



2020 CALENDAR YEAR



Employee benefits guide

PREMERA

Welcome to your Premera benefits

Premera is proud to offer a comprehensive benefits package for you and your family. This guide describes your benefits and highlights the available plans, including opportunities to achieve your health and financial wellness goals. Explore your options to help you make the selections that best meet your needs.

The information and links in this guide contain only highlights of your benefits. It is not a contract, nor is it a complete explanation of plan benefits or exclusions and limitations.

If any statement herein, or any other communication, conflicts with applicable plan documents, the plan documents will govern. Premera reserves the right to amend, modify, or terminate its benefit plans in any respect and at any time, and neither its benefit plans nor your plan participation will be considered a contract for future employment. For information about eligibility, detailed benefit booklets and other details, please visit the [HR iHub site](#).





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Enrolling in your benefits

New hire enrollment

If you are new to Premera, you will make elections for medical, dental, life, accidental death and dismemberment (AD&D), personal funding accounts, dependent care flexible spending account, and disability coverage within 30 days of your hire date by using [Workday](#). Coverage begins on your hire date.

Make elections for the 401(k) Plan on [vanguard.com](#), or your election will default to 6% pre-tax.



Make elections for your 401(k) Plan on [vanguard.com](#), or your election will default to **6% pre-tax.**

Open enrollment

During open enrollment, you may add, change, or renew medical and dental coverage and add or renew dependents. At this time, you can also enroll in or discontinue voluntary coverage (such as supplemental life or AD&D). Beginning in 2020, Premera benefits run on a calendar year with open enrollment occurring each October. Take action during open enrollment or you will receive the default benefit package, detailed in the sidebar.

You can make changes to your 401(k) Plan elections (both the amount you save and your investment choices) at any time. You make those changes on vanguard.com.



Default benefit package

If you do not enroll during open enrollment, you will receive the default benefit package, which includes:

- Employee-only medical coverage on the Health Savings PPO plan with a health savings account (HSA)
- Basic life insurance
- Core short- and long-term disability coverage

The default benefit package does not include:

- Dental coverage
- Medical or life insurance coverage for your dependents
- Other voluntary coverage, such as supplemental life or AD&D
- Personal funding account elections

Default 401(k) election

New hires also need to make elections for the 401(k) Plan on vanguard.com, or your election will default to 6% pre-tax.

Who is eligible for benefits?

You are eligible for Premera's benefit programs if you are regularly scheduled to work at least 20 hours each week. In addition to choosing coverage for yourself, you can cover dependents through many of our programs.

You can cover the following people on your Premera benefits:

Your spouse or domestic partner of the same or different sex. If both you and your spouse or domestic partner are benefits-eligible employees of Premera, you must be covered individually as an employee. In addition, you can choose to cover each other as dependents on the medical and dental plans only. Special rules apply to domestic partners. Please read the domestic partner information available on the [HR iHub site](#).

Your children up to age 26. If both you and your child are full-time employees of Premera, you must each be covered individually under the medical plan. Children include:

- Your child through birth or adoption
- Your stepchild
- Your domestic partner's child
- A child placed with you for the purpose (and in anticipation) of legal adoption
- A child for whom you or your spouse or domestic partner have legal guardianship
- A foster child



Making changes to your benefits

The benefits you select as a new hire and during open enrollment remain in effect for a full calendar year, unless you have a qualifying life event or leave your employment with Premera.

Qualifying life events include:

- You have a child (through birth or adoption)
- Your dependent gains coverage under another plan
- Your dependent loses coverage under another plan
- Your marital status changes, including legal separation
- Your dependent's employer plan has a significant change in the cost of coverage

If you have a life event, you must make benefit changes within 30 days of the event (for example, following the birth of a baby). Please note that if you don't take action within 30 days of the qualifying event, you will miss the opportunity to make the change until the next open enrollment period. The change to your benefits must be consistent with the life event. For example, if you have a new baby, you can enroll the child as a dependent under your current health plan, but you may not remove another dependent who is already covered.

Most changes that you make because of a life event will begin on the date the event takes place. See the [Making Changes to Benefits page](#) on the HR iHub for more information about Life Status Events. See the [Leaves of Absence page](#) on the HR iHub for more information about your benefits when on an unpaid leave.

When your benefits end

If you leave Premera, your medical, dental, health savings account, and flexible spending accounts participation ends on the last day of the month in which your employment ends. Your participation in life, disability, dependent life, and our retirement plans ends on your last day of employment with Premera.

If your hours change so that you are no longer scheduled to work at least 20 hours per week, your coverage ends as described above except that your coverage under our retirement plans will continue.

Our medical plans

Premera offers four* medical plans so you can choose the plan that best meets your needs. All of our medical plans offer you:

100%

PREVENTIVE
CARE COVERED

100%

PREVENTIVE
PRESCRIPTIONS COVERED

Yes

VISION AND
PHARMACY COVERAGE

Medical plan rates

Premera shares the cost of your medical coverage with you, covering an average of 91% of your premium. Premera employees pay an average of 9% of the cost of their medical coverage, compared to 23% for companies nationwide.

Biweekly rates (per paycheck)	Employee only	Employee + spouse or domestic partner	Employee + child(ren)	Employee + family
HEALTH SAVINGS PPO	\$9.37	\$23.63	\$20.78	\$35.04
PEAK CARE EPO¹	\$9.37	\$23.63	\$20.78	\$35.04
FLEX ADVANTAGE PPO²	\$26.92	\$66.67	\$55.50	\$95.24
STANDARD PPO³	\$44.09	\$109.18	\$90.89	\$155.98

¹The Peak Care EPO plan is available to employees based out of the Premera Spokane office.

²The Flex Advantage PPO plan is available for Washington and Oregon employees only.

³As of July 1, 2018, the Standard PPO plan was closed to new enrollees outside of Alaska. If you're currently enrolled in the Standard PPO plan, you can remain in this plan.

Tobacco users pay \$30 more from each paycheck for medical coverage. Lower non-tobacco rates are available to all covered employees who have not used tobacco products (including smokeless tobacco or electronic cigarettes) in the 60 days prior to enrollment. If you do not qualify for the non-tobacco rates because you were not tobacco-free during the 60 days prior to enrollment, you may still earn the non-tobacco rates if you sign up for our tobacco cessation program, [Quit For Life®](#).

Spouse surcharge applies if you choose to cover your spouse or domestic partner under Premera's medical coverage AND your spouse/domestic partner has waived coverage available from his or her own employer. Your medical premium will increase by \$57.60 per paycheck.

If you have medical coverage elsewhere, you can choose to waive Premera's medical coverage. If you waive Premera's medical coverage, you will receive a stipend of \$23.08 per pay period.



Helpful definitions

Deductible

The amount you pay each plan year before the plan begins paying its share of the costs.

Allowed amount

The maximum amount Premera will allow for a service or supply regardless of what is billed. In-network providers agree to accept this allowed amount and will only bill you for your portion in the form of deductible, coinsurance, or copays.

Coinsurance

Your share of the allowed amount after you pay your deductible. For example, if your plan pays 80%, you pay 20%.

Out-of-pocket maximum

The most you will pay for deductibles, copays, and coinsurance in a plan year for in-network services.

Personal funding accounts

Accounts that you can use to pay eligible healthcare expenses with pre-tax dollars. The Health Savings PPO plan uses the health savings account (HSA) and the limited purpose flexible spending account. The Flex Advantage PPO and Standard PPO plans use the health care flexible spending account (FSA).

The Health Savings PPO Plan

The Health Savings PPO plan (HSPPO) is a high-deductible health plan that's qualified to work with a health savings account (HSA). You can use the HSA to save pre-tax dollars to pay your deductible and out-of-pocket healthcare expenses during the year or in the future. You can build pre-tax savings through your own contributions and Premera's contributions. This money is yours to use for qualifying expenses from year to year because, unlike an FSA, there is no use it or lose it rule.

Deductible

Although the deductible under the HSPPO plan is higher than the deductible under the Flex Advantage PPO plan, Premera makes a contribution to your HSA that helps offset that difference.

The family deductible under the HSPPO plan is a true family deductible. This means that the full family deductible must be reached before the HSPPO pays benefits for any covered member of the family.

Embedded out-of-pocket maximum

The HSPPO Plan will feature an embedded out-of-pocket maximum where an individual in a family plan will pay no more than \$2,800. (The other enrolled family members would need to satisfy the remaining \$2,800 to reach the full \$5,600 out-of-pocket maximum.)



This is an example only. See your health plan benefits for coverage details.

The Peak Care EPO Plan

Peak Care Exclusive Provider Organization (EPO) is a new offering for employees who are based out of the Premera Spokane location. This EPO features providers in the Tahoma network, part of the MultiCare Health System. The Peak Care EPO offers a lower coinsurance percentage than the HSPPO, priority booking with MultiCare providers, and integrated care coordination as a benefit of the inclusive network. Like the Health Savings PPO (HSPPO) plan, the Peak Care EPO plan features a high deductible, and a health savings account (HSA) with contributions from Premera. You can use the HSA to save pre-tax dollars to pay your deductible and out-of-pocket healthcare expenses during the year or in the future. You can build pre-tax savings through your own contributions and Premera's contributions. There is no use it or lose it rule.

Only employees based out of the Premera Spokane location are eligible for the Peak Care EPO.

Deductible

In-network preventive care benefits and many preventive prescriptions are covered in full. For all other covered services (including prescriptions), you pay 100% of the cost until you reach your (or your family's) deductible. If you use an in-network provider, the cost you pay is based on the maximum amount Premera will allow for services (this is known as the allowed amount). After you satisfy your deductible, you and the Peak Care EPO plan will share in the cost of covered healthcare expenses. Your share is called coinsurance. Under the Peak Care plan for individual coverage, you must meet the \$1,400 deductible before the plan begins to pay its share. For family coverage (two or more members), the \$2,800 deductible can be met by any one member or by any combination of all the members. However, the family deductible under the Peak Care plan is a true family deductible. This means that the full family deductible must be reached before the plan pays benefits for any covered member of the family.

Embedded out-of-pocket maximum

The Peak Care EPO plan will feature an embedded out-of-pocket maximum where an individual in a family plan will pay no more than \$2,800. (The other enrolled family members would need to satisfy the remaining \$2,800 to reach the full \$5,600 out-of-pocket maximum.)

Personal funding accounts that work with the Health Savings PPO and Peak Care EPO plans

Health Savings Account

When you enroll in the HSPPPO or Peak Care EPO plans, an HSA will be opened for you with UMB Bank. The HSA is a bank account, owned by you, that can be used to pay qualified healthcare expenses now or in the future. If you leave the company, the funds in this account are yours to take with you to pay for future qualified medical expenses.

Premera's contributions to your HSA

Premera will make contributions to your HSA at the beginning of each plan year:

Employer contribution: Based on the level of coverage you choose:

- **For employee-only coverage**, the deductible is \$1,400 and Premera will contribute \$1,050.
- **For employee + family coverage** (any coverage level that isn't employee-only coverage), the deductible is \$2,800 and Premera will contribute \$2,100 at the beginning of the year.

Contributions for new hires are prorated based on their hire date.

Your contributions

You can also choose to make contributions to your HSA through pre-tax payroll deductions. HSA contributions are withheld from each paycheck, over 26 pay periods.

The IRS limits contributions to an HSA—both Premera's contributions and your own apply to that limit.

2020 Health Savings Account IRS limits

	Employee-only coverage	Employee + family coverage (any coverage level that isn't employee only)
Maximum contribution limit (includes both your contributions and Premera's)	\$3,550	\$7,100
Catch-up contribution (if you are age 55 or older)	\$1,000 additional	\$1,000 additional

The family maximum contribution limit is shared by an employee and spouse. If you and your spouse are both contributing to an HSA, please review your own contributions to ensure your combined contributions, along with Premera's contributions on your behalf, do not exceed \$7,100 (or \$8,100 if you are age 55 or older) for 2020.

Qualified healthcare expenses for HSAs

As long as you use the money in your HSA to pay for qualified health expenses, you will not pay taxes on the funds or earnings in your account. You can use your HSA for a wide variety of qualified healthcare expenses, including prescriptions, doctor visits, and health insurance deductibles. HSA funds may be used for qualified healthcare expenses for your spouse or tax dependents, even if they are not covered on your medical plan.

The IRS determines which expenses are eligible for reimbursement. Review the HSA [Eligible Expenses guide](#) on the Health Savings Account page on the HR iHub for more information. If funds in your HSA are used for anything other than qualified health expenses, they may be included in your taxable income and subject to a 20% penalty.

You own your HSA

- HSA contributions can grow in your account from year to year (because, unlike the FSA, there is no use it or lose it rule).
- The money is yours even if you leave Premera or change medical coverage.
- You can change your contributions for a future paycheck at any time.

Make sure you are eligible to contribute to an HSA

The IRS has rules about who can contribute to an HSA. First, you must be enrolled in a qualified high-deductible health plan. Second, you and Premera cannot contribute to an HSA if any of the following apply to you as the account holder:

- You are enrolled in other medical coverage that is not a qualified high-deductible health plan (as defined by the IRS¹).
- You are enrolled in Medicare or Tricare.
- You are claimed or eligible to be claimed as a dependent on someone else's tax return¹.
- You are covered by a health FSA or a health reimbursement arrangement (HRA). This includes a spouse's health FSA or HRA, even if you never use the funds in those accounts.

Using your HSA to pay for healthcare expenses

Healthcare payment card

Shortly after you enroll, you will receive a healthcare payment card. Use your card to pay for qualified healthcare expenses. Your card is linked to your HSA and money is automatically deducted from your account when you use it.

Online bill pay

To directly pay online from your HSA funds or split payments using both your personal bank account and your HSA, select the Personal Funding Account link on premera.com.

Reimburse yourself

Pay your healthcare expenses out of pocket and then request reimbursement online.

Out of pocket

You can also choose to pay your healthcare expenses out of pocket and leave the money in your HSA to grow over time.

What if I'm not eligible to contribute to an HSA?

You can still enroll in the HSPPO or Peak Care EPO even if you're not eligible to contribute to an HSA.

Please visit the [Personal Funding Accounts](#) on HR iHub for more information about HSA eligibility and your options.

If you choose to enroll in the HSPPO or Peak Care EPO and are not eligible for the HSA, please let us know by emailing humanresources@premera.com as soon as possible.

¹ For more detailed information, refer to [IRS Publication 969](#), Health Savings Accounts and Other Tax-Favored Health Plans. This material is not intended to be tax or legal advice. You should consult with your own tax advisor to determine the tax implications of participating in an HSA. Information included in this material was not intended or written by Premera to be used, and it cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer.

Investing your HSA funds to pay expenses in the future

Earn interest

With an HSA, you will earn interest on your balance. The more you save, the more you earn. To view your balance and interest earnings online, select the Personal Funding Account link on premera.com. UMB Financial Services will send you monthly or quarterly statements depending on your account's activity. You can opt in to electronic delivery of these statements as well.

Investment options

Once you reach a minimum balance of \$1,000 in your HSA, you may choose to invest those dollars over and above the minimum in the self-directed brokerage HSA investment account.

You can invest your HSA dollars quickly and easily by automatically transferring funds into your investment portfolio. You choose how much to keep in your HSA, how much to allocate for investments, and how you want to distribute those dollars across your portfolio. There are no trade fees; however, once you open an HSA investment account, you will be subject to an annual administrative fee. The HSA investment account can be paused or turned off at any time.

To access HSA Investments, log in to your account on premera.com, select Personal Funding Account and then Manage Your Account. From the homepage, navigate to HSA Investments by selecting Manage My HSA Investments.

Managing your HSA

To view and manage your HSA, log in to the secure member site at premera.com and select Personal Funding Account from the left navigation menu.

Name a beneficiary

Remember, the HSA is a bank account that you own, so it's important that you designate a beneficiary to receive these funds in the event of your death. To name your beneficiary, access the beneficiary designation form on the Personal Funding Accounts site on premera.com.

Consult your tax advisor

This information is not intended to be tax or legal advice. You should consult with your own tax advisor to determine the tax implications of participating in a personal funding account as outlined in this booklet. Information included in this material was not intended or written by Premera to be used, and it cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer.

Limited Purpose Flexible Spending Account

Those who are enrolled in the HSPPPO or Peak Care EPO plans are eligible for a limited purpose flexible spending account (LPFSA). You can use the limited purpose flexible spending account to contribute pre-tax money (through payroll deductions) to an account that you can then use for eligible vision and dental expenses. The LPFSA works alongside your HSA.

You may contribute up to \$2,700 for the plan year to the LPFSA and use the money in this account to pay for eligible vision and dental expenses. Your contribution will be deducted from your paycheck in equal amounts throughout the plan year. When you incur an eligible vision or dental expense, you can request reimbursement of up to the total amount you elected to contribute to the LPFSA for the plan year, even though the money has not yet been withheld from your paycheck.

If you choose the LPFSA in addition to your HSA, you can use your healthcare payment card to access funds from both accounts.

You may enroll in the LPFSA during your initial enrollment period or open enrollment. You must use the money you contribute to the LPFSA within the plan year. The IRS has a use it or lose it rule for LPFSA contributions. If you don't use the entire amount by December 31 and claim it by March 30, you will forfeit the balance.

To view and manage your LPFSA, log in to the secure member site at premera.com and select Personal Funding Account from the left navigation menu.



Flex Advantage PPO plan

The Flex Advantage PPO plan offers choice and flexibility. This plan's in-network coverage arranges providers by levels.

Level 1 has higher coverage with the least out-of-pocket costs. You'll pay office visit and prescription copays along with 100% of the cost of care until you reach your deductible. After that, the plan pays 80% of covered healthcare expenses.

Level 2 has lower benefit coverage with more out-of-pocket costs. You'll pay 100% of the cost of care until you reach your deductible. After that, the plan pays 70% of covered healthcare expenses.

Level 1 and Level 2 deductibles are separate and must be reached independently. Visit premera.com/flex to review Level 1 and Level 2 providers in your area.

The Standard PPO Plan

In this plan, in-network preventive benefits and many preventive prescriptions are covered in full. (Note: this plan is only open to Alaska employees or previous employees.) You pay copays for office visits and prescriptions throughout the year. For other services, you pay 100% of the cost until you reach your deductible. After you meet your deductible, you and the plan will share in the cost of covered healthcare expenses.

The Standard PPO plan deductible is \$650 per person and works differently than in the HSPPO plan deductible. After any person reaches the \$650 deductible, the Standard PPO plan will begin to pay benefits for that person. For a family of two or three, each person must meet the \$650 deductible. For a family of four or more, any combination of members can satisfy the family deductible as long as the total reaches \$1,950 (the family maximum). You can pay for any eligible healthcare expenses, such as your deductible and coinsurance, with an HCFSA.

As of July 1, 2018, the Standard PPO plan was closed to new enrollees outside of Alaska. If you're currently enrolled in the Standard PPO, you can remain on this plan.

Personal funding account that works with the Flex Advantage PPO and Standard PPO plans

Health Care Flexible Spending Account

You may contribute up to \$2,700 for the plan year to your HCFSA and use the money in this account to pay for eligible healthcare expenses. Your contribution will be deducted from your paycheck in equal amounts throughout the plan year. When you incur an eligible healthcare expense, you can request reimbursement of up to the total amount you elected to contribute to the HCFSA for the plan year, even though the money has not yet been withheld from your paycheck.

Not sure how much to contribute? Consider what you and your family will spend in the next year for things such as:

- Office visit and prescription copays
- Medical costs you'll incur toward your deductible
- Eligible dental and vision services not covered by your dental and vision plan.

Use it or lose it

You may enroll in the HCFSA during your initial enrollment period or open enrollment. You must use the money you contribute to the HCFSA within the calendar year. The IRS has a use it or lose it rule for HCFSA contributions. If you don't use the entire amount by December 31, and claim it by March 30, you will forfeit the balance.



Substantiation

The IRS requires that funds in the HCFSA be used only for qualified healthcare expenses. You can use a healthcare payment card to pay for services when you receive them, but Premera is required to take steps to ensure that the HCFSA is used only for qualified expenses. This requirement is known as substantiation.

Several processes are in place to automatically substantiate expenses you pay with your healthcare payment card. Premera sends claims information to the personal funding account administrator who can often provide the needed information about qualified expenses. Providers may also send electronic information about the charge when you use your payment card. These processes reduce the need for you to provide additional documentation to substantiate a claim.

However, some claims may still require substantiation. If an expense requires this additional documentation, you will be notified by email and/or letter. You must submit documentation by the stated deadline to the administrator, including the vendor name, vendor contact information, purchase date, a description of the expense, and the dollar amount. If you receive a request to substantiate a claim and do not provide the required documentation by the deadline, your healthcare payment card may be suspended.

Eligible and ineligible expenses

There are a wide variety of qualified healthcare expenses for your HCFSA funds, including prescriptions, doctor visits, and health insurance deductibles. HCFSA funds may even be used for qualified healthcare expenses for your spouse or tax dependents, even if they are not covered on your medical plan.

The IRS determines which expenses are eligible for reimbursement. Review the [Eligible Expenses Guide](#) on the Flexible Spending Account page on the HR iHub for more information. If funds in your HCFSA are used for anything other than qualified health expenses, they may be included in your taxable income and subject to a 20% penalty.

Managing your HCFSA

To view and manage your HCFSA, log in to the secure member site at premera.com and select Personal Funding Account from the left navigation menu.

Some things you need to know about flexible spending accounts

The IRS requires employers to perform and pass certain nondiscrimination tests for FSA benefits to be nontaxable. If you are a highly compensated employee, the amount that you elect to contribute to an FSA may have to be reduced during the plan year (possibly to zero) so that the FSA will satisfy these tests. If you are affected by these limits, you will be notified.

Comparison of medical plans

	HEALTH SAVINGS PPO PLAN		FLEX ADVANTAGE PPO PLAN		
			LEVEL 1	LEVEL 2	OUT-OF-NETWORK
DEDUCTIBLE	\$1,400 self only		\$650 per person	\$1,000 per person	\$1,950 per person
FAMILY DEDUCTIBLE	\$2,800		\$1,300	\$2,000	\$3,900
	In-network	Out-of-network	In-network Level 1	In-network Level 2	Out-of-network
Coinsurance (member's percentage of costs) ¹	20%	40%	20%	30%	50%
Individual out-of-pocket maximum (per plan year)	\$2,800 self only	No limit	\$3,000 per person - includes copays	\$4,350 per person - includes copays	No limit
Family out-of-pocket maximum	\$5,600		\$6,000	\$8,700	No limit
Office visit	20%	40%	\$25 copay ²	Level 2 deductible, then Level 2 coinsurance	Out-of-network deductible, then out-of-network coinsurance
Facility professional care			Level 1 deductible, then Level 1 coinsurance		
Inpatient facility care					
Urgent care ³			\$25 copay ²		
Emergency room (deductible/coinsurance apply)	20%		\$200 copay (waived if admitted to hospital), Level 1 deductible, then Level 1 coinsurance		
Ambulance transportation					
PREVENTIVE CARE	In-network	Out-of-network	In-network Level 1	In-network Level 2	Out-of-network
Preventive care exam	Covered in full	40% ²	Covered in full		50% ⁴
Vaccinations					
Mammography (screening)					
Colon health (screening)					
PROFESSIONAL CARE					
Diagnostic imaging and laboratory (basic and major)	20%	40%	Level 1 deductible, then Level 1 coinsurance	Level 2 deductible, then Level 2 coinsurance	Out-of-network deductible, then out-of-network coinsurance
Mammography (diagnostic)					
Injections (therapeutic and allergy)					
Maternity (prenatal, delivery, postnatal care)					
Routine vision exam (one visit per plan year) ⁵	Covered in full		\$25 copay ²		
Vision eyewear (age 19+, \$400 per plan year) ⁶	100% ²		100% ²		
Routine hearing exam (one exam/test per plan year)	Covered in full	40%	\$25 copay ²		Out-of-network deductible, then out-of-network coinsurance
Hearing hardware (\$3,000 every three plan years)	20%		Level 1 deductible, then Level 1 coinsurance		
FACILITY CARE					
Outpatient facility care	20%	40%	Level 1 deductible, then Level 1 coinsurance	Level 2 deductible, then Level 2 coinsurance	Out-of-network deductible, then out-of-network coinsurance
Skilled nursing facility (up to 120 days per plan year)					
OTHER SERVICES					
Chemical dependency treatment (unlimited)	20%	40%	Outpatient: \$25 copay ² Inpatient: 20%	Level 2 deductible, then Level 2 coinsurance	Out-of-network deductible, then out-of-network coinsurance
Mental health services (unlimited)					
Hospice (six month overall benefit limit) Inpatient: 10 days max; Respite: 240					
Home health care (130 visits per year)					
Medical supplies, medical equipment, and prosthetics (MS/ME/PRO unlimited)					
Acupuncture (24 visits per plan year)					
Spinal and other manipulations (24 visits per plan year)					
Rehabilitation (physical, occupational, speech, and massage therapy) Outpatient: 45 visits; Inpatient: 30 days (per plan year)			Outpatient: \$25 copay ² Inpatient: 20%		
ANNUAL BENEFIT MAXIMUM	Unlimited		Unlimited		

¹ All coinsurance amounts are based on a percentage of allowable charges after the deductible is met. You may be responsible for amounts out-of-network providers bill you that exceed Premera's allowable charges.

² Deductible waived.

³ If urgent care center is part of a hospital or attached to a hospital, the emergency room cost share (copay, deductible, coinsurance) apply.

⁴ Deductible waived for OON preventive care exam and vaccinations. OON deductible does apply for mammography and colon health screening.

Comparison of medical plans *continued*

	STANDARD PPO PLAN		PEAK CARE	
DEDUCTIBLE	\$650 per person		\$1,400 self only	
FAMILY DEDUCTIBLE	\$1,950		\$2,800	
	In-network	Out-of-network	In-network	Out-of-network
Coinsurance (member's percentage of costs) ¹	20%	40%	10%	Not Covered
Individual out-of-pocket maximum (per plan year)	\$3,250 includes copays		\$2,800 self only	Not Covered
Family out-of-pocket maximum	\$9,750 includes copays		\$5,600	
Office visit	\$25 copay ²		10%	Not Covered
Facility professional care	20%	40%		
Inpatient facility care				
Urgent care ³	\$25 copay ²			
Emergency room (deductible/coinsurance apply)	\$200 copay (waived if admitted to hospital)		10%	
Ambulance transportation	20%			
PREVENTIVE CARE	In-network	Out-of-network	In-network	Out-of-network
Preventive care exam	Covered in full	40% ²	Covered in full	Not Covered
Vaccinations				
Mammography (screening)		40%		Not Covered
Colon health (screening)				
PROFESSIONAL CARE				
Diagnostic imaging and laboratory (basic and major)	20%	40%	10%	Not Covered
Mammography (diagnostic)	20% ²			
Injections (therapeutic and allergy)	20%			
Maternity (prenatal, delivery, postnatal care)	20%			
Routine vision exam (one visit per plan year) ⁵	\$25 copay ²		Covered in full	
Vision eyewear (age 19+, \$400 per plan year) ⁶	100% ²		100% ²	
Routine hearing exam (one exam/test per plan year)	\$25 copay ²	40%	Covered in full	
Hearing hardware (\$3,000 every three plan years)	20%		10%	
FACILITY CARE				
Outpatient facility care	20%	40%	10%	Not Covered
Skilled nursing facility (up to 120 days per plan year)				
OTHER SERVICES				
Chemical dependency treatment (unlimited)	Outpatient: \$25 copay ²		10%	Not Covered
Mental health services (unlimited)				
Hospice (six month overall benefit limit) Inpatient: 10 days max; Respite: 240	20%	40%		
Home health care (130 visits per year)				
Medical supplies, medical equipment, and prosthetics (MS/ME/PRO unlimited)				
Acupuncture (24 visits per plan year)	\$25 copay ²		10%	Not Covered
Spinal and other manipulations (24 visits per plan year)				
Rehabilitation (physical, occupational, speech, and massage therapy) Outpatient: 45 visits; Inpatient: 30 days (per plan year)	Outpatient: \$25 copay			
ANNUAL BENEFIT MAXIMUM	Unlimited		Unlimited	

⁵ Pediatric vision exam (members under 19): One routine eye exam per plan is covered in full on all plans.

⁶ Pediatric vision eyewear (members under 19): One pair of lenses or one pair of contact lenses (or a 12-month supply of disposable contacts) per plan year are covered in full on all plans. One pair of frames are covered in full every two plan years.

Pharmacy benefits

The Premera pharmacy benefit is called Essentials. Premera Essentials covers prescription drugs for your basic pharmacy needs. It offers quality medications at a reasonable cost and at least one option in each drug class. Visit premera.com to find an in-network pharmacy. For specialty medications, you must order through Accredo, a third-party vendor that ships medications directly to you. Find more information on iHub or premera.com.

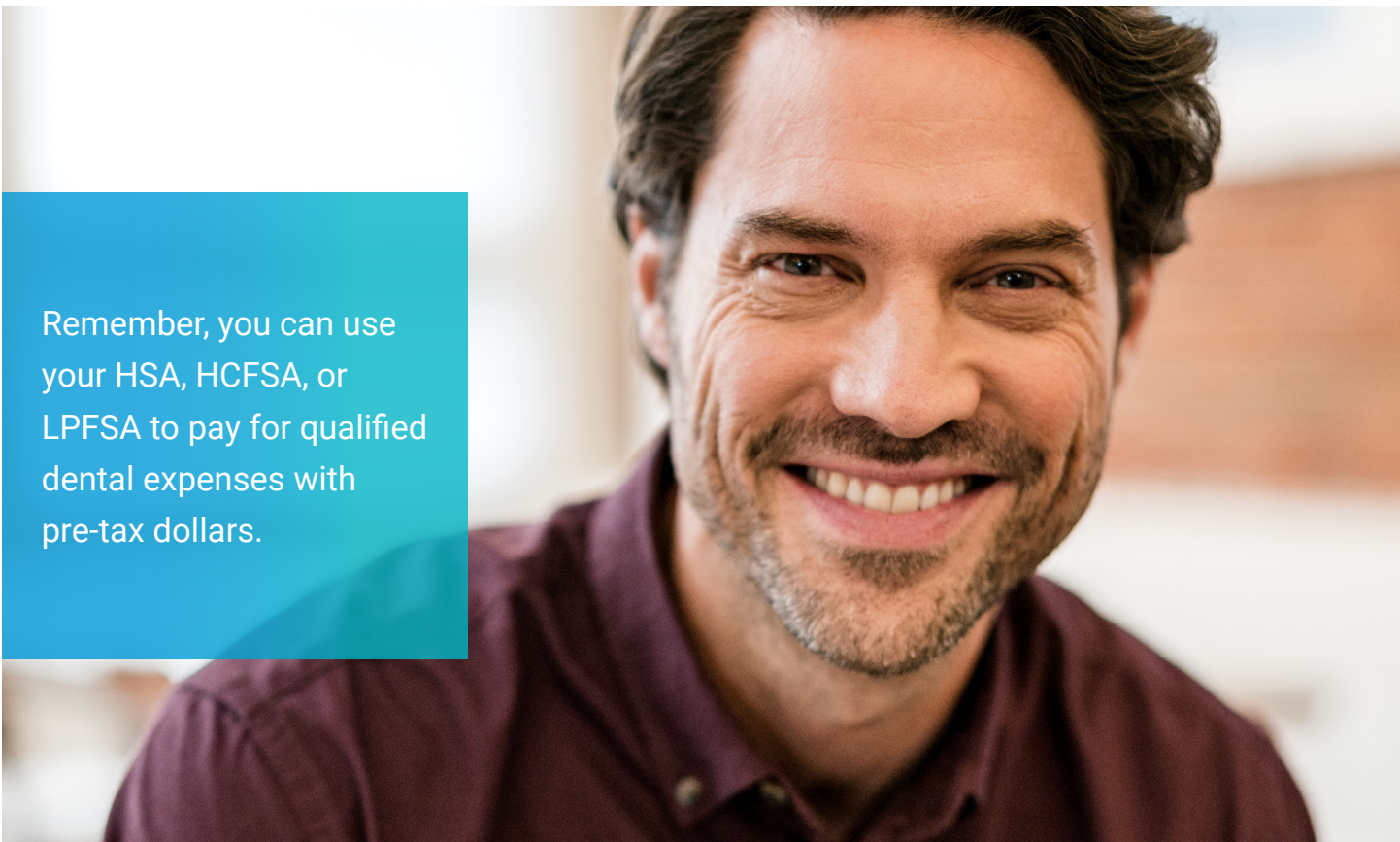
Essentials is designed to keep your costs as low as possible by focusing on high-value drugs that are approved by the U.S. Food and Drug Administration (FDA). To search the Essentials Drug List for a specific medication, visit the Pharmacy tab on premera.com and search using the E4 drug list.

Comparison of pharmacy plans

	HEALTH SAVINGS PPO PLAN	FLEX ADVANTAGE PPO PLAN			STANDARD PPO PLAN	PEAK CARE
		LEVEL 1	LEVEL 2	OUT-OF-NETWORK		
OUTPATIENT PRESCRIPTION DRUGS	Deductible/ coinsurance applies	Deductible/ coinsurance applies			Copays apply	Deductible/ coinsurance applies
In-network retail pharmacy cost share Up to 30-day supply per prescription	Level 1: 20% Level 2: 20% (\$125 maximum) Level 3: 20% (\$175 maximum) Level 4: 20% (\$250 maximum) Certain preventive drugs covered at 100%	Level 1: \$25 Level 2: \$45 Level 3: \$70 Level 4: 20% (\$250 maximum) Certain preventive drugs covered at 100%	Not covered	Not covered	Level 1: \$25 Level 2: \$45 Level 3: \$70 Level 4: 20% to \$250 max. Certain preventive drugs covered at 100%	Level 1: 10% Level 2: 10% (\$125 maximum) Level 3: 10% (\$175 maximum) Level 4: 10% (250 maximum) Certain preventive drugs covered at 100%
In-network mail service cost share Up to 90-day supply per prescription	Level 1: 20% Level 2: 20% (\$250 maximum) Level 3: 20% (\$175 maximum) Level 4: 20% (\$500 maximum) Certain preventive drugs covered at 100%	Level 1: \$50 Level 2: \$90 Level 3: \$70 Level 4: 20% (\$500 maximum) Certain preventive drugs covered at 100%	Not covered	Not covered	Level 1: \$50 Level 2: \$90 Level 3: \$70.00 Level 4: 20% to \$500 max. Certain preventive drugs covered at 100%	Level 1: 10% Level 2: 10% (\$250 maximum) Level 3: 10% (\$175 maximum) Level 4: 10% (\$500 maximum) Certain preventive drugs covered at 100%
Out-of-network retail pharmacy cost share¹	40%	Not covered			N/A	Not Covered
Out-of-pocket maximum	Medical plan out of pocket max. applies	Medical plan out of pocket max. applies			Medical plan out of pocket max. applies	Medical plan out of pocket max. applies

¹ Out-of-network mail service pharmacies are not covered.

² As of July 1, 2018, the Standard PPO plan was closed to new enrollees. If you're currently enrolled in the Standard PPO plan, you can remain in this plan.



Remember, you can use your HSA, HCFSA, or LPFSA to pay for qualified dental expenses with pre-tax dollars.

Dental

Premera offers employees two options for dental coverage, so you can choose the plan that best meets your needs. Both plans offer coverage for preventive and routine services, and comprehensive orthodontia treatment.

Premera Dental Plan

The Premera Dental plan covers preventive services twice per year at 100% (not subject to the deductible) and basic services, such as oral surgery and fillings, at 80% after you meet your deductible. Major services, such as crowns and dentures, are covered at 80% after you meet your deductible. In addition, the plan pays for orthodontia benefits at 50%—up to a lifetime maximum of \$2,000.

Willamette Dental presented by Premera

Willamette Dental Plan is a new dental offering for the 2020 calendar plan year. Willamette Dental Plan has its own dental network, includes copays, and features no deductible and no annual maximum. It also covers comprehensive orthodontia treatment for a copay, with no lifetime maximum. Services are provided at a Willamette Dental office, with locations in Washington, Oregon, and Idaho.

Comparison of dental plans

	Premera Dental Plan	Willamette Dental Plan
Deductible*	\$25 per person / \$75 family	None
Annual benefit maximum (per person)	\$2,000	None
Preventive and diagnostic care	Covered in full	Covered with \$15 copay per visit
Basic services	You pay 20%	Up to \$225 copay depending on procedure
Major services	You pay 20%	Up to \$350 copay depending on procedure
Orthodontia	50% of allowable charges	\$2,500 copay
Lifetime orthodontia maximum (per person)	\$2,000	None

*Deductible does not apply to diagnostic and preventive care services.

Dental plan rates

Biweekly rates (per paycheck)	Employee only	Employee + spouse or domestic partner	Employee + child(ren)	Employee + family
PREMERA DENTAL	\$4.62	\$12.29	\$9.77	\$17.45
WILLAMETTE DENTAL	\$1.37	\$6.11	\$4.03	\$8.72

Dependent care flexible spending account

Use a dependent care flexible spending account (DCFSA) to reimburse yourself with pre-tax dollars for amounts you pay for daycare or adult dependent care while you and your spouse work or look for work, or while your spouse attends school full time. This account can be used for expenses related to your child and/or an adult who is your tax dependent.

Eligible expenses

Eligible expenses may include daycare centers, in-home childcare, and before- or after-school care for your dependent children under age 13 (other individuals may qualify if they are incapable of self-care and are considered tax dependents). All caregivers must have a tax ID or Social Security number. You will provide this on your federal tax return. Payments to someone you can claim as your dependent or to your child who is 18 or younger are not eligible expenses.

The amount you designate will be deducted from your paycheck in equal amounts throughout the plan year. You cannot be reimbursed from the DCFSA until the money has been credited to your account.

Expenses reimbursed under your DCFSA cannot be used to claim any federal income tax deduction or credit. Before deciding to contribute to the DCFSA, you should consider whether the federal dependent care tax credit might provide you with a greater tax advantage. Consult your professional tax advisor to determine whether you should contribute to a DCFSA.

Some types of expenses are not eligible. These include, but may not be limited to, tuition for school at the kindergarten level or above, overnight camp, nursing home expenses, meals, activity and supply fees, and transportation costs. Montessori tuition for kindergarten and elementary school is not an eligible expense; however, charges from a Montessori school for preschool or before- and after-school care are eligible. For more information see [IRS Pub 503](#).

How the DCFSA works

- When you enroll, you decide how much you want to contribute to your DCFSA (from \$50 up to \$5,000 per year, or \$2,500 if you are married but filing a separate tax return). Your pre-tax contributions will go into your account via payroll deduction beginning in January.
- After you pay your dependent care provider, you can submit those expenses for reimbursement through ConnectYourCare (the vendor we use to administer the plan), accessed via [premera.com](#).
- You should receive reimbursement within a few days of submitting the expense on ConnectYourCare.
- You don't pay taxes on the money in your account, which means more take-home pay for you.

Annual contribution maximum

The maximum you can contribute for the calendar year is:

- \$5,000 for single employees and those who are married filing jointly
- \$2,500 for married employees who are filing separately

See the Some things you need to know about flexible spending accounts box on [page 18](#) for other contribution conditions based on income.

Eligibility requirements

To be reimbursed through your DCFSA, you must meet the following conditions:

- You incurred the expenses so that you and your spouse can work or look for work, unless your spouse was either a full-time student or was physically or mentally incapable of self-care.
- Your tax filing status is single, qualifying widow(er) with a dependent child, married filing jointly, or married filing separately.
- The qualifying dependent lives with you for more than half the year.

Managing your account

To view claims, manage your account, or get a sample list of eligible expenses, log in to your DCFSA by selecting Personal Funding Account at premera.com.

The DCFSA isn't for everyone. You should compare the tax benefits you receive from this plan to the potential benefits of the IRS dependent care tax credit. Review these [examples and guidelines](#) on the Flexible Spending Account page on HR iHub and compare your potential savings under the DCFSA and IRS Dependent Care Tax Credit.

Use it or lose it

You must use the money you contribute to the DCFSA within the plan year. The IRS has a use it or lose it rule for DCFSA contributions. If you don't use the entire amount by December 31 and claim it by March 31, you will forfeit the balance.

Virtual care

Simplicity of accessing care is an important part of the way that we approach your healthcare options. Virtual care, whether by phone, text, or video call, is one of the ways that we are meeting you where you are with the care you need, when you need it.



98point6

Get immediate, primary care by U.S. based board-certified physicians via secure in-app messaging on your mobile phone—for \$5 or less per visit. 98point6 is available to all employees and dependents ages 1 and older, and enrolled in the HSPPO, Standard PPO, or Flex Advantage PPO. Peak Care EPO enrollees are not eligible for this service. Learn more at 98point6.com/premera.



Teladoc

Teladoc provides access to a national network of U.S. board-certified physicians who can resolve many medical issues via phone or online video consultations any time of day or night. Learn more at Teladoc.com/Premera.



24-Hour NurseLine

The 24-Hour NurseLine provides answers to your non-emergency medical questions. Registered nurses can help you triage care, understand your care options, and refer you to providers. Access this free service by dialing **800-841-8343**.



Talkspace

Get virtual care for your mental health needs. Talkspace connects you to 4,000 licensed therapists by video and text messaging. Register at Talkspace.com/premera.



Premera Pulse

Sign up for Premera Pulse, a text messaging-based program that helps you get the most from your health plan. With Premera Pulse you can get personalized care notifications, see your medication history and prescription details, receive text messages about potential savings opportunities on prescription medications, and more. To activate your account, text "Blue" to **24248**.

Life, AD&D, and disability

Premera offers you and your family financial protection in case of death, disability, or accidents. Consider these insurance programs your personal safety net, to help protect the financial health of your family.

Life insurance

Premera provides a basic life insurance benefit equal to two times your eligible pay at no cost to you. You can purchase additional coverage for yourself and for your family.

Basic life insurance

Premera pays for a group life benefit in the amount of two times your eligible pay (rounded to the next highest \$1,000), up to a maximum benefit for basic life of \$700,000. Symetra is the life insurance provider. If you die while insured under this policy, Symetra will pay the life insurance benefit to the beneficiary you designate when you enroll for your benefits.

Supplemental life insurance

In addition to our basic life insurance coverage, you can increase your coverage by purchasing supplemental (voluntary) life insurance coverage. Supplemental life insurance is offered in increments of one, two or three times your eligible pay. When combined with the basic coverage, the maximum is five times your eligible pay, or \$1,450,000, whichever is less.

The cost of supplemental life coverage is based on the amount of insurance and your age. You will see the rates in the enrollment system when you enroll. For a rate schedule, please visit the [Life Insurance page](#) on the HR iHub.

Note: Life insurance amounts decrease at age 70.

Beneficiary designation

Your beneficiary receives benefits in the event of your death. You make your beneficiary designations for both basic and supplemental life on Workday. You can do this when you make your elections as a new hire—and don't forget that you need a beneficiary for basic life even if you don't choose to purchase supplemental life. You may change or update this information at any time. You will need your beneficiary's full name and address when you enter their information in Workday.

Dependent life insurance

You can purchase life insurance for your spouse or domestic partner and your dependent children.

- Your spouse or domestic partner will be eligible for coverage in the amount of \$10,000, \$25,000, \$50,000, \$100,000, or \$200,000. Your spouse or domestic partner coverage cannot exceed 50% of the total insurance coverage you have as an employee.
- Each of your dependent children (including your domestic partner's children) age six months to 26 years can be insured for a benefit of \$10,000. Children younger than six months old can be insured for a benefit of \$1,000. The cost of child life coverage is 88¢ per pay period.

The cost of spouse life coverage is based on the amount of insurance and your age. You will see the rates in the enrollment system when you enroll. For a rate schedule, please visit the [Life Insurance page](#) on the HR iHub.

Note: No person may be insured as both an employee and a dependent at the same time and children cannot be insured as dependents of more than one employee. Based on these plan rules, a Premera employee who is married to or in a domestic partnership with another Premera employee cannot purchase spouse life coverage or cover the same children under each employee's child life coverage.

Guarantee Issued (GI) amount

The guaranteed issue amount is the maximum you may elect as a new hire without having to provide evidence of insurability (EOI) or proof of good health. EOIs are also required for increases made during open enrollment.

If you elect more than the GI amount, you and/or your spouse or domestic partner will need to [submit an EOI](#), which consists of a medical questionnaire (and possibly a medical exam) when you apply. Our carrier will review and must approve your EOI before the higher level of coverage takes effect.



Basic Life GI:

\$700,000

Supplemental Life GI:

The greater of \$200,000 or
1x annual earnings

Spouse or domestic partner GI:

\$50,000

Accidental death and dismemberment insurance (AD&D)

You can purchase voluntary AD&D insurance on a pre-tax basis to provide a cash benefit in the event that you (or one of your dependents if you choose family coverage) die or are dismembered as the result of an accident.

- You choose coverage in increments of one to five times your salary
- You can choose to cover just yourself or both you and your family
- AD&D benefits are in addition to life insurance benefits

When and how AD&D insurance protects you

You may elect one, two, three, four, or five times your annual salary, up to a maximum of \$1,000,000.

Some examples of when AD&D benefits are paid:

- Loss of life: 100% of the principal sum
- Loss of thumb and index finger of the same hand: 25% of the principal sum

See the [Accidental Death & Dismemberment \(AD&D\) Insurance page](#) on the HR iHub for more details about the AD&D payment schedule.

AD&D coverage for your dependents

If you enroll in AD&D for yourself, you can purchase additional coverage for your dependents. Eligible dependents include your spouse or domestic partner and all dependent children from birth to age 26.

Spouse or domestic partner:

You may elect 50% of your own coverage level up to a maximum of \$500,000

Children:

Younger than 6 months—\$1,000, 6 months to 26 years—\$10,000

The cost of AD&D coverage is based on the amount of coverage you choose. You will see the rates for this coverage in the enrollment system when you enroll. For a rate schedule, please visit the [Accidental Death & Dismemberment \(AD&D\) Insurance page](#) on the HR iHub.

Beneficiary designation

Your beneficiary receives AD&D benefits in the event of your death. You make your beneficiary designations for AD&D on Workday. You may change or update this information at any time. You will need your beneficiary's full name and address when you enter their information in Workday.

Short-term and long-term disability (STD and LTD)

Meeting your basic living expenses can be a challenge if you become disabled and cannot work. Your options may be limited to personal savings, family income, and possibly Social Security benefits.

Premera provides STD and LTD benefits equal to 60% of your salary at no cost to you. You can choose to increase these benefits. This is called buy-up coverage and you pay for it with pre-tax contributions.

Short-term disability

STD coverage provides income to you if you are unable to work for a limited period of time due to an illness or injury that is not work related. The STD benefit begins on the 15th calendar day you are unable to work. Your benefit is 60% (or 66 2/3% if you choose the buy-up option) of your weekly earnings, up to \$1,500 per week. Benefit payments may continue for up to 11 weeks.

Long-term disability

LTD coverage provides income to you when you are unable to work for more than 90 days. Your benefit is 60% (or 66 2/3% if you choose the buy-up option) of your monthly earnings, up to \$10,000 per month. This amount may be reduced by other deductible sources of income or disability earnings. Benefit payments may continue up to Social Security normal retirement age.

Individual disability insurance (IDI)

IDI is a coverage option offered to eligible employees above a certain income level that provides income to you when you are unable to work for more than 90 days. Employees that are eligible for this coverage have the option to purchase 15% of your monthly earnings. Additional benefits may also be purchased based on eligibility. Employees who are eligible for IDI are not eligible to purchase the LTD buy-up option.

Know the plan

The disability plans have a number of restrictions and conditions and use terms that carry specific definitions; some are elimination period, base earnings, own occupation period, and substantial duties. For details, see the [benefit booklet](#) on the HR iHub.

Important note if you are purchasing the buy-up option for STD and LTD

If you are purchasing buy-up coverage for the first time, your benefits will be limited to the core coverage during your first 12 months for any condition that existed during the 3 months prior to your enrollment date.

Retirement

Premera provides two retirement programs—the Premera 401(k) Savings Plan and the Premera Pension Equity Plan (PEP)—as well as resources to help you reach your future financial goals.

Premera 401(k) Savings Plan

Premera offers the 401(k) Savings Plan administered through Vanguard. With both traditional (pre-tax) and Roth (after-tax) contributions, you control the way your contributions are invested.

Plan highlights

Your contributions:

- You can contribute from 1% to 50% of your pay on a pre-tax or Roth after-tax basis subject to IRS limits. You are always 100% vested in your own contributions and their earnings. Please see the [Summary Plan Description](#) (SPD) on the Retirement Programs page on HR iHub for a more detailed explanation of pay. Information about the 2020 contribution limits will be released by the IRS later this year.
- Choose among a variety of investment options, with the ability to change your investments at any time. You can create a mix of assets that fits your needs regardless of how much investing experience you have. Let Vanguard do it for you with one of their Target Retirement Funds, or do it yourself by selecting your own funds to create a customized portfolio.
- You become eligible to participate on your date of hire and savings can start as soon as administratively possible.
- New hires who don't elect to contribute to the 401(k) Savings Plan, or do not opt out within 30 days of your date of hire, will be automatically enrolled in the plan at a contribution rate of 6% of your pay on a pre-tax basis. The contributions will be invested in a Target Retirement Fund closest to the year you reach age 65.
- For new hires, your deferral will automatically increase by 1% every April (up to a total deferral of 15%), unless you opt out of this feature. (This is referred to as the auto-increase feature.)
- Employees can elect the auto-increase option at any time. Please contact Vanguard or access your online account to set up auto-increase.



Premera's contributions:

For every 1% you contribute up to 6% of your pay, Premera will contribute a matching contribution to your account of 1/2% (up to a maximum contribution of 3%). You become vested in Premera's matching contributions and earnings after completing three years of service.

Enrollment

An enrollment notice will be sent to your home address within 7–10 business days following your hire date. This notice will include detailed information about enrolling in the 401(k) Plan.

Making changes

You can change your contribution rate and investments at any time by contacting Vanguard. Contribution changes start in the next one to two pay periods, depending on when you enter your savings changes.

Rollovers into Premera's 401(k) Savings Plan

You may roll over a prior employer's qualified plan balance such as a 401(k), 403(b), or pension lump sum distribution to Premera's 401(k) Savings Plan. Contact Vanguard to start this process.

Loans

Under certain circumstances, it is possible to take out a loan from your 401(k) Plan. Contact Vanguard if you would like to apply for a loan from your 401(k) Plan account.

Your 401(k) Plan beneficiary

Your beneficiary will receive your 401(k) Plan benefits if you die. Make your beneficiary designation for the 401(k) Plan when you enroll on the vanguard.com site. If you are married, you must name your spouse as your primary beneficiary OR have your spouse waive their right to this designation. Contact Vanguard for more information about naming a beneficiary.

Keep your beneficiary designation up to date. If things change in your life, make sure your beneficiary designations reflect those changes.

New hires who have been automatically enrolled in the 401(k) Plan make their beneficiary designation on the Vanguard site as well.

Premera Pension Equity Plan

In addition to the 401(k) Savings Plan, Premera provides the Pension Equity Plan (PEP) to help meet your retirement savings goals. The PEP is a defined benefit pension plan that combines the portability of a 401(k) plan with the security of a traditional pension plan. It provides you with a benefit at retirement that you can easily calculate at any point during your career. The cost of the PEP benefit is 100% paid by Premera. Unlike the 401(k) Savings Plan, Premera assumes the investment risk of the assets held in the PEP trust, so your benefit is not affected by the changes in the value of investments.

Plan highlights

- You are eligible after one year of service as long as you are at least 21 years of age. Enrollment is automatic for eligible employees and begins either the January 1 or July 1 following your satisfaction of the eligibility requirements.
- You are vested in your PEP benefit when you have completed three full years of service.
- Benefits accrue based on your years of service and your final average earnings.
- If you are vested in the PEP and you leave Premera, you can choose between a lump sum payment (which you can roll over to an IRA or another employer's 401(k) Plan) or a monthly annuity, regardless of your age or whether you are retiring or going to another job.

The PEP benefit formula

Your PEP benefit is calculated by multiplying your final average earnings (FAE) by your accrual percentage.

Final average earnings calculation: Your annual earnings are reviewed for each of your last 10 years of service with Premera; earnings for the 5 consecutive years that your earnings were the highest are added together, then divided by 5. Your FAE will include base pay, overtime earnings, incentive pay, and performance bonuses.

Accrual percentage is the percentage that grows with each year of service.

Pension statement

Once you are vested in the plan, you can get benefit estimates for retirement planning purposes by using the pension calculator tool on the Retirement Programs page on the HR iHub. If you'd like to request an estimate for retirement planning purposes, visit the [Retirement Programs page](#) on the HR iHub and complete a [Pension Statement Request Form](#).

Premera Pension Equity Plan *continued*

PEP example

Maria has 12 years of service with Premera and a FAE of \$40,000. For each year of service, she earns an increasing percentage that, when totaled, will be multiplied by her FAE of \$40,000. In Maria's case, she'll earn 4% in the early years, increasing to 10% in her final two years. Her total accrual percentage at the end of her service will be 85%. (Refer to the chart on the right.)

The math looks like this:

$$4\% + 4\% + 4\% + 6.5\% + 6.5\% + 8\% + 8\% + 8\% + 8\% + 8\% + 10\% + 10\% = 85\%$$

Maria's PEP lump sum benefit will be \$34,000 (85% x \$40,000) when she leaves the company after 12 years of service.

Your PEP beneficiary designation

Even though you will be automatically enrolled in the plan when eligible, you'll need to make your beneficiary designation for the PEP when you become eligible for the plan. You may change or update it at any time by going to [Workday](#) and initiating a Beneficiary Change Event. Visit the [Workday job aid](#) for guidance on adding a beneficiary.

*Accrual percentage schedule for employees hired after December 31, 2007. For employees hired before January 1, 2008, please see the [Retirement Programs page](#) on the HR iHub site.

PEP accrual percentage schedules*

Years of service	Earned percentage for each year
1-3	4%
4-5	6.5%
6-10	8%
11-15	10%
16-20	12%
21-30	15%

After 30 years, the maximum total accrual percentage = 325%.

Years of service	Percent accrued each year	Total accrual percentage growth
1	4%	4%
2	4%	8%
3	4%	12%
4	6.5%	18.5%
5	6.5%	25%
6	8%	33%
7	8%	41%
8	8%	49%
9	8%	57%
10	8%	65%
11	10%	75%
12	10%	85%

Paid time off and holidays

PTO

Employees who work at least 20 hours per week are eligible for paid time off (PTO), a pool of time that is intended for vacation, personal days, and sick time. PTO accruals are prorated for part-time employees.

Service	Annual accrual	Your balance cannot exceed
Hire – 5 years	160 hours (20 days)	320 hours
5 – 10 years	176 hours (22 days)	352 hours
10 – 15 years	200 hours (25 days)	400 hours
More than 15 years	216 hours (27 days)	432 hours
PT employees working < 20 hours	.025 hours per hour worked	432 hours

You must record the PTO time that you use on your timesheet on Workday.

Holidays

Premera observes eight paid holidays each year:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day

Personal Day

In addition to the designated holiday schedule, Premera provides full-time and part-time employees with one Personal Day per calendar year to use at their discretion. The Personal Day is not part of Premera's paid holiday schedule. Schedule the Personal Day in advance, and note that approval is based on staffing and business needs. It is not an accrued benefit, and it is designed to be used during the calendar year.

Education and development

Premera is committed to providing employees with educational opportunities both on- and off-site. Employees can pursue training vital to their current or future jobs, as well as toward completing a degree program that is relevant to their career at Premera.

Tuition assistance program

Whether it's an individual course, a certification program, or a bachelor or graduate degree, Premera provides tuition assistance to part- and full-time employees interested in pursuing educational opportunities relevant to their current job or a future position with the company. Premera will reimburse employees for costs associated with tuition, lab fees, and/or required course-related textbooks based on the class type. See [iHub](#) for more information.

Training and development

Premera provides a variety of online and classroom training courses that build technical, interpersonal, team, and productivity skills. We also satisfy requirements of company, customer, or government regulations. Courses and training sessions can be found on Workday under My Learning.



Passport to Perks

We've partnered with Passport Unlimited, Inc. to offer a discount program that includes many discounts on goods and services such as fitness centers; health clubs; restaurants; movies; specific venues such as Target, Costco, Disneyland; and much more.

All employees receive a Passport to Perks membership that can be shared with immediate family members (your spouse, domestic partner, and dependents) on up to five devices, which may be used in stores or online at participating local and national retailers.

For more information visit the [Passport Discount Program page](#) on the HR iHub.

Employee assistance

GuidanceResources® is a confidential telephone and web-based program that can help you and anyone in your household get the support you need, when you need it.

Their services include:

- Consultations on personal issues
- Legal information and resources
- Information, referrals, and resources for work/life needs
- Financial information, resources, and tools
- Identity theft restoration services
- Online wellness tools and information

Commute trip reduction

Premera offers a monthly subsidy to encourage employees to use alternative modes of commuting to work. These include carpools, vanpools, mass transit, and walking or biking to work. Premera also offers reserved parking spaces for employees who carpool. For more information visit the [Commuting page](#) on the HR iHub.

Benefit resources and helpful contact information

Benefit resources

Medical/vision, dental, and personal funding account questions

All employees

800-722-1471
800-842-5357 TTY
premera.com
Group# 1000016

ConnectYourCare automated line

800-941-6121

Premera Human Resources

[Pay and benefits iHub site](#)
humanresources@premera.com
MS 318
425-918-5964

Benefits enrollment center

[Workday](#)

Health and wellness resources

Wellness program

[Wellness program iHub site](#)
humanresources@premera.com
MS 318

24-Hour NurseLine

Free, available 24/7, and confidential
866-224-8541

Employee Assistance Program Guidance Resources

877-637-8327
guidanceresources.com
Company ID: PRE2255

98point6

98point6.com/premera

Teladoc

855-332-4059
teladoc.com/premera

Account resources

Health Savings Account

UMB Financial Services

866-520-4472
hsa.umb.com

401(k) Savings Plan

Vanguard

800-523-1188
vanguard.com
Plan: 091705

Life/AD&D

Symetra

800-426-7784
800-833-6388 TTY
866-348-0058 fax
Plan: 01-016691-00

STD & LTD

Symetra

877-377-6773
877-737-3650 fax
symetra.com/mygo

Guardian IDI Claims

888-275-7473
claim@berskshirelife.com

Summary plan descriptions (SPD)

This book is a high-level overview of your benefits. It is not a legal summary plan description or contract. Summary plan descriptions provide full descriptions of Premera's medical, dental, flexible spending account, disability, life insurance, accidental death and dismemberment, pension, and 401(k) Plan benefits. The summary plan descriptions are available on the HR iHub site. You may also request a paper copy of the summary plan descriptions by contacting humanresources@premera.com.

Discrimination is Against the Law

Premera Blue Cross (Premera) complies with applicable Federal and Washington state civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, sex, gender identity, or sexual orientation. Premera does not exclude people or treat them differently because of race, color, national origin, age, disability, sex, gender identity, or sexual orientation. Premera provides free aids and services to people with disabilities to communicate effectively with us, such as qualified sign language interpreters and written information in other formats (large print, audio, accessible electronic formats, other formats). Premera provides free language services to people whose primary language is not English, such as qualified interpreters and information written in other languages. If you need these services, contact the Civil Rights Coordinator. If you believe that Premera has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, sex, gender identity, or sexual orientation, you can file a grievance with: Civil Rights Coordinator — Complaints and Appeals, PO Box 91102, Seattle, WA 98111, Toll free: 855-332-4535, Fax: 425-918-5592, TTY: 711, Email AppealsDepartmentInquiries@Premera.com. You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, the Civil Rights Coordinator is available to help you. You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Ave SW, Room 509F, HHH Building, Washington, D.C. 20201, 1-800-368-1019, 800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>. You can also file a civil rights complaint with the Washington State Office of the Insurance Commissioner, electronically through the Office of the Insurance Commissioner Complaint Portal available at <https://www.insurance.wa.gov/file-complaint-or-check-your-complaint-status>, or by phone at 800-562-6900, 360-586-0241 (TDD). Complaint forms are available at <https://fortress.wa.gov/oic/onlineservices/cc/pub/complaintinformation.aspx>.

Language Assistance

- ATENCIÓN:** si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 800-722-1471 (TTY: 711).
- 注意:** 如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 800-722-1471 (TTY: 711)。
- CHÚ Ý:** Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 800-722-1471 (TTY: 711).
- 주의:** 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 800-722-1471 (TTY: 711) 번으로 전화해 주십시오.
- ВНИМАНИЕ:** Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 800-722-1471 (телетайп: 711).
- PAUNAWA:** Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 800-722-1471 (TTY: 711).
- УВАГА!** Якщо ви розмовляєте українською мовою, ви можете звернутися до безкоштовної служби мовної підтримки. Телефонуйте за номером 800-722-1471 (телетайп: 711).
- ប្រយ័ត្ន:** បើសិនជាអ្នកនិយាយ ភាសាខ្មែរ, សេវាជំនួយផ្នែកភាសា ដោយមិនគិតល្អល្អ គឺអាចមានសំរាប់អ្នក។ ចូរ ទូរស័ព្ទ 800-722-1471 (TTY: 711)។
- 注意事項:** 日本語を話される場合、無料の言語支援をご利用いただけます。800-722-1471 (TTY:711) まで、お電話にてご連絡ください。
- ማስታወሻ:** የሚናገሩት ቋንቋ አማርኛ ከሆነ የትርጉም እርዳታ ድርጅቶች፣ በነጻ ሊያገለግሉት ተዘጋጅተዋል። ወደ ሚከተለው ቁጥር ይደውሉ 800-722-1471 (መስማት ለተሳናቸው: 711)።
- XIYYEEFFANNA:** Afaan dubbattu Oroomiffa, tajaajjila gargaarsa afaanii, kanfaltiidhaan ala, ni argama. Bilbilaa 800-722-1471 (TTY: 711).
- ملحوظة:** إذا كنت تتحدث اذكر اللغة، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 800-722-1471 (رقم هاتف الصم والبكم: 711).
- ਧਿਆਨ ਦਿਓ:** ਜੇ ਤੁਸੀਂ ਪੰਜਾਬੀ ਬੋਲਦੇ ਹੋ, ਤਾਂ ਭਾਸ਼ਾ ਵਿੱਚ ਸਹਾਇਤਾ ਸੇਵਾ ਤੁਹਾਡੇ ਲਈ ਮੁਫਤ ਉਪਲਬਧ ਹੈ। 800-722-1471 (TTY: 711) 'ਤੇ ਕਾਲ ਕਰੋ।
- ACHTUNG:** Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 800-722-1471 (TTY: 711).
- ໂປດອຸບ:** ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ, ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ຄ່າສິ່ງຄ່າ, ຄວນມີພ້ອມໃຫ້ທ່ານ. ໂທ 800-722-1471 (TTY: 711).
- ATANSYON:** Si w pale Kreyòl Ayisyen, gen sévis èd pou lang ki disponib gratis pou ou. Rele 800-722-1471 (TTY: 711).
- ATTENTION:** Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 800-722-1471 (ATS : 711).
- UWAGA:** Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń pod numer 800-722-1471 (TTY: 711).
- ATENÇÃO:** Se fala português, encontram-se disponíveis serviços linguísticos, grátis. Ligue para 800-722-1471 (TTY: 711).
- ATTENZIONE:** In caso la lingua parlata sia l'italiano, sono disponibili servizi di assistenza linguistica gratuiti. Chiamare il numero 800-722-1471 (TTY: 711).
- توجه:** اگر به زبان فارسی گفتگو می کنید، تسهیلات زبانی بصورت رایگان برای شما فراهم می باشد. با 800-722-1471 (TTY: 711) تماس بگیرید.