



**Independence  
Blue Cross**

*Family of Companies*

# THE RIGHT DIRECTION

**Benefits Profile**

2009

**The Independence Blue Cross Family of Companies (IBC) provides associates with a comprehensive and competitive benefits program.**

**This profile highlights information on the various benefits plans that IBC offers to its associates. Inquiries related to the information contained in this profile may be directed to:**

**The Associate Service Center  
Independence Blue Cross  
1901 Market Street, 25th floor  
Philadelphia, PA 19103**

**Phone: 215-241-2751**

**Fax: 215-241-0688**

# Part 1: Health insurance plans

## MEDICAL PLANS

IBC provides coverage for all full-time associates and part-time associates scheduled to work 15 or more hours per week, along with their eligible dependents (including domestic partners). Coverage is effective from the first of the month following or coincident with date of hire.

IBC pays most of the cost for medical insurance for full-time associates and eligible part-time associates who elect “Associate Only” coverage.\*

### Preferred Provider Organization (PPO)

- AmeriHealth Flex PPO  
(AmeriHealth associates in DE and NJ)
- Flex Personal Choice® (all other associates)

cost sharing:	Associate Only	\$80
	Associate & Child	\$120
	Associate & Children or Associate & Spouse	\$183
	Family	\$233
	<i>Benefit</i>	<i>Coverage</i>
copayments:	primary care	\$15
	specialist	\$30
prescription drug coverage:	generic (formulary)	\$5
	brand (formulary)	\$20
	non-formulary	\$35
vision coverage:	routine eye exams and corrective lenses once every two calendar years	

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\*Eligible part-time associates who elect dependent coverage must pay the difference between the cost of “Associate Only” coverage and the cost of coverage for the associate plus applicable dependents.

## Health Maintenance Organization (HMO)

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- AmeriHealth Flex HMO  
(AmeriHealth associates in DE and NJ)
  - Keystone Health Plan East Flex HMO  
(all other associates)
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We offer three HMO options to IBC associates:

### **HMO Option 1: Consumer Driven Health Plan — Health Reimbursement Account (HRA)**

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cost sharing:	No cost to associate (except for spousal surcharge, if applicable)	
deductible: <sup>†</sup>	Individual	\$2000
	Family	\$6000
out-of-pocket maximum:	Individual	\$3000
	Family	\$9000

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	<i>Benefit</i>	<i>Coverage</i>	
copayments: (no deductible)	primary care		\$20
	specialist		\$40
prescription drug coverage:	generic (formulary)		\$10
	brand (formulary)		\$35
	non-formulary		\$50
vision coverage:	routine eye exams and corrective lenses once every two calendar years		
HRA:	\$1,000 Individual/ \$3,000 Family annual employer-funded contribution to a health reimbursement account for deductible and coinsurance expenses		

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<sup>†</sup>After deductible, plan pays 80% of most covered expenses.

## MEDICAL PLANS (CONTINUED)

### *HMO Option 2: Keystone/AmeriHealth Flex HMO C1-F1*

cost sharing:	Associate Only	\$24
	Associate & Child	\$37
	Associate & Children or Associate & Spouse	\$55
	Family	\$70
	<i>Benefit</i>	<i>Coverage</i>
copayments:	primary care	\$10
	specialist	\$20
prescription drug coverage:	generic (formulary)	\$5
	brand (formulary)	\$20
	non-formulary	\$35
vision coverage:	routine eye exams and corrective lenses once every two calendar years	

### *HMO Option 3: Keystone/AmeriHealth Flex HMO C2-F2*

cost sharing:	Associate Only	\$10
	Associate & Child	\$14
	Associate & Children or Associate & Spouse	\$21
	Family	\$27
	<i>Benefit</i>	<i>Coverage</i>
copayments:	primary care	\$15
	specialist	\$30
prescription drug coverage:	generic (formulary)	\$10
	brand (formulary)	\$35
	non-formulary	\$50
vision coverage:	routine eye exams and corrective lenses once every two calendar years	

Note: Prescription drug benefits for all medical plans are provided through FutureScripts®.

## SPOUSAL SURCHARGE

Full-time associates pay a \$40 biweekly surcharge for spouses covered under IBC medical, prescription drug, and vision benefits if the spouse has coverage available through another employer. This surcharge is waived if an associate's spouse does not have other coverage available.

## DENTAL PLANS

IBC provides dental coverage at no cost for all full-time associates and part-time associates\* scheduled to work 15 or more hours per week, along with their eligible dependents (including domestic partners).

<b>Benefit</b>	<b>Coverage — effective 1st of the month following or coincident with date of hire</b>
<i>Dental Health Maintenance Organization (DHMO)</i>	<ul style="list-style-type: none"><li>• ConcordiaPLUS</li><li>• preventive, basic, major dental coverage</li><li>• use participating dental offices</li></ul>
<i>Preferred Provider Organization (PPO)</i>	<ul style="list-style-type: none"><li>• ConcordiaFLEX</li><li>• preventive, basic, major dental coverage</li><li>• use any licensed dentist</li></ul>

## HEALTH PLAN WAIVER OPTIONS

Associates who opt to receive coverage through another health insurance plan may waive their IBC coverage:

- Waive medical, prescription drug, and vision coverage and receive a \$45 biweekly bonus (\$22.50 for part-time associates).
- Waive dental coverage and receive a \$5 biweekly bonus (\$2.50 for part-time associates).

Health plan waiver bonuses are subject to taxes. To be eligible for either bonus, the associate's spouse may not be employed within the IBC Family of Companies.

\*Eligible part-time associates who elect dependent coverage must pay the difference between the cost of "Associate Only" coverage and the cost of coverage for the associate plus applicable dependents.

## Part 2: Additional company-paid benefits

IBC provides the following benefits at no cost to all full-time associates and part-time associates scheduled to work 15 or more hours per week.

<b>Benefit</b>	<b>Coverage</b>
<i>Basic Life Insurance</i>	<ul style="list-style-type: none"><li>• effective 1st day of the month following or coincident with 30 calendar days from date of hire</li><li>• benefit equal to two times salary (salary is defined as base salary plus past 12 months' commissions)</li></ul>
<i>Accidental Death &amp; Dismemberment</i>	<ul style="list-style-type: none"><li>• effective 1st day of the month following or coincident with 30 calendar days from date of hire</li><li>• benefit equal to two times salary (salary is defined as base salary plus past 12 months' commissions)</li></ul>
<i>Basic Long-Term Disability Insurance</i>	<ul style="list-style-type: none"><li>• effective 1st day of the month following or coincident with 30 calendar days from date of hire</li><li>• benefit equals 60% of salary (salary is defined as base salary plus past 12 months' commissions)</li><li>• benefits begin following six months of continuous disability</li></ul>
<i>Business Travel Accident Insurance</i>	<ul style="list-style-type: none"><li>• effective the date of hire</li><li>• \$100,000 benefit</li><li>• associate must be traveling on company business</li><li>• commute to and from work excluded</li></ul>
<i>Tuition Reimbursement Program</i>	<ul style="list-style-type: none"><li>• effective the first academic session after date of hire</li><li>• reimbursement applicable to any accredited course of study in an undergraduate or graduate degree program</li><li>• 100% reimbursement with no dollar limit</li></ul>
<i>Adoption Assistance Program</i>	<ul style="list-style-type: none"><li>• effective after 90 days of service</li><li>• reimburses associates up to \$3,500 for eligible expenses related to the adoption of a child not related to the associate</li><li>• eligible expenses include agency fees, placement fees, and legal fees</li></ul>

## Part 3: Additional benefits you may purchase

Eligible associates (full-time and part-time scheduled to work a minimum of 15 hours per week) may purchase the benefit plans listed below. Contributions are made on a pretax basis, so associates do not have to pay social security tax, federal income tax and, in certain areas, state and local tax on the deducted amount.

<b>Benefit</b>	<b>Coverage</b>
<i>Long-Term Disability Enhancement</i>	<ul style="list-style-type: none"><li>• effective 1st day of the month following or coincident with 30 calendar days from date of hire</li><li>• benefit supplies an additional 6<sup>2</sup>/<sub>3</sub>% of LTD benefit added to the company-provided LTD benefit of 60%</li></ul>
<i>Medical Spending Account</i>	<ul style="list-style-type: none"><li>• effective 1st day of the month following or coincident with date of hire</li><li>• used to fund eligible medical/dental expenses not covered by insurance for the associate and eligible dependents</li><li>• \$260 annual minimum; \$4,000 annual maximum</li><li>• funds not used by the end of the calendar year will be forfeited in accordance with IRS regulations</li></ul>
<i>Dependent Care Spending Account</i>	<ul style="list-style-type: none"><li>• effective 1st day of the month following or coincident with date of hire</li><li>• used to fund eligible dependent child(ren) or elder care expenses</li><li>• \$260 annual minimum; \$5,000 annual maximum (highly compensated associates may be subject to further limitations)</li><li>• funds not used by the end of the calendar year will be forfeited in accordance with IRS regulations</li></ul>
<i>Transportation Spending Account</i>	<ul style="list-style-type: none"><li>• effective 1st day of the month following or coincident with date of hire</li><li>• used to pay for transit and/or parking expenses</li><li>• monthly maximum is \$120 for transit and \$230 for parking</li></ul>

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## ADDITIONAL BENEFITS YOU MAY PURCHASE (CONTINUED)

Benefit	Coverage
<i>Flex Vacation</i>	<ul style="list-style-type: none"> <li>• purchase 1 – 5 flex vacation days</li> <li>• cost determined by base salary</li> <li>• must use all company-paid vacation before using flex vacation</li> <li>• no carryover of flex vacation</li> <li>• cost of unused flex vacation may be reimbursed at year end</li> <li>• associates hired on or after October 1 are not eligible to participate in the first calendar year of employment</li> </ul>

Full-time and part-time (scheduled to work 15 or more hours per week) associates may purchase the following benefits on an after-tax basis through payroll deduction.

Benefit	Coverage
<i>Supplemental Life Insurance</i>	<ul style="list-style-type: none"> <li>• effective 1st day of the month following or coincident with 30 calendar days from date of hire</li> <li>• group policy equal to 1, 1.5, 2, 2.5, 3, or 3.5 times salary (salary is defined as base salary plus 12 months of commissions)</li> <li>• Supplemental Life Insurance amounts are matched with an equal amount of Accidental Death &amp; Dismemberment Insurance (AD&amp;D)</li> </ul>

<i>Dependent Life Insurance</i>	Coverage		
	Level 1	Level 2	Level 3
Spouse	\$10,000	\$25,000	\$50,000
Child(ren)	\$ 3,000*	\$ 5,000*	\$10,000*
Family	\$10,000/ \$3,000	\$25,000/ \$5,000	\$50,000/ \$10,000

\*Children are covered at 50% of the stated amounts until they reach age 3.

<i>Group Universal Life</i>	<ul style="list-style-type: none"> <li>• effective 1st day of the month following or coincident with 90 calendar days from date of hire</li> <li>• provided through American General Life Insurance Company</li> <li>• individual policy for associates and/or eligible dependents</li> </ul>
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## Part 4: Retirement plans

IBC provides a pension plan and 401(k) retirement savings plan to assist associates in planning for their retirement.

### CASH BALANCE PENSION PLAN

- IBC maintains an account for each associate and, each year, contributes an amount equal to a set percentage of the associate's pay.
- Pension contributions begin immediately.
- Vesting begins after 2 years; associates are 100% vested after 3 years of service.
- Contributions continue for up to 30 years of service.
- Progressive benefit formula is based on years of service.

### BLUE CHIP 401(K) RETIREMENT SAVINGS PLAN

- Associates are immediately eligible to participate.
- Associates may make pretax salary deferral contributions of up to 50% of covered pay.
- Associates are always 100% vested in their contributions to the plan.
- IBC matches 50 cents for every dollar contributed up to the first 6% of an associate's contribution.
- Vesting of IBC matching contributions begins after 2 years; associates are 100% vested in IBC matching contributions after 5 years of service.
- Mutual fund investment options are available through The Vanguard Group, Inc.
- Loans and withdrawals are available under specific, IRS-defined circumstances.

## Part 5: Paid time-off and leave-of-absence policies

Benefit	Coverage														
<i>Company Holidays</i>	<ul style="list-style-type: none"> <li>• 10 designated paid holidays</li> <li>• 2 paid personal holidays if hired prior to July 1</li> <li>• 1 paid personal holiday if hired on or after July 1 but before October 1</li> </ul>														
<i>Vacation</i>	<ul style="list-style-type: none"> <li>• 2 weeks (10 days) to 5 weeks (25 days) based upon length of service</li> <li>• prorated first year based on hire date</li> </ul> <table border="1"> <tr> <td>January – February</td> <td>9 days</td> </tr> <tr> <td>March – April</td> <td>7 days</td> </tr> <tr> <td>May – June</td> <td>5 days</td> </tr> <tr> <td>July – August</td> <td>4 days</td> </tr> <tr> <td>September – October</td> <td>3 days</td> </tr> <tr> <td>November</td> <td>2 days</td> </tr> <tr> <td>December</td> <td>N/A</td> </tr> </table> <p><i>not eligible until new year</i></p>	January – February	9 days	March – April	7 days	May – June	5 days	July – August	4 days	September – October	3 days	November	2 days	December	N/A
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December	N/A														
<i>Sick/Emergency Leave</i>	<ul style="list-style-type: none"> <li>• 5 days per year</li> <li>• prorated first year based on hire date</li> </ul> <table border="1"> <tr> <td>January – February</td> <td>5 days</td> </tr> <tr> <td>March – April</td> <td>4 days</td> </tr> <tr> <td>May – June</td> <td>3 days</td> </tr> <tr> <td>July – August</td> <td>2 days</td> </tr> <tr> <td>September – October</td> <td>1 day</td> </tr> <tr> <td>November – December</td> <td>N/A</td> </tr> </table> <p><i>not eligible until new year</i></p> <ul style="list-style-type: none"> <li>• used for associate's own or family members' illness, personal emergency, bereavement of non-immediate family member</li> <li>• carry over up to 5 days per year to a maximum of 10 days</li> </ul>	January – February	5 days	March – April	4 days	May – June	3 days	July – August	2 days	September – October	1 day	November – December	N/A		
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<i>Short-Term Disability</i>	<ul style="list-style-type: none"> <li>• eligible after 90 days from date of hire</li> <li>• benefit is paid at 100% or 60%, based on years of service</li> <li>• medical documentation and claim approval required</li> <li>• benefits begin on the 6th business day of absence</li> </ul>														

(continued on page 11)

<b>Benefit</b>	<b>Coverage</b>
<i>Family and Medical Leave Act</i>	<ul style="list-style-type: none"> <li>• eligible 12 months from date of hire</li> <li>• associates must have worked 1,250 hours in the previous 12-month period</li> <li>• unpaid leave for up to 12 work weeks</li> <li>• for birth, adoption, or foster care or a serious medical condition of an associate's spouse, child, parent, or self</li> <li>• 30 days' notice to manager/supervisor is required when need for leave is foreseeable</li> <li>• upon return, associate will be restored to same or equivalent position with equivalent pay, benefits, and seniority</li> </ul>
<i>Bereavement Leave</i>	<ul style="list-style-type: none"> <li>• up to 3 paid days for leave due to death of immediate family member</li> </ul>
<i>Court Appearance</i>	<ul style="list-style-type: none"> <li>• jury duty service and court appearances for which associate is not personally involved</li> <li>• straight-time pay reduced by juror pay</li> <li>• jury duty notice must be submitted to supervisor prior to duty</li> <li>• subpoena/summons must be submitted to supervisor for court appearances</li> </ul>
<i>Military Leave</i>	<ul style="list-style-type: none"> <li>• for Active Reservist and civil emergency leave</li> <li>• straight-time pay to weekly maximum for 2 weeks</li> <li>• service credited for all benefits during absence</li> <li>• reemployment and reinstatement provisions apply</li> <li>• provisions of leave are based on current federal and state law at the time</li> </ul>

# 2002



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This profile describes highlights of the Independence Blue Cross Family of Companies' (IBC) Benefits Program. Details of these plans are contained in the official plan documents that legally govern the operation of the plans. If there is any conflict between this profile and the plan documents, the documents will always govern. IBC reserves the right to change, amend, or terminate these plans at any time. This profile does not constitute a contract of employment or contract of any other nature between IBC and any other sponsoring company and any employee.