

for your  
benefit



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## Introducing FlexChoice. Your benefits. Your way

MCGHealth has many roles to play, but making decisions about your total benefits package just isn't one of them. How much coverage you need and how much you are willing to spend is your decision. FlexChoice is a dynamic new flexible benefits program – full of choices and affordability – that helps you make the decisions that are best for you and your family based on your priorities. FlexChoice is the new benefits program for 2010.

You may recall that we began a cost management initiative last March. At that time we asked you to help us help you lower costs. FlexChoice helps do that while providing more options and helping you build your own, customized benefits program with comprehensive and affordable coverage.

Our goal is to be the area's employer of choice. A superior benefits plan – with features not offered by other employers and unrivaled by our competitors – helps us achieve that status.

### What are flex credits?

Flex credits represent MCGHealth's contribution to the cost of your benefits. You will receive enough flex credits to affordably design a benefits plan suited to your needs.

Each employee will get a different number of flex credits, based on three factors – the cost of the benefits; your salary (for disability, life and accidental death and dismemberment insurance); and your age (for life insurance). You also get more flex credits if you cover dependents.

The amount of flex credits you receive will be visible in the online enrollment system, which will calculate your total credits throughout the process and allow you to revise your selections before you complete enrollment.

### What are price tags?

MCGHealth's total cost to offer you a benefit option is the benefit's price tag. Price tags for medical, dental and vision plans are based on the actual cost of the plans. On the other hand, price tags for disability, life insurance and accidental death and dismemberment insurance are unique to you and increase with your salary. Life insurance price tags increase as you age.

### Even the act of enrolling is flexible

You will spend the flex credits provided by MCGHealth on benefit options (which have been assigned a specific price tag.) You can spend your flex credits any way you want – on medical, dental, vision and so forth. If you run out of flex credits, you pay for the balance through your payroll deductions.

Let's say that you have flex credits left over, you have the opportunity to reassess your benefit elections. You can rethink your benefits coverage. Did you elect dental coverage? Did you elect vision coverage? Consider whether you or someone in your family may need new contacts or eyeglasses. Did you select life and disability coverage? Think about your long-term needs and those of your loved ones.

If you see no need for further benefits or contributions to a flexible spending account, then you may choose to have the excess credits paid to you as taxable income.

*Employees and their families have different needs when it comes to choosing their total benefits package. Who understands these needs better than you? These choices should be your choices. With a flexible benefits plan, you can select affordable and customized benefits specific to you and your family.*

**Derek Carissimi,**  
Vice President, Human Resources

## Additional Benefits

MCGHealth will also offer benefits that are available outside of the credits and price tags of the FlexChoice program. These benefits are not available as a pre-tax payroll deduction:

- Medical (the Economy plan)
- Dependent life insurance
- Paid time off
- Long-term care insurance
- 529 College Savings Plan
- Retirement savings plan
- Voluntary benefits such as home, auto and pet insurance, legal assistance, accident, cancer, critical illness and medical (gap) insurance

The Medical Economy plan is offered outside of FlexChoice because it is a catastrophic, safety net medical plan that helps you with large medical bills as opposed to comprehensive medical coverage for day-to-day health care needs.

Dependent Life Insurance, Long Term Care Insurance, auto insurance, home insurance, legal assistance and pet insurance are known as voluntary benefits. Because you contribute to voluntary benefits on an after-tax basis, they do not qualify for inclusion in FlexChoice.

The Retirement Savings Plan, 529 College Savings Plan and Paid Time Off program operate under other federal rules.



## New Voluntary Benefits for 2010!

Auto Insurance      Home Insurance  
 Pet Insurance      Critical Illness Insurance  
 Legal Assistance

## Enrollment is Active

When enrollment begins for the 2010 FlexChoice benefits program, you must actively enroll. If you do not, you will receive default coverage that may be different from your 2009 benefits elections and inadequate for your 2010 needs. Online enrollment is necessary due to the new benefit design.

A detailed overview of the 2010 FlexChoice benefits program and open enrollment process will be given during the Benefit Forums in the Large Auditorium.

These forums will consist of a program overview, enrollment guide, and FAQs. Meeting participation is **mandatory**.

EMPLOYEE BENEFIT FORUMS					
Mandatory Presentation – Large Auditorium (BC 141)					
	Tues., Sept. 8	Wed., Sept. 9	Thurs., Sept. 10	Mon., Sept. 14	Thurs., Sept. 17
7:30 am	√				
10:00 am			√		√
12 noon	√	√		√	
3:30 pm	√			√	
5:30 pm			√		√