this page for your records.

Important Tips

- ♥ **When you are done or need to stop for any length of time, be sure to log off using the Log Off menu option on the main screens.** **If there is no activity for 20 minutes, your session will time out and you will be asked to log in again.** Your changes to your current page will not be saved if you are timed out.
- ♥ **Clicking on links to "About Your Benefits"** will bring you to a screen that lists the Children's Benefits plan names, group numbers and carrier contact information—like addresses, phone numbers and websites.

Contacts

- ♥ **Call HealthComp at 800-442-7247** if you have any technical questions about the HCOonline enrollment system and screens.
- ♥ **Contact Paula Garcia in HR** if you have any trouble logging into HCOonline or have any questions about your Children's Benefits, after looking through your *2012 Employee Benefits Guide* and referring to the plan carrier websites for additional details. Paula can be reached at 510-428-3645 or pgarcia@mail.cho.org.



Sample Enrollment Screens

Enrollment CHILDREN'S HOSPITAL & RESEARCH

Employee

All fields with an asterisk (*) are required fields.

Social Security #
505-55-1234

* First Name SARAH * MI * Last Name SAMPLE * Suffix *

* Address
123 HOSPITAL LANE

* City OAKLAND * State California * Zip 90000

Review your personal information to make sure it's correct. Remember that all fields with an asterisk (*) *must* be filled in before you can click "Next." The exclamation points (!) only indicate where information is not yet submitted for processing.

Enrollment CHILDREN'S HOSPITAL & RESEARCH

Eligibility of SARAH SAMPLE XXX-XX-1234

All fields with an asterisk (*) are required fields.

Status

MEDICAL / DENTAL / VISION

MEDICAL / DELTA DENTAL VISION PLAN (Choose One)

Children's PPO Kaiser HMO Anthem HMO Waive Coverage

Click on the links above for more information about these plans.

COVERAGE LEVEL (Choose One if Medical Coverage not Waived)

Emp Only Emp + 1 Emp + 2 +
 Emp + Domestic Partner Emp + Domestic Partner + 1 Emp + Domestic Partner + 2 +

Primary Care Physician (PCP) ID (for Anthem HMO only)

If you elected Anthem HMO, you must enter the 8-character Enrollment ID of your desired Primary Care Physician. Entering your doctor's name is not a valid entry. **If you do not identify a PCP by entering a PCP ID, a Primary Care Physician will be assigned to you.**

To obtain your Primary Care Physician's Enrollment ID, follow these instructions:

1. Click Here to open the Anthem ProviderFinder.
2. Search by Address or Name and click View Results.
3. When you have selected a Primary Care Physician, click on the Provider's name. Under the Blue Cross HMO (CaliforniaCare) section, note the 8-character PCP-ID for Online Enrollment and enter it in the field below.

This is my current doctor

Clicking on any underlined plan name will open a window with additional documents describing the plans.

Note that if you waive coverage, you'll be required to provide HR with a copy of your current health care ID card to show proof of other coverage.

Shaded fields will not allow you to input data unless applicable. For example, this field will turn white to allow your input only if you select the "Anthem HMO" as your medical plan choice above.

Benefits and benefit amounts that are provided to you automatically are already selected and filled in; you don't need to do anything.

DISABILITY BENEFITS

Long Term Disability

Long Term Disability

Coverage Amount 1667

ANCILLARY BENEFITS

Employee Life / Personal Accident Insurance

Life / Personal Accident Insurance

Coverage Amount 10000 Flat 10k

Click on “Details” to review and confirm that your listed dependent information is correct.

Check to see whether each dependent is enrolled in a Children’s medical plan. “Y” means “yes,” and “N” means “no.” Click on “Details” for any dependent for whom you need to make changes.

Enrollment
CHILDREN'S HOSPITAL & RESEARCH

Dependents of SARAH SAMPLE XXX-XX-1234

First Name	Last Name	Relation	SSN	Date of Birth	M	Status	Eff Date	Details
BELLA	SAMPLE	Daughter	123-45-6789	09/12/2005	Y	A	06/01/2010	Details
JAMES	SAMPLE	Spouse	001-12-3456	01/15/1972	Y	A	06/01/2010	Details

Employee Coverage Add Dependent Next

Helpful Hints

Click on "Details" to complete necessary dependent information and to activate a previously terminated dependent.

Click on "Employee Coverage" to return to the screen showing your benefit options and selected coverages, in case you need to change your coverage level to enroll your dependents.

Add any new dependents by clicking on "Add Dependent." To enroll them in Children's benefits coverage, you will be required to show HR proof of dependent eligibility (such as a birth certificate, marriage certificate, declaration of partnership, or adoption papers). See your [2012 Employee Benefits Guide](#) for the definition of eligible dependents.

After all of your dependents have been added and/or verified, click on "Next" to continue.

To enroll any dependents in Children’s benefits coverage, you will be required to provide HR with proof of their eligibility (such as a birth certificate, marriage certificate, declaration of partnership or adoption papers). See your *2012 Employee Benefits Guide* for the definition of eligible dependents.

Enrollment
CHILDREN'S HOSPITAL & RESEARCH

Dependent of SARAH SAMPLE 505-55-1234

All fields with an asterisk (*) are required fields.

* First Name MI * Last Name Suffix * Social Security #

* Address

City State Zip

Home Phone Work Phone

* Gender * Date of Birth * Relation

CHILDREN'S HOSPITAL & RESEARCH CENTER OAKLAND

Other Insurance Coverage of SARAH SAMPLE 505-55-1234

All fields with an asterisk (*) are required fields.

* Name of other policy holder	<input type="text"/>
* Policy Holder Birth Date	<input type="text"/>
* Social Security Number	<input type="text"/>
* Relation	<input type="text"/>
* Sponsoring Employer	<input type="text"/>
* Insurance Carrier or Medicare	<input type="text"/>
* Group Number	<input type="text"/>
* Benefit Types	<input type="checkbox"/> Medical <input type="checkbox"/> Dental <input type="checkbox"/> Vision <input type="checkbox"/> Rx (Prescription Drug)
* Policy Type	<input type="text"/>
* Begin Coverage Date	<input type="text"/>
* End Coverage Date	<input type="text"/>
* Persons covered under above policy	<input type="text"/>

If you have other insurance coverage for yourself or your dependents, you must fill out this screen. This helps ensure that your Children's benefits are coordinated with any other coverage.

In the first field, fill in the name of the person who is the primary policy holder under the other insurance coverage, followed by their information. In the last field, fill in the names of other individuals covered under that policy.

CHILDREN'S HOSPITAL & RESEARCH CENTER OAKLAND

Coverage Declaration for SARAH SAMPLE 505-55-1234

COVERAGE DECLINATION

!! This section only needs to be filled out if you have elected to waive coverage for you and/or any of your dependents !!

You still must select "Waive Coverage" on the Employee Eligibility screen if you are declining coverage for yourself. To decline coverage for a dependent make sure the "Medical Coverage" and/or "Dental Coverage" boxes are not checked on the Dependent Enrollment screen.

COVERAGE DECLINATION (To be completed if any coverage is Declined/Waived by an eligible employee and/or eligible family members for medical and/or dental/vision coverages.)

Myself
 Children
 Spouse/DP/Ex-Spouse
 Spouse/DP/Ex-Spouse and Children

You must fill out this screen only if you are waiving medical coverage for yourself or any of your dependents—if you or they are covered by other insurance. **You will need to provide HR with a copy of your current health care ID card.**

If You Don't Enroll

As a New Hire

If you fail to enroll as a new hire, you will be automatically enrolled in the Children's PPO Plan, Dental Plan, and Vision Plan. An applicable deduction for the cost of your employee-only coverage will apply. Your family members will not receive coverage and will not be eligible for coverage until the next annual Open Enrollment period.

During Open Enrollment

If you fail to re-enroll during the annual Open Enrollment period, your current elections will continue for the coming calendar year except for any Flexible Spending Account elections, for which you must enroll each year. If there are any changes made to your existing coverage (such as the elimination of a plan) and you fail to re-enroll, keep in mind you will be automatically enrolled in another plan that may have applicable deductions.

Waiving Your Benefits

You can elect to "opt-out" of coverage under Children's medical, dental, and vision plans if you provide proof that you have other health coverage. In this case, you will receive an additional \$100 per month in your paycheck, which is taxable as regular earned income.

To opt-out of coverage, you must sign a waiver form and provide proof of your other health coverage to Human Resources. Proof acceptable to Children's is a current, valid medical ID card with your name and group number clearly stated.

Making Changes During the Year

During the annual Open Enrollment period, you have the opportunity to change your benefits coverage. The only time you will be able to change your coverage outside of this Open Enrollment period is if a "qualifying status event" occurs. Qualifying status events include but are not limited to:

- ♥ Marriage, divorce, legal separation, or formation or termination of domestic partnership
- ♥ Birth, adoption, or placement for adoption
- ♥ A change in your spouse's employment, or if your spouse attains age 65 and is covered by Medicare
- ♥ Loss of dependent status (for example, a child reaching the maximum eligible age)

You generally have 30 days from the date of a qualifying status event to make changes to your benefits elections. Otherwise, you must wait until the next Open Enrollment period or until you experience another qualifying status event to make changes.

If you are enrolling a newly eligible dependent, you must submit verification of eligibility for the dependent. For more information about qualifying status events, please see Allowable Mid-Year Election Changes on page 28, or contact Human Resources.

Any increase to Supplemental Life insurance either during Open Enrollment or mid-year requires approval by CIGNA based on proof of good health.

Medical Plans

Children's pays 100% of the premium costs under the Kaiser HMO Plan*

Select the Plan That's Best for You

You have two or three medical plan options to choose from, depending on your employee group and status. For one plan, Children's pays 100% of the cost of coverage for you and your dependents*. For the other plan(s), you pay a portion of the cost for yourself and your dependents. Your contributions are shown on page 16.

You can select the Children's Preferred Provider Organization (PPO), the Kaiser Permanente Health Maintenance Organization (HMO), or the Anthem Blue Cross HMO. Each medical plan provides comprehensive medical coverage, but operates differently from each other.

Children's PPO

Children's PPO Plan offers you the greatest freedom of choice of the three medical plan options. With the Children's PPO Plan, you have the flexibility to use network or non-network providers. PPO network providers are those that participate in the Anthem Blue Cross Prudent Buyer network. To find out whether your provider is part of the Anthem Blue Cross Prudent Buyer network, go to www.anthem.com/ca.

You'll pay less if you choose network providers for your care because they charge lower, negotiated fees; when you use network providers, your benefits are higher (so your out-of-pocket costs are lower) than when you use non-network providers. Out-of-network services are subject to usual, customary, and reasonable levels, which are the plan's allowed amounts for medical services.

Claim forms are not required when you receive health care services from network providers and are usually required when you receive care from non-network providers. Claims should be submitted to HealthComp, the claims administrator. Claim forms are available on CHONET, from Human Resources, or via HCONline at www.healthcomp.com.

With the Children's PPO, after you meet the deductible, the plan pays a percentage of the costs and you pay a percentage (coinsurance). If you enroll in the Children's PPO Plan, you receive prescription benefits through CVS Caremark. Your medical ID card will contain information regarding your prescription drug coverage.

For more details on PPO benefits, see the Medical Plans Comparison table on the next page.

Kaiser Permanente or Anthem Blue Cross HMOs

With an HMO, you must use the HMO network for all non-emergency care. If you enroll in the Kaiser HMO, you must use Kaiser's providers and facilities for all medical services, **including** prescriptions. If you enroll in the Anthem Blue Cross HMO, you must use Anthem Blue Cross network providers for all medical services, **except** prescriptions. No benefits will be paid for services outside of the HMO network of physicians and hospitals except emergency treatment.

Most medical services are fully covered under an HMO. Copays are required for certain services such as doctor's office or emergency room visits. Generally, you do not have to file claim forms for HMO plan benefits.

If you enroll in the Anthem Blue Cross HMO plan, you receive prescription benefits through CVS Caremark. You will receive a separate prescription drug ID card from CVS Caremark.

For more details on HMO benefits, see the Medical Plans Comparison table on the next page or refer to the Children's Summary Plan Description (SPD).

* Except for part-time non-represented employees, who pay a portion of the cost for coverage under all medical plans, and CNA/CHEU who have a choice of two plans.



2012 Medical Plans Comparison—Non-Represented, SEIU-UHW and CNA

PLAN FEATURES	CHILDREN'S PPO	
	Anthem Blue Cross Prudent Buyer Network	Out-of-Network Providers ¹
Annual out-of-pocket maximum benefit (excluding deductible)	\$1,000 individual; \$2,000 family	\$1,000 individual; \$2,000 family
Maximum lifetime benefit	None	None
Deductible (calendar year)	You pay \$250 per person; \$500 per family	You pay \$250 per person; \$500 per family
HOSPITAL SERVICES		
Room, board, services ²	No charge first 180 days; then Plan pays 80%	Plan pays 85% first 180 days, then 65% after deductible
Emergency room care ³	You pay \$50 copay; waived if admitted	You pay \$50 copay; waived if admitted
Ambulance	Plan pays \$25 ground; \$50 air, then 80%	Plan pays \$25 ground; \$50 air, then 80%
Surgical center	Plan pays 100%	Plan pays 65%; deductible waived
Surgeon, anesthesiologist ²	Plan pays 80%	Plan pays 65%
PHYSICIAN SERVICES		
Office visit	You pay \$15 office visit copay	Plan pays 65%
Hospital visit	Initial visit: Plan pays first \$15; then 80% Subsequent visits: Plan pays first \$5, then 80%	Initial visit: Plan pays first \$15, then 65% Subsequent visits: Plan pays first \$5, then 65%
PRESCRIPTIONS (per prescription copay)		
	CVS Caremark Pharmacy: Generic \$10, Formulary Brand \$20, Non-formulary \$30, Max 30-day supply; Mail Order: Generic \$20, Formulary Brand \$40, Non-formulary Brand \$60	Non-CVS Caremark Pharmacy: Plan pays based on fee schedule for up to a 30-day supply; Mail Order: Not covered
WELLNESS SERVICES		
Routine physical (once every year)	No charge; deductible waived	Plan pays 65%
Prostate exam	No charge; deductible waived	Plan pays 65%
Pap test	No charge; deductible waived	Plan pays 65%
Mammogram	No charge; deductible waived	Plan pays 65%
Well child exam	No charge to age 17; deductible waived	Plan pays 65% to age 17
Prenatal care	Plan pays 80%	Plan pays 65%
Hearing exam	No charge; deductible waived	Plan pays 65%
MENTAL HEALTH SERVICES		
Inpatient	No charge first 180 days; then Plan pays 80%	Plan pays 85% first 180 days; then 65% after deductible
Outpatient	You pay \$15 copay	Plan pays 65%
SUBSTANCE ABUSE SERVICES		
Inpatient	No charge first 180 days; then Plan pays 80%	Plan pays 85% first 180 days; then 65% after deductible
Outpatient	You pay \$15 copay	Plan pays 65%
OTHER SERVICES		
Routine X-ray and lab	No charge at Children's*; otherwise Plan pays 80%	Plan pays 65%
Pre-admission X-ray and lab testing	Plan pays 100%	Plan pays 85%
Acupuncture	Not covered	Not covered
Allergy tests	No charge; deductible waived	Plan pays 65%
Physical/occupational therapy (must be medically necessary)	Plan pays 80%	Plan pays 65%
Chiropractic services	Plan pays 80%	Plan pays 65%
Durable medical equipment	Plan pays 80%	Plan pays 65%
Home health ²	Plan pays 80%; \$10,000 max per calendar year (combined with hospice care)	Plan pays 65%; \$10,000 max per calendar year (combined with hospice care)
Hospice care (6-month maximum) ²	Plan pays 80%; \$10,000 max per calendar year (combined with home health)	Plan pays 65%; \$10,000 max per calendar year (combined with home health)

This chart is for summary purposes only and is not intended to be an all-inclusive list of covered medical services. Certain conditions and limitations not described here apply. For additional information and details, please refer to your Summary Plan Description and any applicable materials from the medical providers, such as an evidence of coverage or plan booklet. The plans cover benefits in accordance with applicable law.

¹ Charges incurred out-of-network are subject to usual, customary, and reasonable reimbursement levels.

² Requires pre-authorization.

³ Coverage for non-emergency use of the emergency room is reduced to 80% (network) or 65% (out-of-network) after emergency room copayment is applied.

⁴ For eligible dependent children. Radiology services for adults will only be covered at 100% at Children's if ordered by Employee Health, the Emergency Department, or a Children's employed or contracted physician currently practicing at Children's. All other services provided at Children's are covered at 100% (deductible is waived).

2012 Medical Plans Comparison—Non-Represented, SEIU-UHW and CNA

PLAN FEATURES	ANTHEM BLUE CROSS HMO (not offered to CNA employee group)	KAISER HMO
Annual out-of-pocket maximum benefit	\$2,000 per person; \$4,000 per family	\$1,500 per person; \$3,000 per family
Maximum lifetime benefit	None	None
Deductible (calendar year)	None	None
HOSPITAL SERVICES		
Room, board, services	You pay \$250 copay per stay	No charge; unlimited days
Emergency room care	Inpatient: You pay \$250 copay Outpatient: You pay \$100 copay; waived if admitted	You pay \$50 copay; waived if admitted
Ambulance	\$100 per trip	\$50 per trip
Surgical Center	No charge	You pay \$15 copay for outpatient surgery
Surgeon, anesthesiologist	No charge	No charge
PHYSICIAN SERVICES		
Office visit	You pay \$15 copay per visit	You pay \$15 copay per visit
Hospital visit	No charge	No charge
PRESCRIPTIONS (per prescription copay)		
Retail	Caremark Pharmacy ⁵ (maximum 30-day supply): Generic \$10, Formulary Brand \$20, Non-formulary Brand \$30	At a Kaiser Pharmacy you pay: Generic \$10, Brand \$20, Max 30-day supply
Mail Order	Caremark Mail Order ⁵ (maximum 90-day supply) Generic \$20, Formulary Brand \$40, Non-formulary Brand \$60	Generic \$20, Brand \$40, Max 100-day supply
WELLNESS SERVICES		
Routine physical	No charge	Full-time Non-Represented and SEIU-UHW: You pay \$15 copay Part-time Non-Represented and CNA: No charge
Prostate exam or Mammogram	No charge	Full-time Non-Represented and SEIU-UHW: You pay \$15 copay Part-time Non-Represented and CNA: No charge
Pap test	No charge	No charge
Well child exam	No charge	No charge
Prenatal care	You pay \$15 copay per visit	No charge
Hearing exam	No charge	Full-time Non-Represented and SEIU-UHW: You pay \$15 copay Part-time Non-Represented and CNA: No charge
MENTAL HEALTH SERVICES		
Inpatient	You pay \$250 copay per stay	No charge; unlimited days
Outpatient	You pay \$15 copay per visit	You pay \$15 copay per individual therapy visit, \$7 copay per group therapy visit
SUBSTANCE ABUSE SERVICES		
Inpatient	You pay \$250 copay per stay	No charge; unlimited days
Outpatient	You pay \$15 copay per visit	You pay \$15 copay per individual therapy visit, \$7 per group therapy visit
OTHER SERVICES		
X-ray and lab	No charge ⁶	No charge
Acupuncture	You pay \$15 copay per visit	Not covered
Allergy tests	You pay \$15 copay per visit	You pay \$15 copay
Physical/occupational therapy (must be medically necessary)	You pay \$15 copay per visit limited to 60-day period after an illness or injury. Additional visits available when approved by the medical group.	You pay \$15 copay
Chiropractic services	Not covered	Not covered
Durable medical equipment	You pay 50% of charges	You pay 20% coinsurance
Home health	You pay \$15 copay per visit	No charge
Hospice care	No charge	No charge

⁵ The plan uses a formulary, which is a list of approved generic and preferred brand name drugs. For more information about approved formulary drugs, visit www.cvscaremark.com, or call 800-552-8159.

⁶ \$100 copay per test for CT, MRI, PET and nuclear cardiac scans.

2012 Medical Plans Comparison—CHEU, Local 29, Local 39 and Residents

PLAN FEATURES	CHILDREN'S PPO	
	Anthem Blue Cross Prudent Buyer Network	Out-of-Network Providers ¹
Annual out-of-pocket maximum benefit (excluding deductible)	\$1,000 individual; \$2,000 family	\$1,000 individual; \$2,000 family
Maximum lifetime benefit	None	None
Deductible (calendar year)	You pay \$150 per person; \$300 per family	You pay \$150 per person; \$300 per family
HOSPITAL SERVICES		
Room, board, services ²	No charge first 180 days; then Plan pays 80%	Plan pays 85% first 180 days, then 65%
Emergency room care ³	You pay \$50 copay; waived if admitted	You pay \$50 copay; waived if admitted
Ambulance	Plan pays \$25 ground; \$50 air, then 80%	Plan pays \$25 ground; \$50 air, then 80%
Surgical center ²	Plan pays 100%	Plan pays 65%; deductible waived
Surgeon, anesthetist ²	Plan pays 80%	Plan pays 65%
PHYSICIAN SERVICES		
Office visit	Initial visit: Plan pays 80% Subsequent visits: Plan pays first \$9, then 80% ⁴	Initial visit: Plan pays 65% Subsequent visits: Plan pays first \$9, then 65% ⁴
Hospital visit	Initial visit: Plan pays first \$15; then 80% ⁴ Subsequent visits: Plan pays first \$5, then 80% ⁴	Initial visit: Plan pays first \$15, then 65% ⁴ Subsequent visits: Plan pays first \$5, then 65% ⁴
PRESCRIPTIONS (per prescription copay)		
	CVS Caremark Pharmacy: Plan pays 90%; Max 30-day supply, Mail Order 90%, Max 90-day supply	Non-CVS Caremark Pharmacy: Based on scheduled fee Mail Order: Not covered
WELLNESS SERVICES		
Routine physical (once every year)	No charge; deductible waived	Plan pays 65%
Prostate exam	No charge; deductible waived	Plan pays 65%
Pap test	No charge; deductible waived	Plan pays 65%
Mammogram	No charge; deductible waived	Plan pays 65%
Well child exam	No charge to age 17; deductible waived	Plan pays 65% to age 17
Prenatal care	Plan pays 80%	Plan pays 65%
Hearing exam	No charge; deductible waived	Plan pays 65%
MENTAL HEALTH SERVICES		
Inpatient	No charge first 180 days; then Plan pays 80%	Plan pays 85% first 180 days; then 65%
Outpatient	Initial visit: Plan pays 80% Subsequent visits: Plan pays first \$9, then 80% ⁴	Initial visit: Plan pays 65% Subsequent visits: Plan pays first \$9, then 65% ⁴
SUBSTANCE ABUSE SERVICES		
Inpatient	No charge first 180 days; then Plan pays 80%	Plan pays 85% first 180 days; then 65%
Outpatient	Initial visit: Plan pays 80% Subsequent visits: Plan pays first \$9, then 80% ⁴	Initial visit: Plan pays 65% Subsequent visits: Plan pays first \$9, then 65% ⁴
OTHER SERVICES		
Routine X-ray and lab	No charge at Children's ⁵ ; otherwise Plan pays 80%	Plan pays 65%
Pre-admission X-ray and lab testing	Plan pays 100%	Plan pays 85%
Acupuncture	Not covered	Not covered
Allergy tests	No charge; deductible waived	Plan pays 65%
Physical/occupational therapy (must be medically necessary)	Plan pays 80%	Plan pays 65%
Chiropractic services	Plan pays 80%	Plan pays 65%
Durable medical equipment	Plan pays 80%	Plan pays 65%
Home health ²	Plan pays 80%; \$10,000 max per calendar year (combined with hospice care)	Plan pays 65%; \$10,000 max per calendar year (combined with hospice care)
Hospice care (6-month maximum) ²	Plan pays 80%; \$10,000 max per calendar year (combined with home health)	Plan pays 65%; \$10,000 max per calendar year (combined with home health)

This chart is for summary purposes only and is not intended to be an all-inclusive list of covered medical services. Certain conditions and limitations not described here apply. For additional information and details, please refer to your Summary Plan Description and any applicable materials from the medical providers, such as an evidence of coverage or plan booklet. The plans cover benefits in accordance with applicable law.

1 Charges incurred out-of-network are subject to usual, customary, and reasonable reimbursement levels.

2 Requires pre-authorization.

3 Coverage for non-emergency use of the emergency room is reduced to 80% (network) or 65% (out-of-network) after emergency room copayment is applied.

4 Plan pays \$630 per person per year for first dollar physician benefits.

5 For eligible dependent children. Radiology services for adults will only be covered at 100% at Children's if ordered by Employee Health, the Emergency Department, or a Children's employed or contracted physician currently practicing at Children's. All other services provided at Children's are covered at 100% (deductible is waived).

2012 Medical Plans Comparison—CHEU, Local 29, Local 39 and Residents

PLAN FEATURES	ANTHEM BLUE CROSS HMO (not offered to CHEU employee group)	KAISER HMO
Annual out-of-pocket maximum benefit	\$2,000 per person; \$4,000 per family	\$1,500 per person; \$3,000 per family
Maximum lifetime benefit	None	None
Deductible (calendar year)	None	None
HOSPITAL SERVICES		
Room, board, services	You pay \$250 copay per stay	No charge; unlimited days
Emergency room care	Inpatient: You pay \$250 copay Outpatient: You pay \$100 copay; waived if admitted	You pay \$50 copay; waived if admitted
Ambulance	\$100 per trip	\$50 per trip
Surgical Center	No charge	You pay \$10 copay for outpatient surgery
Surgeon, anesthesiologist	No charge	No charge
PHYSICIAN SERVICES		
Office visit	You pay \$15 copay per visit	You pay \$10 copay per visit
Hospital visit	No charge	No charge
PRESCRIPTIONS (per prescription copay)		
Retail	CVS Caremark Pharmacy ⁵ (maximum 30-day supply): Generic \$10, Formulary Brand \$20, Non-formulary Brand \$30	At a Kaiser Pharmacy you pay: \$5 copay (generic/brand) Max 100-day supply
Mail Order	CVS Caremark Pharmacy ⁵ (maximum 30-day supply): Generic \$20, Formulary Brand \$40, Non-formulary Brand \$60	You pay \$5 copay (generic/brand) Max 100-day supply
WELLNESS SERVICES		
Routine physical	No charge	You pay \$10 copay
Prostate exam	No charge	You pay \$10 copay
Pap test	No charge	No charge
Mammogram	No charge	You pay \$10 copay
Well child exam	No charge	You pay \$5 copay up to age 2
Prenatal care	You pay \$15 copay per visit	You pay \$5 copay for scheduled prenatal and first postpartum visit
Hearing exam	No charge	You pay \$10 copay
MENTAL HEALTH SERVICES		
Inpatient	You pay \$250 copay per stay	No charge; unlimited days
Outpatient	You pay \$15 copay per visit	You pay \$10 copay per individual therapy visit; \$5 copay per group therapy visit
SUBSTANCE ABUSE SERVICES		
Inpatient	You pay \$250 copay per stay	No charge; unlimited days
Outpatient	You pay \$15 copay per visit	You pay \$10 copay per individual therapy visit; \$5 copay per group therapy visit
OTHER SERVICES		
X-ray and lab	No charge ⁶	No charge
Acupuncture	You pay \$15 copay per visit	Not covered
Allergy tests	You pay \$15 copay per visit	You pay \$10 copay
Physical/occupational therapy (must be medically necessary)	You pay \$15 copay per visit limited to 60-day period after an illness or injury. Additional visits available when approved by the medical group.	You pay \$10 copay
Chiropractic services	Not covered	Not covered
Durable medical equipment	You pay 50% of charges	You pay 20% coinsurance
Home health	You pay \$15 copay per visit	No charge
Hospice care	No charge	No charge

⁵ The plan uses a formulary, which is a list of approved generic and preferred brand name drugs. For more information about approved formulary drugs, visit www.caremark.com, or call 800-552-8159.

⁶ \$100 copay per test for CT, MRI, PET and nuclear cardiac scans.

Important Notices

Newborns' and Mothers' Health Protection Act of 1996

Federal law protects the benefit rights of mothers and newborns related to any hospital stay in connection with childbirth. In general, group health plans and health insurance issuers may not:

- ♥ Restrict benefits for the length of hospital stay 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).
- ♥ Require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay of up to 48 hours (or 96 hours).

For details on any state maternity laws that may apply to your medical plan, please refer to the benefits material for the medical plan in which you are enrolled.

Women's Health and Cancer Rights Act of 1998

If you or one of your covered dependents 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 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided for the following services in a manner determined in consultation with the attending physician and the patient:

- ♥ 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
- ♥ Treatment of physical complications of all stages of the mastectomy, including lymphedemas

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits available under your medical plan.

For information on WHCRA benefits or details about any state laws that may apply to your medical plan, please refer to the benefit plan material for the medical plan in which you are enrolled.

Remember to keep your dependent information up to date so that Children's doesn't pay for dependents who aren't eligible.

You Can Help Keep Health Care Costs Down

As health care costs continue to rise, you can help keep costs down for you and Children's by being a wise health care consumer. Here are a few things you can do:

- ♥ Take responsibility to become an informed health care consumer.
- ♥ Research your plan choices and select the plan that's best for you and your family.
- ♥ Identify your specific health care coverage needs.
- ♥ Understand your family health history and your own health risks.
- ♥ Learn how the different types of medical plans work.
- ♥ Calculate how much you would typically spend under the different medical plans.
- ♥ Think about enrolling in the health care flexible spending account, so you can pay for uncovered health care expenses with tax-free money.
- ♥ Learn about your benefits and how they work. Review statements from your doctor and your insurance provider to see how charges are calculated and paid.
- ♥ Maintain a healthy lifestyle. You've heard this before, but it's true—living well really is the best way to control health care costs. Eat right, exercise regularly, and see your doctor for regular check-ups.

Dental Plan

Children's offers the Delta Dental of California PPO Plan, using their network referred to as the DeltaDental PPO (plus Premier). When you enroll in a medical plan, you automatically receive dental coverage. Under the DeltaDental PPO, you and your dependents may visit any licensed dentist you wish. However, if you choose one of the 62,500 DeltaDental PPO "In-Network" dental offices in the U.S. and Puerto Rico, your out-of-pocket dental expenses will probably be less. That's because DeltaDental PPO dentists agree to lower, contracted rates, so any coinsurance you pay is based on the lowest fee right from the start.

Dental Claims Filing and Payment Procedures

Plan Features	DeltaDental PPO Dentists	Delta Dental Premier Dentists	Non-Delta Dental Dentists
Reimbursement Basis	DeltaDental PPO providers will charge you discounted rates	Delta Dental Premier providers will never charge you more than the fees approved by Delta Dental	Non-Delta Dental providers may charge you more than the UCR amounts, which means additional charges to you
Claim Forms	Claim forms are completed and submitted for you by the dentist at no charge	Claim forms are completed and submitted for you by the dentist at no charge	You may have to pay the entire amount first and submit your own claim forms for reimbursement

Dental Plan Benefits

Plan Features	DeltaDental PPO
Calendar Year Deductible	\$50 per person (Non-Represented, SEIU-UHW, CNA); None (CHEU, L29, L39, Residents)
Calendar Year Maximum Benefit	\$1,600 per person
Preventive Services (cleaning, routine exams, X-rays, fluoride treatments, and sealants)	Plan pays 100% Please refer to the Summary Plan Description for frequency and/or age limitations
Basic Services (extractions, fillings, oral surgery)	You pay 10%; Plan pays 90%
Major Services (bridges, crowns, dentures)	You pay 10%; Plan pays 90%
Orthodontic Treatment (adult and child)	You pay 50%; Plan pays 50%; \$1,600 lifetime benefit per person

Vision Plan

When you enroll in a medical plan, you automatically receive vision coverage. With the Children's Vision Plan, you are free to see any provider you like for vision care. The Vision Plan provides you and your eligible dependents with **a fixed dollar benefit of \$300 each calendar year** to use as you wish for covered vision care services and materials, such as eye exams, lenses, frames, and contact lenses. When you receive care, you pay the provider and then submit a claim form for reimbursement to HealthComp, the claims administrator. Claim forms are available on CHONET, Human Resources, or HCOOnline.



Health Care Contributions

See the chart below for details on your costs and what Children's will contribute toward your 2012 health care benefits.

2012 Medical, Dental, and Vision Contributions (deducted twice a month; 24 pay periods)

Full-time Non-Represented and SEIU-UHW (Full-time and Part-time) Employees

Coverage Tier	Children's PPO		Anthem Blue Cross HMO		Kaiser HMO	
	Employee Cost	Children's Cost	Employee Cost	Children's Cost	Employee Cost	Children's Cost
Employee Only	\$64.95	\$368.20	\$60.10	\$340.71	\$0.00	\$290.09
Employee + 1	\$140.13	\$794.21	\$129.95	\$736.46	\$0.00	\$607.14
Employee + Family	\$188.37	\$1,067.48	\$174.78	\$990.49	\$0.00	\$863.30

Part-time Non-Represented Employees Only

Coverage Tier	Children's PPO		Anthem Blue Cross HMO		Kaiser HMO	
	Employee Cost	Children's Cost	Employee Cost	Children's Cost	Employee Cost	Children's Cost
Employee Only	\$108.27	\$324.88	\$100.19	\$300.62	\$72.90	\$218.74
Employee + 1	\$233.57	\$700.77	\$216.59	\$649.82	\$152.55	\$457.69
Employee + Family	\$313.95	\$941.90	\$291.31	\$873.96	\$216.91	\$650.78

CNA Employees

Coverage Tier	Children's PPO		Anthem Blue Cross HMO		Kaiser HMO	
	Employee Cost	Children's Cost	<i>Not Offered</i>		Employee Cost	Children's Cost
Employee Only	\$64.95	\$368.20	<i>Not Offered</i>		\$0.00	\$291.64
Employee + 1	\$140.13	\$794.21	<i>Not Offered</i>		\$0.00	\$610.24
Employee + Family	\$188.37	\$1,067.48	<i>Not Offered</i>		\$0.00	\$867.69

L29 and L39 Employees and Residents

Coverage Tier	Children's PPO		Anthem Blue Cross HMO		Kaiser HMO	
	Employee Cost	Children's Cost	Employee Cost	Children's Cost	Employee Cost	Children's Cost
Employee Only	\$0.00	\$443.75	\$0.00	\$401.96	\$0.00	\$304.58
Employee + 1	\$0.00	\$957.88	\$0.00	\$870.09	\$0.00	\$637.51
Employee + Family	\$0.00	\$1,287.67	\$0.00	\$1,170.63	\$0.00	\$906.43

CHEU Employees

Coverage Tier	Children's PPO		Anthem Blue Cross HMO		Kaiser HMO	
	Employee Cost	Children's Cost	<i>Not Offered</i>		Employee Cost	Children's Cost
Employee Only	\$0.00	\$443.75	<i>Not Offered</i>		\$0.00	\$304.58
Employee + 1	\$0.00	\$957.88	<i>Not Offered</i>		\$0.00	\$637.51
Employee + Family	\$0.00	\$1,287.67	<i>Not Offered</i>		\$0.00	\$906.43

Flexible Spending Accounts

How Flexible Spending Accounts Work

Flexible Spending Accounts (FSAs) allow you to set aside tax-free money through payroll deductions to pay for eligible health care and dependent care expenses for yourself and your eligible family members.

Under the Health Care FSA, your eligible family members generally include anyone you lawfully claim as a dependent on your federal income tax return. This would include your opposite-sex spouse and your dependent children, including adopted, foster, or step children (even if not covered under any health plan), but typically does not include domestic partners or same-sex spouses. It may or may not include a child of divorced or separated parents. However, every situation is different, so you may wish to consult with your tax advisor. For more information about eligibility for tax-free health coverage, please refer to IRS Publication 502, available at www.irs.gov/pub/irs-pdf/p502.pdf.

- ♥ You decide how much you want to contribute to your Health Care and/or Dependent Care FSA, up to the plan limits (\$5,000 for the Health Care FSA and \$5,000—or \$2,500 if you're married and file separate tax returns—for the Dependent Care FSA).
 - Elections do not carry over from year to year; if you wish to participate, you must make a new election each year.
 - It is important to carefully review your estimated expenses since any unspent funds remaining in each account at the end of the plan year must be forfeited (referred to as the “Use or Lose” rule).
 - You may change your annual contributions only if you experience a “qualifying status event” such as marriage, divorce, addition or loss of a dependent, a change in your spouse’s employment, or a change in your dependent day care needs.
 - **According to IRS regulations, you must submit claims by March 31, 2013 for expenses incurred in 2012 or your money will be forfeited.**
- ♥ Your contributions are deducted from your paycheck before your federal income and Social Security taxes are calculated, and in most cases, before state and local income taxes are calculated.
- ♥ Your contributions go into an FSA account set up in your name.
- ♥ When you pay eligible out-of-pocket health care or dependent care expenses, you can be reimbursed for these costs from your Flexible Spending Account(s). (For the Health Care FSA, you can also use your Health Care debit card to pay for expenses at the time of purchase. For more information, refer to the separate WageWorks materials.)

When you contribute to an FSA and use this pre-tax money to pay for eligible expenses, less money is withheld from your paycheck for tax purposes than if you were to pay the expenses on an after-tax basis. This lowers your taxable income on your W-2 form and, in turn, reduces the income taxes you pay.

Please note that the Health Care and Dependent Care FSAs are two separate accounts—money set aside for one account cannot be moved to another account. For example, you cannot use funds from your Health Care FSA to pay for dependent care expenses.

Domestic Partner Expenses

Per IRS regulations, domestic partners' expenses are not eligible for FSA reimbursement.

WageWorks administers the FSAs and processes reimbursement requests every two weeks. The minimum claim reimbursement amount is \$5.00.

When you contribute to an FSA and use this pre-tax money to pay for eligible expenses, less money is withheld from your paycheck for tax purposes than if you were to pay the expenses on an after-tax basis. This lowers your taxable income on your W-2 form and, in turn, reduces the income taxes you pay.

Please note that the Health Care and Dependent Care FSAs are two separate accounts—money set aside for one account cannot be moved to another account. For example, you cannot use funds from your Health Care FSA to pay for dependent care expenses.

To enroll in an FSA, you may do so using the WageWorks website. From our online benefits enrollment system, HCOOnline, you'll be able to click on a link that directly connects you to the WageWorks FSA enrollment site.

How an FSA Can Help You Save Money

Here's an example of how you can save money on taxes by contributing to an FSA:

	With FSA Deductions	Without FSA Deductions
Monthly gross earnings	\$5,000.00	\$5,000.00
Monthly pre-tax contributions	-500.00	-0.00
Monthly taxable earnings	\$4,500.00	\$5,000.00
Monthly taxes*	-1,829.25	-2,032.50
Monthly earnings after taxes	\$2,670.75	\$2,967.50
Monthly after-tax expenses	-0.00	-500.00
Monthly spendable earnings	\$2,670.75	\$2,467.50
		\$203.25 more spendable income with FSA Deductions

* The above example assumes 40.65% tax bracket (28% federal, 7.65% FICA and 5% California tax). Your actual tax savings amount will vary according to your tax rate and deductions.

If your participation in the Health Care FSA ends mid year, you may generally be reimbursed for expenses you incurred up to the last day of participation in the plan. Alternatively, you may be eligible to continue participation in the Health Care FSA by making after-tax contributions under COBRA until the end of the plan year. Under COBRA you may be reimbursed for eligible expenses incurred through the end of the plan year.

Health Care FSA

Eligible Expenses

The Health Care FSA allows you to set aside up to \$5,000 per year on a pre-tax basis to pay for eligible out-of-pocket expenses for you and your eligible dependents. Eligible expenses include, but are not limited to:

- ♥ Certain medical, dental, and prescription drug expenses that are not covered by a health care plan
- ♥ Medical and dental plan deductibles, copayments, and coinsurance
- ♥ Stop-smoking programs (except nicotine patches and drugs that do not require a prescription)
- ♥ Expenses for hearing and vision care not covered under a health care plan, including Lasik surgery

Health Care Debit Card

The health care debit card for the Health Care FSA works just like a credit card—you use it to pay for eligible expenses at the time of purchase and the money is deducted directly from your Health Care FSA. This means that you don't have to pay up front and then wait to get your money back! For more details, see the WageWorks information posted on HCOOnline under "About Your Benefits."

Dependent Care FSA

Eligible Expenses

The Dependent Care FSA allows you to set aside up to \$5,000 per year on a pre-tax basis. If you are married, and you and your spouse both participate in a Dependent Care FSA, or if you file separate income tax returns, the maximum for each spouse is \$2,500. Eligible dependent care expenses include:

- ♥ A licensed day care center or nursery school that provides services to at least six non-resident individuals and receives a fee for its services
- ♥ A caretaker or companion who works in or out of your home during working hours and provides a Social Security number for tax purposes
- ♥ Family day care or adult day care centers
- ♥ Expenses associated with before and after school day care (except for travel to and from day care, which is not eligible)
- ♥ Day care expenses for children or the elderly, meal preparation, housecleaning, and assistance with dressing

Eligible Dependents

For purposes of the Dependent Care FSA, eligible dependents include the following persons who spend at least eight hours a day in your home:

- ♥ Your dependent children under age 13
- ♥ Your spouse, parent, or other dependent age 13 or older who is physically or mentally incapable of self-care

For More Information

For information on eligible and ineligible FSA expenses and FSA tax implications:

- ♥ Call WageWorks at 877-924-3967 or visit their website at www.wageworks.com.
- ♥ Refer to IRS publication 502, "Medical and Dental Expenses," and Publication 503, "Child and Dependent Care Expenses," which are available at www.irs.gov or by calling the IRS at 800-829-3676.
- ♥ Consult a tax or financial advisor.



Employee Assistance Program

Children's pays 100%
of the premium cost!

The Children's Employee Assistance Program (EAP) is offered through Claremont EAP. Claremont EAP offers Children's a diverse network of over 600 providers in the Bay Area to help you and your family with quality counseling and support, practical solutions, and online resources.

The EAP is easy to use, convenient, and confidential and can help you with:

- ♥ Stress or trauma
- ♥ Work-related issues or work/life balance
- ♥ Domestic violence
- ♥ Anxiety or depression
- ♥ Financial matters
- ♥ Concierge services such as school selection and child care referrals
- ♥ Marital/relationship concerns
- ♥ Parenting
- ♥ Substance abuse
- ♥ Legal issues
- ♥ Adoption assistance

You and your eligible family members can:

- ♥ Call a Claremont EAP counselor toll-free 24 hours a day, seven days a week at 800-834-3773.
- ♥ Receive up to nine in-person counseling sessions per year.
- ♥ Log onto Claremont EAP's website at www.claremonteap.com for additional resources, such as self-assessment quizzes, financial planning tools, and educational materials.

There is no cost to you or your family members for EAP services that do not exceed plan limitations. Children's pays the full cost of the premium for this benefit. If you need follow-up help, Claremont EAP will refer you to the appropriate resources. You are responsible for covering the cost of service provided by these resources. All employees and their family members are eligible to seek the confidential assistance provided by the EAP plan. Children's receives no report of your treatment.

Please note that Claremont's EAP legal assistance covers an initial 30-minute phone consultation. As a Children's employee, you would receive a 25% discount for additional services. For a more comprehensive legal benefit, please refer to the Group Legal optional benefit on page 18.

Basic Life and Personal Accident Insurance

Children's pays 100%
of the premium cost!

Life insurance helps protect your family from a sudden loss of income in the event of your death. Personal Accident insurance adds to that protection with financial assistance in the event of a qualifying injury or your accidental death. Children's provides all benefited employees with Basic Life and Personal Accident coverage through CIGNA Group Insurance. Children's pays 100% of the premium cost for this benefit for employees. For Basic Life and Personal Accident coverage, you must designate a beneficiary. The amount of your Basic Life and Personal Accident coverage is shown on your HCOOnline enrollment screen.

Supplemental Life and Personal Accident Insurance

In addition to your Basic Life and Personal Accident insurance provided by Children’s, you may purchase supplemental coverage for yourself, your spouse/domestic partner and your dependent children through CIGNA Group Insurance. You must elect a minimum of \$25,000 coverage for yourself to elect Supplemental Life coverage for your children.

As a new hire, you may elect Supplemental Life coverage up to the plan limits without providing evidence of insurability (proof of good health). If you do not elect Supplemental Life coverage and wish to elect it at a later time, you may be required to provide evidence of insurability.

Open Enrollment is the only time that you can increase your existing supplemental coverage unless you experience a “qualifying status event” such as marriage, divorce, or the addition or loss of a dependent. Coverage is subject to approval by CIGNA, the insurance company, before it can take effect. You must complete an insurance application and mail it directly to CIGNA for review.

You may purchase Supplemental Life and Personal Accident insurance in the following amounts:

Coverage for:	Supplemental Life Insurance	Personal Accident Insurance
Yourself	\$25,000 to \$150,000 in \$25,000 increments	\$25,000 to \$500,000 in \$25,000 increments up to \$100,000, then in \$50,000 increments (benefits over \$250,000 cannot be greater 10 times your annual earnings)
Your spouse or domestic partner under age 70	\$10,000 to \$150,000 in \$10,000 increments*	50% or 100% of your coverage amount up to \$250,000 maximum
Your children ages 6 months to 19 Years (or 25 if full-time student)	\$5,000 or \$10,000 for each eligible child	10% of your coverage amount up to \$25,000 maximum

* If you’re a new hire, evidence of insurability is required for coverage amounts over \$10,000.



The premium rates for Supplemental Life and Personal Accident insurance are:

Calculating Your Supplemental Life Insurance Cost

Your Supplemental Life premium rates are based on your age.

When your age moves to a higher rate tier, your contribution rate will be adjusted in the January after your birthday.

The following example assumes a full-time employee who has elected \$50,000 of Life insurance for both himself (age 35) and his spouse (age 33).

Employee

$\$50,000 \div 25,000 = 2 \times \2.30
= **\$4.60 per month**

Spouse

$\$50,000 \div 10,000 = 5 \times \1.47
= **\$7.35 per month**

Monthly Supplemental Life Insurance Rates for Employee and Spouse		
Age	Employee monthly rate per \$25,000 unit	Spouse monthly rate per \$10,000 unit
Under 20	\$1.73	\$1.47
21-24	\$1.73	\$1.47
25-29	\$1.73	\$1.47
30-34	\$1.73	\$1.47
35-39	\$2.30	\$1.92
40-44	\$3.45	\$2.57
45-49	\$6.33	\$3.64
50-54	\$10.62	\$5.42
55-59	\$18.11	\$8.12
60-64	\$18.98	\$12.48
65-69	\$32.20	\$13.50
70 and over	\$64.40	N/A

The monthly cost for child coverage is \$.50 for \$5,000 and \$1.00 for \$10,000 (one child rate regardless of the number of children covered)

Supplemental Personal Accident Insurance Monthly Cost				
Your Benefit Amount	You	Your Spouse	Your Children	
		100%	50%	10%
\$500,000	\$12.50	N/A	\$6.25	N/A
450,000	\$11.25	N/A	\$5.63	N/A
400,000	\$10.00	N/A	\$5.00	N/A
350,000	\$8.75	N/A	\$4.38	N/A
300,000	\$7.50	N/A	\$3.75	N/A
250,000	\$6.25	\$6.25	\$3.13	\$.63
200,000	\$5.00	\$5.00	\$2.50	\$.50
150,000	\$3.75	\$3.75	\$1.88	\$.38
100,000	\$2.50	\$2.50	\$1.25	\$.25
75,000	\$1.88	\$1.88	\$.94	\$.19
50,000	\$1.25	\$1.25	\$.63	\$.13
25,000	\$.63	\$.63	\$.31	\$.06

From the chart above, select the benefit amount and family option, and add the individual costs together to determine your total cost. Employee amounts over \$250,000 cannot be greater than 10 times your annual earnings.

Long-Term Disability Insurance

Children's pays 100% of the premium cost!

Children's offers Long-Term Disability (LTD) insurance coverage to all benefited employees. LTD insurance provides monthly income if you become disabled or unable to work due to a serious health condition. This insurance does not replace any short-term or state disability insurance (SDI) that pays benefits for a maximum of 52 weeks.

If you are disabled by a single medical condition and satisfy the benefit waiting period, you may be eligible for LTD benefits. Your monthly benefit will be a percentage of your Children's pay, reduced by any amount payable from other Children's or government-sponsored plans.

Long-Term Disability insurance is administered by CIGNA Group Insurance. Because Children's pays the entire cost of this coverage, any LTD benefits you receive will be taxable income to you.

Other Optional Benefits

You may purchase the following optional benefits through payroll deductions.

Long-Term Care

Many employees are beginning to see the importance of planning ahead for Long-Term Care. As the population ages and life expectancy increases, the need for Long-Term Care is becoming more apparent.

Long-Term Care insurance can help you meet the unforeseen expenses caused by illness or disability if you or a family member cannot care for yourself due to age, illness, or injury. To qualify for Long-Term Care benefits, you or your covered family member must be unable to perform the activities of daily living—including bathing, eating, dressing, and toileting—without substantial assistance from another person for a specified period of time.

This care can be provided in the comfort of your own home, or in facilities including community-based settings, residential care facilities, or nursing homes.

You can purchase Long-Term Care coverage for yourself, your spouse/domestic partner, your parents, and other close relatives. The program offers multiple choices for benefit amounts and maximum durations. By offering this coverage through UNUM's group plan, Children's provides you with access to coverage at lower group rates.

If you are interested in Long-Term Care, please contact Human Resources for an information packet.

Group Legal

According to an American Bar Association study, more than 50% of employees across the U.S. are likely to face a legal problem within the next year. Unfortunately, most of those employees will not seek counsel or will face a substantial bill for legal services.

Children's offers a legal insurance plan administered by ARAG that offers you online, telephone, and in-office legal services. If you elect to participate in this program for a monthly fee of \$19.50, you will have access to legal services to help you with such issues as:

- ♥ Identity theft services (through an ARAG Identity Theft case manager)
- ♥ Immigration assistance
- ♥ Court adoption proceedings
- ♥ Dissolution of marriage
- ♥ Wills
- ♥ Power of attorney
- ♥ Juvenile court proceedings
- ♥ IRS audit protection
- ♥ Revocable trusts
- ♥ General driving traffic infractions (except DWI)
- ♥ Defense of civil damage claims
- ♥ Small claims assistance
- ♥ Prenuptial agreements
- ♥ Motions to modify decrees



IRS audit protection and IRS collection defense benefits are paid in full. For additional in-office personal legal matters, ARAG Group Legal members are charged discounted fees of at least 25% off an attorney's normal hourly rate. For more information on covered services and plan limitations, contact Human Resources.

Retirement and Savings Benefits

Children's Retirement Plan

The Children's Hospital and Research Center Oakland Retirement Plan is designed to provide you with a source of supplemental income at retirement, and Children's pays 100% of the cost.

If you are eligible for the plan, you will automatically become a plan participant after completing one year of employment during which you worked at least 1,000 hours. You must be at least 21 years of age to be eligible for participation.

After a minimum of five years of employment in which you have worked at least 1,000 hours each year or after you have reached age 65, you may retire and receive benefits under the Children's Retirement Plan. If benefits begin before you reach age 65—as early as age 55—they will be reduced.

Your retirement plan benefit is calculated by a formula that is based upon your total years of service with Children's and your average salary. For more information, see your retirement Summary Plan Description or contact the Retirement Plan office at 415-352-1080.

403(b) Savings Plan

New hires are automatically enrolled into the 403(b) Savings Plan as soon as you become eligible to make contributions. Enrollment is automatic; there are no forms to complete. Each pay period, 3% of your pay will be deducted from your paycheck and contributed to the plan on your behalf. Please refer to the Auto Enrollment brochure in your benefits packet for more details.

Current employees can enroll into the 403(b) Savings Plan at any time during the year. Please contact the 403(b) Savings Plan Administrator, Diversified Investment Advisors, at 800-755-5801, or log onto the website, www.divinvest.com. Alternatively, you can meet with the Diversified representative who is periodically on-site at the hospital.

With the 403(b) Savings Plan, you can contribute a portion of your pre-tax income to a Plan Account, and your contributions and earnings are not taxed until you withdraw the money.

You can contribute up to the annual IRS limits, which are subject to change from year to year:

- ♥ If you are under age 50 as of year end, the IRS allows you to contribute up to \$16,500 (2011 limit).
- ♥ If you are age 50 or over as of year end 2012, the IRS allows for a "catch-up" amount of \$5,500 (2011 limit).

You may discontinue participation in your 403(b) Plan Account at any time.

For details and help determining your maximum limit, contact the 403(b) program representative and/or your personal tax advisor.

You should discuss the accounts with the program representatives or with your own financial advisor. Your decision about participating should be based on your personal savings objectives and needs. You are responsible for all contributions as well as administrative and other charges related to your 403(b) Plan Account.

Important Information about Retirement Plans and IRAs

If you participate in a company-sponsored retirement plan, the IRS limits your ability to make tax-deductible contributions to an individual retirement account (IRA). For more information, see IRS publication 590 (Individual Retirement Arrangements) or consult your tax advisor.

Time Off Programs

Paid Time Off (PTO)

PTO replaces your regular compensation when you are not working due to vacations, holidays, short-term sick time, and other personal time off.

If you are a regular full-time or regular part-time employee, you begin earning PTO on your date of hire. The amount of PTO you earn is based on the number of hours that you are paid each pay period, up to a maximum of 80 hours for full-time employees. For part-time employees, PTO is prorated. For example, if you are a part-time employee working 40 hours each pay period, you will earn PTO at 1/2 the rate of a full-time employee.

You may use PTO after you earn it, with prior approval from your department manager. If your employment ends or your status changes to short-hour or on-call, Children's will pay you any earned and unused PTO.

Paid Time Off (PTO) Cash Out Policy

Policy

If you are a regular full-time or regular part-time non-represented employee, you can convert your unused Paid Time Off (PTO) hours into cash using two different methods:

- ♥ 100% of Value Cash Out
- ♥ 85% of Value Cash Out

The rules and procedures outlined below are intended to comply with IRS rules regarding cashing out of time off hours.

100% of Value Cash Out

Each November, you may complete an election form to cash out PTO hours you will accrue in the following year by making an annual, one-time, irrevocable election specifying which designated cash out period date or dates that cash out should occur in the next year.

During the annual election period, you may elect to cash out a minimum of 40 PTO hours up to a maximum of 240 PTO hours.

You must elect to have your PTO amounts paid out in one of the following options:

- ♥ With the first paycheck in April for PTO hours **accrued** in the first quarter of the plan year
- ♥ With the first paycheck in December for PTO hours **accrued** through November of the plan year
- ♥ Split between the first paycheck in April and the first paycheck in December

You must complete a 2012 PTO Cash Out Request form and submit it to Human Resources by November 30 of each year. Forms are available on CHONET. Under IRS guidelines (Treasury Regulation 31.3402(g)-1), the 100% of Value Cash Out is considered supplemental wages, and taxes must be withheld at the Supplemental Wage Rate. This is a flat rate, which does not take into consideration the number of exemptions or dependents an employee claims on his or her regular paycheck. (Note: Currently the supplemental rate is approximately 31% of the total PTO distribution.) Questions regarding taxation should be directed to a personal tax advisor.

85% of Value Cash Out

With this method, you can elect to cash out your PTO hours on any payday throughout the year and receive 85% of the value of your selected PTO hours. This cash out amount is calculated by multiplying the number of hours elected to cash out by 85% of your current rate of pay. Any PTO accrued at the time of this election is eligible for the cash out, with a minimum of 10 hours per election and a maximum of 240 hours per year as designated on your W-4.

You must complete a 2012 PTO Cash Out Request form and submit it to Payroll no less than nine days prior to the payday you want to receive the cash out. The payout will be included with a regular paycheck and is subject to withholding as designated on your W-4.

PTO Cash Out Rules

1. You must keep a minimum of 80 hours in your PTO bank to cover Hospital-mandated holidays, personal illness, etc. This minimum amount will be prorated for part-time employees.
2. The number of PTO hours that you may cash out is based on your actual PTO balance at the time of the payout.
3. Minimum and maximum hour limits will be prorated for part-time employees.
4. Any voluntary payroll deductions, such as 403(b) contributions, will not be deducted from PTO Cash Outs.

PTO Cash Out Eligibility Following a Change in Status

If you transfer to a non-benefited position, you will receive earned and accrued PTO cash out at the time of transfer, including any PTO hours designated for distribution at a later date

If you transfer to a benefits eligible position, you may participate with the same restrictions as all eligible employees.

Holidays

Children's recognizes the following holidays (union employees, please refer to your union contract):

- | | | |
|--------------------|-------------------------------|-------------------|
| ♥ New Years Day | ♥ Martin Luther King, Jr. Day | ♥ President's Day |
| ♥ Memorial Day | ♥ Independence Day | ♥ Labor Day |
| ♥ Thanksgiving Day | ♥ Christmas Day | |

Extended Sick Leave (ESL)

ESL provides compensation when you are unable to work due to your own illness or injury. If you cannot work because of illness, you must use paid time off (PTO) for the first three days. Beginning on the fourth day of a continuous illness, you must use ESL unless you are hospitalized or undergo surgery. Starting with your date of hire, you begin accruing ESL based on your paid hours worked. If you work full time, you accrue five days (40 hours) per year. If you are a part-time employee, your accrual is prorated based on the hours you work. There is no maximum number of ESL hours you may accumulate during your employment at Children's.

Family, Medical, Pregnancy, and Personal Leaves of Absence

Children's provides leaves of absence to eligible employees to allow for specified family responsibilities, serious health conditions, and other personal reasons. Leaves of absence are offered in accordance with applicable labor agreements, legal requirements, and internal policies. For more information, contact the Leave of Absence (LOA) Specialist at 510-428-3648.

Kin Care

You may use up to three days of your ESL after taking three days of PTO to care for a child, parent, spouse, domestic partner, or child of a domestic partner. If your family member has a serious health condition requiring your care for an extended period of time, you may be eligible for benefits under the federal Family and Medical Leave Act (FMLA). For more information, contact the LOA Specialist at 510-428-3648.

Other Leaves and Time Off

Children's also allows time off for:

- | | | |
|-----------------------------|---|--------------------------------|
| ♥ Bereavement | ♥ School Conferences and Activities | ♥ Jury Duty/Children's Witness |
| ♥ Military Reserve Training | ♥ Voting | ♥ Military Leave |
| ♥ Workers' Compensation | ♥ Leave Victims of Domestic Violence and Sexual Assault | |

In some situations, you may be required to use your PTO and ESL. For more information on our leave options, including eligibility, how to request leave, and pay/benefit implications, refer to the Human Resources Policies on CHONET or contact the LOA Specialist at 510-428-3648.



Additional Services

Tuition Reimbursement

Children's encourages personal and professional development, and offers a program to assist you with expenses for courses taken to improve present job skills or prepare for other positions to which you might be reasonably promoted or transferred at Children's.

There are some restrictions as to who is eligible, eligible classes, and expense amounts, as well as when the request for reimbursement must be made. For more information regarding the details of this program, please consult Human Resources at 510-428-3645 or CHONET.

Direct Deposit

Children's offers direct deposit of your paycheck into checking or savings accounts at any financial institution of your choice. Forms to enroll for this service are available from Human Resources or Payroll.

Credit Union Membership

You are eligible to join CEFCU Credit Union, which provides a variety of financial services. These services CEFCU include direct deposit and direct payments to loans or other accounts from your paycheck. A CEFCU Credit Union representative is available on-site; the schedule and location are available from Human Resources.

Security

Uniformed Security personnel contribute to the safety of employees and patients by maintaining a strong physical presence 24 hours a day, seven days a week. In addition, security escorts are available to walk you to your parked vehicle at the end of your shift. Contact Security at 510-428-3600.

Transportation

Commuter Benefits Program

All Children's employees are eligible for commuter benefits through WageWorks, allowing you to order transit tickets in advance using pre-tax and after-tax payroll deductions. Transit tickets are available for nearly all transit agencies in the Bay Area, including but not limited to BART, Transbay ferries, Muni, and AC Transit.

To order your commuter tickets:

- ♥ Visit WageWorks online at www.wageworks.com, or by calling 877-WageWorks (877-924-3967).
- ♥ You must order your tickets in advance; place your order by the 10th of the month in order to receive tickets for the following month (for October tickets, you have to submit your order to WageWorks by September 10th)
- ♥ WageWorks will mail the transit tickets directly to your home address
- ♥ The cost of your monthly transit tickets is deducted directly from your paycheck; up to \$230 each month is deducted pre-tax—any amount over \$230 is deducted after-tax

Participation in the commuter benefits program is month-to-month, so you can sign up or make changes to your preferences whenever you choose. You also have the option to have commuter deductions taken from your paycheck automatically each month; if you ever need to change your transit ticket amount, you must change your preferences online or by phone before the 10th of the month for the following month's tickets.

For more information, visit www.wageworks.com or call 877-924-3967.

Parking Permits

You may purchase individual paid parking permits for daily parking in specific lots through pre-tax payroll deductions. For additional information, contact Security and Transportation at 510-428-3600.

Children's issues free carpool permits to groups of three or more employees who regularly commute to and from work together at least three days (Monday through Friday) per week.

Cafeteria Discount

Employees who present their Children's badges receive a 15% discount on food and beverages purchased at the hospital cafeteria. In addition, you may sign up for prepaid purchases by contacting Food Services.

Education Information Resources

Learning Center

The Learning Center provides additional opportunities to learn and maintain computer software skills critical for performing your job. The Learning Center offers self-paced, computer-assisted instruction that is supplemented by instructors.

Family Education and Resource Center

The Family Education and Resource Center provides accurate and accessible information on health and health-related topics such as parenthood to patients, families, and staff. The center also provides training in child growth and development, as well as health, safety, and accident prevention.

Health Sciences Library

Children's maintains an on-site Health Sciences Library containing reference books, journals, and research materials for our health care practitioners.

Service Recognition

After five years of employment, Children's recognizes employees for their years of service with an award at a special ceremony. Children's recognizes each five-year milestone to reward and thank employees for their continuing service to Children's.

Employee Discounts and Fun Packs

Children's offers a variety of discounts and coupons for individual and family activities. Packages are available from Human Resources.

Employee Referral Award Program

If you refer a talented professional who is hired by Children's for a full-time or part-time regular position, you can receive a cash bonus as a "thank you." Other incentive awards may also apply. For complete program details and to fill out a referral form, visit the Human Resources Department, or call 510-428-3420. This program may be subject to change.

"Stars for Kids" Customer Service Award Program

The "Stars for Kids" program recognizes Children's employees who provide extraordinary service to the Children's community of patients, families, visitors, and colleagues by showing initiative, respect, flexibility, teamwork, and responsiveness. Star cards and collection boxes are located throughout the hospital. Submitted cards will be sent to the "Star" and his/her manager with congratulations. Children's announces Stars for Kids recipients to the hospital community each quarter.

Allowable Mid-Year Election Changes

Each year during Open Enrollment, employees have the opportunity to make new benefits elections in the Children's benefits program. Open Enrollment occurs annually and is typically held in the fall prior to the beginning of a new plan year (every January 1). Once elections are made for a given plan year, they cannot be changed until the following year except under certain circumstances according to federal regulations. Children's allows benefit changes to be made mid-year in the case of certain events (and, as long as you meet the "consistency requirement," described below, for qualifying status events):

Qualifying Status Events

Legal marital status: An event that changes your legal marital status, including marriage, divorce, death of a spouse, legal separation, or annulment.

Domestic partnership: An event that changes the status of your domestic partnership (as defined by Children's), including establishment or termination of a domestic partnership or death of your domestic partner.

Number of dependents: An event that changes your number of dependents, including birth, death, adoption, placement for adoption, and legal guardianship.

Employment status: An event that changes your, your spouse's, or your other dependent's employment status that results in gaining or losing eligibility for coverage. Examples include beginning or terminating employment; starting or returning from an unpaid leave of absence; changing from part-time employment below 20 hours/week to over 20 hours/week; changing from part-time to full-time employment, or vice versa; and a change in worksite. Note that reduction in hours does not affect participation in an FSA for the remainder of the plan year, if previously elected.

Residence: A change in your, your spouse's, or other dependent's place of residence that results in gaining or losing eligibility for coverage.

Any increase to Supplemental Term Life insurance either during Open Enrollment or mid-year requires approval by CIGNA based on proof of good health.

IRS Consistency Requirement

The change you make to your elections must be "due to and consistent with" your status event according to IRS rules as follows:

- ♥ **Effect on eligibility.** The status event must affect eligibility for coverage under the Children's plan or under a plan sponsored by the employer of your spouse or other dependent.
- ♥ **Corresponding election change.** The election change must correspond with the status event.



Other Qualifying Events

Changes in Coverage (Health Plans): If Children's adds or eliminates a medical or dental plan option in the middle of the plan year, or if your coverage is significantly limited or ends, you and your dependents can elect different coverage according to IRS rules (if the other plan option permits). Also, if another employer's plan allows you, your spouse, or other dependent to change health plan elections (for example during a different Open Enrollment period or in any other manner allowed by IRS rules), you may make a corresponding mid-year election change to your coverage.

Changes in Coverage (Dependent Care FSA): You may change your Dependent Care FSA election if you change dependent care providers, the provider (other than a provider who is your relative) raises or lowers its rates, or if the number of hours needed for dependent care changes. Also, if your child reaches age 13 and dependent care expenses are no longer eligible for reimbursement, you may cancel coverage.

Changes in Cost: If your cost for medical or dental plan coverage increases or decreases significantly during the plan year, you may make a corresponding election change (for example, elect another plan option with similar coverage, if that plan option permits, or drop coverage if no coverage is available).

Special Enrollment Rights: If you decline enrollment in a Children's medical 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 a Children's medical plan without waiting for the next open enrollment period if you:

- ♥ **Lose other coverage.** You must request enrollment within 30 days after the loss of other coverage.
- ♥ **Gain a new dependent as a result of marriage, birth, adoption, or placement for adoption.** You must request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.
- ♥ **Lose Medicaid or Children's Health Insurance Program (CHIP) coverage because you are no longer eligible.** You must request enrollment within 60 days after the loss of such coverage.

Medicare or Medicaid Entitlement: You may change an election for medical coverage mid-year if you, your spouse, or dependent becomes entitled to coverage under Part A or Part B of Medicare, or under Medicaid.

Family and Medical Leave Act: You may revoke your election for medical, dental, and Health Care FSA coverage mid-year when you begin a leave, subject to the provisions of the Family and Medical Leave Act (FMLA).

Judgment, Decree, or Order: You may revoke an election for medical, dental, and Health Care FSA coverage mid-year and make a new election if a judgment, decree, or order (e.g. Qualified Medical Child Support Order, or QMCSO) requires health coverage for your child, including a foster child. You may cancel coverage for the child if the order directs the other parent or another individual to provide coverage for the child, but only if coverage for the child is actually provided.

Important Information About Mid-Year Election Changes

You must complete a 2012 Enrollment/Change Form and submit proof regarding the status or other allowable event to Human Resources within 30 days (or 60 days as applicable) of the event. The actual start date of coverage or change in election depends on the applicable event. For newborns or newly adopted children, coverage is effective on the date of birth or adoption (or placement of adoption), provided the child is enrolled within 30 days of the event. For other qualifying status events, coverage is effective on the first day of the month following the date of the event.

If you or your covered dependents lose medical coverage under Medicaid, CHIP or a state premium assistance program, you may be able to enroll yourself and your dependents within 60 days of the loss of coverage.

If you have any questions concerning a mid-year election change to your benefits, contact Human Resources. Note that different rules may apply for insured plans. For insured plans (such as HMOs), check with the applicable insurance carrier for information on mid-year election changes.



Benefits Directory

Get the Most Out of the Resources Available to You

As you are making your benefit decisions and using your benefits throughout the year, make sure you are taking full advantage of all the resources available to you.



Review your enrollment materials carefully.



Check out the information and forms available on CHONET.



Visit provider websites and use the tools available to you.



Contact plan providers or Human Resources if you have questions.

Plan Carrier	Phone	Website/E-Mail
Human Resources Department	510-428-3420 fax 510-428-3306	CHONET (for HR Policies and Procedures)
Human Resources		
Paula Garcia, Benefits Specialist	510-428-3645	pgarcia@mail.cho.org
Barbara Spindle, Benefits Manager	510-428-3622	bspindle@mail.cho.org
Mary Louise Rootenberg, LOA Specialist	510-428-3648	mrootenberg@mail.cho.org
Employee Health and Workers' Compensation Program	510-428-3620 fax 510-450-5693	N/A
Health Plan Member Services		
Anthem Blue Cross (for PPO pre-authorization only)	800-274-7767	www.anthem.com/ca
CVS Caremark Prescription Drugs (PPO and Anthem Blue Cross HMO members)	800-552-8159	www.caremark.com
Children's PPO (HealthComp)	800-442-7247 fax 559-499-2464	www.healthcomp.com
Delta Dental Preferred PPO	800-765-6003	www.deltadentalca.org
Vision claims (HealthComp)	800-442-7247	www.healthcomp.com
Kaiser Permanente HMO	800-464-4000	www.kaiserpermanente.org
Anthem Blue Cross HMO		www.anthem.com/ca
Flexible Spending Accounts		
WageWorks	877-924-3967 fax 877-353-9236	www.wageworks.com
COBRA Administrator		
HealthComp	800-442-7247 fax 559-499-2464	www.healthcomp.com
Employee Assistance Plan		
Claremont EAP	800-834-3773	www.claremonteap.com
Voluntary Programs		
UNUM Long-Term Care	800-227-4165	N/A
ARAG Group Legal	800-247-4184	www.araggroup.com
Retirement Plans		
Retirement Plan Office (Children's Retirement Plan questions)	415-352-1080	N/A
Commuter Benefits		
WageWorks	877-924-3967 fax 877-353-9236	www.wageworks.com